BRILLIANT KNOWLEDGE

EDISON INSIGHT

Strategic perspective | Company profiles

June 2022

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Contents

Prices at 27 June 2022

US$/£ exchange rate: 0.8093

€/£ exchange rate: 0.8568

C$/£ exchange rate: 0.6322

A$/£ exchange rate: 0.5702

NZ$/£ exchange rate: 0.5161

SEK/£ exchange rate: 0.0809

Published 30 June 2022

NOK/£ exchange rate: 0.0833

CHF/£ exchange rate: 0.8344

ZAR/£ exchange rate: 0.0513

HUF/£ exchange rate: 0.0022

KZT/£ exchange rate: 0.0018

JPY/£ exchange rate: 0.0061

Welcome to the June edition of Edison Insight. We now have c 400 companies under coverage, of which 106 are profiled in this edition. Healthcare companies are covered separately in Edison Healthcare Insight. Click here to view the latest edition.

This month we open with a strategy piece by Alastair George, who believes that global markets appear to be processing incoming data one step at a time. The first step was to acknowledge that monetary policy will need to be tighter than expected as inflation has surged. This has pushed long- and short-term interest rate expectations higher. For more highly valued segments of the equity markets, there has been a substantial valuation correction during H122. During June, investors have started to discount the consequences of a sustained period of tighter monetary policy (step two). A meaningful economic slowdown is evident both in purchasing managers' indices and a sharp decline in consumer confidence in the US and UK. Industrial commodity prices such as copper and iron ore have been under significant pressure as growth expectations for 2022 are scaled back. After the valuation reset of the past 12 months, equities are now at risk of profits downgrades (step three). Investors should be patient during this period. In our view, equities will represent a better risk/reward when earnings forecasts have bottomed. Rather than underwriting the current expansion, which appears to be nearing its peak, we believe investors will be better served by anticipating the ultimate recovery (step four), or the final step in the market cycle. Stagflation may require a different portfolio response to a typical slowdown. With war-related global supply chain challenges in food and energy, inflation may be more resistant to interest rate increases than originally expected. For the medium term, we would be cautious about over-allocating to nominal assets even as they shield short-term market volatility. We remain neutral on equities and bonds and believe the focus should be on hedging risk rather than looking for outsize gains. Following the market declines, price/book valuations for equities are no longer so obviously elevated. We believe balance sheet quality and earnings and margin resilience will be positively correlated with medium-term performance. Furthermore, with close to double-digit inflation across developed markets, investors can no longer be sure cash will protect real wealth.

This month we have added Else Nutrition to the company profiles.

Readers wishing for more detail should visit our website, where reports are freely available for download (www.edisongroup.com). All profit and earnings figures shown are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

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We welcome any comments/suggestions our readers may have.

Neil Shah
Director of research

Global perspectives: Step two of four

Analyst

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- **Global markets appear to be processing incoming data one step at a time.** The first step was to acknowledge that monetary policy will need to be tighter than expected as inflation has surged. This has pushed long- and short-term interest rate expectations higher. For more highly valued segments of the equity markets, there has been a substantial valuation correction during H122.
- **During June, investors have started to discount the consequences of a sustained period of tighter monetary policy (step two).** A meaningful economic slowdown is evident both in purchasing managers' indices and a sharp decline in consumer confidence in the US and UK. Industrial commodity prices such as copper and iron ore have been under significant pressure as growth expectations for 2022 are scaled back.
- **After the valuation reset of the past 12 months, equities are now at risk of profits downgrades (step three).** Investors should be patient during this period. In our view, equities will represent a better risk/reward when earnings forecasts have bottomed. Rather than underwriting the current expansion, which appears to be nearing its peak, we believe investors will be better served by anticipating the ultimate recovery (step four), or the final step in the market cycle.
- **It is easy for central banks to talk tough in a strong labour market.** However, as labour markets weaken and political attention turns to rising unemployment, the risk of central banks prematurely declaring 'mission accomplished' on inflation will increase. While central banks are almost assured of engineering a slowdown, we fear the impact on inflation may be elusive. We remain neutral on government bonds as any upside from yield compression after the peak in rates is likely to be capped by ongoing inflation uncertainty.
- **Stagflation may require a different portfolio response to a typical slowdown.** The very weak performance of 60/40 bond/equity portfolios over the last 12 months should be instructive. With war-related global supply chain challenges in food and energy, inflation may be more resistant to interest rate increases than originally expected. For the medium term, we would be cautious about over-allocating to nominal assets even as they shield short-term market volatility.
- **We remain neutral on equities and bonds and believe the focus should be on hedging risk rather than looking for outsize gains.** Following the market declines, price/book valuations are no longer so obviously elevated for global equities. We believe balance sheet quality and earnings and margin resilience will be positively correlated with medium-term performance. Furthermore, with close to double-digit inflation across developed markets, investors can no longer be sure cash will protect real wealth.

At step two of four

In 2022, investors have been obliged to track multiple moving parameters across the economic and political spectrum. Ironically, the traditional study of political economy may have greater relevance to investors at present, rather than more modern quantitative econometrics or big data financial analysis. We believe investors should be incorporating both quantifiable risks and sheer uncertainty into portfolio allocations.

There is a European land war in progress, with no resolution in sight. It is abundantly clear that Russia is waging both a political and economic battle with Europe. Russia has provided few recent clues as to the grounds of any peace, other than its own originally dictated terms of surrender. Diplomatic efforts to resolve the conflict via a ceasefire no longer reach the newswires. Nevertheless, missile attacks on the Ukrainian capital during the recent G7 summit indicate a sense of frustration within the Russian administration rather than any strict focus on military goals.

For the rest of the world, the advent of war in such an important region for traded commodities suggests the basis of the supply of global necessities such as energy and food has shifted and at least temporarily become detached from price signals, or the stance of US monetary policy.

Before the war, trade under the economic principles of supply and demand prevailed. While the reliance of EU nations on Russian energy created fears of the politicisation of energy supplies, this remained a mere threat or tail risk, until this year. Most recently, an explicit Russian strategy of blocking access to global food supplies – if comments from elements within the Russian administration can be taken at face value – is becoming an increasing concern.

In part because of Russia's invasion, but also due to a failure to accurately model the response of the global economy to the COVID-19 shutdowns and related fiscal stimulus programmes, inflation has surged to multiples of central banks' targets on a global basis. As a result, monetary policy is being tightened at the same time as pandemic fiscal support is being withdrawn.

In turn, risk premia have increased from unsustainably low levels seen during the COVID-19 pandemic. This is evident in the volatility of government bonds, widening corporate credit spreads, and sharply declining global equity indices. For crypto tokens, an entire quasi-financial metaverse's existence seems to be coming under question. The implosion of this metaverse may sound like an ephemeral event for many investors. However, it represents the loss of trillions of dollars of transient wealth, spread across many unsophisticated consumers who have been drawn into speculating on cryptocurrency as yields on conventional income-producing assets have been supressed as a matter of monetary policy.

In an environment of multiple parameter shifts, we believe markets are proceeding one step at a time and investors are at an unusually high risk of becoming hostage to transient dynamics and narratives. We believe investors should consider the entire cycle in which we are at step two of four. Having accepted the need for tighter monetary policy (step one), investors are now pricing in its consequences (step two). Ahead lies an earnings downgrade cycle, which is likely to weigh on equity market performance during H222 (step three). Only at the final step, when forecasts for economic growth and earnings reach their nadir (step four) should investors start to bet on recovery.

Given the uncertainty, we believe portfolios should be in some respects 'de-tuned' to be robust to a wider than usual range of possible economic and monetary outcomes rather than seeking to excel in any single scenario.

While possibly unhelpful to the brokerage community, we would also suggest avoiding the use the of leverage and generating excessive portfolio turnover. If portfolios remain focused on longer-term themes likely to play out over the years ahead, it may also be easier to ignore the currently elevated level of market noise.

Implications of Russia's exit from the world trading system

We believe Putin's tragic and discretionary choice to invade Ukraine was made in full knowledge of the high risk of triggering a hard exit from a significant proportion of the world's trading system, albeit with the notable exceptions of China and India. To compare Russia's exit with Brexit would be to do the latter a disservice; the direction of travel on sanctions at present suggests a new iron curtain for trade and a leap towards de-globalisation and Russian isolationism. This has significant implications for the global supply of energy and foodstuffs.

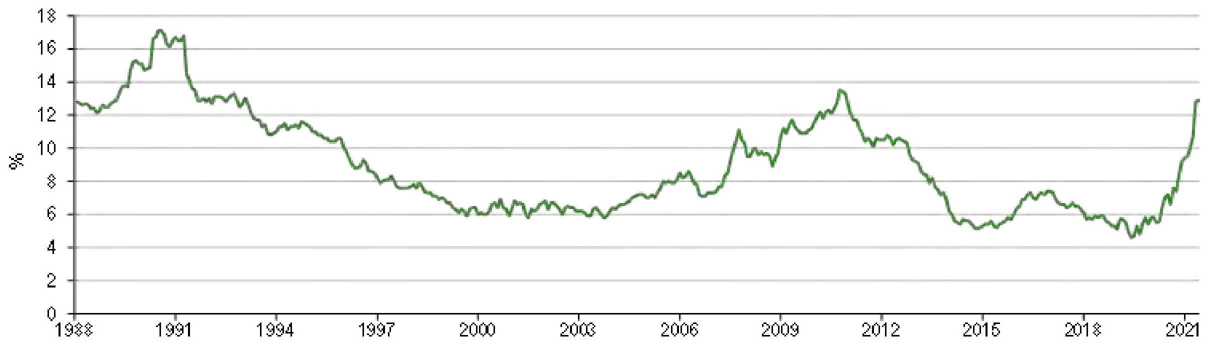
Russia's administration has prioritised entrenching its incumbent political administration over the inevitable economic costs for the population – and there are very limited circumstances in which Putin's decision can be challenged. This may be Russia's decision, but it is also the rest of the world's problem.

Unlike the UK when it exited from the European Union, Russia was a major exporter of key commodities such as energy, grains and fertiliser. Despite Russian claims to the contrary, in recent years it has been increasingly exercising its control over the supply of these commodities for strategic advantage, with the geopolitical linkages reaching a crescendo after the invasion of Ukraine.

Most recently, the proposal for 'humanitarian corridors' for food exports does not appear to represent any immediate threat to Russia's military position. Therefore, the lack of progress on agreeing a safe passage for Ukrainian grain through the Black Sea suggests a Russian willingness to use the global food supply chain as a bargaining chip for political advantage, despite the prospect of food poverty in developing nations.

For developed nations, Russia may even welcome the potentially destabilising effects on Western democracies of rampant food and energy inflation. Price inflation of basic goods has been a worldwide phenomenon, whether in the UK where the economic 'misery' index is making new highs, Exhibit 1, or in the United States where gas prices have risen from US$3.60 to US$5.10 per gallon since the invasion of Ukraine.

Exhibit 1: UK economic 'misery' index (inflation + unemployment rate)



Source: Refinitiv

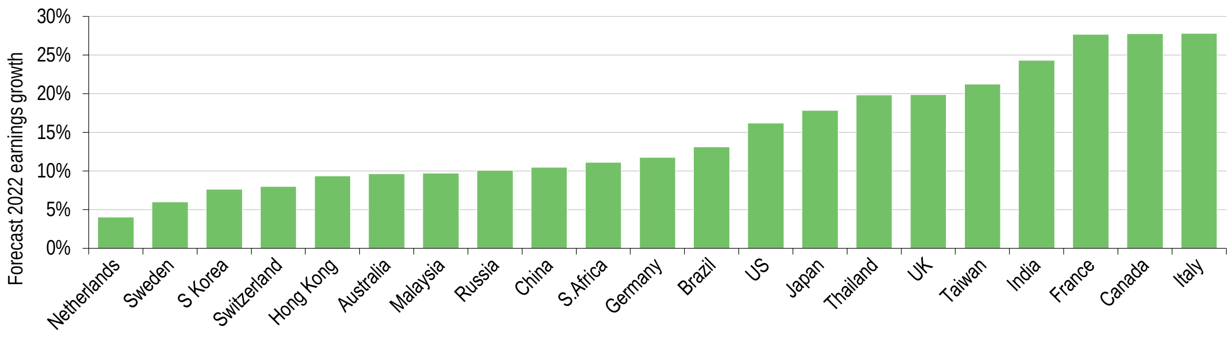
The economic effects of Russia's war have been amplified with labour markets still tight following the COVID-19 pandemic. Workers are resisting declines in real wages – in the UK a new 'summer of discontent' is taking shape as transport unions promise continued disruption until their demands are met. We have previously argued that in a globalised labour force, union power is significantly weaker than in the 1970s, which in our view remains the case, but union power is also not a spent force.

For as long as real wages are in decline, we expect continued political pressure on governments to act to maintain real living standards, even if in aggregate this is just a different definition of a wage price spiral. Longer term, a further risk for equity investors is that deglobalisation creates a relative increase in the negotiating position of labour, as supply chains in key sectors are duplicated for strategic reasons.

For investors, the economic impact of the land war in Europe and higher than anticipated inflation is a toxic combination that has exacerbated a nascent cost of living 'crisis' during the post-COVID recovery period.

We believe equity investors will continue to fear a combination of weak demand as real incomes decline; falling pre-tax profits margins from rising labour costs and lower net margins from increases in corporate taxation, such as the windfall taxes recently imposed in the UK.

Exhibit 2: Forecast earnings growth in 2022 appears ambitious given the prospect of a H2 slowdown



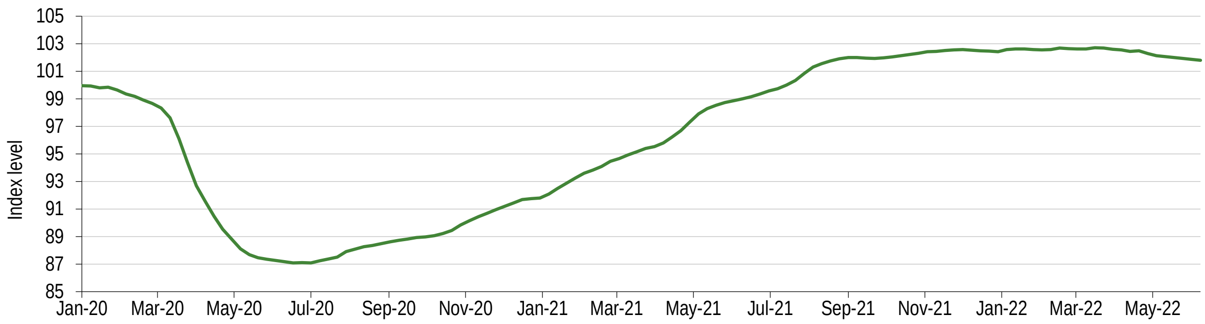
Source: Refinitiv, Edison calculations. Note: Median country growth rate shown.

We believe therefore it is too optimistic to forecast a continued expansion of corporate profitability, further extending the trend observed over the past 30 years. There are few obvious countervailing factors to these pressures on earnings forecasts. The perceived quality and sustainability of corporate earnings in aggregate is therefore increasingly debatable for 2022 and beyond. We would also highlight that the current level of consensus earnings growth is looking rather ambitious, given the deteriorating economic dynamics.

It is becoming clear that global growth is slowing and yet appears some way from the ultimate trough of economic activity before recovery. Central banks in both the US and Europe are explicitly forecasting slower growth as a deliberate result of policies designed to bring aggregate supply and demand back into balance to reduce inflation. We are struggling to identify positive 'outlier' triggers that might provide any upside surprise in the circumstances.

In view of the likely slowdown, we believe consensus earnings forecasts for 2022 are now at risk. We can see the first indications of a downgrade cycle starting, breaking a two-year long trend of upgrades after the COVID-19 recession in our calculated index of earnings revisions, Exhibit 3.

Exhibit 3: 2022 global earnings revisions break the two-year COVID-19 uptrend



Source: Refinitiv, Edison calculations

Tighter monetary policy: Get used to it

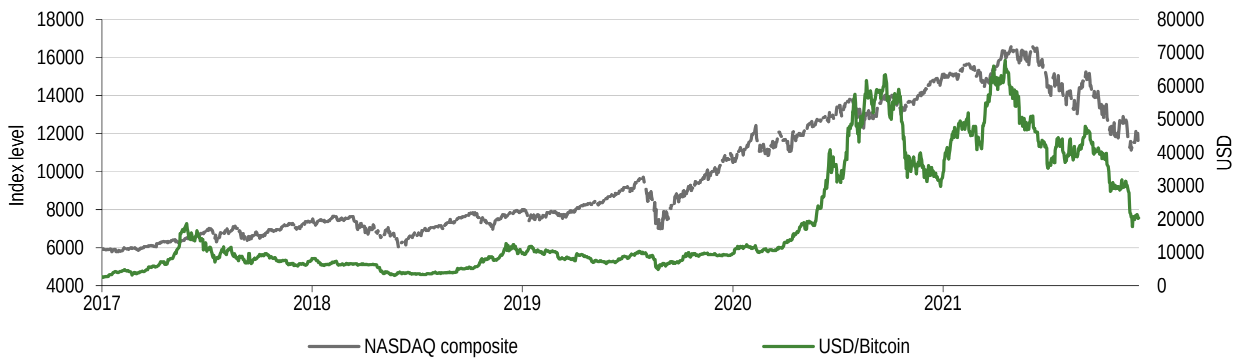
In many respects, the worst-case inflation scenario has now transpired for the world's central banks. The COVID-19 pandemic policy response of sharp cuts to interest rates and massive asset purchase programmes in hindsight looks to have been a mistake, given the extent of fiscal support for incomes during lockdowns. Policymakers may have become complacent following a decade-long period of stubbornly low inflation in both Europe and the US.

Unlike previous episodes of loose monetary policy, broad money supply growth has increased sharply and inflation has taken hold. It may have been emphasised by Russia's invasion of Ukraine but the global surge in inflation was well underway before troops crossed the border in February.

There has also been a correlation between the excess liquidity provided during the pandemic and asset values. The world's developed economies saw a synchronised surge in equity prices, house prices, reduced risk premia for corporate credit and most notoriously of all, triggered widespread interest in this cycle's most speculative investments – cryptocurrencies and loss-making technology 'meme' stocks.

Without hyperbole, there was in our view an explosive asset price bubble in these last two categories of investments, which over the last six months has been progressively unwinding. We note that both the Nasdaq composite and the price of bitcoin are now close to their pre-pandemic averages, following a rather wild excursion to the upside, Exhibit 4.

Exhibit 4: The end of the affair? Nasdaq and bitcoin return to pre COVID-19 levels



Source: Refinitiv

Now, with the focus at the US Federal Reserve (US Fed), Bank of England and European Central Banks firmly on inflation, we think investors hoping that asset price declines might trigger a change in hawkish rhetoric may be disappointed. In our view, any central bank 'put' (the idea that equity investors benefit from an embedded option as central banks loosen policy at the first hint of trouble in markets) remains well out of the money as inflation is so far above target.

Don't fight the Fed

Modelling by the Bank for International Settlements, colloquially known as the 'central bank's central bank', emphasises the importance of central banks maximising the tough talk now. The longer high inflation becomes embedded in the economy the greater the GDP costs of squeezing it out later, as behavioural changes and expectations break away from earlier anchors. Even with this 'front loading' of policy, the scale of the challenge is significant. If energy and food prices remain at current levels, headline inflation is likely to remain above target in both the US and Europe over the next 12 months.

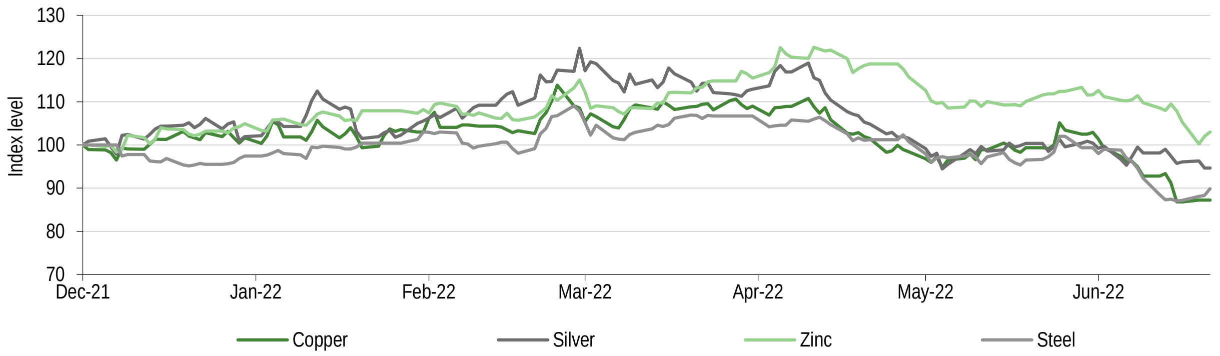
In this regard, we note that US Fed policymakers currently seem to be uncharacteristically willing to ignore or underplay the typical forward-looking indicators of slowing growth, in favour of lagging indicators which include current inflation and recent US labour market strength. In recent comments, US Fed Chair Powell has been explicit that even in the event of a US recession, bringing inflation below target remains the priority.

Monetary policy likely to slow growth quicker than inflation

We are relatively confident that tighter monetary policy will mechanically slow the rate of global GDP growth, not least because of an estimated $227trn of debt outstanding globally. However, we question whether it will ultimately prove possible to slay the inflation dragon with one strike.

The easy part of the journey to lower inflation is to lower expectations for GDP growth in the short term and this process is well underway. In the United States, both the Atlanta Fed GDPNow model and the New York Fed's quantitative modelling suggests US economic growth is likely to slow sharply over coming quarters. We note that commodity prices have been falling sharply over the past six weeks and sentiment towards the basic resources sector has also soured, Exhibit 5.

Exhibit 5: Industrial commodity prices on a downtrend during Q222



Source: Refinitiv

From an institutional perspective, given the quasi- rather than perfect political independence of central banks, this is the easy part of the journey because monetary policymakers and governments are currently aligned in wishing to see lower inflation, albeit for different reasons.

The difficulties arise only later, when inflation is declining but still above target in an environment of rising unemployment, falling asset prices and declining business investment. At this stage, the political objectives are likely to turn to protecting employment. The political pressure on central banks to ease policy quickly is likely to become intense in this phase – and the risk of claiming a premature victory over inflation will be high.

It also remains to be seen what the political impact of higher rates on reserves will mean for central banks holding a significant proportion of government debt outstanding on their balance sheets; as interest rates increase, remittances to Treasuries are expected to decline sharply or even turn negative.

It is far from certain in our view that inflation will fall as rapidly as policymakers hope. In the UK, the inflation genie may already be out of the bottle; it is not only the recent ABBA revival that is reminiscent of the 1970s. Widespread rail strikes risk sympathetic action among unionised labour in other industries. The UK's social fabric is being stretched as retirees benefit from index-linked pensions rising by 10% in 2022, while workers are being expected to settle for below inflation wage increases.

We would question how long government ministers' insistence will remain tenable that working age members of the population should bear reductions in real incomes for the greater good. While the UK may be an extreme case, with the recent global inflation surge coinciding with the most acute period of Brexit-related supply shortages and a declining sterling exchange rate, many other governments are likely to find themselves in a similar position later in 2022.

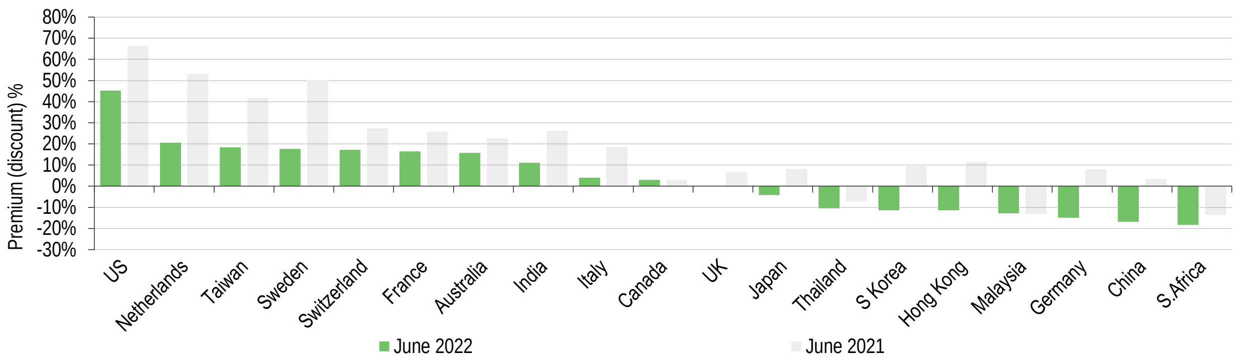
The complicating factor for portfolio strategy at the present time is that while inflation is likely to peak this year, the glide path to targeted levels of 2% is likely to be rather shallow. This extended period of above-target, if declining, inflation risks both second-round effects and intense political pressure on central banks to break their resolve on inflation as economies move into recession and unemployment moves up the political agenda.

In the circumstances, we expect investors to continue to embed a meaningful inflation uncertainty risk premium into global asset prices, spanning both equities and bonds. The reprieve for long-dated, low or zero-income assets may therefore be relatively brief in the event of a near-term peak in interest rates. While we would not wish to project a perfect replica of the 1970s onto the current situation, we can also observe that following the oil price surge of 1973 it was over a decade before US inflation was fully brought under control.

Valuation pressure has eased considerably following market declines

We believe it is time to shift our stance on valuation following widespread and meaningful market declines in 2022 to date. The extent of the shift in country valuations can be clearly seen in Exhibit 6, which shows our estimate of the aggregate price/book valuation for national stock markets.

Exhibit 6: Global equity price/book: June 2022 versus June 2021



Source: Refinitiv, Edison calculations. Note: Price/book premium versus 15-year average.

In mid-2021, equity valuations had reached an extreme. This was the time of the 'meme' stock and the Tech 2.0 stock market bubble. This was a phenomenon in which the wise participated in the beginning and the unwise were drawn into in the end. In 2022 and in hindsight, the technology may have been new, but the expansion and contraction of the bubble now seems to have been driven by the usual culprit of excess liquidity.

However, Exhibit 6 also shows that we can be less concerned about extreme valuations *per se*. Outside the US, there are no flashing danger signals as valuations are broadly in-line with long-term average levels. In any case, valuations are not the primary driver of short-term equity market performance. In the short term, the key driver is likely to be the deteriorating trend in consensus earnings forecasts, which added to the prospect of higher inflation uncertainty is likely to weigh on market price to book multiples over coming quarters. Given current valuations, at the coming trough in the cycle there is however an increasing prospect of a strong recovery in asset values, which investors should stand ready to take advantage of.

US/China relationship may need common objective to achieve rapprochement

At present, globalisation appears to be increasingly on the ropes as the United States eyes an increasingly competitive and assertive Chinese administration and Russia has chosen for internal political advantage to behave in a way that effectively precludes trade with a large majority of the world's nation states.

While the United States may be seeking to roll back certain tariffs on Chinese goods now that inflation has moved up the political agenda, we believe the competitive tension between it and China will remain in place. The direction of travel remains in the wrong direction for investors, with the political temperature rising in respect of both Taiwan and China's support (if lukewarm and rather self-interested) of Russian aggression.

A sudden about-turn, towards a warmer relationship at this point appears to be of low probability, perhaps only in a scenario where the respective administrations have aligned incentives in terms of potential domestic political instability caused by continuing disruption to energy and food markets. We do not sense that pressure for this type of implicit cooperation exists at present.

Trade frictions such as the mere possibility of supply disruption from arbitrary sanctions or tariffs and ever higher barriers in terms of technology transfer between the world's two largest economies means that supply chains will need to be more diverse, even to the extent of running parallel industries for different global end markets.

Supply chain diversification, or duplication, is 'wasteful', in the sense that it is unnecessary duplication of cost as it represents an 'industrial defence' strategy, alongside a technologically advanced fighting force. This is an inflationary development in the global economy, not only because of the inevitable replication and loss of economies of scale, but also as deglobalisation fragments global labour markets and improves the negotiating position of labour within local or regional, rather than global, markets.

Conclusion

We are struggling to find scenarios that would offer a rapid return to the prior decade's 'golden era' for asset prices, with its potent combination of subdued inflation, loose monetary policy and steady economic and profits expansion. This era represented the fruits of many decades of effort in developing the political and trade infrastructure that facilitated a globalised world economy.

To date, we view the disappointing returns from almost all asset classes during 2022 as a thorough correction in valuation terms commensurate with the realisation by central banks that the monetary policy response to COVID-19 was an unusually large policy error. Central bank communications seem to be running in maximum scare mode, attempting to ‘front-load’ the impact of policy to reduce the lag between interest rate changes and the turn in inflation.

Nevertheless, the actual degree of independence of central banks could quickly be called into question as the cycle turns and unemployment increases. As a result, we believe the risk that the war on inflation is declared won prematurely is significant. This also creates a conflict between the short- and medium-term outlook, particularly for investors in long-dated bonds.

While we would typically expect to be turning positive on long-dated bonds at this stage in the cycle, we believe yields are unlikely to compress significantly as the economy slows. This is due to elevated inflation uncertainty, and we therefore remain neutral on US government bonds.

In an environment where a significant and synchronised slowdown in real economic activity is our base case even as inflation is expected to remain well above target over the next 12 months, we believe investors should be focused on robust rather than ‘optimal’ portfolios.

Our previous strategy of focusing on traditional sectors such as energy (both fossil and new energy), insurance, pharmaceuticals and defence, plus supply chain disruption beneficiaries such as shipping remains appropriate for a world of stagflation. Given the opportunities presented by this defensive sector allocation, we remain neutral on global equities pending evidence the earnings downgrade cycle is complete.

We do not believe it is a time to be searching for outsize returns while monetary policy is being tightened on a global basis at a pace not seen since the 1980s. The risk of an unanticipated accident in the financial system, such as cascading losses in the crypto metaverse, impacting the real economy is currently significantly higher than usual, in our view.

Sector: Technology

Price:	48.0p
Market cap:	£53m
Market	AIM

Share price graph (p)

Company description

1Spatial's core technology validates, rectifies and enhances customers' geospatial data. The combination of its software and advisory services reduces the need for costly manual checking and correcting of data.

Price performance

%	1m	3m	12m
Actual	11.6	29.7	11.6
Relative*	16.8	35.0	13.4

* % Relative to local index

Analyst

Kenneth Mestemacher

1Spatial (SPA)

INVESTMENT SUMMARY

1Spatial has announced a two-year contract to build a data verification gateway with High Speed Two (HS2). The deal is worth £0.9m over two years, the majority of which is likely to be a recurring software licence/subscription, with options to extend for a further two years beyond that. The deal provides support for our current estimates, but also highlights the company's increasingly interesting strategic position as the go-to supplier of location master data management solutions in both the UK and United States. 1Spatial's potential to deliver strong, scalable growth continues to strengthen. We do not believe that the company's current valuation (EV/sales 1.9x) reflects this potential.

INDUSTRY OUTLOOK

We believe that the geospatial market is likely to witness robust growth driven by a number of factors such as the open data movement and 1Spatial looks well placed to benefit from this.

Y/E Jan	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2021	24.6	3.6	0.2	0.17	282.4	13.5
2022	27.0	4.2	1.1	0.77	62.3	21.3
2023e	29.0	4.9	1.8	1.21	39.7	11.7
2024e	31.2	5.7	2.5	2.29	21.0	9.8

Sector: Technology

Price:	HUF782.00
Market cap:	HUF80709m
Market	Budapest stock exchange

Share price graph (HUF)

Company description

4iG is a regional ICT/telecoms group focused on two core areas: IT services, where it is the number one IT systems integrator in Hungary; and telecoms and infrastructure, built around its acquisition of Antenna Hungária and its investments in the Western Balkans.

Price performance

%	1m	3m	12m
Actual	2.2	(3.0)	24.5
Relative*	0.0	8.0	52.8

* % Relative to local index

Analyst

Richard Williamson

4iG (4IG)

INVESTMENT SUMMARY

4iG is now the second-largest telecoms group in Hungary and a significant telecoms group in the Western Balkans, underlining its M&A-driven change of focus. The group reported Q122 net revenues of HUF48.9bn (a rise of 220% y-o-y), with EBITDA of HUF14.5bn and PAT of HUF2.2bn (a four-fold increase). Pro forma figures suggest FY22 EBITDA of at least HUF80bn, with the company expected to provide formal guidance for the year alongside its Q222 results. Net debt at 31 March 2022 stood at HUF453bn, implying an FY22 EV/EBITDA of 8.5x, with a medium-term net debt/EBITDA target of 4x. We expect to reinstate our forecasts following the Q222 results in August.

INDUSTRY OUTLOOK

4iG's is building a leading regional information and communication technology group. Its strategy is focused on three pillars: IT services, telecoms and infrastructure, and space and defence. The group is targeting market leadership in Hungary, with M&A driving an increasingly diversified footprint across the Western Balkans.

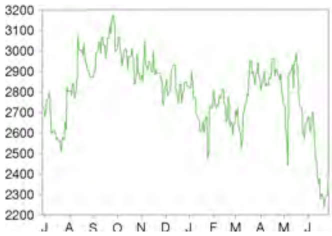
Y/E Dec	Revenue (HUFm)	EBITDA (HUFm)	PBT (HUFm)	EPS (fd) (HUF)	P/E (x)	P/CF (x)
2020	57300.0	5047.0	4175.0	36.58	21.4	N/A
2021	93653.0	12094.0	8737.0	73.52	10.6	N/A
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

4imprint Group (FOUR)

Sector: Media

Price:	2400.0p
Market cap:	£674m
Market	LSE

Share price graph (p)



Company description

4imprint is the leading direct marketer of promotional products in the United States, Canada, the UK and Ireland. In FY21, 98% of revenues were generated in the United States and Canada.

Price performance

%	1m	3m	12m
Actual	(9.3)	(17.0)	(13.0)
Relative*	(5.1)	(13.6)	(11.7)

* % Relative to local index

Analyst

Fiona Orford-Williams

INVESTMENT SUMMARY

4imprint announced in May that trading over the first four months of the year was stronger than anticipated. Both order volumes and average order values were up double digits over the same period in 2019, resulting in revenues up 27% on the pre-COVID-19 comparison. The group is now back on track to reach its long-held FY22 target of $1bn revenue and we upgraded our forecasts accordingly. These now show a more robust recovery in operating margin, despite the economic uncertainty and inflation impact. Interims are scheduled for 10 August. 4imprint is a high-quality business in a large and growing market, underpinned by marketing expertise and a strong balance sheet.

INDUSTRY OUTLOOK

In some ways 4imprint's trading reflects the health of the US economy. There will be increasing attention paid to the impact of inflation on customer budgets and the threat of recession, on top of ongoing concerns regarding stock availability and cost inflation for both stock and staff. However, these are factored into the numbers (as much as is sensible currently). The US promotional products distribution market is highly fragmented and ASI estimated its value in 2021 at US$23.2bn.

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	560.0	8.9	3.8	11.0	269.6	50.4
2021	787.3	35.7	30.2	80.3	36.9	36.5
2022e	1000.0	59.3	53.5	144.8	20.5	13.8
2023e	1125.0	70.5	64.8	172.8	17.2	12.3

AAC Clyde Space (AAC)

Sector: General industrials

Price:	SEK1.62
Market cap:	SEK322m
Market	Nasdaq FN Premier

Share price graph (SEK)

Company description

Headquartered in Sweden, AAC Clyde Space is a world leader in nanosatellite end-to-end solutions, subsystems, platforms, services and components, including supply to third parties. It has production and development operations in Sweden, Scotland, the Netherlands, the United States and a start-up in Africa.

Price performance

%	1m	3m	12m
Actual	(7.5)	(26.0)	(37.9)
Relative*	2.0	(14.9)	(24.7)

* % Relative to local index

Analyst

Andy Chambers

INVESTMENT SUMMARY

AAC Clyde Space is at the forefront of the rapidly growing and innovative market for small satellites. AAC continues to seek opportunities in New Space to extend its reach, capabilities and technologies. While supply chain and labour issues continued to constrain Q122 performance (we are reviewing our estimates), management expects sales of SEK500m in FY24. As nanosatellite build rates and deployments rise sharply, management is targeting revenues of c $250m (SEK2.2bn) by 2030 including space data as a service (SDaaS) revenue, which management expects to reach c $150m. Investment is increasing to build, own and operate several constellations to support the ambition, with 10 satellites due to launch in FY22.

INDUSTRY OUTLOOK

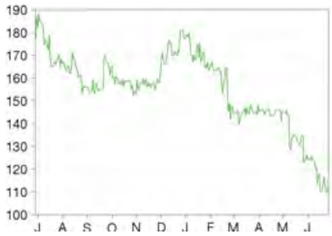
AAC Clyde Space has a strong space heritage in small and nanosatellites. Over the next five years around 3,000 nanosatellites should be launched as technology development extends the applications for low earth orbit constellations, especially for communications. Its growing capabilities cover three revenue segments: SDaaS, Space Missions and Space Products. AAC Clyde Space aims to become a world leader in commercial small satellites and services from space.

Y/E Dec	Net Sales (SEKm)	EBITDA (SEKm)	PBT (SEKm)	EPS (fd) (öre)	P/E (x)	P/CF (x)
2020	98.4	(17.5)	(26.7)	(25.79)	N/A	N/A
2021	180.0	(12.3)	(31.8)	(16.91)	N/A	N/A
2022e	270.1	7.3	(10.5)	(5.00)	N/A	N/A
2023e	377.1	35.0	7.2	3.00	54.0	16.6

Sector: General industrials

Price:	116.5p
Market cap:	£241m
Market	LSE

Share price graph (p)



Company description

Accsys Technologies is a chemical technology company focused on the development and commercialisation of a range of transformational technologies based on the acetylation of solid wood and wood elements for use as high performance, environmentally sustainable construction materials.

Price performance

%	1m	3m	12m
Actual	(6.1)	(19.7)	(33.4)
Relative*	(1.7)	(16.4)	(32.4)

* % Relative to local index

Analyst

Johan van den Hooven

Accsys Technologies (AXS)

INVESTMENT SUMMARY

Accoya wood revenue increased by c 15% to €105m in FY22, driven by price increases as volumes were 1.4% lower year-on-year due to capacity constraints and a temporary plant shutdown related to the construction of the fourth reactor in Arnhem. Gross margin will be lower compared to last year due to mix effects and the impact of higher cost of raw materials. To cope with current levels of inflation, Accsys intends to raise prices again from June 2022 having already introduced an energy price premium from May 2022 (to mitigate the effects of volatile gas prices on the company's acetyl raw material costs).

INDUSTRY OUTLOOK

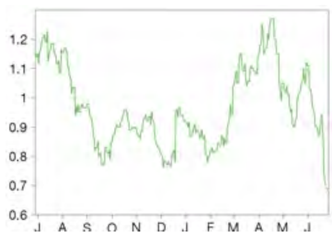
To fulfil the ongoing strong market demand for its high-performance wood products, Accsys aims to expand its total processing capacity from 60,000m3 currently to 200,000m3 by 2025, with 60,000m3 coming on stream in the next three months. Construction delays in Arnhem and working capital requirements were the main reasons for the €19m capital rise on 25 May 2022.

Y/E Mar	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (c)	P/E (x)	P/CF (x)
2020	90.9	7.0	1.5	(0.80)	N/A	18.0
2021	99.8	10.3	0.5	0.66	206.0	21.6
2022e	121.1	10.4	1.0	1.25	108.8	23.8
2023e	156.7	21.6	8.8	4.30	31.6	12.9

Sector: Mining

Price:	A$0.68
Market cap:	A$402m
Market	ASX

Share price graph (A$)



Company description

Alkane Resources has two main assets in Central West New South Wales: the Tomingley gold mine, where recent exploration has increased the mine life by at least eight years, from FY23 to FY31, and its Boda prospect at Northern Molong, which is shaping up to be a tier 1 alkalic porphyry district.

Price performance

%	1m	3m	12m
Actual	(35.4)	(38.1)	(40.5)
Relative*	(30.5)	(30.9)	(34.6)

* % Relative to local index

Analyst

Lord Ashbourne

Alkane Resources (ALK)

INVESTMENT SUMMARY

Alkane exceeded guidance in FY21 by nearly 4% and production of 44koz in 9M22 is in line with budget (at an all-in sustaining cost guidance range of A$1,500–1,650/oz). Exploration at San Antonio and Roswell has already led to an increase in Tomingley's life from CY23 until CY31 at production levels up to 115koz pa and AISC down to A$1,350–1,450/oz. Subsequent exploration has increased the Roswell resource by 37% as well as delineating a maiden resource of 5.2Moz Au or 10.1Moz AuE at Boda.

INDUSTRY OUTLOOK

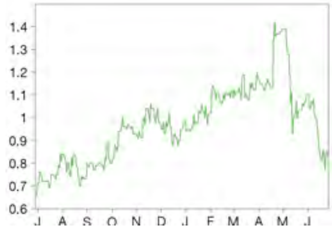
Our most recent valuation of Alkane attributed 33c/share in value to Tomingley plus net cash. To this could then be added 1) 6c for the eventual development of the Roswell underground extension, 2) 16c given the then level of the gold price (US$1,818/oz), 3) 4c for residual resources, 4) 3c for ongoing exploration success, 5) 15c for Alkane's investments in Calidus and Genesis (albeit it has now sold the majority of its Genesis stake), and 6) up to 79c for Boda to give a total of A$1.56/share.

Y/E Jun	Revenue (A$m)	EBITDA (A$m)	PBT (A$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	72.5	29.4	20.6	2.48	27.4	13.2
2021	127.8	70.5	46.3	5.30	12.8	5.6
2022e	136.4	52.3	27.8	3.24	21.0	7.8
2023e	128.2	57.3	31.4	3.67	18.5	7.1

Sector: Mining

Price:	C$0.77
Market cap:	C$979m
Market	JSE , TSX-V

Share price graph (C$)



Company description

Alphamin owns (84.14%) and operates the Bisie tin mine at Mpama North in the North Kivu province of the DRC with a grade of c 4.5% tin (the world's highest). Accounting for c 4% of mined supply, it is the second largest tin mine in the world outside China and Indonesia.

Price performance

%	1m	3m	12m
Actual	(28.0)	(31.3)	14.9
Relative*	(22.5)	(21.4)	20.7

* % Relative to local index

Analyst

Lord Ashbourne

Alphamin Resources (AFM)

INVESTMENT SUMMARY

Alphamin offers rare exposure to a metal that both Rio Tinto and MIT regard as the most likely to benefit from the electrification of the world economy and its Mpama North mine at Bisie in the Democratic Republic of the Congo has achieved steady-state production at a time when the tin price has experienced its biggest squeeze in decades. As a result, the company is already net debt free and has paid a maiden dividend. Since then, it has also announced Q122 results that were in line with our prior expectations plus the development of another mine at Mpama South, where a 46% resource increase has also recently been reported.

INDUSTRY OUTLOOK

At a long-term tin price of US$42,793/t, in April, we calculated a value for Alphamin of US$1.25 (or C$1.58) per share. However, a concerted exploration programme is ongoing and this valuation rises to as high as US$1.98/share (C$2.49/share) in the event of exploration successfully expanding and/or extending the life of operations.

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	187.4	58.3	15.7	(0.71)	N/A	35.2
2021	352.9	194.9	159.0	3.75	16.0	5.1
2022e	519.6	350.2	315.1	11.73	5.1	2.6
2023e	541.7	369.7	328.1	14.99	4.0	3.6

Sector: Technology

Price:	19.2p
Market cap:	£12m
Market	AIM

Share price graph (p)

Company description

Applied Graphene Materials (AGM) develops graphene dispersions that customers use to enhance the properties of coatings, composites and functional materials. It also manufactures high-purity graphene nanoplatelets using readily available raw materials instead of graphite.

Price performance

%	1m	3m	12m
Actual	10.0	(12.5)	(34.8)
Relative*	15.1	(9.0)	(33.7)

* % Relative to local index

Analyst

Anne Margaret Crow

Applied Graphene Materials (AGM)

INVESTMENT SUMMARY

Applied Graphene Materials (AGM) has entered the chemical resistant coatings market by issuing a performance data package which demonstrates that its graphene nanoplatelet dispersions confer higher levels of protection from harsh chemicals when used in coatings applications. The graphene technology performs extremely well compared with the glass flake and mica additives currently used to confer chemical resistance but at substantially lower loading levels. This gives coatings formulators greater flexibility with their products and application scope. Applications include chemical tank linings, pipe linings, floor coatings and structural steelwork coatings.

INDUSTRY OUTLOOK

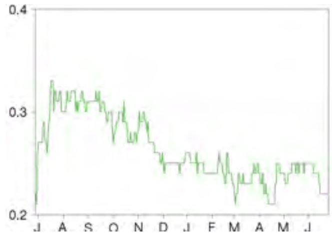
AGM has also signed an exclusive distribution agreement with Indian partner, Imkemex, who is headquartered in Mumbai. This extends AGM's commercial reach directly into the region's liquid resins, coatings, composites and polymers sectors.

Y/E Jul	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	0.1	(3.1)	(3.5)	(6.1)	N/A	N/A
2021	0.1	(3.2)	(3.6)	(5.6)	N/A	N/A
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: General industrials

Price: NZ$0.22
Market cap: NZ$110m
Market NZSX

Share price graph (NZ$)



Company description

ArborGen Holdings (formerly Rubicon) is an NZX-listed investment company. Its subsidiary ArborGen is the world's largest integrated developer, commercial manufacturer and supplier of advanced forestry seedlings with operations in the United States, Brazil and Australasia.

Price performance

%	1m	3m	12m
Actual	(10.2)	(8.3)	0.0
Relative*	(9.3)	1.0	17.9

* % Relative to local index

Analyst

Kenneth Mestemacher

ArborGen Holdings (ARB)

INVESTMENT SUMMARY

ArborGen delivered solid FY22 sales growth across continuing operations, with revenues up 11% to US$47.6m. Record US advanced genetic seedling sales, up 32% y-o-y, reflect the company's focus on advanced genetics. Management also completed its strategic review, shifting focus to the high-growth US South and Brazilian markets, divesting the Australian and New Zealand business, exploring opportunities in using trees to offset carbon emissions and expanding its advanced genetics mass control pollinated seed inventory. FY21 numbers have been restated to reflect the divestment. ArborGen is well positioned to deliver on its new strategy; we are reviewing our estimates and will update them in the near future.

INDUSTRY OUTLOOK

Prior to the COVID-19 outbreak, the economic growth outlook in each of its core countries, the United States and Brazil, was either good or improving, according to OECD data. At this point the primary end-markets served by its plantation forestry customer base were in a positive cyclical phase.

Y/E Mar	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2021	42.8	7.4	(1.0)	(0.1)	N/A	8.7
2022	47.6	10.1	1.0	1.1	12.8	6.5
2023e	N/A	N/A	N/A	N/A	N/A	N/A
2024e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Mining

Price: SEK1.75
Market cap: SEK173m
Market NASDAQ OMX First North

Share price graph (SEK)

Company description

Auriant Mining is a Swedish junior gold mining company focused on Russia. It has two producing mines (Tardan and Solcocon), one advanced exploration property (Kara-Beldyr) and one early stage exploration property (Uzhunzhul).

Price performance

%	1m	3m	12m
Actual	6.7	(11.2)	(60.1)
Relative*	17.7	2.2	(51.6)

* % Relative to local index

Analyst

Lord Ashbourne

Auriant Mining (AUR)

INVESTMENT SUMMARY

Relative to its earlier heap leach operation, Auriant's new Tardan CIL plant has increased metallurgical recoveries by c 40pp and reduced cash costs to c US$806/oz in FY21 to result in an approximate 3x increase in EBITDA and a c 2x increase in operational cash flows. It has now repaid all of its high cost debt and is in the process of completing a definitive feasibility study on Kara-Beldyr. Combined, the two mines are expected to achieve management's goal of c 3t (96.5koz) of gold output per annum from FY26. Confirmatory drilling is underway with a view to accelerating the development of Solcocon.

INDUSTRY OUTLOOK

Operating in the former Soviet Union, Auriant is not without risk. However, it reports that operations are largely unaffected by the international situation - a fact borne out by its Q122 results. Assuming that it raises US$20m in equity at SEK3.12/share within the next year however, in December 2021 we valued Auriant at a fully diluted US$1.45/share (SEK13.27/share).

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	53.4	31.2	16.6	13.7	1.3	0.6
2021	47.7	23.1	11.6	10.2	1.7	0.9
2022e	55.6	35.2	23.8	11.4	1.5	0.8
2023e	51.5	32.6	28.4	14.6	1.2	0.8

Sector: Travel & leisure

Price:	€11.20
Market cap:	€79m
Market	Xetra

Share price graph (€)

Company description

Founded in 1999, bet-at-home (BAH) is an online sports betting and gaming company, licensed in Malta and headquartered in Düsseldorf, Germany. Since 2009 BAH has been part of BetClic Everest, a privately owned gaming company, which currently holds 53.9% of BAH's shares.

Price performance

%	1m	3m	12m
Actual	(11.1)	(32.4)	(70.5)
Relative*	(2.5)	(26.6)	(65.1)

* % Relative to local index

Analyst

Russell Pointon

bet-at-home (ACXX)

INVESTMENT SUMMARY

Management claimed a successful start to FY22 with gross betting and gaming revenue of €14m and EBITDA of €-1.4m in Q1 with no comparatives provided due to discontinued activities. Management reiterated prior guidance for FY22 gross gaming revenue of €50–60m and EBITDA of €-2/+2m. The guidance excludes any deconsolidation effects of BAH's Maltese-based company (ie the settlement of assets and liabilities on winding up the company, following the client loss litigation issues in Austria). There is potential better newsflow towards the end of the year if BAH is awarded new licences in Poland and the Netherlands, where it already has high brand awareness.

INDUSTRY OUTLOOK

According to H2 Gambling Capital, the European online sports betting and gaming market is expected to grow 7.4% CAGR between 2019 and 2024. BAH operates mainly in 'grey' markets (no formal regulation but not illegal), which are characterised by strong cash flow, but also carry commensurately higher regulatory risks. Its main market, Germany, was fully regulated in FY21.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	54.6	13.2	11.0	128.50	8.7	2.5
2021	59.3	14.0	11.4	152.45	7.3	5.7
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Technology

Price:	A$0.03
Market cap:	A$33m
Market	ASX

Share price graph (A$)

Company description

BluGlass is an Australian technology company that is developing and commercialising a breakthrough compound semiconductor technology for the production of high efficiency, high power laser diodes.

Price performance

%	1m	3m	12m
Actual	(3.7)	(15.6)	(12.8)
Relative*	3.6	(5.8)	(4.1)

* % Relative to local index

Analyst

Anne Margaret Crow

BluGlass (BLG)

INVESTMENT SUMMARY

BluGlass has shipped the first fully packaged laser diode prototypes to its initial customer, who will integrate and test these laser diode chips in their own development stage applications. The chips, which have undergone internal preliminary performance and lifetime reliability testing, are still at the alpha-test phase. While BluGlass has further work to do on long-term reliability before its customers can incorporate the laser diodes in commercial products, the performance of the laser diodes has improved sufficiently for customers to use the prototypes for product development purposes.

INDUSTRY OUTLOOK

BluGlass is working with several customers who want to trial alpha-test laser diodes in new applications, which include medical devices, sensing, quantum computing and automotive products. This level of interest indicates there is significant unmet demand for 405nm and 420nm laser diodes.

Y/E Jun	Revenue (A$m)	EBITDA (A$m)	PBT (A$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	0.7	(3.6)	(4.8)	(1.01)	N/A	N/A
2021	0.4	(4.6)	(6.8)	(0.94)	N/A	N/A
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

EDISON

Sector: Technology

Price: 98.0p
Market cap: £293m
Market AIM

Share price graph (p)

Company description

Boku operates a billing platform that connects merchants with mobile network operators in more than 80 countries. It has c 300 employees, with its main offices in the United States, the UK, Estonia, Germany and India.

Price performance

%	1m	3m	12m
Actual	(8.0)	(21.3)	(42.4)
Relative*	(3.7)	(18.1)	(41.4)

* % Relative to local index

Analyst

Katherine Thompson

Boku (BOKU)

INVESTMENT SUMMARY

Boku's FY21 results reflect continued strong momentum in the Payments business and improved performance in the since-sold Identity business. Local payment methods added to the Boku network over the last three years showed an accelerating contribution to monthly active user numbers, increasing nine-fold over 2021, and made up nearly 10% of new users in the year. We have revised our forecasts to remove revenue from Russian carriers (no more than $1.5m in revenue/EBITDA for FY22) and estimate an EPS CAGR of 13.7% over FY21–24e.

INDUSTRY OUTLOOK

Direct carrier billing (DCB) is an alternative payment method that uses a consumer's mobile bill as the means to pay for digital content or services such as games, music or apps. Boku is the dominant DCB player, serving the largest merchants such as Apple, Sony, Facebook, Spotify and Netflix, and is expanding into alternative payment methods such as digital wallets and real-time payments.

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	56.4	15.3	11.0	3.21	37.7	21.7
2021	69.2	20.0	14.7	3.87	31.3	17.8
2022e	67.5	22.0	15.6	4.07	29.8	16.4
2023e	74.6	26.2	18.2	4.65	26.0	13.9

Sector: Travel & leisure

Price: €3.60
Market cap: €397m
Market FRA

Share price graph (€)

Company description

The group operates Borussia Dortmund, a leading football club, placed third in the Bundesliga in 2020/21, DFB Super Cup winners in 2019/20, and DFB-Pokal winners in 2020/21. The club has qualified for the Champions League in nine of the last 10 seasons.

Price performance

%	1m	3m	12m
Actual	(8.8)	(12.6)	(41.6)
Relative*	0.1	(5.2)	(30.9)

* % Relative to local index

Analyst

Russell Pointon

Borussia Dortmund (BVB)

INVESTMENT SUMMARY

Borussia Dortmund's football season finished with another (comfortable) second place in the Bundesliga confirming qualification for the Champions League in the 2022/23 season. Management's reiterated guidance for FY22, a net loss of €17–24m, represents a robust performance given the restrictions on fan attendance for the majority of the year and a less successful season in European competitions than is typical. The company is well-placed to deliver an improved financial performance in FY22/23 if further COVID-19 related restrictions can be avoided. Our valuation of €9.8/share suggests significant upside in a normalised operating environment.

INDUSTRY OUTLOOK

Unsustainable spend on wages and transfers is increasingly being penalised by UEFA Financial Fair Play requirements. A 'break-even requirement' obliges clubs to spend no more than they generate over a rolling three-year period. Sanctions vary from a warning to a ban from UEFA competition, fines and a cap on wages and squad size.

Y/E Jun	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	370.2	63.0	45.6	46.77	7.7	5.6
2021	334.2	39.0	24.3	26.28	13.7	8.7
2022e	350.4	81.5	65.8	57.43	6.3	4.8
2023e	389.0	106.5	91.5	76.23	4.7	3.8

Sector: Industrial support services

Price:	260.0p
Market cap:	£84m
Market	LSE

Share price graph (p)

Company description

Braemar Shipping Services is the second largest shipbroker in the world, providing broking services to the dry cargo, deep sea tanker, specialised tanker and sale and purchase markets. It also addresses the fast-growing areas of offshore and renewables, securities and financial markets.

Price performance

%	1m	3m	12m
Actual	(4.6)	9.7	(11.4)
Relative*	(0.2)	14.1	(10.0)

* % Relative to local index

Analyst

Andy Murphy

Braemar Shipping Services (BMS)

INVESTMENT SUMMARY

Braemar recently completed a corporate transformation that will see it move away from being a widely spread shipping services company, to grow into a clearly focused shipbroking operation. Allied to the transformation is the company's growth strategy, supported by growing global trade, and shipping's status as the most energy-efficient and lowest carbon method of freight transport, that has management focused on doubling the business inside four years. We value the shares at 400p, a c 40% premium to the current price, but see greater upside as evidence of success is delivered over the next two to three years.

INDUSTRY OUTLOOK

The global deep sea shipping fleet has been steadily expanding. A key driver has been growing international trade, which is likely to continue and should have a direct benefit on the shipbroking industry. While some charter rates are currently very high, for example container ship charter rates, others like the Baltic Dry Index are broadly within a historical average range and other indicators such as fleet age and low new vessel order books for certain key trades point to greater future demand, thus balancing risks and growth.

Y/E Feb	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	117.7	14.4	9.4	27.28	9.5	8.3
2021	111.8	12.6	8.1	16.57	15.7	6.2
2022e	101.1	13.5	8.7	17.12	15.2	5.7
2023e	105.2	15.8	11.5	23.00	11.3	5.5

Sector: Oil & gas

Price:	C$2.58
Market cap:	C$441m
Market	TSX

Share price graph (C$)

Company description

Canacol Energy is a natural gas exploration and production company primarily focused on Colombia.

Price performance

%	1m	3m	12m
Actual	(6.2)	(19.1)	(24.1)
Relative*	1.1	(7.6)	(20.3)

* % Relative to local index

Analyst

James Magness

Canacol Energy (CNE)

INVESTMENT SUMMARY

Canacol offers investors a pure play on the Colombian natural gas market where it holds a c 20% market share of national demand. A newly secured gas sales contract will connect the company to interior markets via a new pipeline to be completed by 2024. In 2022 the company upgraded its net unrisked prospective resources from 5.7tcf to 20.5tcf, and is focused on converting this into reserves. The 12-well 2022 drilling programme has an emphasis on exploration wells and is targeting a reserves replacement ratio of over 200%. This will require moving beyond the core area for the first time, in particular to drill Pola-1 in the Middle Magdalena Valley, targeting 470bcf. The planned cash and cash dividends are covered by Canacol's existing cash and cash generation.

INDUSTRY OUTLOOK

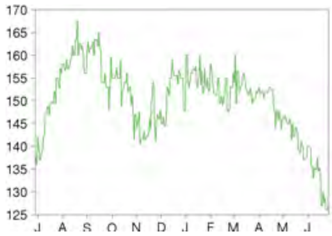
The Colombian, Caribbean Coast gas market is expected to move into gas deficit in the absence of LNG imports, incremental piped gas or the development of recent deepwater discoveries. Canacol sells gas under long-term, fixed-price gas contracts, typically of five to 10 years' duration with inflation clauses to protect cash flows.

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	246.8	172.9	86.1	2.18	92.5	2.4
2021	250.5	162.2	87.7	24.59	8.2	2.9
2022e	262.7	195.4	83.3	25.33	8.0	2.1
2023e	303.0	234.7	112.2	31.19	6.5	1.9

Sector: General industrials

Price: 129.5p
Market cap: £122m
Market LSE

Share price graph (p)



Company description

Carr's Group's Agriculture divisions serve farmers in the North of England, South Wales, the Welsh Borders and Scotland, the United States, Germany, Canada and New Zealand. The Engineering division offers remote handling equipment and fabrications to the global nuclear and oil and gas industries.

Price performance

%	1m	3m	12m
Actual	(5.7)	(13.8)	(5.1)
Relative*	(1.3)	(10.3)	(3.6)

* % Relative to local index

Analyst

Anne Margaret Crow

Carr's Group (CARR)

INVESTMENT SUMMARY

Carr's Group's H122 results show it is coping well with commodity price volatility. The high oil prices are boosting demand for precision engineering services, supporting a recovery in the Engineering division. Group H122 revenues grew by 10.6% y-o-y to £222.7m. Higher commodity prices were offset by a reduction in feed volumes and lower revenues from the engineering solutions business. Adjusted operating profit decreased slightly, by £0.2m to £10.8m. A strong performance from the Agricultural Supplies division and continued recovery in the Engineering division, as well as lower central costs, were offset by a reduction in profits from the Speciality Agriculture division where margins were adversely affected by delays in passing on higher input costs.

INDUSTRY OUTLOOK

We note recent commentary from NWF Group stating that increases in milk prices have been implemented to ensure farmers are incentivised to produce milk despite having higher energy, fertiliser, and feed price inputs.

Y/E Aug	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	395.6	23.4	15.0	11.8	11.0	5.1
2021	417.3	23.9	16.6	13.0	10.0	5.0
2022e	477.6	24.8	17.3	12.5	10.4	4.9
2023e	478.6	25.4	17.9	12.8	10.1	4.8

Sector: Financials

Price: 62.5p
Market cap: £35m
Market AIM

Share price graph (p)

Company description

Cenkos is a leading UK securities business, which acts as nominated advisor, sponsor, broker and financial adviser to companies, focusing on entrepreneurial growth companies and investment trusts. Since inception in 2005 it has raised more than £21bn in equity capital for corporate clients, which stood at 101 at end December 2021.

Price performance

%	1m	3m	12m
Actual	(3.1)	(17.2)	(23.3)
Relative*	1.4	(13.9)	(22.1)

* % Relative to local index

Analyst

Andrew Mitchell

Cenkos Securities (CNKS)

INVESTMENT SUMMARY

Cenkos' full year figures for 2021, reported in March, showed revenue up 18% to £37.2m with the second half slightly ahead of the first half at £19.0m versus £18.2m. During the year the firm carried out two IPOs and 34 transactions in total (29 in FY20) raising over £1.2bn for clients (£0.9bn). Underlying operating profit increased from £4.0m to £5.9m while reported pre-tax profit was £4.0m compared with £2.3m. Diluted EPS increased from 3.3p to 6.0p. A full year dividend of 3.0p was proposed giving a full year figure of 4.25p (+21%) reflecting the board's confidence in the business's ability to weather potential market volatility and the strength of the balance sheet (year-end net cash £33.5m).

INDUSTRY OUTLOOK

The outlook is clouded by the war in Ukraine and macroeconomic concerns but Cenkos reported a good start to 2022 with two IPOs and an introduction, four placings and two M&A transactions carried out in the first 10 weeks. In its AGM statement in May the company noted the continued impact of uncertainty on investor confidence and capital markets activity but indicated that it was working on a number of transactions for clients, had an encouraging pipeline and retained a strong balance sheet and resilient business model.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	31.7	3.1	2.3	3.3	18.9	5.6
2021	37.2	4.8	4.0	6.0	10.4	5.1
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Media

Price:	45.0p
Market cap:	£66m
Market	LSE

Share price graph (p)

Company description

Centaur Media is an international provider of business information, training and specialist consultancy. Its Xeim and The Lawyer business units serve the marketing and legal sectors respectively and offer customers a wide range of products and services to help them add value by raising standards for insight, interaction and impact.

Price performance

%	1m	3m	12m
Actual	(8.2)	(6.3)	9.8
Relative*	(3.9)	(2.5)	11.5

* % Relative to local index

Analyst

Fiona Orford-Williams

Centaur Media (CAU)

INVESTMENT SUMMARY

Centaur is making good progress towards management's MAP23 goals for FY23 revenues of £45m and adjusted EBITDA margins of 23%, both of which should be achieved under our modelled scenario, despite potential headwinds of rising costs. Iterative improvements in the client offering and a greater emphasis on cross-selling underpin the forecast top-line growth, funded from the cash-positive balance sheet. A group-wide data strategy is now being implemented to support scaling of the operations beyond the MAP23 horizon. The group now has an additional non-executive director, Richard Staveley, who is an advisor to Harwood Capital (23.8% shareholding) and a fund manager at Rockwood (5.9%). The valuation remains at a marked discount to peers.

INDUSTRY OUTLOOK

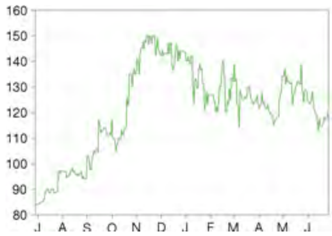
Disruption to the marketing sector is providing a fertile backdrop for demand for B2B market intelligence. With a greater propensity for clients to adopt digital solutions, those clients' digital skill sets need constant enhancement, a process that may be accelerated in the face of a softening economy. The need for comprehensive and timely market intelligence should also support demand at The Lawyer, with further growth opportunities particularly with in-house corporate lawyers.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	32.4	3.8	(0.3)	0.2	225.0	30.9
2021	39.1	6.4	3.0	1.9	23.7	6.9
2022e	43.9	8.1	4.5	2.4	18.8	9.5
2023e	47.0	10.8	7.0	3.4	13.2	6.9

Sector: Technology

Price:	121.5p
Market cap:	£351m
Market	AIM

Share price graph (p)



Company description

CentralNic's two divisions help businesses go online: Online Presence (reseller, corporate and SME) and Online Marketing. Services include domain name reselling, hosting, website building, security certification and website monetisation.

Price performance

%	1m	3m	12m
Actual	(5.5)	(2.0)	45.3
Relative*	(1.1)	1.9	47.6

* % Relative to local index

Analyst

Richard Williamson

CentralNic Group (CNIC)

INVESTMENT SUMMARY

Powered by its privacy-safe approach to online marketing, CentralNic continues to deliver an attractive mix of growth, recurring revenues and strong cash conversion in an uncertain economic climate. CentralNic's Q122 figures were marginally ahead of the April trading update, with gross revenues of US$157m (an 86% rise y-o-y) and net revenues increasing to US$40m (up 43% y-o-y), a 25.5% margin. Adjusted EBITDA increased by 83% to US$19m, a 46% net revenue margin (Q121: 36%, FY21: 39%) demonstrating CentralNic's growing operating leverage. CentralNic trades on an undemanding rating with management confident of the full-year outlook.

INDUSTRY OUTLOOK

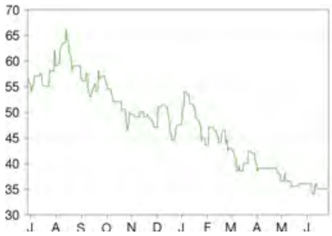
CNIC supplies the tools needed for businesses to develop their online presence and generate revenues through online marketing. It delivers services to c 40m domain names, with building marketplaces facilitating cross-selling and upselling important drivers of future growth – organic growth is supported by M&A.

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	240.0	29.4	18.6	9.57	15.7	N/A
2021	410.5	46.3	31.9	10.69	14.0	219.2
2022e	573.5	65.9	51.1	14.46	10.4	26.1
2023e	672.4	76.0	62.5	16.12	9.3	14.2

Sector: Technology

Price: 35.0p
Market cap: £38m
Market AIM

Share price graph (p)



Company description

Checkit optimises the performance of people, processes and physical assets with connected digital solutions. The company is headquartered in Cambridge, UK, and has operations centres in Fleet, UK, and Tampa, US.

Price performance

%	1m	3m	12m
Actual	(2.8)	(16.7)	(38.6)
Relative*	1.7	(13.3)	(37.6)

* % Relative to local index

Analyst

Katherine Thompson

Checkit (CKT)

INVESTMENT SUMMARY

Checkit made good progress during FY22 with its strategy to transition to a pure SaaS business. Annualised recurring revenue grew 44% y-o-y, helped by new customer wins and expansion of existing contracts, with recurring revenue reaching 75% of total revenue in Q422 compared to 51% for the full year. Management expects to meet market expectations for FY23; our FY23 forecasts are substantially unchanged and we introduce FY24 forecasts that factor in ARR growth of 32%.

INDUSTRY OUTLOOK

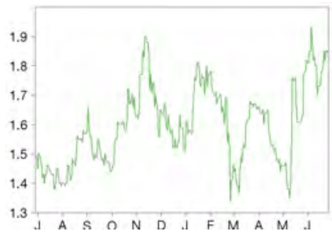
With its workflow management software, Checkit is focused on connecting and empowering deskless mobile workers who are not able to use desktop software in their day-to-day working environment. Only a small proportion of the current enterprise software market is designed for this group of workers. Checkit's sweet spot is supporting workers who perform a combination of routine tasks and infrequent but important tasks where the volume and variety of tasks is such that it is difficult to build a targeted application.

Y/E Jan	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2021	13.2	(2.5)	(3.1)	(5.2)	N/A	N/A
2022	13.3	(4.2)	(4.7)	(7.0)	N/A	N/A
2023e	11.2	(7.8)	(8.8)	(8.1)	N/A	N/A
2024e	14.0	(5.1)	(6.6)	(6.1)	N/A	N/A

Sector: Technology

Price: 1.83PLN
Market cap: PLN334m
Market Warsaw Stock Exchange

Share price graph (PLN)



Company description

Founded in 2002, CI Games is a Warsaw-based developer and publisher of AA+/AAA multi-platform video games for a global audience. It specialises in first person shooter and action-driven titles and owns IP including the Sniper: Ghost Warrior (SGW) and Lords of the Fallen (LotF) franchises.

Price performance

%	1m	3m	12m
Actual	2.8	9.6	21.7
Relative*	8.7	35.4	62.2

* % Relative to local index

Analyst

Richard Williamson

CI Games (CIG)

INVESTMENT SUMMARY

CI Games confirmed Q122 net revenues of PLN12.9m, a 36% rise y-o-y (Q121: PLN9.5m), with adjusted EBITDA of PLN6.5m (Q121: PLN6.3m), a 51% margin, down from 66% in Q121 (FY21: 59%). However, with reduced levels of amortisation, PBT was up 45% to PLN5.0m (Q121: PLN3.5m). Net cash at period end stood at PLN29.7m. In Q222, CI Games announced a tender offer to buy out the 22% minority in United Label, funded by a PLN29m credit facility, which will also be used to support working capital and provide additional development flexibility. Despite falling sector multiples, CI Games' shares have held up well, though they are still trading at a significant discount to peers.

INDUSTRY OUTLOOK

Valuations in the games sector have come under significant pressure in H122, with investors punishing an anything less than perfect performance with heavy markdowns from the 30x P/Es of 2021. In this context, CI Games' low valuation means the shares should not see the same reduction in multiples as the rest of the sector in 2022, with the potential for material upside in 2023.

Y/E Dec	Revenue (PLNm)	EBITDA (PLNm)	PBT (PLNm)	EPS (fd) (gr)	P/E (x)	P/CF (x)
2020	46.0	27.8	8.5	4.18	43.8	7.6
2021	105.5	62.5	44.9	16.12	11.4	6.2
2022e	57.3	32.9	15.3	6.70	27.3	9.2
2023e	272.2	129.4	102.0	44.59	4.1	4.6

![EDISON]

Sector: Financials

Price: 81.2p
Market cap: £496m
Market LSE

Share price graph (p)

Company description

Civitas Social Housing invests across the UK in care-based community housing and healthcare facilities, particularly specialised supported housing, for the benefit of working age adults with long-term care needs. Its investment objective is to provide an attractive level of income, with the potential for capital growth.

Price performance

%	1m	3m	12m
Actual	(2.9)	(6.3)	(30.2)
Relative*	1.6	(2.6)	(29.1)

* % Relative to local index

Analyst

Martyn King

Civitas Social Housing (CSH)

INVESTMENT SUMMARY

Civitas Social Housing's (CSH's) FY22 NAV per share of 110.3p was in line with previous guidance and including DPS paid, the NAV total return was 6.9p, which continues the consistently positive returns of the five years since IPO. Reflecting CSH's robust financial and operational performance, Fitch recently reaffirmed its investment grade credit rating. Having met its 5.55p FY22 DPS target (+2.8%), CSH targets FY23 DPS of at least 5.70p (+2.7%). The FY22 EPRA earnings per share was 2% lower, primarily due to the time taken to deploy existing capital. DPS cover was 87% but is 97% on a look-through basis and should increase further with index-linked rent increases. If adopted, CSH's recently launched initiatives to promote greater regulatory alignment and address perceived lease risks should be positive for the sector without negatively impacting existing financial returns.

INDUSTRY OUTLOOK

We expect private capital to remain crucial in meeting the current and future needs for care-based social housing. It is widely recognised to improve lives in a cost-effective manner compared with the alternatives of residential care or hospitals.

Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	45.9	N/A	37.7	4.6	17.7	15.4
2021	47.8	N/A	36.1	4.9	16.6	19.3
2022e	51.6	N/A	37.6	5.1	15.9	12.3
2023e	55.6	N/A	49.8	5.8	14.0	11.1

Sector: Technology

Price: €3.60
Market cap: €166m
Market Euronext Paris

Share price graph (€)

Company description

Claranova consists of three businesses focused on mobile and internet technologies: PlanetArt (digital photo printing; personalised gifts), Avanquest (consumer software) and myDevices (internet of things/IoT).

Price performance

%	1m	3m	12m
Actual	13.6	(11.2)	(47.4)
Relative*	22.7	(3.7)	(41.8)

* % Relative to local index

Analyst

Katherine Thompson

Claranova (CLA)

INVESTMENT SUMMARY

Claranova reported a revenue decline of 1% for the nine months to 31 March 2022, reflecting a strong performance in Avanquest offset by a tougher period for PlanetArt. The slowdown in PlanetArt's activities has pushed out the company's target to achieve €700m in revenue from FY23 to FY24 but the EBITDA margin target of 10% for FY23 still stands. We have revised our forecasts to reflect H1 results and Q322 revenue; we cut our PlanetArt growth forecasts for Q422/FY23 and factor in a contribution from pdfforge from FY23, resulting in reduced EBITDA forecasts for both years.

INDUSTRY OUTLOOK

PlanetArt is evolving from a digital photo printing business into a personalised e-commerce business and is focused on expanding its product offering geographically. Avanquest, the consumer software business, is focused on developing and marketing software in three key product areas: PDF, photo editing and security/privacy. The IoT business's myDevices platform provides a simple and effective way for SMEs and corporates to deploy IoT applications.

Y/E Jun	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	409.1	20.6	11.3	20.04	18.0	6.8
2021	471.9	37.8	25.5	39.83	9.0	3.7
2022e	474.7	37.6	23.6	38.25	9.4	4.3
2023e	530.6	48.5	34.6	57.86	6.2	3.4

Sector: Technology

Price:	€27.70
Market cap:	€180m
Market	Scale

Share price graph (€)

Company description

CLIQ Digital is a global streaming provider specialising in the direct marketing of affordable entertainment products and offering its members unlimited access to music, audiobooks, sports, movies and games. In FY21, 42% of sales were generated in Europe, 50% in North America and 8% in other regions.

Price performance

%	1m	3m	12m
Actual	17.4	10.8	6.1
Relative*	28.7	20.2	25.6

* % Relative to local index

Analyst

Max Hayes

CLIQ Digital (CLIQ)

INVESTMENT SUMMARY

CLIQ Digital has updated its business plan and lifted guidance, raising the FY22 revenue target from €210m to €250m, with EBITDA up from over €33m to over €38m. We have increased our forecasts, with FY23e revenue also raised (from €290m to €300m). This follows February's upgrade, implying that its marketing approach continues to pay off. Management is targeting €500m of revenues by FY25, which, in our view, is demanding but achievable. The new packaged content offering for Germany will be marketed under the CLIQ.de brand and is designed to be simple but affordable, so well suited to a backdrop of pressure on household disposable income. The shares continue to trade at a sizeable discount to peers.

INDUSTRY OUTLOOK

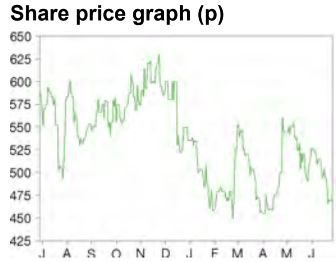
Demand for mobile entertainment has grown rapidly over the last decade, particularly in 2020 due to COVID-19 and related lockdowns. Smartphone penetration, which is now at 78% of the global population, has been key to driving demand. Cloud-gaming is one of CLIQ's current primary focuses, where Grand View Research's forecast is for global sales growth of 48% y-o-y until 2027.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	107.0	15.9	14.4	116.00	23.9	11.4
2021	150.0	27.2	25.3	259.16	10.7	6.7
2022e	250.0	38.0	36.5	371.80	7.5	4.8
2023e	300.0	47.6	45.9	468.61	5.9	3.8

Sector: Aerospace & defence

Price:	478.5p
Market cap:	£197m
Market	AIM

Share price graph (p)



Company description

Cohort is an AIM-listed defence and security company operating across six divisions: MASS (32% of H122 sales), SEA (23%), MCL (13%), the 80%-owned Portuguese business EID (4%), the 81%-owned Chess Technologies based in the UK (10%), and ELAC SONAR (18%).

Price performance

%	1m	3m	12m
Actual	(5.9)	1.5	(18.6)
Relative*	(1.5)	5.6	(17.3)

* % Relative to local index

Analyst

Andy Chambers

Cohort (CHRT)

INVESTMENT SUMMARY

Cohort's defence and security orientation has proven resilient during the pandemic although in FY22 it faced challenges at EID and Chess. MCL, SEA, MASS and ELAC all progressed although MASS saw some continued delays in H222. FY22 revenues are lower than management expected but earnings are in line. Net funds of £11m are better than expected and strong order intake of £183m left the FY23 backlog at a closing record of £287m. £113m is deliverable in FY23 covering 64% of sales expectations, with guidance unchanged despite inflationary pressures and marking a return to organic growth.

INDUSTRY OUTLOOK

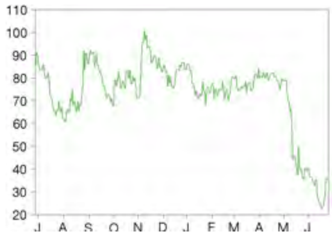
Cohort is heavily influenced by activities in defence and security (94% of FY21 sales). These markets require highly differentiated technologies and services with high barriers to entry based on customer relationships, regulation and high-level security clearances. Defence is generally resilient in periods of significant economic disruption. The last UK Strategic Defence and Security Review focused on some of Cohort's key strengths and was followed by a 10% increase in spending plans until 2025, with the war in Ukraine likely to focus more resources on global security.

Y/E Apr	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	131.1	20.9	17.5	36.7	13.0	15.0
2021	143.3	22.1	17.9	33.3	14.4	9.3
2022e	138.9	18.3	14.6	29.8	16.1	9.4
2023e	164.2	21.9	17.8	34.4	13.9	29.0

Sector: Financials

Price:	SEK36.20
Market cap:	SEK2469m
Market	Nasdaq FN Premier

Share price graph (SEK)



Company description

CoinShares International develops innovative infrastructure, financial products and services for the digital asset class.

Price performance

%	1m	3m	12m
Actual	(10.4)	(55.6)	(57.3)
Relative*	(1.1)	(48.9)	(48.2)

* % Relative to local index

Analyst

Milosz Papst

CoinShares International (CS)

INVESTMENT SUMMARY

CoinShares International (CS) is a fintech created to support the emergence of digital assets as a new investible asset class. However, it is more than a simple beta play on the bitcoin price as its proprietary technology facilitates regulated issuance platforms (with CS's ETP AUM at £3.1bn at end-March 2022) and gains derived from capital markets activities, including liquidity provisioning, non-directional trading, decentralised finance income and fixed income activities. Hence, CS benefits from the inherent high volatility of digital assets and in turn offers a certain level of downside protection in the case of adverse digital asset price performance.

INDUSTRY OUTLOOK

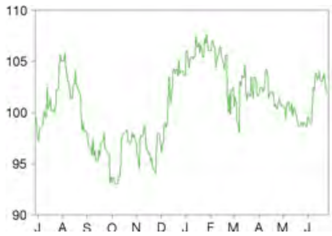
Digital assets are a new, distinct asset class, with growing acceptance among retail and now also institutional investors, including corporates. We also note a significant change in the narrative of major investment banks, which are (re)starting their cryptocurrency desks and allowing wealthy clients access to crypto investments. We forecast global allocations to digital assets of 2.0% by FY25 and 2.5% by FY30 (<1.0% currently), although the early adoption stage, high volatility and susceptibility to material price de-ratings during bear markets (like the current one) suggest that growth may not be entirely smooth.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	18.4	22.1	20.7	28.0	10.5	N/A
2021	80.9	121.7	113.8	164.0	1.8	N/A
2022e	51.9	41.0	26.4	46.9	6.2	0.7
2023e	37.1	42.6	29.4	40.0	7.3	N/A

Sector: Property

Price:	102.2p
Market cap:	£451m
Market	LSE

Share price graph (p)



Company description

CREI is a London Main Market-listed REIT focused on commercial property in the UK outside London. It is income-focused, with a commitment to pay a high but sustainable and covered dividend.

Price performance

%	1m	3m	12m
Actual	3.4	(1.2)	1.8
Relative*	8.3	2.8	3.4

* % Relative to local index

Analyst

Martyn King

Custodian REIT (CREI)

INVESTMENT SUMMARY

Much of the key financial data for the year to 31 March 2022 (FY22) had been previously disclosed but the annual report provides additional data and strategic commentary. FY22 NAV total return was 28.5% and while returns were substantially driven by capital growth, EPRA earnings and DPS also showed good progress. NAV per share increased to 119.7p from 97.6p at end-FY21, including like-for-like valuation growth of 4.0%, still driven by industrial assets and retail warehouses (around two-thirds of the portfolio) but showing signs of broadening. EPRA EPS increased to 5.9p from 5.6p, including lower doubtful debt provisions as rent collection returned to normal and an accretive contribution from Drum since its acquisition in November. DPS increased to 5.25p in line with CREI's stated target, covered 110.3% by earnings, and the FY23 target is for at least 5.50p.

INDUSTRY OUTLOOK

The commercial property market is cyclical, historically exhibiting substantial swings in capital values through cycles while income returns have been significantly more stable. Despite a deteriorating economic outlook market momentum has thus far been maintained. Despite strongly rising inflation interest rates remain relatively low and like other real assets commercial property is expected to offer a degree of inflation hedging.

Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2020	38.1	33.4	28.7	7.00	14.6	13.5
2021	33.1	28.5	23.7	5.64	18.1	18.0
2022e	36.0	30.8	25.9	6.04	16.9	13.9
2023e	39.4	33.9	28.5	6.48	15.8	14.0

Sector: Technology

Price:	ZAR34.11
Market cap:	ZAR7400m
Market	JSE

Share price graph (ZAR)

Company description

Datatec is a South Africa-listed multinational information communication technology business serving clients globally, predominantly in the networking and telecoms sectors. Its three divisions are Westcon International (distribution), Logicalis (IT services) and Analysys Mason (consulting).

Price performance

%	1m	3m	12m
Actual	(9.0)	(12.9)	40.9
Relative*	(5.4)	(4.5)	37.5

* % Relative to local index

Analyst

Richard Williamson

Datatec (DTCJ)

INVESTMENT SUMMARY

FY22 was a year of robust global demand for technology solutions, with all three divisions having a strong year, which would have been even stronger if orders could have been fully met, rather than building backlog. We note management's cautious tone on H123, although we believe Datatec remains a defensive play in an uncertain world (strong dollar, price and wage inflation, the war in Ukraine, lockdowns). Off the back of FY22, we have raised our revenue estimates, but remain cautious on margins. Datatec still trades on an undemandiung rating, which we believe understates the group's prospects. Management has announced a potential sale of Analysys Mason.

INDUSTRY OUTLOOK

Datatec has seen strong growth globally, with elevated demand for networking, cybersecurity and cloud infrastructure. We expect these established technology trends to persist, with continued high demand, underpinned by a steady unwinding of the record backlog during H223/FY24, despite continuing economic and geopolitical uncertainties.

Y/E Feb	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2021	4109.5	130.1	73.1	13.2	16.4	2.7
2022	4636.8	177.1	85.0	18.2	11.9	2.5
2023e	4919.2	190.9	95.9	19.0	11.4	2.4
2024e	5116.9	201.2	107.3	24.5	8.8	2.3

Sector: Media

Price:	¥4275.00
Market cap:	¥1232952m
Market	TSE

Share price graph (¥)

Company description

Dentsu Group is a holding company with two operational networks: Dentsu Japan Network (DJN) and Dentsu International (DI). Operating in over 145 countries, Dentsu Group provides a wide range of client-centric integrated communications, media and digital services.

Price performance

%	1m	3m	12m
Actual	1.1	(12.9)	7.1
Relative*	1.1	(8.6)	11.4

* % Relative to local index

Analyst

Fiona Orford-Williams

Dentsu Group (4324)

INVESTMENT SUMMARY

In May, Dentsu edged up its FY22 organic growth guidance to a range of 4–5%, from 4% previously, following a strong Q122 performance, particularly at Dentsu International. Customer Transformation & Technology (CT&T) continues to build, accounting for 31.5% of group net revenues in the period. Management remains confident of a good runway of growth. Group operating margin rose from 20.2% in Q121 to 21.2%, up 140bp at constant currency. FY22 guidance remains for a 17.7% operating margin, implying some circumspection on costs for the remainder of the year.

INDUSTRY OUTLOOK

CT&T benefits from structural tailwinds as companies globally look to invest in making their businesses best equipped to meet the demands of their own customers, a process which may even accelerate as economic pressures become more pronounced. Dentsu's global ad spend forecast is +9.2% for FY22, with further gains of +4.6% for FY23 and +5.8% for FY24 pencilled in. Digital spend is forecast at 55.5% of global ad spend in FY22, with linear TV the next largest media, making up 26.9%. The Japanese ad market still lags the digital transition curve, with TV prominent. Digital is faster growing but is still well below the global share.

Y/E Dec	Revenue (¥m)	EBITDA (¥m)	PBT (¥m)	EPS (fd) (¥)	P/E (x)	P/CF (x)
2020	939243.0	90063.0	123470.0	249.0	17.2	N/A
2021	1085592.0	195006.0	146021.0	389.0	11.0	4.7
2022e	1225000.0	207128.0	168635.0	414.0	10.3	6.2
2023e	1275000.0	214528.0	176604.0	445.0	9.6	5.8

Sector: Electronics & elec eqpt

Price:	649.0p
Market cap:	£620m
Market	LSE

Share price graph (p)

Company description

discoverIE is a leading international designer and manufacturer of customised electronics to industry, supplying customer-specific electronic products and solutions to original equipment manufacturers.

Price performance

%	1m	3m	12m
Actual	(14.0)	(17.9)	(31.8)
Relative*	(10.1)	(14.5)	(30.7)

* % Relative to local index

Analyst

Katherine Thompson

discoverIE Group (DSCV)

INVESTMENT SUMMARY

discoverIE has seen a strong bounce-back in trading after the worst of the COVID pandemic, with organic revenue growth of 18% y-o-y in FY22 and 14% versus FY20 (pre-COVID). The combination of organic growth and recent high-margin acquisitions generated underlying operating profit growth of 34% y-o-y with a margin approaching 11%. Organic order growth of 36% y-o-y has provided a strong order book entering FY23. With FY22 underlying EPS beating our forecasts, we upgrade FY23 and introduce FY24 estimates. We expect further M&A as discoverIE continues with its strategy to consolidate the fragmented electronics market.

INDUSTRY OUTLOOK

discoverIE specialises in the design and manufacture of technically demanding, bespoke electronics for industrial applications with operations throughout Europe and increasingly outside Europe. The company is focused on four target markets comprising three-quarters of group sales – renewables, electrification of transportation, medical and industrial & connectivity – all of which are long-term structural growth markets.

Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2021	302.8	44.0	28.3	23.4	27.7	10.1
2022	379.2	56.1	41.0	32.1	20.2	14.2
2023e	400.4	58.7	42.1	32.0	20.3	14.0
2024e	412.4	60.2	43.7	33.0	19.7	11.7

Sector: Technology

Price:	A$0.15
Market cap:	A$50m
Market	ASX

Share price graph (A$)

Company description

Doctor Care Anywhere is a fast-growing telehealth company focused on delivering high-quality care to its patients, while reducing the cost of providing healthcare for health insurers and healthcare providers.

Price performance

%	1m	3m	12m
Actual	(31.0)	(45.3)	(83.3)
Relative*	(25.7)	(39.0)	(81.7)

* % Relative to local index

Analyst

Max Hayes

Doctor Care Anywhere Group (DOC)

INVESTMENT SUMMARY

Doctor Care Anywhere Group's (DOC) Q122 results showed continuing revenue momentum from FY21, as well as a significant expansion in its gross margin as the costs of delivering consultations reverted to more normalised levels. Over the quarter, DOC significantly reduced its overheads and believes the platform's operating leverage will allow the group to scale and reach its goal of EBITDA run-rate profitability by H123.

INDUSTRY OUTLOOK

Statista forecasts that the global telehealth market will grow at a CAGR of 25% from US$49.9bn in 2019 to US$459.8bn (8.2x) by 2030, primarily driven by COVID-19-related changes in the habits of consumers and providers. Despite varying industry estimates, the consensus that telehealth is poised for higher adoption and robust growth remains broadly consistent. Key growth drivers for increased telehealth adoption include increased prevalence of chronic diseases, long waiting times at hospitals, greater need for cost-saving in healthcare delivery, a growing number of smartphone users and advances in consumer information and communications technologies.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	11.6	(11.6)	(13.5)	(7.76)	N/A	N/A
2021	25.0	(18.0)	(19.3)	(5.90)	N/A	N/A
2022e	36.2	(13.7)	(14.7)	(4.08)	N/A	N/A
2023e	50.4	(0.8)	(1.9)	(0.53)	N/A	N/A

Sector: Media

Price:	53.0p
Market cap:	£61m
Market	AIM

Share price graph (p)

Company description

Ebiquity is a world leader in media investment analysis, harnessing data to provide independent, fact-based advice, enabling brand owners to perfect media investment decisions and improve business outcomes.

Price performance

%	1m	3m	12m
Actual	(17.2)	(4.5)	6.0
Relative*	(13.3)	(0.7)	7.7

* % Relative to local index

Analyst

Fiona Orford-Williams

Ebiquity (EBQ)

INVESTMENT SUMMARY

Ebiquity has completed on two acquisitions, which grow the US revenue base and increase automation, improving scalability. Media Management LLC (initial consideration: £6.1m) lifts the group's presence with larger US corporates, while the purchase of Swedish-based MediaPath for £15.5m adds a blue-chip international client roster including AB InBev, Disney and Heineken. Importantly, it also brings a proprietary technology platform that should bring significant benefits to the wider group. A placing of 28.3m shares at 53p, supported by major shareholders, raised £15.0m gross to part-fund the deals, with vendors also taking part of their consideration in equity. Management expects the deals to be earnings enhancing in FY22.

INDUSTRY OUTLOOK

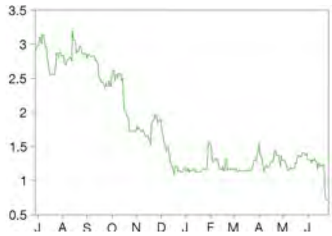
Google's withdrawal of support for third-party cookies from FY23 and increased regulatory scrutiny of privacy considerations mean that the digital media ecosystem is both extremely complex and in transition. The need for advertisers to be guided to navigate, while optimising and benchmarking their spend, is unlikely to diminish, with harsher economic circumstances also driving greater emphasis on the return on spend.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	55.9	1.8	(1.3)	(1.9)	N/A	120.8
2021	63.1	6.8	4.1	2.7	19.6	5.5
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Food & drink

Price:	C$0.72
Market cap:	C$75m
Market	TSX-V

Share price graph (C$)



Company description

Else Nutrition is a plant-based baby food manufacturer. Its minimally processed formula is 100% plant-based, dairy and soy free, organic, vegan, gluten free and GMO free. Else plans to roll out its product beyond the US market and expand its product offering.

Price performance

%	1m	3m	12m
Actual	(47.5)	(44.6)	(72.2)
Relative*	(43.4)	(36.7)	(70.8)

* % Relative to local index

Analyst

Sara Welford

Else Nutrition (BABY)

INVESTMENT SUMMARY

Else Nutrition has a globally patented, 100% plant-based dairy- and soy-free formula, which offers a clean-label alternative for babies who are intolerant to dairy and soy and to families who are flexitarian or seeking more sustainable food options. It launched its toddler formula in August 2020 and successfully built sales infrastructure in the US during 2021, rolling out sales online and in-store. It has expanded by launching a nutritional drink for children and, more recently, a line of baby cereals, and plans to expand into Canada, Western Europe and China during H222. Its infant formula is undergoing rigorous testing before launch, expected in FY25. Momentum is clearly building, with geographic and product expansion as major catalysts for growth.

INDUSTRY OUTLOOK

The infant nutrition market was valued at c US$ 79.4bn in 2020 and is expected to reach US$132.4bn by 2026 (source: Mordor Intelligence, Else annual information form), a CAGR of 8.9%. In 2020, 40% of infant milk formula sold in the US was specialty cow's milk formula, catering to allergies/intolerances (source: US market data Euromonitor 2020).

Y/E Dec	Revenue (C$m)	EBITDA (C$m)	PBT (C$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	1.5	(7.8)	(8.0)	(0.10)	N/A	N/A
2021	4.7	(15.1)	(15.5)	(0.16)	N/A	N/A
2022e	13.6	(16.4)	(17.3)	(0.17)	N/A	N/A
2023e	33.0	(14.4)	(16.8)	(0.16)	N/A	N/A

Sector: Technology

Price:	1870.0p
Market cap:	£1176m
Market	AIM

Share price graph (p)

Company description

EMIS is a software supplier with two divisions. EMIS Health supplies integrated care technology to the NHS, including primary, community, acute and social care. EMIS Enterprise is a B2B software provider to the UK healthcare market, including medicines management, partner businesses, patient-facing services and analytics.

Price performance

%	1m	3m	12m
Actual	43.2	37.1	62.6
Relative*	49.8	42.6	65.2

* % Relative to local index

Analyst

Katherine Thompson

EMIS Group (EMIS)

INVESTMENT SUMMARY

EMIS has received an offer for the entire issued and to be issued share capital of the company at 1,925p per share. The bidder is Bordeaux UK Holdings II Limited, an affiliate of Optum Health Solutions (UK) Limited which is a subsidiary of UnitedHealth Group. The board is recommending the offer; the intention is for the acquisition to be implemented by means of a court-sanctioned scheme of arrangement.

INDUSTRY OUTLOOK

For the purposes of the Takeover Code, Edison is deemed to be connected with EMIS as a provider of paid-for research. Under Rule 20.1 Edison must not include any profit forecast, quantified financial benefits statement, asset valuation or estimate of other figures key to the offer, except to the extent that such forecasts, statements, valuations or estimates have been published prior to the offer period (as defined in the Takeover Code) by an offeror or the offeree company (as appropriate) in accordance with the requirements of the Code. Consequently we have removed our estimates until the offer period ends.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	159.5	53.5	43.4	56.4	33.2	18.3
2021	168.2	54.7	43.5	55.0	34.0	23.5
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Technology

Price:	A$1.47
Market cap:	A$547m
Market	ASX

Share price graph (A$)

Company description

EML Payments is a payment solutions company specialising in the prepaid stored value market, with mobile, physical and virtual card offerings. It manages thousands of programmes across 27 countries in Europe, North America and Australia.

Price performance

%	1m	3m	12m
Actual	(0.7)	(49.3)	(60.6)
Relative*	6.8	(43.5)	(56.7)

* % Relative to local index

Analyst

Katherine Thompson

EML Payments (EML)

INVESTMENT SUMMARY

EML's Q322 trading update confirmed gross debit volume growth of 408% y-o-y (we estimate 11% organic) and revenue growth of 21% to A$59.8m. Underlying EBITDA and NPATA were down 14% and 22% respectively. With this update, EML downgraded its FY22 guidance. A number of factors have combined to weigh on revenue and increase overheads. We have revised our forecasts to reflect lower revenue growth and a higher cost base, cutting our EBITDA and NPATA forecasts for FY22–24. In our view, resolution of the Irish regulatory issue and rising interest rates are the two main factors that could provide earnings and share price upside.

INDUSTRY OUTLOOK

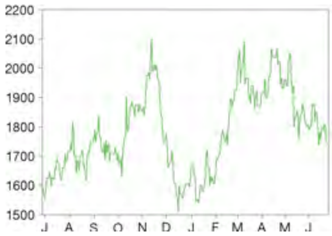
In terms of market size, US$1,848bn was loaded onto prepaid cards in 2019 and this is forecast to grow to US$5,511bn by 2027, a CAGR of 14.6% (source: Applied Market Research). EML is keen to gain share of this fast-growing market and, as part of its Project Accelerator strategy to position the company at the forefront of payment-related technology, has made its first two investments via its FinLabs incubator.

Y/E Jun	Revenue (A$m)	EBITDA (A$m)	PBT (A$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	121.0	32.5	21.6	5.489	26.8	14.3
2021	192.2	42.2	30.2	6.579	22.3	12.8
2022e	229.1	37.1	20.1	4.264	34.5	14.7
2023e	268.4	67.7	45.5	9.575	15.4	8.1

Sector: Mining

Price: 1745.0p
Market cap: £4335m
Market LSE

Share price graph (p)



Company description

Following its acquisitions of SEMAFO and Teranga, Endeavour has become one of the top 10 major gold producers globally, with seven mines in Côte d'Ivoire, Burkina Faso and Senegal plus a portfolio of development projects, all in the West African Birimian greenstone belt.

Price performance

%	1m	3m	12m
Actual	(3.3)	(6.7)	9.4
Relative*	1.2	(2.9)	11.1

* % Relative to local index

Analyst

Lord Ashbourne

Endeavour Mining (EDV)

INVESTMENT SUMMARY

Endeavour's acquisitions of SEMAFO and Teranga have propelled it into the ranks of the top 10 gold producing companies globally with output of c 1.5Moz pa and a targeted all-in sustaining cost of US$900/oz with c US$100m available in annual synergies. It is now listed in London and was recently promoted into the FTSE 100 index.

INDUSTRY OUTLOOK

Endeavour has US$166.6m in net cash, has added US$342m in value to Fetekro and Kalana via updated pre-feasibility studies (100% basis) and has announced a comprehensive shareholder returns programme. At the same time, exploration in FY16–21 yielded 11.4Moz in indicated gold resources and a second five-year plan aims to discover a further 15–20Moz by FY26. This success has increased combined production at Ity and Hounde to 0.5Moz pa until 2028. Since then, Endeavour has also announced the expansion of Sabadola-Massawa. Our most recent valuation of Endeavour was US$35.96/share and potentially as high as US$60.40/share (plus US$4.30–7.45/share for exploration).

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	1847.9	910.3	501.2	181.51	11.9	3.3
2021	2903.8	1517.3	756.5	203.21	10.6	3.8
2022e	2543.8	1360.3	688.6	163.76	13.2	3.7
2023e	2219.0	1223.2	763.0	183.34	11.8	4.6

Sector: Technology

Price: NOK3.14
Market cap: NOK669m
Market Oslo

Share price graph (NOK)

Company description

Ensurge Micropower's solid-state lithium battery technology combines advanced energy cell design with proprietary materials and manufacturing innovation to produce thin, flexible batteries that can power safer and more capable wearable devices and connected sensors.

Price performance

%	1m	3m	12m
Actual	10.0	(31.7)	(50.2)
Relative*	19.2	(25.9)	(51.3)

* % Relative to local index

Analyst

Anne Margaret Crow

Ensurge Micropower (ENSU)

INVESTMENT SUMMARY

Ensurge did not generate any revenues during Q122. Payroll costs were $0.6m higher year-on-year at $2.1m as management invested in engineering and manufacturing personnel, resulting in a widening of EBITDA losses, excluding share-based payments, by $0.6m to $3.8m. Investment in capital expenditure was only $0.2m as most of the work adapting the roll-to-roll facility for volume manufacture of microbatteries was completed in FY21. Free cash outflow totalled $5.2m giving $10.1m cash (excluding restricted cash) at end March 2022 following the fund raising in February at NOK5.4/share raising $10.9m (net).

INDUSTRY OUTLOOK

Ensurge expects to deliver samples to its customers 'shortly'. Providing samples is a critical step because Ensurge already has agreements with five customers that are waiting for samples. Also, unlike most early-stage technology companies, it already has a volume manufacturing facility, which it is preparing for delivery of commercial volumes of microbatteries to a lead customer by end 2022.

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (c)	P/E (x)	P/CF (x)
2020	0.5	(11.3)	(14.9)	(3.80)	N/A	N/A
2021	0.0	(14.6)	(17.2)	(1.26)	N/A	N/A
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Construction & blding mat

Price:	80.3p
Market cap:	£116m
Market	AIM

Share price graph (p)

Company description

Epwin Group supplies functional low-maintenance exterior building products (including windows, doors, roofline and rainwater goods) into a number of UK market segments and is a modest exporter.

Price performance

%	1m	3m	12m
Actual	(3.3)	(8.2)	(24.6)
Relative*	1.2	(4.5)	(23.4)

* % Relative to local index

Analyst

Andy Murphy

Epwin Group (EPWN)

INVESTMENT SUMMARY

Epwin's FY21 results exceeded our modestly upgraded estimates following a year-end update. Divisionally, Extrusion & Moulding absorbed more input cost inflation and operational pressures, but Fabrication & Distribution had a very strong year, supplemented by three acquisitions. The other highlights were confirmed de-leveraging in line with guidance and a confident DPS uplift. We have raised estimates for FY22 and FY23, including a stronger dividend expectation. The AGM statement confirmed that the RMI market remained robust and that revenue for the first four months was up 15%. Epwin remains on track to achieve FY22 expectations.

INDUSTRY OUTLOOK

Epwin is exposed to both repair, maintain, improve (RMI, c 70% revenue) and newbuild (c 30%) in the UK housing market. In the market recovery phase from the impact of the COVID-19 pandemic, RMI has clearly been the stronger sub-sector. UK newbuild fundamentals remain favourable also.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	241.0	26.0	5.0	4.0	20.1	4.8
2021	329.6	34.8	13.3	8.8	9.1	3.3
2022e	350.4	36.5	14.5	8.1	9.9	3.5
2023e	355.5	38.4	16.2	8.8	9.1	3.1

Sector: Technology

Price:	€28.90
Market cap:	€290m
Market	Scale

Share price graph (€)

Company description

EQS is a leading international provider of regulatory technology in the fields of corporate compliance and investor relations. Its products enable corporate clients to fulfil complex national and international disclosure obligations, minimise risks and communicate transparently with stakeholders.

Price performance

%	1m	3m	12m
Actual	(4.0)	(8.5)	(23.9)
Relative*	5.3	(0.8)	(10.0)

* % Relative to local index

Analyst

Fiona Orford-Williams

EQS Group (EQS)

INVESTMENT SUMMARY

EQS is in a strong position to build its client base as the EU whistleblowing directive comes into force across Europe. Delays in adoption of formal legislation are a frustration but do not detract from the strength of the underlying proposition. EQS retains its ambition to be the leading European cloud provider for global investor relations and corporate compliance solutions by 2025. The €45m raised in March will help fund the repayment of short-term bank and vendor loans during Q222. We see management's targets of €130m of group revenues and EBITDA margins of at least 30% for FY25 as demanding but achievable.

INDUSTRY OUTLOOK

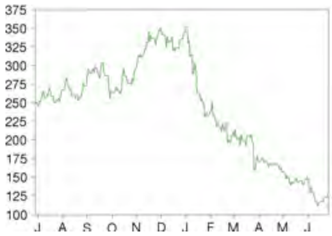
While EU whistleblowing regulation is now active, the December 2021 deadline for implementation in national laws was not met by most member states. The feedback and consultation period on the proposed legislation in the key German market should now be complete, with optimism that the law will be transposed prior to the summer and implemented in H222. We therefore expect the benefit to start to accrue more strongly through H222 and into FY23, as the experience in Denmark was of a last-minute surge of interest.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	37.6	4.8	0.4	4.12	701.5	55.3
2021	50.2	1.7	(5.9)	(69.77)	N/A	N/A
2022e	70.0	7.5	0.0	(0.08)	N/A	60.0
2023e	90.0	18.0	10.6	68.47	42.2	25.1

Sector: Technology

Price:	€128.30
Market cap:	€767m
Market	Euronext Growth

Share price graph (€)



Company description

Esker provides end-to-end SaaS-based document automation solutions supporting order-to-cash and procure-to-pay processes. In FY20, 56% of revenues were from Europe, 38% from the United States and the remainder from Asia and Australia.

Price performance

%	1m	3m	12m
Actual	(12.4)	(19.8)	(48.0)
Relative*	(5.4)	(13.0)	(42.4)

* % Relative to local index

Analyst

Katherine Thompson

Esker (ALESK)

INVESTMENT SUMMARY

Esker reported 18% y-o-y revenue growth for Q122 (14% constant currency), with SaaS revenue growing 23% y-o-y (20% constant currency) to make up 80% of revenue. The company continues to expect organic growth of 15–16% for the full year with operating margins in its target range of 12–15%. This is in line with our forecasts, which are unchanged. The lifetime value of new contracts signed in Q122 increased by 23% y-o-y to €13.3m, underpinning our growth expectations. The company has announced a €0.60 dividend for FY21, with a 10% loyalty bonus for shareholders of more than two years.

INDUSTRY OUTLOOK

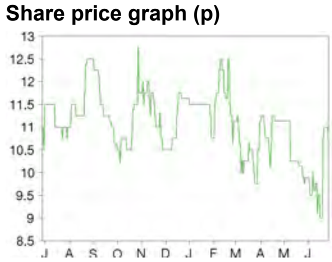
Esker's document process automation (DPA) software operates across five areas: document delivery, accounts payable, accounts receivable, procurement and sales order processing. Competitors are different for each business process and consist of business process outsourcers and specialist DPA software companies. Customers move to using DPA software to reduce paper-related costs and errors in processing, to speed up the cash conversion cycle, to improve process visibility within the enterprise and to improve customer service.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	112.3	21.9	14.5	199.0	64.5	30.0
2021	133.6	25.7	18.2	239.0	53.7	25.8
2022e	156.8	29.6	21.3	275.0	46.7	29.9
2023e	182.9	35.7	26.7	339.0	37.8	23.4

Sector: Technology

Price:	10.6p
Market cap:	£23m
Market	AIM

Share price graph (p)



Company description

Filtronic is a designer and manufacturer of advanced radio frequency communications products supplying a number of market sectors including mobile telecommunications infrastructure, public safety, defence and aerospace.

Price performance

%	1m	3m	12m
Actual	7.6	9.0	1.2
Relative*	12.6	13.4	2.8

* % Relative to local index

Analyst

Anne Margaret Crow

Filtronic (FTC)

INVESTMENT SUMMARY

Filtronic's post-close trading update notes that FY22 revenues will be broadly in line with market expectations, rising by 10% y-o-y to £17.1m. In addition, adjusted EBITDA will be materially ahead of market expectations at over £2.7m, mainly reflecting a higher-than-expected proportion of defence revenues. We have adjusted our FY22 estimates accordingly and left our FY23 estimates, which are underpinned by a growing orderbook for 5G XHaul transceivers, unchanged.

INDUSTRY OUTLOOK

Since gross margins are likely to be lower year-on-year in FY23 because of the lower proportion of defence orders and overheads are likely to be higher reflecting the investment in radio frequency engineering and direct sales during FY22, we model a year-on-year drop in EBITDA (though an increase versus FY21), even though revenue growth is modelled at 11%. Management intends that this investment will result in stronger revenue and profit growth during FY24 and FY25 as the group diversifies into adjacent markets such as 5G test equipment, private low-latency links and broadband communications networks based on networks of multiple high altitude platform stations and low earth orbit satellites.

Y/E May	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	17.2	1.2	0.1	0.05	212.0	18.6
2021	15.6	1.8	0.1	0.14	75.7	12.5
2022e	17.1	2.7	1.5	0.66	16.1	8.4
2023e	19.0	2.1	0.9	0.42	25.2	10.9

Foxtons Group (FOXT)

Sector: Financials

Price:	35.5p
Market cap:	£112m
Market	LSE

Share price graph (p)

Company description

Foxtons Group is London's leading and most widely recognised estate agency. It operates from a network of 57 interconnected branches offering a range of residential related services which are split into three separate revenue streams: sales, lettings and mortgage broking.

Price performance

%	1m	3m	12m
Actual	(1.7)	(5.0)	(37.2)
Relative*	2.9	(1.1)	(36.2)

* % Relative to local index

Analyst

Andy Murphy

INVESTMENT SUMMARY

Foxtons Group's core London market was robust throughout 2021 and the FY results highlighted the recovery, the contribution from recent acquisitions and the momentum carried over into 2022. Focus on M&A of lettings books and Build to Rent growth are likely to drive longer-term growth. Q122 saw the company increase revenue by 8% and Q2 started well with a robust increase in the pipeline. We retain our underlying assumptions and value the company at 128p/share. Foxtons acquired Gordon and Co and Stones on 26 May adding c 2,500 tenancies. It then appointed Guy Gittings from Chestertons as CEO elect.

INDUSTRY OUTLOOK

Foxtons is almost entirely focused on the London market where both the lettings and sales markets are recovering as London, and rest of the UK, head towards a 'new normal'. Foxtons' Greater London region contains 13% of the UK population, and by value accounts for 33% of sales and 38% of UK lettings.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	93.6	15.7	1.6	(0.08)	N/A	25.9
2021	126.5	25.1	10.0	(0.52)	N/A	27.4
2022e	132.3	26.5	12.4	3.204	11.1	9.4
2023e	137.1	27.7	14.6	3.577	9.9	8.0

Games Workshop Group (GAW)

Sector: Consumer support services

Price:	6480.0p
Market cap:	£2128m
Market	LSE

Share price graph (p)

Company description

Games Workshop is a leading international specialist designer, manufacturer and multi-channel retailer of miniatures, scenery, artwork and fiction for tabletop miniature games set in its fantasy Warhammer worlds.

Price performance

%	1m	3m	12m
Actual	(9.4)	(8.9)	(42.7)
Relative*	(5.2)	(5.2)	(41.7)

* % Relative to local index

Analyst

Russell Pointon

INVESTMENT SUMMARY

The trading update for the year ended May 2022 indicated ongoing good demand following the standout performance of the prior year. Revenue will be not less than £385m (our prior estimate of £378m and FY21 £353m) and PBT not less than £155m (our prior estimate £158m and FY21 £151m). The lower profitability PBT margin for FY22 versus FY21 reflected the already flagged economy wide inflationary cost pressures and internal investment, offset by a notable improvement in royalties income (£28m vs £16.3m FY21). The royalties income was the highest ever generated by the company, indicating the success it is having in leveraging its intellectual property. We trimmed our FY22 PBT estimate by c 2% to be in line with indicated guidance, and a similar percentage for FY23.

INDUSTRY OUTLOOK

Games Workshop is the global leader for tabletop miniature gaming, a market it created. Tabletop miniature gaming is the fastest-growing segment of the global non-digital games market, which is expected to grow at a CAGR of 9% between 2017 and 2023 and reach a value exceeding $12bn.

Y/E May	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	269.7	115.6	89.4	217.8	29.8	20.3
2021	353.2	178.3	150.9	370.5	17.5	16.0
2022e	385.5	183.5	155.7	380.4	17.0	14.1
2023e	407.3	189.6	160.5	390.9	16.6	13.6

Sector: Technology

Price:	446.8p
Market cap:	£1125m
Market	AIM

Share price graph (p)

Company description

GB Group specialises in identity data intelligence. Its products/services enable customers to understand and verify clients and employees in fraud, risk management, compliance and customer on-boarding services. With headquarters in the UK, it operates across 17 countries.

Price performance

%	1m	3m	12m
Actual	(20.4)	(19.6)	(46.8)
Relative*	(16.7)	(16.3)	(46.0)

* % Relative to local index

Analyst

Katherine Thompson

GB Group (GBG)

INVESTMENT SUMMARY

GB Group (GBG) reported strong underlying revenue growth for FY22 while profitability growth reflected the resumption of investment in the business. Revenue grew 11.4% (10.6% constant currency organic, 15.5% on an underlying basis) and adjusted operating profit grew 1.6% y-o-y with a margin of 24.3%. GBG has demonstrated the ability to navigate challenges with its performance over the COVID-19 pandemic and we view its diversified business (by geography and vertical) as a strength in an uncertain market environment. Our forecasts are substantially unchanged and in our view the valuation has become increasingly detached from the company's growth potential.

INDUSTRY OUTLOOK

Globalisation and the growth in internet trading have also resulted in the need for higher compliance standards in light of the rising scope and financial impact of cybercrime. This, in turn, is driving the demand for more complex and comprehensive solutions for the verification of personal data and the reduction of identity-related fraud.

Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2021	217.7	61.4	56.7	22.4	19.9	N/A
2022	242.5	62.2	57.1	20.2	22.1	N/A
2023e	300.8	75.8	67.7	20.4	21.9	N/A
2024e	337.0	85.5	78.0	22.8	19.6	N/A

Sector: General industrials

Price:	405.5p
Market cap:	£1010m
Market	LSE

Share price graph (p)

Company description

Genuit is a leading supplier of largely plastic building products and systems. Operations in the UK (c 90% of revenue) address a broad range of sectors including residential, commercial and civil building demand and a number of subsectors within them.

Price performance

%	1m	3m	12m
Actual	(9.4)	(18.9)	(33.7)
Relative*	(5.2)	(15.6)	(32.7)

* % Relative to local index

Analyst

Andy Murphy

Genuit Group (GEN)

INVESTMENT SUMMARY

Genuit announced FY21 PBT norm of £91.1m (EPS 30.2p) ahead of our £86.7m (28.6p) expectation. Like-for-like revenue growth was 12.9% supplemented by acquisitions to 33% on a reported basis and the mix was slightly more in favour of Commercial & Infrastructure (C&I). Residential Systems (RS) generated the EBIT outperformance, including a 19.3% full year margin. The declared FY dividend of 12.2p and core net debt was £145m (pre IFRS 16). Since then, the trading update covering the first four months of FY22 showed total revenue up 8.3%, and up 6.3% on a like-for-like basis. C&I grew 9% and RS increased 7.8%, both growth due to underlying demand, pricing and M&A. Our estimates are under review.

INDUSTRY OUTLOOK

The Construction Products Association projections include a strong post COVID-19 rebound in 2021 followed by 4.8% in 2022.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2020	398.6	63.4	35.7	13.3	30.5	14.4
2021	594.3	120.3	91.1	30.2	13.4	11.8
2022e	604.3	128.3	94.3	31.1	13.0	8.3
2023e	638.3	137.3	103.5	34.2	11.9	7.5

Sector: Food & drink

Price:	1920.0p
Market cap:	£1957m
Market	LSE

Share price graph (p)

Company description

With 2,224 shops and 12 manufacturing and distribution centres, Greggs is the leading UK 'food-on-the-go' retailer. It uses vertical integration to offer differentiated products at competitive prices. Its ambition is to grow revenue to £2.4bn by FY26.

Price performance

%	1m	3m	12m
Actual	(14.3)	(20.6)	(25.0)
Relative*	(10.3)	(17.4)	(23.8)

* % Relative to local index

Analyst

Russell Pointon

Greggs (GRG)

INVESTMENT SUMMARY

Greggs' AGM trading update indicated it continues to trade well in what has undoubtedly become a more challenging environment due to deteriorating consumer confidence. In the 19 weeks to 14 May 2022, sales increased by c 31% to £495m, including like-for-like sales growth in company-managed stores of 27.4%, and 15.8% in the most recent 10 weeks. Trading is 'flattered' by the easy comparatives provided by COVID-19 restrictions in 2021. Management's profit expectations for FY22 of no material profit progression are unchanged as it believes further selective price increases will be required to offset higher cost inflation than originally anticipated, which is likely to be the case for its competitors.

INDUSTRY OUTLOOK

Greggs' ambition to double revenue by FY26 has four key growth drivers: growing and developing the estate; leveraging digital channels; extending trading hours to the evening; and making Greggs mean more to more people. All will be enabled by higher investment in the supply chain and systems.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	811.3	115.4	(12.9)	(12.1)	N/A	31.5
2021	1229.7	259.0	145.6	114.3	16.8	6.2
2022e	1429.0	266.9	146.9	118.0	16.3	6.8
2023e	1630.0	307.5	165.3	122.3	15.7	5.9

Sector: Financials

Price:	825.0p
Market cap:	£316m
Market	LSE

Share price graph (p)

Company description

Gresham House is a specialist alternative asset manager focused on sustainable investments with strategies in public and private equity and real assets including forestry, renewable energy, battery storage, housing and sustainable infrastructure.

Price performance

%	1m	3m	12m
Actual	(9.1)	(10.8)	(8.8)
Relative*	(4.9)	(7.2)	(7.4)

* % Relative to local index

Analyst

Andrew Mitchell

Gresham House (GHE)

INVESTMENT SUMMARY

Gresham House has a strong position in alternative asset management with a sustainability focus, areas that are expected to experience continued strong growth. Many of the real assets managed are deemed to offer a measure of inflation protection. Most assets managed are in long-term structures generating an average gross revenue margin of 1%. The group is ahead of schedule in delivering its five-year plan and has established a successful track record for acquisitions. Employees are aligned with shareholders, holding c 10% of the shares.

INDUSTRY OUTLOOK

It is difficult to gauge how geopolitical and macroeconomic uncertainties may affect GHE's fund-raising plans this year, but the latest update indicated that over £300m was raised in Q122. Also, the long-term growth in and appetite for sustainable investment assets is likely to remain as a tailwind for the company with any dip likely to be offset subsequently. GHE identifies substantial opportunities for growth across the five strategies under which it already manages funds and mandates. Acquisitions could add further capabilities and scale but would only be considered where fit and financial criteria align. Management's record on M&A to date provides confidence.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	41.9	12.1	12.1	32.92	25.1	16.8
2021	70.4	20.5	20.2	49.31	16.7	14.9
2022e	74.2	26.1	25.9	52.14	15.8	12.3
2023e	84.4	31.0	30.8	58.55	14.1	11.1

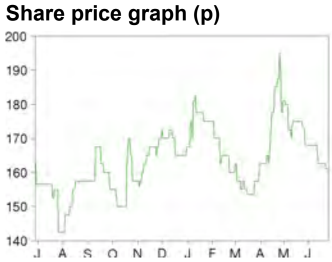
EDISON

Helios Underwriting (HUW)

Sector: Financials

Price:	161.0p
Market cap:	£111m
Market	AIM

Share price graph (p)



Company description

Helios Underwriting was established in 2007 primarily to provide investors with a limited liability direct investment to the Lloyd's insurance market. It is an AIM-quoted company, providing underwriting exposure to a diversified portfolio of syndicates.

Price performance

%	1m	3m	12m
Actual	(4.2)	2.2	(0.9)
Relative*	0.3	6.3	0.7

* % Relative to local index

Analyst

Marius Strydom

INVESTMENT SUMMARY

Helios Underwriting is a successful aggregator of Lloyd's of London (Lloyd's) syndicate capacity, delivering a sixfold increase since FY16 and increasing the retained capacity to £172m for this year. This larger portfolio, alongside a hardening underwriting cycle, should fuel strong earnings growth. Helios's ability to acquire further limited liability vehicles (LLVs) is limited by capital constraints. This will slow capacity growth until FY24 when the hard premium cycle should deliver strong earnings, unless Helios can raise additional capital sooner. Increased funding could fuel strong acquisitive growth for Helios in the remaining £3bn pool of LLV capacity.

INDUSTRY OUTLOOK

The outlook for Lloyd's has improved meaningfully with cumulative premium increases of 30% since 2018. The Ukraine war may affect loss ratios for the aviation sector in particular but the greater impact will be from rising inflation, which could increase losses, but could also benefit investment income.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	52.6	(0.9)	(0.9)	1.6	100.6	N/A
2021	70.6	(1.9)	(1.9)	(0.7)	N/A	N/A
2022e	147.7	6.6	6.6	7.1	22.7	N/A
2023e	169.6	15.6	15.6	18.2	8.8	5.9

Hellenic Petroleum (ELPE)

Sector: Oil & gas

Price:	€6.40
Market cap:	€1956m
Market	Athens Stock Exchange

Share price graph (€)

Company description

Hellenic Petroleum (ELPE) operates three refineries in Greece with a total capacity of 344kbopd. It has sizeable marketing (domestic and international) and petrochemicals divisions.

Price performance

%	1m	3m	12m
Actual	(5.3)	(9.0)	0.3
Relative*	2.5	(6.8)	10.6

* % Relative to local index

Analyst

James Magness

INVESTMENT SUMMARY

Hellenic Petroleum Holdings shares are primarily listed on the Athens Exchange (ELPE) with a secondary listing in London (HLPD). ELPE has completed specific pillars of its Vision 2025 strategy, such as the fit-for-purpose corporate structure and improvement of the overall corporate governance, and is executing its updated business strategy/capital allocation and redefining its ESG strategy. ELPE plans to spend c €1.7bn (of a total €3.5–4bn capital investment plan by 2030) to expand its RES portfolio to >2GW by 2030. Q122 EBITDA was €99m, a 54% increase year-on-year. This was driven by strong benchmark refining margins and Greek market recovery, partly offset by higher energy and CO_2 costs (and an c two-month planned outage at the Elefsina refinery). With the realisation of Vision 2025, this could be mitigated by electricity generation from renewables.

INDUSTRY OUTLOOK

European refining will likely face continued challenges in the coming years as demand falls and refinery systems elsewhere (Asia/United States) hold structural advantages. To offset this, changing regulations should put complex, middle distillate-orientated refineries such as Hellenic's in a strong position.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (c)	P/E (x)	P/CF (x)
2020	5782.0	333.0	5.0	1.8	355.6	4.3
2021	9222.0	401.0	151.0	47.1	13.6	7.2
2022e	9169.0	645.0	316.0	77.6	8.2	7.4
2023e	9214.0	664.0	327.0	80.1	8.0	3.7

Sector: Travel & leisure

Price:	31.8p
Market cap:	£40m
Market	AIM, LSE

Share price graph (p)

Company description

Hostmore has been newly formed to provide a platform for the development of hospitality brands. Its current operations are Fridays, a UK nationwide chain of American-styled casual dining restaurants (85 sites), and 63rd+1st, a new cocktail-led bar and restaurant brand (three sites).

Price performance

%	1m	3m	12m
Actual	(24.4)	(50.9)	N/A
Relative*	(20.9)	(48.9)	N/A

* % Relative to local index

Analyst

Richard Finch

Hostmore (MORE)

INVESTMENT SUMMARY

Hostmore has accompanied news of challenging trading – 2022 like-for-like (LFL) revenue down 6% on 2019 (core dine-in sales in line with the market) – with reassurance that organic expansion remains on track with five openings planned this year and a potential near-doubling of the estate with existing brands over the medium term, funded by strong cashflow. Given management's more cautious assumption now for the rest of 2022 (ie LFL dine-in volumes down 8% on 2019) and growing sector cost pressures (mitigated by menu pricing and fixed contracts), Hostmore expects a pre-IFRS 16 EBITDA margin in low double digits (%) for the current period, compared with its medium-term target of mid-teens, which is retained. Our forecasts are under review.

INDUSTRY OUTLOOK

COVID-19's exacerbation of longstanding structural difficulties in UK hospitality has shown up undeniable growth opportunities for well-funded operators, notably the increasing availability of prime sites at cheaper prices and on more flexible terms and the erosion of competition (industry sources estimate potential loss at up to 30% of restaurants). Current challenges of rising costs and staff shortages are being mitigated by scale and career initiatives. Restaurant market LFL sales slowed in May to 2.2% up on 2019 (CGA Coffer).

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	129.1	23.5	(12.2)	N/A	N/A	N/A
2021	159.0	43.0	7.1	6.40	5.0	1.3
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Property

Price:	118.2p
Market cap:	£456m
Market	LSE

Share price graph (p)

Company description

Impact Healthcare REIT invests in a diversified portfolio of UK healthcare assets, particularly residential and nursing care homes, let on long leases to high-quality operators. It aims to provide shareholders with attractive and sustainable returns, primarily in the form of dividends, underpinned by structural growth in demand for care.

Price performance

%	1m	3m	12m
Actual	(2.8)	3.7	6.9
Relative*	1.7	7.9	8.6

* % Relative to local index

Analyst

Martyn King

Impact Healthcare REIT (IHR)

INVESTMENT SUMMARY

Impact intends to issue new equity, through a placing and offer for subscription, providing retail investors with an opportunity to participate, with the proceeds directed at an identified pipeline of care homes amounting to c £169m under advance negotiation. Existing available funding resources amount to c £70m. The issue price is 117.0p, a 4.6% discount to the closing price of 122.6p immediately ahead of the announcement and a 1.8% premium to 31 March 2022 (Q122) NAV per share of 114.93p. Impact says that it continues to perform strongly supported by structural factors, including long-term inflation linked leases and sustainable and affordable rents. Rolling annual average rent cover was 1.9x to end-Q122 and rents have consistently been collected in full. The FY22 DPS target of 6.54p represents a yield of 5.6% on the issue price.

INDUSTRY OUTLOOK

Care home demand is driven by demographics and care needs and benefits from supportive demand fundamentals including increasing requirements from a rapidly ageing population for high quality care and a need to reduce pressure on high-cost, medical care providers in the NHS.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2020	30.8	25.7	23.1	7.3	16.2	18.0
2021	36.4	30.9	27.4	8.1	14.6	17.0
2022e	43.8	37.4	33.1	8.8	13.4	11.9
2023e	50.6	43.8	37.0	9.6	12.3	12.1

EDISON

Sector: Mining

Price:	0.6p
Market cap:	£23m
Market	AIM

Share price graph (p)

Company description

KEFI Gold and Copper is an exploration and development company focused on gold and copper deposits in the highly prospective Arabian-Nubian Shield – principally the Tulu Kapi project in Ethiopia, as well as Hawiah Copper and Gold and Jibal Qutman Gold in Saudi Arabia.

Price performance

%	1m	3m	12m
Actual	(18.0)	(25.7)	(69.9)
Relative*	(14.2)	(22.7)	(69.4)

* % Relative to local index

Analyst

Lord Ashbourne

KEFI Gold and Copper (KEFI)

INVESTMENT SUMMARY

Over the past year, KEFI has raised additional equity, while experiencing a turnaround in its working environments in both Ethiopia and Saudi Arabia. Compared with six months ago, when it only had one project, it now has three, in which it has a beneficial interest of 2.1Moz AuE. Ministries in both countries are reported to be supportive of its projects and KEFI has therefore refined its sources and applications of funds for Tulu Kapi ahead of the imminent anticipated financial closing and project launch in October.

INDUSTRY OUTLOOK

We calculate that KEFI's trio of projects are capable of generating free cash flow of c £78.6m a year from 2025 to 2031. This, in turn, drives average (maximum potential) dividends of 0.90p/share for the six years from 2026 to 2031 and values KEFI at 2.62p/share (fully diluted to account for US$12.0m/£9.1m in equity issues – of which £8.0m was raised in April). However, at spot metals' prices, this valuation rises to over 8.27p in FY27 plus c 1.21p/share for Guji-Komto.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	0.0	(2.7)	(2.8)	(0.2)	N/A	N/A
2021	0.0	(2.3)	(3.4)	(0.2)	N/A	N/A
2022e	0.0	(1.4)	(8.3)	(0.1)	N/A	N/A
2023e	0.0	(1.4)	(3.7)	(0.1)	N/A	N/A

Sector: General industrials

Price:	€15.60
Market cap:	€233m
Market	AMS

Share price graph (€)

Company description

Kendrion develops, manufactures and markets a range of actuators for automotive (50% of revenues) and industrial applications (50%). The FY21 geographical spread of revenues is Germany 39%, other Europe 30%, the Americas 16% and Asia 15%.

Price performance

%	1m	3m	12m
Actual	(8.1)	(20.4)	(31.9)
Relative*	(3.8)	(14.1)	(25.5)

* % Relative to local index

Analyst

Johan van den Hooven

Kendrion (KENDR)

INVESTMENT SUMMARY

Kendrion designs and manufacturers intelligent actuators that optimise safety, performance and comfort in industrial and automotive applications. It will benefit from trends such as electrification and clean energy. For 2025, Kendrion targets organic revenue growth of at least 5% pa on average and an EBITDA margin of at least 15%. We value Kendrion at €26 per share, the average of historical multiples, discounted cash flow and peer comparison.

INDUSTRY OUTLOOK

In Q122, Kendrion reported year-on-year revenue growth of 13%, of which a solid 8.5% was organic, despite the many challenges in the market. Higher costs for staff and energy limited year-on-year growth in EBITDA to 4%. Industrial remains the star performer (revenues +28%), benefiting from the accelerating transition to clean energy and electrification. Automotive faced declining car production in Europe. Kendrion expects the economic environment to continue to be unpredictable for the foreseeable future but remains very positive about its long-term growth perspectives.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	396.4	44.6	5.7	79.25	19.7	5.7
2021	463.6	55.8	20.1	139.04	11.2	4.2
2022e	512.0	63.1	30.1	178.78	8.7	3.8
2023e	555.1	74.3	42.5	229.64	6.8	3.1

Lepidico (LPD)

Sector: Mining

Price:	A$0.03
Market cap:	A$176m
Market	ASX

Share price graph (A$)

Company description

Via its Karibib project in Namibia and unique IP, Lepidico is a vertically integrated lithium development business that has produced both lithium carbonate and lithium hydroxide from non-traditional hard rock lithium-bearing minerals using its registered L-Max and LOH-Max processes.

Price performance

%	1m	3m	12m
Actual	(6.9)	(28.9)	125.0
Relative*	0.1	(20.7)	147.4

* % Relative to local index

Analyst

Lord Ashbourne

INVESTMENT SUMMARY

Lepidico's patented technologies produce lithium hydroxide (plus by-products) in an eco-friendly fashion from less contested minerals such as lepidolite. In May 2020, it announced the results of a definitive feasibility study on its Karibib project, which showed an NPV(8%) of US$221m (A$0.05/share) and an IRR of 31% from the production of 4,900tpa battery grade lithium hydroxide (7,060tpa lithium carbonate equivalent (LCE) including by-products) over 14 years.

INDUSTRY OUTLOOK

Since then, Lepidico has completed the permitting and approvals processes for construction, awarded an EPCM contract to Lycopodium, converted its pilot plant to a demonstration one to reduce scale-up risk and made key personnel appointments. After increasing our long-term lithium price forecasts in February, we valued Lepidico at 6.64c/share plus 0.73–1.77c/share for a risk-adjusted 20,000tpa LCE Phase 2 plant. In the meantime, the US International Development Finance Corporation is evaluating the project for preferential debt financing.

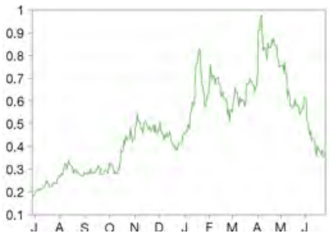
Y/E Jun	Revenue (A$m)	EBITDA (A$m)	PBT (A$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2019	0.0	(5.2)	(5.1)	0.0	N/A	N/A
2020	0.0	(7.6)	(10.8)	0.0	N/A	N/A
2021e	4.1	0.4	(0.3)	0.0	N/A	151.0
2022e	0.0	(3.1)	(3.8)	0.0	N/A	N/A

Lithium Power International (LPI)

Sector: Mining

Price:	A$0.41
Market cap:	A$143m
Market	ASX

Share price graph (A$)



Company description

Lithium Power International's main asset is its 51.6% interest in the Maricunga lithium brine project in Chile. Subject to securing a funding package, the first stage of the project is expected to produce 15.2ktpa of high-grade lithium carbonate starting from 2026. LPI also owns a number of early-stage exploration lithium projects in Western Australia.

Price performance

%	1m	3m	12m
Actual	(27.4)	(38.8)	121.6
Relative*	(22.0)	(31.7)	143.6

* % Relative to local index

Analyst

Andrey Litvin

INVESTMENT SUMMARY

Lithium Power International (LPI) has announced plans to acquire 100% control of its flagship Maricunga lithium project by way of a three-party all-share merger with the project's minority owners - MSB SpA and Bearing Lithium. The transaction values LPI's remaining c 48% share in the project at c A$90m, a significant discount to our project valuation, and allows it to streamline the project's ownership structure ahead of the anticipated investment decision. Excluding Bearing Lithium's dilutive instruments, LPI will in total issue c 238m new shares (41% of the enlarged share capital). Both transactions should be approved by LPI shareholders, with completion targeted for September 2022.

INDUSTRY OUTLOOK

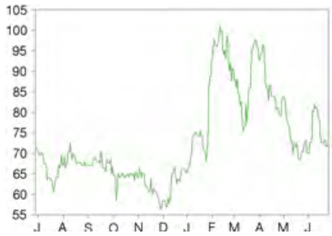
The lithium market is transforming significantly due to explosive growth in e-mobility and energy storage. Given the shortage of development-stage lithium projects, the market is likely to remain in structural deficit at least over the next two to three years, which should support higher lithium prices to incentivise new supply.

Y/E Jun	Revenue (A$m)	EBITDA (A$m)	PBT (A$m)	EPS (c)	P/E (x)	P/CF (x)
2020	0.0	N/A	(12.7)	(4.94)	N/A	N/A
2021	0.0	N/A	(6.0)	(2.16)	N/A	N/A
2022e	0.0	N/A	(9.6)	(1.85)	N/A	N/A
2023e	0.0	N/A	(3.3)	(0.52)	N/A	N/A

Sector: General retailers

Price:	73.2p
Market cap:	£287m
Market	LSE

Share price graph (p)



Company description

Lookers is one of the largest UK motor vehicle retailers, with its new car operations supported by the strength of used and aftersales activities. It now operates 153 franchises, representing 33 marques from 100 sites around the UK and Ireland.

Price performance

%	1m	3m	12m
Actual	0.3	(24.9)	4.9
Relative*	4.9	(21.9)	6.5

* % Relative to local index

Analyst

Andy Chambers

Lookers (LOOK)

INVESTMENT SUMMARY

Lookers is the second largest UK new car retailer. Despite significant pandemic and new vehicle supply disruption, a focus on cost control and working capital optimisation contributed to a record FY21 performance. Notwithstanding supply constraints, strong momentum has continued in H122. Management now expects H122 underlying PBT of around £45m ahead of its previous expectations. Inflationary cost pressures are a challenge and could dampen demand into FY23. Investment to optimise operational performance and address long-term market trends is increasing, supported by the healthy balance sheet. Adjusted net cash (ex leases) at 31 May was £62.4m (FY21 £3.0m). Lookers now anticipates FY22 underlying PBT ahead of its prior expectations and we have upgraded our FY22 estimates.

INDUSTRY OUTLOOK

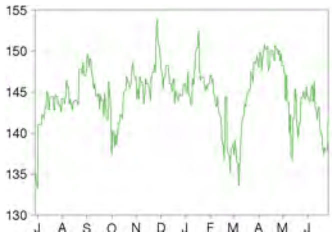
Market dynamics favour larger motor dealership groups against smaller independent groups, which still command c 60% of the franchise market. Global manufacturing overcapacity still points to OEM support. However, the sector is normally rated for recessions and economic shocks like these and has survived two dramatic crises in 2008/09 and 2020/21.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	3699.9	95.0	13.7	2.97	24.6	4.2
2021	4050.7	165.1	90.1	19.95	3.7	2.5
2022e	4124.6	136.1	62.0	12.74	5.7	3.4
2023e	4370.0	137.8	60.0	12.03	6.1	3.2

Sector: Financials

Price:	142.2p
Market cap:	£1296m
Market	LSE

Share price graph (p)



Company description

LXi REIT is an externally managed UK REIT investing in high-quality, smaller lot size (£5–15m) assets, let on long index-linked leases to strong financial covenants across a range of sectors with defensive characteristics.

Price performance

%	1m	3m	12m
Actual	(1.4)	(4.3)	4.4
Relative*	3.2	(0.5)	6.1

* % Relative to local index

Analyst

Martyn King

LXi REIT (LXI)

INVESTMENT SUMMARY

Shareholders of both companies have approved the merger of LXi REIT (LXi) and Secure Income REIT (SIR). A court hearing is expected to be held on 4 July with the scheme of arrangement becoming effective on 6 July. Each SIR shareholder will receive 3.32 new LXi shares and a partial cash alternative will be available. Conditional on completion of the merger, LXi REIT Advisors will acquire Prestbury Investment Partners, the advisor to SIR. LXi and SIR anticipate the expected benefits of the transaction to include increased scale and diversification, immediate cost savings, and immediate accretion to cash earnings.

INDUSTRY OUTLOOK

For the purposes of the Takeover Code, Edison is deemed to be connected with LXi REIT as a provider of company commissioned research. Under Rule 20.1 Edison must not include any profit forecast, quantified financial benefits statement, asset valuation or estimate of other figures key to the offer, except to the extent that such forecasts, statements, valuations or estimates have been published prior to the offer period (as defined in the Takeover Code) by an offeror or the offeree company (as appropriate) in accordance with the requirements of the Code. Consequently we have removed our estimates until the offer period ends.

Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2021	N/A	N/A	N/A	N/A	N/A	N/A
2022	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A
2024e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: General industrials

Price:	153.4p
Market cap:	£6590m
Market	LSE

Share price graph (p)

Company description

Melrose Industries acquires underperforming industrial companies. It undertakes operational improvements through restructuring and investment before disposing of the assets. Deals are individually financed through new equity (and debt) with proceeds returned in cash post value realisation.

Price performance

%	1m	3m	12m
Actual	19.0	23.4	(2.8)
Relative*	24.5	28.3	(1.3)

* % Relative to local index

Analyst

David Larkam

Melrose Industries (MRO)

INVESTMENT SUMMARY

Melrose has a proven track record for its 'buy, improve, sell' strategy having completed four transactions since 2005 generating an IRR for shareholders of c 20%. The latest transaction, GKN Aerospace (acquired in 2018) is well advanced in restructuring suggesting it will enter the disposal and value realisation phase in 2022/23. Edison's sum-of-the-parts on disposal and discounted back to 2022 suggests a valuation of 246p per share.

INDUSTRY OUTLOOK

GKN restructuring is continuing with all programmes expected to be underway by the end of 2022. This can be seen in the margin progression from 1.2% to 4.5% in 2022 and Edison forecast of 5.6% in 2023, despite automotive supply chain and volume issues. Management remain committed to significant further upside with Aerospace increased to 14%+ from 12%, Automotive to over 10% and Powder Metallurgy to 14%, which should translate to double-digit returns and drive overall shareholder value creation. The recent change to forecasts reflects disposal of Ergotron.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	7723.0	521.0	(41.0)	(0.6)	N/A	14.3
2021	7496.0	734.0	252.0	4.1	37.4	9.8
2022e	7718.0	831.0	307.0	5.6	27.4	7.9
2023e	8334.0	1016.0	484.0	9.2	16.7	6.1

Sector: Investment companies

Price:	29.2p
Market cap:	£129m
Market	AIM

Share price graph (p)

Company description

Mercia Asset Management is a regionally focused specialist asset manager. Its stated intent is to become the leading regional provider of supportive balance sheet, venture, private equity and debt capital in transaction sizes typically below £10m.

Price performance

%	1m	3m	12m
Actual	(1.7)	(7.1)	(15.8)
Relative*	2.9	(3.4)	(14.5)

* % Relative to local index

Analyst

Richard Williamson

Mercia Asset Management (MERC)

INVESTMENT SUMMARY

Supported by the fee income from its third-party managed funds, Mercia remains a defensive play in a sector under pressure. Mercia announced an attractive exit from Faradion (#2 holding) in January 2022 (for £100m, cash proceeds to Mercia of £19.4m and an uplift of c 1.5p per share) as well as Aonic's £20.1m investment in nDreams (#1 holding) in March 2022, implying a £78m valuation for nDreams and an uplift for Mercia of £8.1m (1.8p per share) from its carrying value. As the sector has been squeezed, Mercia trades at an attractive discount to its H122 NAV per share of 42.4p, even before factoring in the incremental value of the profitable third-party funds business (for which we attribute another c 7p per share).

INDUSTRY OUTLOOK

After a strong run in 2021, sector discounts have widened across the board, with the market rotation towards value and out of growth. Despite this, underlying portfolio performance has remained robust. This may present an attractive buying opportunity for longer-term investors.

Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2020	12.7	0.3	(15.5)	(4.55)	N/A	227.9
2021	23.4	7.1	36.9	8.38	3.5	22.3
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Media

Price:	17.0p
Market cap:	£47m
Market	AIM

Share price graph (p)

Company description

Mirriad's market-first solution seamlessly integrates with existing subscription and advertising models, improving the viewer experience by limiting commercial interruptions while delivering dramatically increased reach and impact for advertisers. Mirriad operates in the United States, Europe and China.

Price performance

%	1m	3m	12m
Actual	(17.1)	0.0	(65.7)
Relative*	(13.2)	4.0	(65.1)

* % Relative to local index

Analyst

Fiona Orford-Williams

Mirriad Advertising (MIRI)

INVESTMENT SUMMARY

Mirriad has announced a key collaboration with Magnite, the world's largest independent sell-side advertising platform, which will accelerate the adoption of its in-content ad inventory into the programmatic advertising ecosystem. The group is also making significant progress in building partnerships on the content supply side and with blue-chip advertisers and agencies, particularly in the important North American market. Newly defined KPIs will help clarify further headway here. Two new non-executive director appointments add further industry expertise. Our forecasts are illustrative, remaining cautious on our assumptions of the speed of industry adoption.

INDUSTRY OUTLOOK

With the ever-growing challenges of reaching ad-avoiding audiences and the withdrawal of third-party cookies from FY23, brand owners are looking for more innovative solutions to engage with their target audiences, while content providers are looking to build and protect their ad revenues. To take full advantage, Mirriad needs to integrate with a programmatic advertising ecosystem, with seamless identification and monetisation of ad inventory and a scalable platform readily compatible with agencies' working practices. The Magnite collaboration is a significant step forward.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	2.2	(8.6)	(9.1)	(4.2)	N/A	N/A
2021	2.0	(11.6)	(12.0)	(3.9)	N/A	N/A
2022e	3.3	(15.0)	(15.2)	(5.4)	N/A	N/A
2023e	7.8	(12.9)	(13.0)	(4.7)	N/A	N/A

Sector: Financials

Price:	463.8p
Market cap:	£710m
Market	LSE

Share price graph (p)

Company description

Molten Ventures is a London-based venture capital (VC) firm that invests in the European technology sector. It has a portfolio of c 70 investee companies and includes a range of funds (seed, EIS and VCT) within the group, as well as its flagship balance sheet VC fund.

Price performance

%	1m	3m	12m
Actual	(14.9)	(34.5)	(52.1)
Relative*	(11.0)	(31.9)	(51.4)

* % Relative to local index

Analyst

Richard Williamson

Molten Ventures (GROW)

INVESTMENT SUMMARY

Molten had a very strong FY22 (net growth in fair value of 37%), delivering a solid series of cash exits. Despite this, Molten's shares trade at 0.44x its FY22 NAV/share of 937p, which seems an unjustifiably deep discount given its 26% y-o-y NAV/share growth and five-year NAV/share CAGR of 22%. Moreover, Molten has a broad-based portfolio, weighted towards more robust B2B business models and quoted holdings only represented 4% of FY22 fair value. Allowing for share price falls to 8 June 2022, adjusted NAV/share still stands at c 925p. In our opinion, this level of discount is undeserved, with the core portfolio well-funded (80% funded to exit/24 months' runway) and that recent rounds (Aiven, CoachHub, Thought Machine) have delivered substantial valuation uplifts.

INDUSTRY OUTLOOK

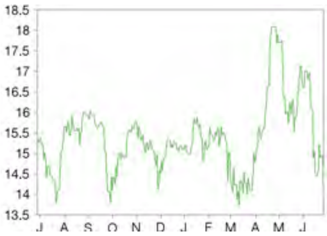
After a strong run in 2021, sector discounts have widened across the board, with the market rotation towards value and out of growth. Despite this, underlying portfolio performance has remained robust. This may present an attractive buying opportunity for longer-term investors.

Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2021	288.8	N/A	268.9	207.3	2.2	2.2
2022	351.2	N/A	331.1	218.0	2.1	2.1
2023e	N/A	N/A	N/A	N/A	N/A	N/A
2024e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: General industrials

Price: €14.00
Market cap: €2000m
Market Athens Stock Exchange

Share price graph (€)



Company description

Mytilineos is a leading industrial company with international presence in all five continents. It is active in Metallurgy, Power & Gas, Sustainable Engineering Solutions (SES) and in Renewables & Storage Development (RSD), operating via a unique synergistic business model.

Price performance

%	1m	3m	12m
Actual	(18.2)	(0.6)	(11.4)
Relative*	(11.5)	1.8	(2.3)

* % Relative to local index

Analyst

James Magness

Mytilineos (MYTI)

INVESTMENT SUMMARY

Mytilineos is a leading industrial company with international presence in all five continents. Following record-high profitability in FY21, Mytilineos's continued strong growth momentum in Q122 demonstrates the robustness of its business model despite despite global challenges. Strong maturing pipelines of renewables and sustainable engineering projects should continue to drive growth in the SES and RSD businesses. Mytilineos recently signed a 10-year solar power purchase agreement with Enel Generacion Chile. It will supply the Chilean utility with energy of up to 1.1TWh pa from four solar plants, which are under construction/late stages of development, totalling 588MW.

INDUSTRY OUTLOOK

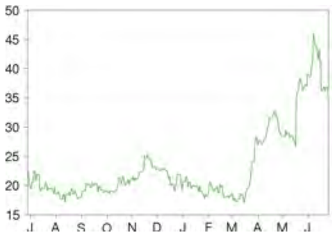
Mytilineos possesses a portfolio of assets that enjoy low costs. CCGTs benefit from access to relatively low-cost natural gas and low production costs for both alumina/aluminium allow the metallurgy business to be strongly cash flow generative.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	1899.0	315.0	172.0	92.342	15.2	6.3
2021	2664.0	359.0	239.0	132.733	10.5	6.9
2022e	4028.0	518.0	354.0	201.698	6.9	5.2
2023e	4694.0	642.0	462.0	267.658	5.2	3.9

Sector: Technology

Price: 34.8p
Market cap: £112m
Market LSE

Share price graph (p)



Company description

Nanoco Group is a global leader in the development and manufacture of cadmium-free quantum dots and other nanomaterials, with c 560 patents. Focus applications are advanced electronics, displays, bio-imaging and horticulture.

Price performance

%	1m	3m	12m
Actual	(6.5)	45.0	41.2
Relative*	(2.1)	50.8	43.4

* % Relative to local index

Analyst

Anne Margaret Crow

Nanoco Group (NANO)

INVESTMENT SUMMARY

Nanoco has signed an agreement for a fifth work package from its major European customer. This covers the final phase of a scale-up of a longer wavelength material and development of a third material. It has also completed a placing and subscription and oversubscribed broker option collectively raising £5.4m (net) at 37p/share.

INDUSTRY OUTLOOK

This fifth work package gives a monthly revenue rate similar to that delivered in H122, so we raised our FY22 revenue estimate by £0.2m to £2.4m. Importantly, the fifth work package extends for one year starting May 2022, giving Nanoco a more stable environment for business planning. The fifth work package, together with the recent fundraising, extends Nanoco's cash runway well into CY25, by which point management expects the organic business to be profitable and cash generative. It means Nanoco has sufficient cash even if the litigation with Samsung for patent infringement is prolonged by appeals.

Y/E Jul	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	3.9	(2.9)	(4.9)	(1.39)	N/A	N/A
2021	2.1	(2.9)	(4.7)	(1.30)	N/A	N/A
2022e	2.4	(2.6)	(4.4)	(1.24)	N/A	N/A
2023e	2.4	(2.7)	(3.7)	(1.00)	N/A	N/A

Sector: Mining

Price:	US$63.83
Market cap:	US$50659m
Market	New York Stock Exchange

Share price graph (US$)

Company description

Newmont Corporation is the world's leading gold company with a world-class portfolio of assets in North and South America, Australia and Africa. It is the only gold producer in the S&P 500 Index and is widely recognised for its ESG practices and as a leader in value creation, safety and mine execution.

Price performance

%	1m	3m	12m
Actual	(7.1)	(19.2)	1.8
Relative*	(1.0)	(5.8)	11.8

* % Relative to local index

Analyst

Lord Ashbourne

Newmont Corporation (NEM)

INVESTMENT SUMMARY

Newmont is the world's largest gold mining company with a medium-term production target of 6.2–6.8Moz Au plus 1.4–1.6Moz AuE in co- and by-products from attributable reserves of 95.5Moz Au and reserves & resources of 208.0Moz in top tier jurisdictions. It seeks to distinguish itself from its peers via its high ESG standards (eg its climate change report in May), its management strength and experience, its operating model, its capital discipline, its track record of returns (eg its market leading dividend), its methodical approach to project development and its conservatism (eg reserves calculated at US$1,200/oz).

INDUSTRY OUTLOOK

Newmont has a number of sources of organic growth plus three major new projects (Tanami Expansion 2, Ahafo North and Yanacocha Sulphides) that we forecast will increase pre-financing cash flows by more than 50% by FY25. It has also recently increased its stake in Yanacocha from 51% to 100% and received both Federal and Territorial approval to develop its 2.4Moz Coffee project.

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	11497.0	5537.0	2929.0	265.51	24.0	18.4
2021	12222.0	5963.0	3366.0	296.40	21.5	218.9
2022e	12515.6	6380.7	3203.2	279.84	22.8	23.0
2023e	12207.3	5404.3	2868.6	230.11	27.7	27.0

Sector: General industrials

Price:	236.0p
Market cap:	£210m
Market	LSE

Share price graph (p)

Company description

Norcros is a leading supplier of showers, enclosures and trays, tiles, taps and related fittings and accessories for bathrooms, kitchens, washrooms and other commercial environments. It has operations in the UK and South Africa, with some export activity from both countries.

Price performance

%	1m	3m	12m
Actual	(1.3)	(11.9)	(23.1)
Relative*	3.3	(8.4)	(21.9)

* % Relative to local index

Analyst

Andy Murphy

Norcros (NXR)

INVESTMENT SUMMARY

Strong trading in FY22 resulted in record revenue of £396m. The UK grew strongly, up 16.6%, driven in particular by Merlyn which grew 35% y-o-y. Growth in South Africa was stronger still at 34%. We expect these patterns to reflect market share gains in South Africa arising from relatively robust supply chain management and some normalisation of UK RMI demand. We made only mix changes to our EBIT forecasts beyond FY22 at the year end. The acquisition of Grant Westfield extends the UK product portfolio into panels and is expected to enhance earnings by c 10% in its first full year on our estimates.

INDUSTRY OUTLOOK

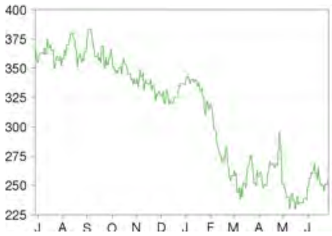
In the UK housing market's recovery phase from the impact of the COVID-19 pandemic, RMI has clearly been the stronger sub-sector. UK newbuild fundamentals remain favourable also. Similar trends have been seen in South Africa. The commercial sub-sectors generally remain subdued.

Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2021	324.2	39.9	29.0	29.1	8.1	N/A
2022	396.3	45.9	37.5	37.3	6.3	N/A
2023e	436.7	53.3	39.8	34.6	6.8	N/A
2024e	470.4	59.5	45.6	38.7	6.1	N/A

Sector: Financials

Price: 260.0p
Market cap: £292m
Market LSE

Share price graph (p)



Company description

Numis is one of the UK's leading independent investment banking groups, offering a full range of research, execution, equity capital markets, corporate broking and advisory services. At end-March 2022, it employed 325 staff in offices in London, Dublin and New York and had 183 corporate clients.

Price performance

%	1m	3m	12m
Actual	8.8	3.2	(28.6)
Relative*	13.8	7.3	(27.4)

* % Relative to local index

Analyst

Andrew Mitchell

Numis Corporation (NUM)

INVESTMENT SUMMARY

In May the group reported H122 results with revenue of £74.2m, 36% below the high level seen in H121. The outcome would have been weaker but for Numis's own investment in staff in the advisory and private markets parts of the business. Advisory revenues were up 39% y-o-y and private markets achieved revenue close to the prior year period. Operational gearing left pre-tax profit 66% lower at £13.4m. After a one-off tax adjustment resulting in a credit in the period, diluted EPS was 14.6p (down 43%). Following the rebasing of the dividend for FY21 (to 13.5p) the interim was increased to 6.0p (5.5p). Period-end cash stood at £111.5m (£97.6m H121).

INDUSTRY OUTLOOK

Looking ahead, Numis indicated that April revenue was marginally ahead of the H122 run-rate. Capital markets activity had recovered to some extent from a very low level in Q222 while the advisory area remained strong and the M&A pipeline continued to grow, with some transactions already announced and due to complete shortly. The group prudently noted the fragility of investor confidence and the difficultly of projecting the outlook for capital markets.

Y/E Sep	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	154.9	39.6	37.1	26.7	9.7	4.6
2021	215.6	72.3	74.2	49.1	5.3	5.2
2022e	145.8	31.5	25.1	23.5	11.1	35.4
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Investment companies

Price: 967.5p
Market cap: £342m
Market LSE

Share price graph (p)

Company description

Ocean Wilsons Holdings is an investment company based in Bermuda. It has a controlling shareholding in Wilson Sons, a quoted maritime services company in Brazil, and holds a portfolio of international investments.

Price performance

%	1m	3m	12m
Actual	3.5	2.9	(10.8)
Relative*	8.3	7.1	(9.4)

* % Relative to local index

Analyst

Pedro Fonseca

Ocean Wilsons Holdings (OCN)

INVESTMENT SUMMARY

OCN reported FY21 PBT of US$110.4m (+48% y-o-y), in line with our forecasts. OWIL had a good year, but WSON's results were a mixed bag. The container terminal business is still suffering from worldwide supply bottlenecks, whereas the towage business did better than expected. Looking ahead, we expect WSON to continue to be negatively affected by the global logistics disruption but assume an improvement in the second half of FY22. OCN is currently trading at a hefty 47% discount to the look-though value of its OWIL portfolio and its stake in listed WSON.

INDUSTRY OUTLOOK

WSON's good spread of assets in Brazil has allowed it to weather reasonably well the exceptional conditions in FY20, FY21 and now FY22. WSON's assets include large, competitive container terminals in two Brazilian ports and the country's largest maritime tugboat business. Its resilience has allowed OCN to maintain and fully fund its dividend and WSON's EBITDA to debt ratio remains robust at 2.9x in FY21. Looking ahead, spare capacity in various WSON businesses means that there is significant positive operating leverage as business picks up.

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (c)	P/E (x)	P/CF (x)
2020	352.8	138.8	74.6	109.5	10.9	2.8
2021	396.4	162.0	110.4	180.1	6.6	2.6
2022e	426.4	160.8	99.7	146.2	8.2	2.8
2023e	458.2	179.2	123.3	190.3	6.3	2.4

EDISON

OPAP (OPAP)

Sector: Travel & leisure

Price:	€14.02
Market cap:	€4947m
Market	Athens Stock Exchange

Share price graph (€)

Company description

OPAP was founded in 1958 as the Greek national lottery and is the exclusive licensed operator of all numerical lotteries, sports betting, instant and passives, VLTs and horse racing. OPAP listed in 2001 and was fully privatised in 2013. Allwyn has a 48.1% stake and significant board representation.

Price performance

%	1m	3m	12m
Actual	3.9	8.6	7.9
Relative*	12.5	11.2	19.0

* % Relative to local index

Analyst

Russell Pointon

INVESTMENT SUMMARY

OPAP's Q122 results showed a strong improvement from the prior year as it enjoyed a full period of (relatively) uninterrupted trading in its land-based locations, with a compensating moderation in the contribution from online revenue. The strong revenue recovery (y-o-y growth of 162%) fed through to an improved EBITDA margin (36.4% versus 34.9% in Q1) as costs were controlled well on a relative basis as operations ramped up. Our forecasts were unchanged. Management has reiterated its financial guidance for FY22, revenue expectations of €2.175–2.215bn (y-o-y growth of 41–44%) and EBITDA of €720–740m (growth of 31–34%).

INDUSTRY OUTLOOK

The Hellenic Gaming Commission estimates the total Greek gaming market's GGR amounted to €1.86bn in 2021, growth of c 15% in the year as it recovered from the severe drop of 27% in FY20 due to the initial COVID-19 outbreak and its effect on retail businesses. On an absolute basis, 2021's GGR was equivalent to c 83% of the pre-COVID-19 level of €2.23bn.

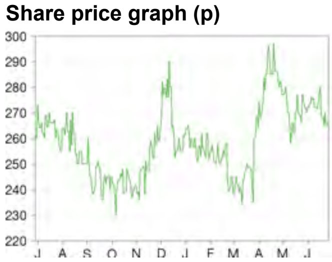
Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	1129.8	263.9	132.0	31.83	44.0	21.2
2021	1538.8	551.2	364.6	82.28	17.0	9.2
2022e	2170.9	721.7	553.8	119.36	11.7	7.3
2023e	2213.6	727.4	564.2	121.58	11.5	7.6

Palace Capital (PCA)

Sector: Property

Price:	269.0p
Market cap:	£125m
Market	LSE

Share price graph (p)



Company description

Palace Capital is a UK property investment company. It is not sector-specific and looks for opportunities where it can enhance long-term income and capital value through asset management and strategic capital development in locations outside London.

Price performance

%	1m	3m	12m
Actual	(1.1)	3.5	0.4
Relative*	3.5	7.6	2.0

* % Relative to local index

Analyst

Martyn King

INVESTMENT SUMMARY

FY22 results were robust. EPRA NTA per share increased 11.4% to 390p including like-for-like valuation growth of 3.9%, gains on asset disposals (gross proceeds of £31.5m, 19% above the March 2021 book value) and trading gains from the sale of Hudson Quarter residential assets (£3.8m). Including DPS paid pf 13.25p (up 26% vs FY21) the accounting total return was 14.8%. Leasing and other asset management activity, as well as acquisitions offset the impact of disposals and adjusted EPS of 16.9p covered DPS 1.28x. A £45m reduction in debt contributed to a reduction in LTV to 28% (2021: 42%). As previously announced, the board is considering a range of strategic options to unlock value in the business and will update the market on these before the AGM in July, when we will update our forecasts.

INDUSTRY OUTLOOK

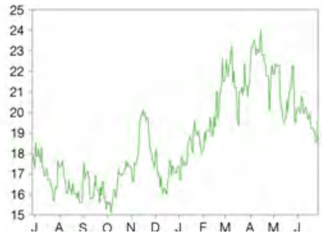
The commercial property market is cyclical, historically exhibiting substantial swings in capital values through cycles while income returns have been significantly more stable. Despite a deteriorating economic outlook market momentum has thus far been maintained. Despite strongly rising inflation interest rates remain relatively low and like other real assets commercial property is expected to offer a degree of inflation hedging.

Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2020	21.1	14.6	8.0	17.5	15.4	7.9
2021	17.3	10.6	7.5	16.4	16.4	11.0
2022e	16.8	13.8	6.9	15.1	17.8	3.3
2023e	17.3	13.8	7.7	16.7	16.1	3.8

Sector: Mining

Price:	19.8p
Market cap:	£441m
Market	AIM

Share price graph (p)



Company description

Pan African Resources has four major producing precious metals assets in South Africa: Barberton (target output 95koz Au pa), the Barberton Tailings Retreatment Project, or BTRP (20koz), Elikhulu (55koz) and Evander underground, incorporating Egoli (currently 36koz, rising to >100koz).

Price performance

%	1m	3m	12m
Actual	1.7	(6.9)	11.7
Relative*	6.5	(3.1)	13.5

* % Relative to local index

Analyst

Lord Ashbourne

Pan African Resources (PAF)

INVESTMENT SUMMARY

Pan African Resources (PAF) produced a forecast beating 108koz gold in H122 (cf 202koz in FY21 and 180koz in FY20) resulting in an upgrade to its FY22 production guidance (from 195koz to 200koz) and net senior debt declining by US$36m (or 60%) to just US$24m since H121.

INDUSTRY OUTLOOK

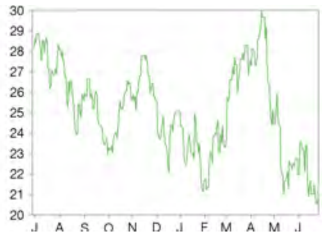
In the wake of H122 results, our core valuation of PAF is 33.79c/share (25.65p/share), based on projects either already in production or sanctioned. However, this rises by a further 15.07–20.09c (11.44–15.25p) once other assets (eg Mintails/Mogale, Egoli etc) are also taken into account. Alternatively, if PAF's historical average price to normalised EPS ratio of 8.9x is applied to our FY22 and FY23 forecasts, it implies a share price of 34.83p in FY22, followed by 33.00p in FY23. In the meantime, it remains cheaper than its London and JSE-listed peers on 69% of commonly used valuation measures and remains among the top 15 yielding precious metals companies globally. It is also in the process of expanding its exploration function.

Y/E Jun	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (c)	P/E (x)	P/CF (x)
2020	274.1	115.2	80.8	3.78	6.5	6.4
2021	368.9	156.6	117.7	4.54	5.4	3.8
2022e	374.2	167.2	133.9	5.18	4.7	3.0
2023e	359.5	174.7	138.3	4.91	5.0	2.9

Sector: Mining

Price:	US$21.42
Market cap:	US$4509m
Market	NASDAQ

Share price graph (US$)



Company description

Pan American Silver is one of the largest global primary silver producers and a sizeable gold miner with operations in North, Central and South America since 1994. The company owns eight producing operations, the currently suspended top-tier Escobal silver mine and a number of large-scale advanced exploration projects.

Price performance

%	1m	3m	12m
Actual	(5.8)	(24.2)	(24.4)
Relative*	0.4	(11.7)	(17.0)

* % Relative to local index

Analyst

Andrey Litvin

Pan American Silver (PAAS)

INVESTMENT SUMMARY

PAAS reported Q122 revenue and EBITDA of US$440m and US$128m on the back of the strong silver (+40% y-o-y) and gold (9%) sales. Production was affected by the COVID-19-related absenteeism and was broadly in line with Q121 for silver and slightly down for gold. Costs were generally in check, with an impressive silver segment cash cost of US$10.2/oz (-17%) below FY22 guidance. While the gold segment cash cost was up 26% y-o-y to US$1,069/oz from a relatively low base, it was at the upper end of the guidance range. PAAS maintained its FY22 guidance and expects production to be second-half weighted. It has also retained its full-year cost expectations, noting that it is seeing increased cost pressures in fuel and consumables.

INDUSTRY OUTLOOK

The shares are down c 14% ytd on the back of the lower commodity prices driven by the increased risks to global economic growth, spiralling inflation and faster-than-expected monetary tightening. The silver price is now c 18% lower than its latest peak in March, while the gold price is c 11% down, with the gold/silver ratio at c 85x.

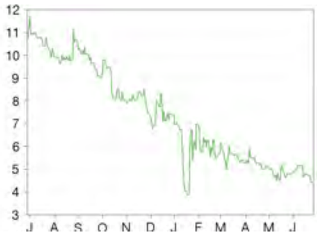
Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	1338.8	469.1	194.5	57.24	37.4	25.5
2021	1632.8	593.2	274.0	60.10	35.6	45.6
2022e	1710.5	564.7	249.2	68.05	31.5	23.5
2023e	1629.9	580.4	284.8	80.94	26.5	24.4

EDISON

Sector: General industrials

Price:	€4.40
Market cap:	€20m
Market	Xetra

Share price graph (€)



Company description

paragon designs and supplies automotive electronics and solutions, selling directly to OEMs, including sensors, interior, digital assistance and body kinematics. Production facilities are in Germany and China.

Price performance

%	1m	3m	12m
Actual	(8.0)	(18.5)	(59.3)
Relative*	1.0	(11.6)	(51.8)

* % Relative to local index

Analyst

Andy Chambers

paragon (PGN)

INVESTMENT SUMMARY

Recovery continues following the COVID-19 disruptions and the resolution of the Euro bond extension, which secures long-term financing. Despite automotive industry constraints Q122 saw the refocused paragon increase revenues by 6.3% to €41.7m with a 13.6% EBITDA margin and a 17.3% rise in the order backlog to c €630m at the start of May. Orders on hand for delivery in the year and four-month sales of €54.3m provide 99% sales cover for the refined management sales guidance of €165m for FY22, which is at the upper end of the previous range with an EBITDA margin of over 15%. The company has financial targets for revenues of €250–300m by 2026 with a progressive improvement in EBITDA margin to 20%.

INDUSTRY OUTLOOK

We believe paragon's identification of, and investment in, solutions to address megatrends in global automotive markets is understood by investors. It is growing faster than its markets due to innovative products that are driving changes in customer perceptions, creating new growth engines for the group. These should reassert themselves as the pandemic effects continue to wane.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	127.2	13.8	(17.1)	(168.00)	N/A	1.4
2021	146.9	20.0	(5.3)	(121.00)	N/A	1.4
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Investment companies

Price:	€3.16
Market cap:	€19m
Market	AMS

Share price graph (€)

Company description

After the sale of Stern's operational activities to Hedin, PB Holding only holds a 5.1% stake in insurance company Bovemij, a loss compensation and €1.8m cash.

Price performance

%	1m	3m	12m
Actual	0.3	(10.7)	29.8
Relative*	5.1	(3.6)	41.9

* % Relative to local index

Analyst

Edwin De Jong

PB Holding (PBH)

INVESTMENT SUMMARY

With its FY21 results, mobility insurer Bovemij in which PB Holding holds a 5.1% stake (its main asset), announced the intention to buy back part of its certificates. The implied value of the offer of €3.46 per PB Holding share is lower then the reported book value of €3.56 on 12 May. PB Holding could be valued at up to €5.16 per share based on peer valuations. As such, it is questionable if PB Holding will tender its certificates. In light of the changed profile we have suspended our forecasts for PB Holding.

INDUSTRY OUTLOOK

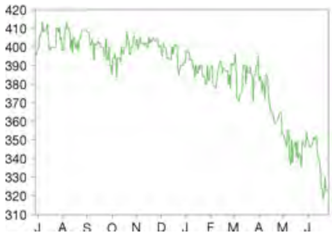
Bovemij is an insurance company for the Dutch mobility sector where a company can arrange car insurance for itself, its employees or its clients. In addition, Bovemij operates a smaller financing division, a data division and the IT services company RDC. Company revenues have been around €350m in the last few years and net profit varied between €4.6m in 2018 to €48.8m in 2020. In 2021, Bovemij reported a net profit of €46.6m.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (c)	P/E (x)	P/CF (x)
2020	N/A	N/A	N/A	N/A	N/A	N/A
2021	0.0	0.0	1.4	(412.00)	N/A	0.4
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Property

Price:	323.0p
Market cap:	£297m
Market	LSE

Share price graph (p)



Company description

Phoenix Spree Deutschland is a long-term investor in mid-market residential property in Berlin, targeting reliable income and capital growth. Its core strategy is to acquire unmodernised apartment blocks that may be improved to the benefit of tenants, generating attractive returns for shareholders.

Price performance

%	1m	3m	12m
Actual	(6.9)	(16.1)	(18.6)
Relative*	(2.6)	(12.7)	(17.4)

* % Relative to local index

Analyst

Martyn King

Phoenix Spree Deutschland (PSDL)

INVESTMENT SUMMARY

In a year dominated by the repeal of the Berlin Meitendeckel, the Berlin residential property remained robust, with free market rents and condominium prices increasing further. FY21 growth in Phoenix Spree Deutschland's (PSD's) EPRA NTA per share of 7.0% to €5.65 was underpinned by a record level of condominum notarisations (€15.2m at an average 20% uplift to book value), valuation growth driven mainly by rent growth, and accretive share buybacks. With 75% of its Berlin portfolio legally split (plus 10% in application) PSD is well placed to realise further valuation potential. Including unchanged DPS of €7.5, the accounting total return was 8.4%. A January refinancing transaction has extended debt facilities and added greater flexibility, supporting vacant apartment renovations and modernisations to unlock reversionary potential and further potential acquisitions. PSD recently completed the €18.5m forward funding purchase of new-build properties in the Berlin Beltway while new leases in Berlin were signed at an average 33.8% premium to previous passing rents.

INDUSTRY OUTLOOK

Strong demand for housing in Berlin has been driven by net migration and a relative lack of supply, generating growth in free market rents and capital values.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (c)	P/E (x)	P/CF (x)
2020	23.9	48.3	37.9	30.1	12.5	55.3
2021	25.8	45.4	45.3	39.3	9.6	44.8
2022e	26.2	49.7	42.0	36.6	10.3	51.3
2023e	27.9	51.4	43.7	38.2	9.9	47.9

Sector: Financials

Price:	92.0p
Market cap:	£502m
Market	LSE

Share price graph (p)

Company description

Picton Property Income is an internally managed UK REIT that invests in a diversified portfolio of commercial property across the UK. It is total return driven with a strong income focus and aims to generate attractive returns through proactive management of the portfolio.

Price performance

%	1m	3m	12m
Actual	(4.7)	(4.7)	4.0
Relative*	(0.2)	(0.8)	5.6

* % Relative to local index

Analyst

Martyn King

Picton Property Income (PCTN)

INVESTMENT SUMMARY

FY22 total profit of £147m was the highest since Picton Property Income's (PCTN) launch in 2005. It was driven by a strong 21% like-for-like uplift in property valuations, focused on industrial, logistics and retail warehouse assets, strongly weighted in the portfolio, mirroring market trends but further benefitting from leasing progress. Occupancy increased to 93% (FY21: 91%) and lettings, renewals and rent reviews were all on average above ERV, which continued to increase. Recurring EPRA earnings rose 5.5% to £21.2m or 3.9p per share. NAV per share increased to 120p (FY21: 97p) and including DPS paid the total return was 28.3%. Annualised DPS of 3.5p is restored to pre-pandemic levels with FY22 DPS cover of 115%. With a strong balance sheet and low gearing (21% LTV) PCTN is well placed for further accretive acquisitions following the acquisition of two assets for £25m in FY22.

INDUSTRY OUTLOOK

The commercial property market is cyclical, historically exhibiting substantial swings in capital values through cycles while income returns have been significantly more stable. Despite a deteriorating economic outlook market momentum has thus far been maintained. Despite strongly rising inflation interest rates remain relatively low and like other real assets commercial property is expected to offer a degree of inflation hedging.

Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2021	33.5	28.1	33.8	3.68	25.0	19.3
2022	35.4	29.7	147.0	3.88	23.7	17.9
2023e	37.1	30.9	70.3	3.95	23.3	15.4
2024e	38.6	32.0	38.1	4.15	22.2	15.4

Portobello SpA (POR)

Sector: Consumer support services

Price:	€27.30
Market cap:	€96m
Market	Borsa Italiana

Share price graph (€)

Company description

Portobello aims to build a national Italian retail presence via a rapid rollout of own-stores and franchises. It uses a combination of barter (own and third-party media) and cash purchases to source branded products from its suppliers.

Price performance

%	1m	3m	12m
Actual	(16.0)	(24.6)	(38.5)
Relative*	(5.9)	(15.7)	(28.3)

* % Relative to local index

Analyst

Russell Pointon

INVESTMENT SUMMARY

Portobello's proposed acquisition of ePrice Operations as a joint venture with Riba Mundo Tecnologia will lead to Portobello becoming an omnichannel operator from its current store-based focus and enable it to grow ePrice's core volume (consumer electronics and household appliances) while adding complementary products from Portobello's range. The enhanced volume, purchasing power of Portobello and Riba and cost synergies should lead to enhanced revenue growth and prospects for ePrice's activities. Our financial estimates were unchanged ahead of the expected completion date for the transaction, expected within 90 days of the announcement.

INDUSTRY OUTLOOK

Portobello's aspiration is to grow its retail footprint across Italy. If management can execute this strategy, it would produce premium revenue and profit growth in the long term versus its peers. Management is accelerating its store expansion plans from FY22, following the disruption caused by the outbreak of COVID-19.

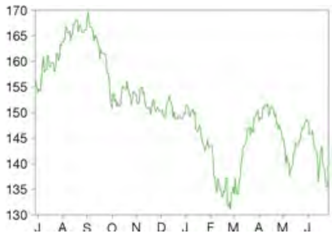
Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	62.7	10.9	8.3	195.58	14.0	7.0
2021	85.5	16.5	13.0	260.74	10.5	5.1
2022e	137.9	22.2	19.0	345.82	7.9	3.9
2023e	211.0	34.0	29.2	528.58	5.2	2.6

Primary Health Properties (PHP)

Sector: Property

Price:	140.8p
Market cap:	£1878m
Market	LSE

Share price graph (p)



Company description

Primary Health Properties is a long-term investor in primary healthcare property in the UK and the Republic of Ireland. Assets are mainly long-let to GPs and the NHS or the HSE, organisations backed by the UK and Irish governments respectively.

Price performance

%	1m	3m	12m
Actual	(4.9)	(5.5)	(9.4)
Relative*	(0.5)	(1.7)	(8.0)

* % Relative to local index

Analyst

Martyn King

INVESTMENT SUMMARY

A Q122 trading update Primary Health Properties (PHP) showed good progress in converting its investment pipeline, which continues to grow, while organic rental growth accelerated, in part driven by the inflationary environment. It committed to, and recently completed, the acquisition of two operational healthcare properties, announced its first 'net zero carbon' development, and completed 10 asset management projects. Completed rent reviews reflected an average 2% pa uplift. With significant available funding of £270m and an aggregate £482m pipeline of investment opportunities PHP is well placed for further acquisitions. Now in its 28th year of unbroken dividend increases, and with aggregate H122 DPS of 3.25p, PHP is unsurprisingly on track to meet its 6.5p annual target (+4.8%), fully covered by EPRA earnings.

INDUSTRY OUTLOOK

Income visibility is strong, with long leases and upwards-only rents, 90% backed directly or indirectly by government bodies, little exposed to the economic cycle, or occupancy fluctuation. Health and social care planning suggests strong underlying demand for modern healthcare properties in both the UK and the Republic of Ireland.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	131.2	118.0	112.4	5.7	24.7	15.0
2021	136.7	126.2	141.6	6.1	23.1	13.3
2022e	141.1	130.3	143.5	6.3	22.3	14.4
2023e	144.9	133.6	164.0	6.6	21.3	14.0

Sector: Financials

Price:	€3.50
Market cap:	€206m
Market	Xetra

Share price graph (€)

Company description

ProCredit Holding is a Germany-based group operating regional banks across SEE, EE and Ecuador. The banks focus on SMEs and private middle-income and high earners. At end-September 2021, the group's total assets stood at €7.9bn.

Price performance

%	1m	3m	12m
Actual	(7.7)	(13.6)	(57.6)
Relative*	1.3	(6.2)	(49.8)

* % Relative to local index

Analyst

Milosz Papst

ProCredit Holding (PCZ)

INVESTMENT SUMMARY

ProCredit (PCB) has extensive experience in supporting SMEs in emerging economies (and a strong ESG profile), with a focus on Southeastern (SEE) and Eastern Europe (EE) and banking operations in Ecuador. While the situation in Ukraine (which accounted for 12.9% of PCB's loan book as at May 2022) remains difficult to predict, we believe investors may have overreacted as PCB is trading at c 0.3x its tangible book value at end-2021 (with a potential default of PCB's Ukrainian bank more than priced in).

INDUSTRY OUTLOOK

The IMF estimates that GDP in emerging and developing Europe was up 6.7% in 2021 (vs -1.7% in 2020). Russia's invasion of Ukraine has introduced macroeconomic and geopolitical uncertainty in the region and the IMF expects a 35% GDP contraction in Ukraine this year. However, it also expects 2–4% GDP growth in 2022 and 2023 for most countries where PCB is active. PCB's in-depth, impact-oriented relationships with SME borrowers (92% of the loan book at end-March 2022), prudent credit risk management and solid capital base (CET-1 ratio of 13.4% at end-March 2022) should help it weather the near-term turmoil. Longer term, PCB's business should be assisted by the low banking sector penetration in the region.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (c)	P/E (x)	P/CF (x)
2020	201.6	N/A	52.1	70.0	5.0	N/A
2021	222.0	N/A	94.5	135.0	2.6	N/A
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Alternative energy

Price:	A$0.05
Market cap:	A$27m
Market	ASX

Share price graph (A$)

Company description

Provaris Energy is becoming a vertically integrated green hydrogen producer and supplier, combining production and compressed hydrogen shipping solutions for transporting energy from Australia to regional markets in South-East Asia, and Europe.

Price performance

%	1m	3m	12m
Actual	(25.4)	(48.5)	(28.6)
Relative*	(19.7)	(42.5)	(21.5)

* % Relative to local index

Analyst

Andy Murphy

Provaris Energy (PV1)

INVESTMENT SUMMARY

Provaris Energy is one of the first transport companies to offer the prospect of genuinely emission-free hydrogen production and inter-regional hydrogen transport solutions. Its innovative compressed hydrogen ship design is progressing through Class approvals and is in the early stages of development. It is targeting a construction-ready decision in 2023 and available ships for operation in 2026, serving markets into South-East Asia from Australia and within the European region from onshore supply projects, and also exciting applications in offshore energy production for hydrogen. Our scenario models suggest IRRs of between 10% and 19%.

INDUSTRY OUTLOOK

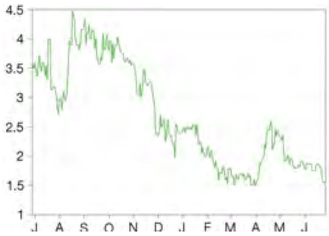
Australia is blessed with plentiful renewable energy sources (wind and solar) and a relatively limited local demand given the population. By contrast, several countries in South-East Asia have pledged to decarbonise their economies but have challenges in achieving targets given the geographies. Provaris Energy is looking to address this imbalance by transporting surplus energy in the form of green hydrogen from northern and western Australia to areas of high demand in its novel compressed hydrogen vessels. The company recently changed its name from Global Energy Ventures.

Y/E Jun	Revenue (A$m)	EBITDA (A$m)	PBT (A$m)	EPS (c)	P/E (x)	P/CF (x)
2020	1.5	0.0	(2.9)	(0.7)	N/A	N/A
2021	0.2	0.0	(3.1)	(0.7)	N/A	N/A
2022e	0.0	0.0	(6.4)	(1.3)	N/A	N/A
2023e	0.0	0.0	(7.4)	(1.3)	N/A	N/A

Sector: General industrials

Price: 1.5p
Market cap: £21m
Market AIM

Share price graph (p)



Company description

Quadrise Fuels International is the innovator, supplier and global licensor of disruptive oil technology that produces a synthetic, enhanced heavy fuel oil called MSAR and a biofuel called bioMSAR. The technology provides a low cost and cleaner fuel for marine, power and industrial applications.

Price performance

%	1m	3m	12m
Actual	(20.8)	0.2	(61.0)
Relative*	(17.1)	4.2	(60.4)

* % Relative to local index

Analyst

Anne Margaret Crow

Quadrise Fuels International (QFI)

INVESTMENT SUMMARY

Quadrise has signed a new material transfer and cooperation agreement with its client in Morocco which is considering using Quadrise's MSAR and bioMSAR fuel as a substitute for heavy fuel oil in some of its operations. Under the terms of the agreement, Quadrise will manufacture trial quantities of MSAR and bioMSAR for an industrial-scale demonstration test at one of the client's sites. Quadrise will then provide the client with a written report on the efficacy of using MSAR and bioMSAR. Provided that the client's stated parameters regarding performance and product quality are met, the parties will then enter into discussions regarding potential commercial supply of MSAR and/or bioMSAR.

INDUSTRY OUTLOOK

In parallel, Quadrise will also complete a technical and economic feasibility study for a potential additional industrial demonstration test at a second site of the client. The industrial demonstration test and feasibility study covered by the agreement will take place concurrently and both are expected to complete in calendar Q322. If successful, the programme of activities will potentially culminate in commercial sales of MSAR and/or bioMSAR in calendar Q123. This programme complements Quadrise's activities in Utah and with MSC Shipmanagement.

Y/E Jun	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	0.0	(3.0)	(3.3)	(0.32)	N/A	N/A
2021	0.0	(2.8)	(2.8)	(0.23)	N/A	N/A
2022e	N/A	N/A	N/A	N/A	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Financials

Price: 73.0p
Market cap: £145m
Market LSE

Share price graph (p)

Company description

Record is a specialist independent currency manager. It provides a number of products and services, including passive and dynamic hedging, and a range of currency for return strategies, including funds and customised segregated accounts.

Price performance

%	1m	3m	12m
Actual	2.8	1.4	(22.3)
Relative*	7.6	5.5	(21.1)

* % Relative to local index

Analyst

Andrew Mitchell

Record (REC)

INVESTMENT SUMMARY

Record's AUME increased by 3.7% during FY22 to $83.1bn. We calculate that the average AUME in sterling terms rose by 17.4%. Reflecting flows into higher fee margin products and helped modestly by performance fee income of £0.5m, FY22 revenue was up 38% to £35.1m. Continued investment contributed to a 25% increase in operating costs. This still allowed an increase in the operating margin from 24% to 31% and a 76% increase in pre-tax profit to £10.9m. Diluted EPS rose from 2.73p to 4.37p. This in turn supported a rise in the ordinary dividend from 2.3p to 3.6p while a special dividend of 0.92p took the total dividend for the year to 4.52p versus 2.75p.

INDUSTRY OUTLOOK

Record acknowledges the current difficult macroeconomic and geopolitical background for markets but sees the progress it is making on its strategy to diversify, modernise and develop and retain the next generation of management as creating an exciting outlook for the group as it moves to become a specialist asset manager. To make this more tangible, it has stated its aspiration to achieve revenue of £60m in FY25 reflecting the realistic potential it sees in existing products and those in development. Subject to inflation and other developments, the group sees scope to reach an operating margin of 40% in the same year.

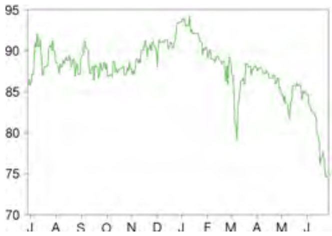
Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2021	25.4	7.0	6.2	2.73	26.7	21.1
2022	35.2	12.2	10.9	4.37	16.7	12.7
2023e	39.3	12.4	11.6	4.77	15.3	14.8
2024e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Property

Regional REIT (RGL)

Price:	74.7p
Market cap:	£385m
Market	LSE

Share price graph (p)



Company description

Regional REIT owns a highly diversified commercial property portfolio of predominantly offices located in the regional centres of the UK. It is actively managed and targets a total shareholder return of at least 10% with a strong focus on income.

Price performance

%	1m	3m	12m
Actual	(12.0)	(14.8)	(14.6)
Relative*	(7.9)	(11.4)	(13.3)

* % Relative to local index

Analyst

Martyn King

INVESTMENT SUMMARY

With the return to work building RGL remains positive about the future for offices, especially good quality regional assets with affordable rents. It expects an acceleration in letting vacant space to drive income and capital growth. Q122 average achieved rents on lease renewals and new letting were at a premium to previous rents and/or ERV. At end-FY21 the latter was more than £20m above contracted rents, mostly reflecting space available for letting. With strong rent collection continuing Q122 DPS was increased to 1.65p, (up c 3% y-o-y). Earnings are also being supported by accretive capital recycling with c £75m of assets acquired year to date at a blended c 8.4% net initial yield and c £69m sold at 5.9%. The acquired assets also enhance overall portfolio quality, including its environmental credentials, consistent with the trend in occupier demand.

INDUSTRY OUTLOOK

The commercial property market is cyclical, historically exhibiting substantial swings in capital values through cycles while income returns have been significantly more stable. Despite a deteriorating economic outlook market momentum has thus far been maintained. Despite strongly rising inflation interest rates remain relatively low and like other real assets commercial property is expected to offer a degree of inflation hedging.

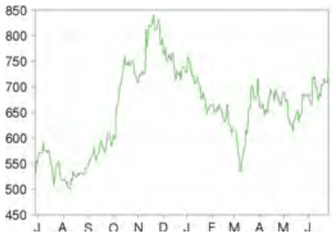
Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	53.3	42.0	(31.2)	6.5	11.5	6.7
2021	55.8	45.2	28.8	6.6	11.3	6.0
2022e	62.8	51.0	42.9	6.6	11.3	6.9
2023e	64.9	52.7	49.6	6.9	10.8	7.3

Sector: General industrials

Renewi (RWI)

Price:	740.0p
Market cap:	£592m
Market	LSE

Share price graph (p)



Company description

Renewi is a leading waste-to-product company in some of the world's most advanced circular economies with operations primarily in the Netherlands, Belgium and the UK. Its activities span the collection, processing and resale of industrial, hazardous and municipal waste.

Price performance

%	1m	3m	12m
Actual	8.4	9.3	38.1
Relative*	13.4	13.7	40.3

* % Relative to local index

Analyst

David Larkam

INVESTMENT SUMMARY

Renewi's FY22 results reflect a strong performance across the group. The results came in ahead of FY21 comparatives and our FY22 forecasts. Management expects FY23 results to be ahead of previous guidance. Driving this performance were price increases that outpaced inflation in waste and recyclates, coupled with volume gains (which are still below pre-COVID levels) and cost savings. Renewi is transitioning its focus from margin recovery to growth, which is expected to come from both organic and acquisitions. The group is targeting €60m in additional EBIT from circular innovations, continued recovery at ATM and the Renewi 2.0 programme, with a further €100m in investment planned to support this growth. The acquisition of Paro, an Amsterdam-based commercial waste and recycling business, was announced for an enterprise value of €67m, funded from existing group facilities.

INDUSTRY OUTLOOK

The focus on the circular economy to meet net zero targets is a key investment theme for the years ahead, and Renewi is an example of the growth and improving financial results being achieved from the circular economy tailwinds. Our forecasts are under review following the FY22 results.

Y/E Mar	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2021	1693.6	159.8	47.1	44.7	19.3	2.7
2022	1869.2	183.9	105.3	97.9	8.8	3.7
2023e	N/A	N/A	N/A	N/A	N/A	N/A
2024e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Financials

Price: 2160.0p
Market cap: £262m
Market LSE

Share price graph (p)

Company description

S&U's Advantage motor finance business lends on a simple HP basis to lower- and middle-income groups who may have impaired credit records restricting access to mainstream products. It has c 62,000 customers. The Aspen property bridging business has been developing since its launch in 2017.

Price performance

%	1m	3m	12m
Actual	(6.9)	(10.0)	(18.5)
Relative*	(2.6)	(6.4)	(17.2)

* % Relative to local index

Analyst

Andrew Mitchell

S&U (SUS)

INVESTMENT SUMMARY

In its May AGM update S&U acknowledged the geopolitical and macroeconomic background with cost-of-living pressures and low consumer confidence. However both its businesses, Advantage motor finance and Aspen property bridging, are making steady progress and had achieved profit ahead of budget since the end of FY22 in January. Demand for motor and property bridging finance remained strong. Group net receivables stood at £340m on 25 May compared with £295m on 19 May 2021, £322m at end FY22 and our estimate of £366m for FY23. Credit quality remained good in both businesses with Advantage payment arrears below budget and falling while, mindful of the economic background, affordability buffers are a part of the underwriting criteria. Strong collections resulted in borrowings of £125m compared with £114m at the year end (and medium-term facilities of £180m).

INDUSTRY OUTLOOK

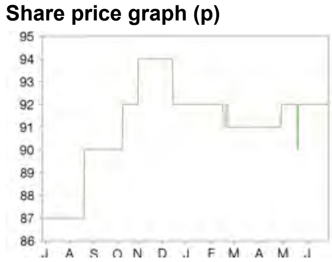
S&U expected to meet growth targets for the year but is keeping a focus on maintaining the quality of its loan book and service to customers. The group continues to develop both its businesses, creating a good basis for longer-term growth. There will be a Q223 update 10 August.

Y/E Jan	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2021	83.8	22.2	18.1	120.7	17.9	7.9
2022	87.9	51.3	47.0	312.7	6.9	N/A
2023e	95.6	44.3	39.3	262.0	8.2	N/A
2024e	105.8	48.9	42.7	267.0	8.1	917.1

Sector: General retailers

Price: 92.0p
Market cap: £92m
Market TISE

Share price graph (p)



Company description

SandpiperCI Group operates a high-quality portfolio of retail brands covering food, clothing and specialist products. It primarily operates franchise stores but also a number of its own food convenience stores. It is the leading Channel Islands retailer and is also present in Gibraltar and the Isle of Man.

Price performance

%	1m	3m	12m
Actual	N/A	N/A	N/A
Relative*	N/A	N/A	N/A

* % Relative to local index

Analyst

Sara Welford

SandpiperCI Group (SANDPI)

INVESTMENT SUMMARY

Sandpiper has been able to leverage its relationships with its franchise partners to open their brands in additional geographies: initially Gibraltar and subsequently the Isle of Man. It is a dependable operator and it owns a high-quality freehold property portfolio, valued at £67.5m in January 2022, which provides a barrier to entry for the competition. There are some opportunities for in-fill across existing geographies, but we believe that more significant long-term opportunities lie in developing into new territories and an expansion into an adjacent segment such as hospitality. The FY22 results confirmed the group's resilience, with revenues up 5.1%. Trading EBITDA was up 12% versus the prior year (which was affected by trading restrictions). Management remains confident in its outlook despite the well-documented inflationary cost pressures affecting the entire sector.

INDUSTRY OUTLOOK

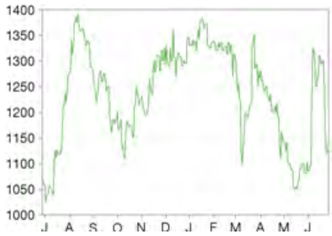
Our medium-term sales growth of 3.5% for Sandpiper reflects mid-cycle consensus RPI forecasts of c 3% and modest space growth, as Sandpiper expands across its existing geographies.

Y/E Feb	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2021	200.4	11.3	5.1	4.09	22.5	8.1
2022	210.7	12.7	7.3	5.82	15.8	7.2
2023e	216.1	12.2	6.9	5.50	16.7	7.6
2024e	221.4	12.5	6.4	5.15	17.9	7.4

Sector: Financials

Price:	1140.0p
Market cap:	£213m
Market	LSE

Share price graph (p)



Company description

Secure Trust Bank is a well-established specialist bank addressing niche markets within consumer and commercial banking.

Price performance

%	1m	3m	12m
Actual	5.6	(11.8)	7.0
Relative*	10.5	(8.3)	8.7

* % Relative to local index

Analyst

Pedro Fonseca

Secure Trust Bank (STB)

INVESTMENT SUMMARY

A key attractive feature of Secure Trust Bank (STB) is that it is a niche high-yield lender that is also diversified across the various segments. It has a track record of being nimble in responding to market changes and opportunities, which includes exiting when risk-adjusted returns are not appealing. We are forecasting 15–17% annual loan growth for FY22–23 as management sees good risk-adjusted opportunities despite the inflation uncertainty. This is backed by a strong capital base (CET1 14.5%) and good returns (forecast ROE of 10.2% and 12.3% for FY22e and FY23e respectively). In April we increased our fair value to 2,491p/share (from 2,234p) mainly due to rolling the model forward one year.

INDUSTRY OUTLOOK

Government support measures have now largely wound down but some uncertainty remains regarding the shape of the economic rebound and the rising inflation. The base economic scenario is supportive for banks with good economic growth, low unemployment and modest rise in interest rates.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	166.1	N/A	19.1	81.0	14.1	N/A
2021	164.5	N/A	57.4	246.8	4.6	N/A
2022e	186.5	N/A	40.8	167.2	6.8	N/A
2023e	215.2	N/A	56.4	232.0	4.9	N/A

Sector: Technology

Price:	A$0.07
Market cap:	A$46m
Market	ASX

Share price graph (A$)

Company description

Based in Australia, SenSen Networks is a pioneer in the field of sensor AI. Its horizontal technology platform, SenDISA, takes inputs from multiple sources, such as cameras, sensors networks, transaction data and GPS, then analyses and fuses the data to automate monotonous, laborious tasks and develop meaningful insights.

Price performance

%	1m	3m	12m
Actual	(16.5)	(40.8)	(51.0)
Relative*	(10.2)	(34.0)	(46.2)

* % Relative to local index

Analyst

Kenneth Mestemacher

SenSen Networks (SNS)

INVESTMENT SUMMARY

SenSen (SNS), an Australian-based artificial intelligence company, reported a record monthly cash inflow in May of A$1.1m, following its recent record quarter of cash receipts in Q322 (A$1.7m). The company's 'land and expand' strategy continues to generate contract wins, including multiple smart city contracts generating A$850k in revenues and A$125k per year in annual recurring revenue from FY23. Wins include Concord Parking in North America, Port of Singapore and VicRoads in Melbourne. If SNS can sustain this recent momentum of contract wins across geographies and verticals, we expect that it could lead to a reduction in the valuation gap.

INDUSTRY OUTLOOK

SNS operates in the fast-growing, global AI market, which is expected to expand at about a 43% CAGR and reach US$126bn by 2025 (source: Tractica). As it executes its 'Land Grab' strategy, SNS should benefit as AI is increasingly used in verticals that involve monitoring physical spaces and as it expands its business across multiple geographies.

Y/E Jun	Revenue (A$m)	EBITDA (A$m)	PBT (A$m)	EPS (c)	P/E (x)	P/CF (x)
2020	3.8	(2.8)	(3.7)	(0.85)	N/A	N/A
2021	5.5	(2.2)	(2.9)	(0.61)	N/A	N/A
2022e	9.3	(6.6)	(9.7)	(1.67)	N/A	N/A
2023e	16.4	(2.5)	(4.8)	(0.73)	N/A	N/A

Severfield (SFR)

Sector: Engineering

Price:	62.0p
Market cap:	£192m
Market	LSE

Share price graph (p)

Company description

Severfield is a leading UK structural steelwork fabricator operating across a broad range of market sectors. An Indian facility undertakes structural steelwork projects for the local market and was expanded in FY20.

Price performance

%	1m	3m	12m
Actual	(3.1)	(5.2)	(21.9)
Relative*	1.4	(1.4)	(20.7)

* % Relative to local index

Analyst

Andy Murphy

INVESTMENT SUMMARY

Severfield's FY22 results confirmed a strong H2, successfully delivering orders won in the previous 18 months or so. Notwithstanding input cost inflation, absolute levels of operating profit, including JVs, increased 6.7% to £28.2m. Severfield's Indian JV (JSSL) has also hit management expectations, including further profitable trading in H2. The UK and India both ended FY22 with record order books reflecting inflationary effects to some extent but the underlying order intake has clearly been healthy. The company's FY23 expectations remain unchanged with strong trading being offset by inflationary pressures. Our forecasts are under review.

INDUSTRY OUTLOOK

The primary strategic aim is to maintain Severfield's position as the leading UK structural steelwork supplier. The Indian JV targets similar sectors to those served in the UK; management has valued the Indian construction market at c £100bn pa, with a very low penetration of steel structures currently.

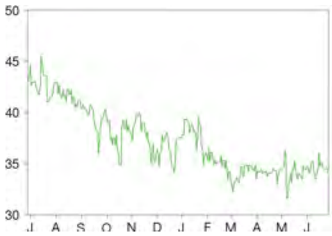
Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2021	363.3	N/A	24.3	6.43	9.6	6.4
2022	403.6	N/A	27.1	7.19	8.6	29.4
2023e	422.3	N/A	31.3	8.29	7.5	5.7
2024e	429.5	N/A	33.6	8.92	7.0	5.1

Smiths News (SNWS)

Sector: Industrial support services

Price:	33.9p
Market cap:	£84m
Market	LSE

Share price graph (p)



Company description

Smiths News is the UK's largest newspaper and magazine distributor with a c 55% market share covering 24,000 retailers in England and Wales. It has a range of long-term exclusive distribution contracts with major publishers, supplying a mix of supermarkets and independent retailers.

Price performance

%	1m	3m	12m
Actual	(1.7)	(1.5)	(21.5)
Relative*	2.8	2.5	(20.3)

* % Relative to local index

Analyst

Andy Murphy

INVESTMENT SUMMARY

Smiths News has successfully performed a turnaround of the business that has seen it return to a core newspaper and magazine distribution operation. While the print sector is declining, revenue is predictable and management has a clearly demonstrable cost-saving track record such that cash flow is strong and profits are broadly flat. Debt is being paid down and dividends have been materially lifted as banking restrictions have been relaxed. We value the business at 92p/share, more than twice the current price.

INDUSTRY OUTLOOK

Volumes of newspaper and magazine sales have been falling at an average rate of c 5% pa for many years as first TV and radio and then online have taken over as the primary source of news consumptions by an increasingly younger audience. Cover price inflation has partially offset lost revenue, but Smiths News has had to, and continues to, cut costs repeatedly to make up the short-fall. These characteristics are likely to persist into the future.

Y/E Aug	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	1164.5	40.4	28.2	10.28	3.3	2.1
2021	1109.6	44.9	31.9	10.83	3.1	1.8
2022e	1076.3	41.9	30.3	10.25	3.3	1.9
2023e	1044.0	40.7	30.5	9.77	3.5	2.0

Sector: Financials

Price: 130.0p
Market cap: £1612m
Market LSE

Share price graph (p)

Company description

Supermarket Income REIT, listed on the premium segment of the LSE, invests in supermarket property, let to leading UK supermarket operators, on long, RPI-linked leases. The investment objective is to provide an attractive level of income, with the potential for capital growth.

Price performance

%	1m	3m	12m
Actual	(0.4)	0.8	10.2
Relative*	4.2	4.8	11.9

* % Relative to local index

Analyst

Martyn King

Supermarket Income REIT (SUPR)

INVESTMENT SUMMARY

SUPR recently raised £300m (gross) in a substantially oversubscribed equity issue that had initially targeted £175m. Investor demand was accompanied by an increase in the availability of attractive investment opportunities. Acquisition-led growth has increased diversification and generated economies of scale. Migration to the Premium Segment of the LSE and inclusion in the FTSE 250 and EPRA NAREIT indices should provide access to a wider pool of investors. Meanwhile, the attainment of an Investment Grade credit rating should increase debt funding flexibility, as equity proceeds are deployed. With 85% of rents index-linked inflation is providing a positive tailwind for SUPR and given the non-discretionary nature of most grocery sales, operators have historically benefitted also. Structural shifts to home working and online shopping add additional support to SUPR's omnichannel store focus.

INDUSTRY OUTLOOK

Supermarket property has a long record of positive total returns underpinned by stable income returns in part due to long-leases, a strong occupier covenant, and the non-cyclical nature of grocery retailing. Supermarkets have been a net beneficiary of the pandemic which has boosted sales, particularly online and fulfilled by omnichannel stores.

Y/E Jun	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2020	25.5	21.2	16.8	5.0	26.0	16.2
2021	46.2	38.7	36.8	5.6	23.2	19.8
2022e	69.1	57.3	56.5	6.1	21.3	20.9
2023e	80.7	68.0	61.4	6.2	21.0	19.2

Sector: Mining

Price: 87.0p
Market cap: £232m
Market AIM

Share price graph (p)

Company description

Sylvania Platinum focuses on the re-treatment and recovery of platinum group metals including platinum, palladium and rhodium.

Price performance

%	1m	3m	12m
Actual	(2.8)	(7.6)	(28.1)
Relative*	1.7	(3.9)	(27.0)

* % Relative to local index

Analyst

Rene Hochreiter

Sylvania Platinum (SLP)

INVESTMENT SUMMARY

Sylvania Platinum is a low-risk platinum group metals (PGM) dump retreatment company with large cash flows that could soon equal the company's current market capitalisation. Based in South Africa, country risk is limited due to the low labour complement. Sylvania's Q222 report showed good cost control with the ZAR cost per oz down 5.5% on Q1 and direct operating costs down 1.4%. If sustained, FY22 costs will be 2% lower than our forecast, indicating operating margin upside.

INDUSTRY OUTLOOK

A positive outlook is forecast for PGM prices. The outlook for platinum, iridium and ruthenium prices for the next two decades is good due to their use in the hydrogen economy. The outlook for rhodium and palladium is also good as increased loadings in gasoline autocats is scheduled in 2024 and thereafter. Large deficits in rhodium to 2028 and in palladium to 2030 due to increased autocat loadings should be balanced thereafter. For platinum we see a balanced market to 2025 but with deficits from 2028.

Y/E Jun	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	115.0	69.0	65.0	14.3	7.5	4.2
2021	206.0	145.0	143.0	35.9	3.0	2.6
2022e	161.0	93.0	90.0	22.0	4.9	3.0
2023e	176.0	108.0	105.0	26.9	4.0	2.7

Sector: Property

Price:	112.6p
Market cap:	£698m
Market	LSE

Share price graph (p)

Company description

Target Healthcare REIT invests in modern, purpose-built residential care homes in the UK let on long leases to high-quality care providers. It selects assets according to local demographics and intends to pay increasing dividends underpinned by structural growth in demand for care.

Price performance

%	1m	3m	12m
Actual	(1.9)	0.9	(2.1)
Relative*	2.6	5.0	(0.5)

* % Relative to local index

Analyst

Martyn King

Target Healthcare REIT (THRL)

INVESTMENT SUMMARY

Acquisitions and index-linked rent uplifts continue to drive consistently positive returns. Operator rent cover and rent collection have remained robust although recently negatively affected by a small number of homes for which asset management plans are in place while tenant operator occupancy is rebuilding. Long-term, index-linked leases, an extension of long-term fixed-rate debt, and an historical ability of operators to match inflation pressures with fee growth offer good protection against increased inflation. Available investment capital of £67m remains, all allocated to board-approved acquisitions, which will contribute to full dividend cover on a fully deployed/developed basis.

INDUSTRY OUTLOOK

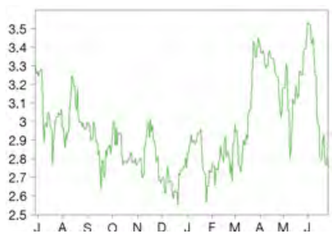
The care home sector is driven by demographics rather than the economy. A growing elderly population and the need to improve the existing estate point to continuing demand for new, purpose-built homes with flexible layouts and high-quality residential facilities. With its unwavering focus on asset and tenant quality, these are the homes in which Target invests, believing that 'best in class' assets, in areas with strong demand/supply characteristics, and sustainable rent levels will always be attractive to existing or alternative tenants and are key to providing sustainable, long-duration income with capital growth.

Y/E Jun	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2020	44.3	N/A	23.2	5.27	21.4	23.6
2021	50.0	N/A	26.0	5.46	20.6	21.4
2022e	59.6	N/A	29.9	4.99	22.6	18.7
2023e	73.2	N/A	40.4	6.52	17.3	16.2

Sector: Technology

Price:	€2.89
Market cap:	€681m
Market	Euronext Paris

Share price graph (€)



Company description

Technicolor is a worldwide technology leader operating in the media and entertainment industry. Its activities are organised in three business segments, Production Services, DVD Services and Connected Home.

Price performance

%	1m	3m	12m
Actual	(14.9)	(13.7)	(10.4)
Relative*	(8.0)	(6.4)	(0.9)

* % Relative to local index

Analyst

Fiona Orford-Williams

Technicolor (TCH)

INVESTMENT SUMMARY

Technicolor has now set out its strategy for the two separate businesses post the 65% spin-off scheduled for H222; Technicolor Creative Studios (TCS), a pure-play digital FX business; and Vantiva, comprising Connected Home and DVD Services. Vantiva's financing is effectively already in place, while marketing is now active for TCS's €600m term loan. Vantiva will focus on its leading positions in broadband and Android TV customer premise equipment, with its supply chain services broadening their reach. TCS's activities cover film and episodic, advertising, animation and games, working with all the major studios and commissioners.

INDUSTRY OUTLOOK

The underlying demand in both core operations remains very strong. For TCS, demand for high-quality content is robust across film, episodic and animation, with 80% of the current year pipeline booked. The industry remains beset by shortages of talent from which TCS is not immune, which is a constraint on faster growth. At Vantiva, demand for domestic broadband continues to be very good, with higher revenue growth again constrained by industry wide component shortages.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	3006.0	163.0	(46.0)	(35.73)	N/A	N/A
2021	2898.0	268.0	(6.0)	(11.42)	N/A	49.7
2022e	2975.0	375.0	89.0	31.57	9.2	3.3
2023e	3135.0	415.0	138.0	48.42	6.0	3.2

Thrace Plastics (PLAT)

Sector: General industrials

Price: €3.55
Market cap: €155m
Market Athens Stock Exchange

Share price graph (€)

Company description

Thrace Plastics is an established international producer of technical fabrics (approaching three-quarters of FY20 EBIT) and packaging. Each division uses a number of manufacturing processes and produces a wide range of products from polymer materials, serving a diverse range of end-markets.

Price performance

%	1m	3m	12m
Actual	(21.6)	(29.4)	(46.5)
Relative*	(15.1)	(27.7)	(41.0)

* % Relative to local index

Analyst

Andy Murphy

INVESTMENT SUMMARY

As expected, FY21 revenue was strong, growing 26.1% to €428.4m supported by PPE revenue. PBT rose 61% to €83.9m. Excluding PPE, core PBT was €32.1m, which compares very favourably with 2019 PBT of €11.8m, highlighting the progress that Thrace has made in the last two years. Q122 figures also reflected good underlying demand for core products which resulted in EBITDA growth of 10.5%, excluding the PPE contribution. The current investment phase of €102m between 2020 and 2022 should see €42m invested this year in increased capacity to drive future growth.

INDUSTRY OUTLOOK

Thrace manufactures a wide range of products that are used in a variety of sectors, ranging from construction/infrastructure to horticulture and food packaging primarily in Europe and the United States. Management's high-level financial objective is to pursue profitable growth using two primary levers: increased capacity and value capture.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (c)	P/E (x)	P/CF (x)
2020	339.7	76.5	56.1	93.1	3.8	1.8
2021	428.4	103.8	83.9	207.0	1.7	1.7
2022e	345.6	57.8	34.5	59.1	6.0	2.3
2023e	362.1	61.5	38.2	65.5	5.4	2.7

TIE Kinetix (TIE)

Sector: Technology

Price: €17.80
Market cap: €35m
Market AMS

Share price graph (€)

Company description

TIE Kinetix is a Dutch IT software company delivering SaaS solutions to companies, governmental institutions and their suppliers, to help them exchange business documents electronically and simplify supply chain processes.

Price performance

%	1m	3m	12m
Actual	(8.7)	(5.3)	(24.6)
Relative*	(4.4)	2.2	(17.5)

* % Relative to local index

Analyst

Johan van den Hooven

INVESTMENT SUMMARY

TIE Kinetix is focused on 100% digitalisation of document streams in the supply chain. The company has set targets to accelerate organic growth in software-as-a-service (SaaS) revenues to 20%+ pa by FY25, with an EBITDA margin of 20%. Now fully focused on SaaS, recurring revenues are expected to increase from 80%+ to 90%+ over the next few years, further improving the predictability of its results. We value the company at €25 per share.

INDUSTRY OUTLOOK

FY22 will be a transformative year as the company is investing heavily in order to benefit from the positive market outlook. In H122, SaaS revenues increased 14%, while higher costs resulted in a net loss but the company is expected to return to profit in FY23. According to Gartner, 23% of supply chain leaders expect to have a digital ecosystem by 2025, up from the current 1%. Digitalisation helps to achieve climate change, which is on the radar of corporates. Global market growth in e-invoicing is estimated at 25% pa until 2027.

Y/E Sep	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (c)	P/E (x)	P/CF (x)
2020	15.6	2.3	0.1	(0.04)	N/A	12.4
2021	14.9	1.5	0.5	0.11	16181.8	12.4
2022e	14.6	(0.2)	(1.7)	(0.71)	N/A	N/A
2023e	16.6	1.9	0.4	0.14	12714.3	18.7

Sector: Media

Price:	€23.20
Market cap:	€1095m
Market	STAR

Share price graph (€)

Company description

Tinexta has four divisions: Digital Trust, solutions to increase trust in digital transactions; Credit Information & Management, services to manage credit; Innovation & Marketing Services, consulting services to help clients develop their businesses; and Cybersecurity.

Price performance

%	1m	3m	12m
Actual	(0.4)	(12.3)	(29.7)
Relative*	11.6	(1.9)	(18.0)

* % Relative to local index

Analyst

Russell Pointon

Tinexta (TNXT)

INVESTMENT SUMMARY

The proposed sale of the Credit Information & Management (CIM) division is significant from a financial and strategic perspective. With respect to the former, the remaining group should demonstrate higher aggregate pro forma revenue and profit growth and it will have significantly improved financial fire power to pursue further M&A in the higher-growth business units. Strategically, it removes a business that has low exposure to the thematic growth driver of a digitising economy, limited overlap and potential for cross-selling with the other divisions, and above-average (versus the rest of the group) GDP sensitivity. Our forecasts were unchanged ahead of the expected completion in H222.

INDUSTRY OUTLOOK

Tinexta is exposed to favourable growth trends including the transition to a digital world and the requirement for enhanced online security. Starting from a purely domestic Italian focus, the company is exploiting these trends internationally. In particular, given recent regulatory changes, in Digital Trust the group is leveraging its Italian expertise to expand on an EU-wide basis with a unified legal base across the region. At the same time, Tinexta is likely to make acquisitions in Italy and Europe that will further expand its addressable markets and seek cross-selling opportunities between the business units.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	269.0	81.2	58.4	84.9	27.3	13.4
2021	375.4	98.7	70.4	102.0	22.7	15.1
2022e	446.8	120.9	87.0	116.2	20.0	12.8
2023e	500.2	139.8	105.5	143.3	16.2	9.8

Sector: Technology

Price:	48.2p
Market cap:	£18m
Market	AIM

Share price graph (p)

Company description

Trackwise Designs is a UK manufacturer of specialist products using printed circuit technology. These include a lightweight replacement for conventional wiring harnesses known as IHT and advanced PCBs: microwave and radio frequency, short flex, flex rigid and rigid multilayer products.

Price performance

%	1m	3m	12m
Actual	(25.9)	(37.8)	(75.8)
Relative*	(22.4)	(35.3)	(75.4)

* % Relative to local index

Analyst

Anne Margaret Crow

Trackwise Designs (TWD)

INVESTMENT SUMMARY

Trackwise has announced that because of reduced near-term demand from its UK EV (electric vehicle) OEM customer, FY22 group sales are expected to be below previous market expectations. However, the terms of the contract with the UK EV OEM include material payments to Trackwise in the event of lower volumes, so management continues to expect to deliver FY22 adjusted EBIT in line with market expectations. We have placed our FY22 estimates under review.

INDUSTRY OUTLOOK

In January, Trackwise announced that it expected FY21 revenues to be c £8.1m, in line with guidance it provided in December, generating an operating loss (adjusted for exceptional costs and share-based payments) of c £0.5m. We left our estimates unchanged at that time and have not updated them since then.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2019	2.9	0.5	0.1	0.8	60.3	14.2
2020	6.1	0.8	(0.4)	1.4	34.4	12.5
2021e	8.0	0.7	(1.0)	(1.2)	N/A	19.7
2022e	N/A	N/A	N/A	N/A	N/A	N/A

Treatt (TET)

Sector: Food & drink

Price:	776.0p
Market cap:	£466m
Market	LSE

Share price graph (p)

Company description

Treatt provides innovative ingredient solutions from its manufacturing bases in Europe and North America, principally for the flavours and fragrance industries and multinational consumer goods companies, particularly in the beverage sector.

Price performance

%	1m	3m	12m
Actual	(6.2)	(30.1)	(33.4)
Relative*	(1.8)	(27.3)	(32.3)

* % Relative to local index

Analyst

Sara Welford

INVESTMENT SUMMARY

Treatt's FY22 results demonstrated that the strong momentum has continued across multiple categories. As expected, FY22 has returned to more normal seasonality, and hence both margins and profits will be materially H2-weighted. The outlook remains optimistic given the strength of the order book, with significantly stronger margins expected in H2. The recent Capital Markets Day showcased the new UK facility, which has expanded Treatt's capacity and should improve its efficiency.

INDUSTRY OUTLOOK

Treatt has migrated its business from that of a pure supplier to the food and beverage industries to being a valued partner in the development of new ingredients. Citrus, tea, fruit and vegetable flavours, and health and wellness (mainly sugar reduction) are core areas of focus, with the latter undergoing a structural growth trend.

Y/E Sep	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2020	109.0	17.9	15.8	21.3	36.4	29.6
2021	124.3	24.9	22.7	30.1	25.8	33.6
2022e	143.0	29.0	24.0	32.1	24.2	26.6
2023e	151.6	31.0	25.9	34.2	22.7	17.6

Triple Point Social Housing REIT (SOHO)

Sector: Property

Price:	91.0p
Market cap:	£367m
Market	LSE

Share price graph (p)

Company description

Triple Point Social Housing REIT (SOHO) invests in primarily newly built and newly renovated social housing assets in the UK, with a particular focus on supported housing. SOHO aims to provide a stable, long-term inflation-linked income with the potential for capital growth.

Price performance

%	1m	3m	12m
Actual	0.3	(1.1)	(12.7)
Relative*	5.0	2.9	(11.3)

* % Relative to local index

Analyst

Martyn King

INVESTMENT SUMMARY

The Q122 update shows SOHO's portfolio continuing to perform well, delivering consistent returns for shareholders and generating strong, externally assessed social value. Q122 NAV increased 2.2% to 110.7p and including DPS paid the accounting total return was 3.4%. A Q122 DPS of 1.365p was declared and the FY22 DPS target was increased to 5.46p, a 5.0% increase on FY21 (5.20p). In March 2022 SOHO reported that on top of the c £10m of investment commitments announced year-to-date, £27m of capital remained available for deployment. The AGM approval of a change in investment policy will provide greater investment flexibility for this, including the ability to enter shorter leases with rent uplifts linked to central housing benefit policy as well as inflation as currently. Index-linked rents (c 96% uncapped) and fully fixed rate drawn debt provide significant inflation protection.

INDUSTRY OUTLOOK

We expect private capital to remain crucial in meeting the current and future needs for care based social housing. It is widely recognised to improve lives in a cost-effective manner compared with the alternatives of residential care or hospitals.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	28.9	22.3	16.6	4.61	19.7	13.4
2021	33.1	26.2	19.4	4.82	18.9	14.8
2022e	38.1	30.3	21.3	5.28	17.2	12.3
2023e	39.9	31.9	22.8	5.65	16.1	11.5

Sector: Consumer support services

Price:	29.0p
Market cap:	£12m
Market	AIM

Share price graph (p)

Company description

Unbound Group is the parent company for a group selling a range of brands focused on the over-55 demographic. It will build on the foundation of its main business, Hotter Shoes, to grow value through a curated multi-brand retail platform with a range of complementary products and services.

Price performance

%	1m	3m	12m
Actual	(17.1)	(23.7)	(74.2)
Relative*	(13.3)	(20.6)	(73.8)

* % Relative to local index

Analyst

Russell Pointon

Unbound Group (UBG)

INVESTMENT SUMMARY

Unbound Group's trading June 2022 update is encouraging with respect to current trading (since April). Significantly, the launch of the curated multi-brand platform, which seeks to capitalise on the strengths of and customer loyalty to its core footwear offering and expand its addressable market, is confirmed as on time (end July) with an attractive blend of 15 new partners: nine apparel and five footwear.

INDUSTRY OUTLOOK

Unbound's structural growth drivers include: an ageing population; the 55+ demographic is the wealthiest, and has the greatest disposable income; increasing online penetration and digital literacy; increasing focus on health and wellbeing; and the core demographic is materially underserved online and offline.

Y/E Jan	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	85.5	10.9	0.5	N/A	N/A	N/A
2021	44.5	(6.9)	(14.3)	N/A	N/A	N/A
2022e	51.9	5.5	0.3	0.9	32.2	2.2
2023e	59.5	7.5	2.0	3.8	7.6	1.6

Sector: General industrials

Price:	US$1.55
Market cap:	US$32m
Market	NASDAQ

Share price graph (US$)

Company description

VivoPower International's strategy is to provide sustainable energy solutions on an international scale. Key activities at present are electric vehicles, critical power, sustainable energy solutions and solar development.

Price performance

%	1m	3m	12m
Actual	7.6	(22.5)	(79.8)
Relative*	14.8	(9.7)	(77.8)

* % Relative to local index

Analyst

David Larkam

VivoPower International (VVPR)

INVESTMENT SUMMARY

VivoPower is building an integrated portfolio of activities to support the corporate decarbonisation agenda. Key is the specialist electric vehicle business, Tembo, which has been establishing global distribution agreements and has commitments for c 8,000 vehicles. This is supported by the profitable and cash generative Critical Power operations, electrical installation/integration services, in Australia. In Solar, the group has taken full control of its US operations and established a crypto mining venture.

INDUSTRY OUTLOOK

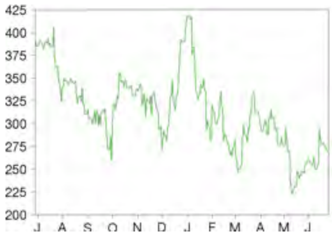
Sales declined 11% to $18.9m in H122 and operating losses widened to $7.3m (H121: $0.4m) due to COVID-19-related delays particularly in the Critical Power division where Australia remained in lockdown while other divisions such as Electric Vehicles remain in investment mode. With the opening up of Australia, performance should improve through H2 and we await news regarding financing the crypto mining venture, completion of Tembo acquisition and the Toyota development contract.

Y/E Jun	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	48.7	3.9	(1.0)	(12.0)	N/A	5340.1
2021	40.4	(2.5)	(5.2)	(31.0)	N/A	N/A
2022e	42.3	(8.2)	(15.2)	(69.8)	N/A	N/A
2023e	60.1	(4.7)	(13.5)	(62.3)	N/A	N/A

Sector: Technology

Price:	269.0p
Market cap:	£177m
Market	AIM

Share price graph (p)



Company description

WANdisco's proprietary replication technology enables its customers to solve critical data-management challenges created by the shift to cloud computing. It has established partner relationships with leading players in the cloud ecosystem including Oracle, Amazon, IBM and Microsoft.

Price performance

%	1m	3m	12m
Actual	5.5	(14.2)	(30.3)
Relative*	10.4	(10.7)	(29.2)

* % Relative to local index

Analyst

Kenneth Mestemacher

WANdisco (WAND)

INVESTMENT SUMMARY

WANdisco's (WAND's) FY21's results reflect its transition from a subscription-based to a consumption-based model. As expected, revenue fell to $7.3m versus FY20's $10.5m. In FY21, bookings grew 17% y-o-y to $11.9m, while remaining period obligations (a forward-looking measure of revenues) rose 92% y-o-y to $9.4m. The FY21 results were driven by multiple factors, including the general availability of LiveData Migrator, sizable contract wins across the globe, new business from IoT providers, and strengthening of its partner ecosystem. We look for WAND to build on this momentum, and expect that its H122 results will be a greater catalyst for the stock. Consequently, we wait to revise our forecasts until the H122 trading update.

INDUSTRY OUTLOOK

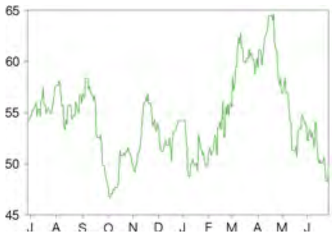
The shift to the cloud is enabling enterprises to reduce the cost of storing rapidly expanding datasets, while enhancing the performance of business-critical functions. By providing guaranteed consistency for these datasets, WAND's LiveData accelerates this shift in three ways: data migration, hybrid cloud and multi-cloud.

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	10.5	(22.2)	(30.4)	(57.3)	N/A	N/A
2021	7.3	(29.5)	(34.7)	(57.9)	N/A	N/A
2022e	10.0	(24.7)	(31.8)	(50.1)	N/A	N/A
2023e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Mining

Price:	C$49.94
Market cap:	C$22547m
Market	NYSE, TSX

Share price graph (C$)



Company description

Wheaton Precious Metals is the world's pre-eminent ostensibly precious metals streaming company, with over 30 high-quality precious metals streams and early deposit agreements over mines in Mexico, Canada, Brazil, Chile, the US, Argentina, Peru, Sweden, Greece, Portugal and Colombia.

Price performance

%	1m	3m	12m
Actual	(7.5)	(17.0)	(7.8)
Relative*	(0.3)	(5.1)	(3.1)

* % Relative to local index

Analyst

Lord Ashbourne

Wheaton Precious Metals (WPM)

INVESTMENT SUMMARY

Revenue, earnings and cash flow at Wheaton Precious Metals (WPM) all achieved new records in FY21, as a result of which it repaid all debt and approved relatively generous dividends in both Q1 and Q222. All of WPM's partners' mines have now returned to near normal operating conditions and it has concluded recent new business in the form of five new streams in as many months. Note that WPM has no exposure to assets in the former Soviet Union.

INDUSTRY OUTLOOK

Ordinarily, we believe that WPM could justify a valuation of US$62.02 or C$80.47 per share in FY26. With precious metals returning to favour however, we believe that a near-term valuation as high as US$66.34 (C$86.08) is achievable. In the meantime, it remains cheaper than its peers on 72% of common valuation multiples (Edison estimates). This follows the settlement between WPM and the CRA in December 2018 which exempted WPM's international subsidiaries from Canadian tax. A recent sustainability report also highlights WPM's strong ESG credentials.

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	1096.2	763.8	503.2	112.0	34.8	22.3
2021	1201.7	852.7	592.1	131.0	29.8	20.6
2022e	1249.3	891.1	636.7	137.0	28.5	19.1
2023e	1518.5	1098.6	777.7	167.0	23.4	16.0

Sector: Technology

Price: 2860.0p
Market cap: £564m
Market LSE

Share price graph (p)

Company description

XP Power is a developer and designer of power control solutions with production facilities in China, Vietnam and the United States, and design, service and sales teams across Europe, the United States and Asia.

Price performance

%	1m	3m	12m
Actual	(12.8)	(17.3)	(48.2)
Relative*	(8.8)	(14.0)	(47.4)

* % Relative to local index

Analyst

Katherine Thompson

XP Power (XPP)

INVESTMENT SUMMARY

XP's Q122 trading update confirms demand has remained strong across the board, with order intake up 39% y-o-y and the order book reaching c £260m at the end of Q122, up from £216m at the end of FY21. Ongoing supply chain issues limited the amount of product that could be shipped in the quarter, with revenue up 8% y-o-y. We have revised our forecasts to take account of supply chain headwinds and the recent US legal case, reducing our normalised diluted EPS forecast by 7.1% for FY22 and 4.2% for FY23.

INDUSTRY OUTLOOK

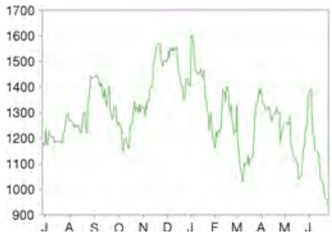
XP supplies three end-markets: healthcare, industrial technology and semiconductor manufacturing, across Europe, North America and Asia. The industrial technology segment is relatively fragmented, but the company sees demand across various applications. The healthcare business continues to gain market share, with corporate approvals from the major suppliers in place. The semiconductor segment is the most cyclical, tracking the capex requirements of semiconductor manufacturers.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	233.3	56.8	44.3	198.4	14.4	9.7
2021	240.3	55.5	43.8	176.3	16.2	10.0
2022e	260.2	61.5	47.0	189.2	15.1	9.1
2023e	282.2	70.2	54.6	220.0	13.0	8.0

Sector: Media

Price: 930.0p
Market cap: £1031m
Market AIM

Share price graph (p)



Company description

YouGov is an international research data and analytics group. Its data-led offering supports and improves a wide spectrum of marketing activities of a customer base including media owners, brands and media agencies. It works with some of the world's most recognised brands.

Price performance

%	1m	3m	12m
Actual	(24.9)	(30.6)	(21.5)
Relative*	(21.4)	(27.8)	(20.3)

* % Relative to local index

Analyst

Fiona Orford-Williams

YouGov (YOU)

INVESTMENT SUMMARY

YouGov's H122 results showed impressive underlying revenue growth of 25%, led by strong progress in Data Products and Custom Research, with the US and Europe the best-performing regions. Sales momentum has continued in H222 and FY22 results are expected to be slightly ahead of earlier guidance. We increased our revenue forecasts by £5m for FY22 and FY23, keeping our operating margin assumptions unchanged (raise in gross margin offset by higher costs). As with other high-growth stocks, the share price has retrenched over the year to date but the shares retain their premium rating, reflecting management's ambitious growth aspirations.

INDUSTRY OUTLOOK

The group is making good progress across all geographies, but notably in the key US market. The increasing regulatory emphasis on data privacy and the forthcoming changes to third-party cookie usage (despite the delay) highlight the benefits and value inherent in actively permissioned, first-party data. YouGov's developments, particularly those such as YouGov Safe, sit well in this shifting environment.

Y/E Jul	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2020	152.4	39.2	24.7	15.7	59.2	25.8
2021	169.0	45.9	30.5	17.6	52.8	18.0
2022e	215.0	58.1	41.4	24.6	37.8	16.6
2023e	255.0	71.1	53.4	32.7	28.4	14.2

Edison dividend list

Company name	FY0 period end	Currency	DPS FY0	DPS FY1	DPS FY2
4imprint Group	2021/12	USD	45.00	80.00	95.00
AFT Pharmaceuticals	2022/03	NZD	0.00	0.04	0.06
Canacol Energy	2021/12	USD	0.21	0.21	0.22
Cenkos Securities	2021/12	GBP	4.25		
Centaur Media	2021/12	GBP	1.00	1.00	1.40
Cohort	2021/04	GBP	11.10	12.20	13.40
discoverIE Group	2022/03	GBP	10.80	11.20	11.50
Endeavour Mining	2021/12	USD	56.00	62.00	70.00
Epwin Group	2021/12	GBP	4.10	4.20	4.50
Esker	2021/12	EUR	55.00	60.00	65.00
Games Workshop Group	2021/05	GBP	235.00	250.00	251.00
GB Group	2022/03	GBP	3.80	4.00	4.30
Genuit Group	2021/12	GBP	12.00	13.00	14.00
Greggs	2021/12	GBP	97.00	59.00	61.10
Helios Underwriting	2021/12	GBP	3.00	3.00	6.00
Hellenic Petroleum	2021/12	EUR	40.00	31.00	31.00
Impact Healthcare REIT	2021/12	GBP	6.40	6.50	6.80
Lookers	2021/12	GBP	2.50	3.00	3.30
Norcros	2022/03	GBP	9.00	9.80	10.60
Numis Corporation	2021/09	GBP	13.50	14.00	
Ocean Wilsons Holdings	2021/12	USD	70.00	70.00	70.00
Palace Capital	2021/03	GBP	10.50	13.25	14.00
Pan African Resources	2021/06	USD	1.27	1.18	2.19
Phoenix Spree Deutschland	2021/12	EUR	7.50	7.50	7.50
Primary Health Properties	2021/12	GBP	6.20	6.50	6.80
Record	2022/03	GBP	3.60	4.40	
Secure Trust Bank	2021/12	GBP	61.10	41.80	58.00
Severfield	2022/03	GBP	3.10	3.30	3.60
Supermarket Income REIT	2021/06	GBP	5.86	5.94	6.10
Target Healthcare REIT	2021/06	GBP	6.72	6.76	6.86
Thrace Plastics	2021/12	EUR	4.60	4.60	4.60
Treatt	2021/09	GBP	7.50	8.00	8.50
Wheaton Precious Metals	2021/12	USD	57.00	61.00	70.00
YouGov	2021/07	GBP	6.00	7.50	10.00

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1Spatial	Software & comp services	Flash	08/06/22
4iG	IT services	Flash	01/06/22
4imprint Group	Media	Update	09/05/22
AAC Clyde Space	Aerospace & defence	Update	24/02/22
abrdn Asian Income Fund	Investment companies	Investment company review	03/05/22
Aberdeen Diversified Inc & Growth Trust	Investment companies	Investment company review	20/08/21
abrdn Latin American Income Fund	Investment companies	Investment company review	28/02/22
Aberdeen New Thai Investment Trust	Investment companies	Investment company review	29/01/21
abrdn UK Smaller Cos Growth Trust	Investment companies	Investment company review	03/05/22
Accsys Technologies	General industrials	Update	15/06/22
Agronomics	Investment companies	Investment company update	22/03/22
Alkane Resources	Metals & mining	Update	16/11/21
Alphamin Resources	Metals & mining	Update	13/04/22
Applied Graphene Materials	Tech hardware & equipment	Update	06/04/22
ArborGen	Basic materials	Update	30/06/22
Arcane Crypto	TMT	Update	13/06/22
Atlantis Japan Growth Fund	Investment companies	Investment company review	27/01/22
Auriant Mining	Metals & mining	Update	16/12/21
Axiom European Financial Debt Fund	Investment companies	Investment company outlook	08/06/22
Baillie Gifford China Growth Trust	Investment companies	Investment company review	04/05/21
Baillie Gifford US Growth Trust	Investment companies	Initiation	01/10/21
Baker Steel Resources Trust	Investment companies	Investment company update	04/02/22
BayWa	Consumer staples	Update	19/01/21
BB Biotech	Investment companies	Investment company review	01/03/21
bet-at-home	Travel & leisure	Outlook	16/05/22
BioPharma Credit	Investment companies	Investment company update	16/03/22
Biotech Growth Trust (The)	Investment companies	Investment company review	01/04/22
BlackRock Greater Europe Inv. Trust	Investment companies	Investment company update	07/04/22
BlackRock Latin American Inv. Trust	Investment companies	Investment company review	03/03/22
BlackRock Sustainable American Income Trust	Investment companies	Initiation	25/05/22
Bloc Ventures	Venture capital	Update	15/12/21
BluGlass	Tech hardware & equipment	Update	28/03/22
Boku	Software & comp services	Outlook	05/04/22
Borussia Dortmund	Travel & leisure	Update	17/05/22
Braemar Shipping Services	Industrial support services	Initiation	23/05/22
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Centaur Media	Media	Update	16/03/22
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CI Games	Video games	Flash	31/05/22
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CoinShares International	Financials	Update	01/06/22
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Datatec	IT services	Update	13/06/22
Dentsu Group	Media	Update	18/05/22
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Diverse Income Trust (The)	Investment companies	Investment company review	21/02/22
Doctor Care Anywhere Group	Healthcare equipment &	Update	25/04/22
Ebiquity	Media	Flash	01/04/22
Electra Private Equity	Investment companies	Investment company review	02/12/21
Else Nutrition	Food & beverages	Initiation	15/06/22
EMIS Group	Software & comp services	Update	22/03/22
EML Payments	Software & comp services	Update	03/05/22
Endeavour Mining	Metals & mining	Update	17/05/22
Ensurge Micropower	Tech hardware & equipment	Update	06/06/22
Epwin Group	Industrials	Update	19/04/22
EQS Group	Media	Outlook	20/06/22
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Fidelity Emerging Markets	Investment companies	Initiation	17/12/21
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JPMorgan Global Growth & Income	Investment companies	Investment company review	22/10/21
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Manx Financial Group	Banking	Flash	17/05/22
Martin Currie Global Portfolio Trust	Investment companies	Investment company review	13/01/22

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Melrose Industries	Industrials	Update	10/06/22
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Mercia Asset Management	Investment companies	Flash	06/01/22
Mirriad Advertising	Media	Update	12/05/22
Molten Ventures	Listed venture capital	Update	22/06/22
Murray Income Trust	Investment companies	Investment company update	20/05/22
Murray International Trust	Investment companies	Investment company review	31/03/22
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Norcros	Construction & materials	Update	17/05/22
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OTC Markets Group	Financial services	Update	30/05/22
Palace Capital	Real estate	Update	08/04/22
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Pan American Silver	Metals & mining	Update	18/05/22
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Provaris Energy	Industrial support services	Update	06/06/22
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Sylvania Platinum	Metals & mining	Update	06/05/22

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Target Healthcare REIT	Property	Update	23/05/22
Technicolor	Media	Update	12/05/22
Templeton Emerging Markets Inv Trust	Investment companies	Investment company review	24/06/22
Tetragon Financial Group	Investment companies	Investment company outlook	27/06/22
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The European Smaller Companies Trust	Investment companies	Investment company review	03/12/21
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YOC	TMT	Flash	28/01/22
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