BRILLIANT KNOWLEDGE

EDISON INSIGHT

Strategic perspective | Company profiles

October 2022

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Prices at 21 October 2022	Published 26 October 2022
US$/£ exchange rate: 0.8977	*NOK/£ exchange rate: 0.0840*
€/£ exchange rate: 0.8769	*CHF/£ exchange rate: 0.9034*
C$/£ exchange rate: 0.6536	*ZAR/£ exchange rate: 0.0496*
A$/£ exchange rate: 0.5715	*HUF/£ exchange rate: 0.0021*
NZ$/£ exchange rate: 0.5075	*KZT/£ exchange rate: 0.0019*
SEK/£ exchange rate: 0.0801	*JPY/£ exchange rate: 0.0061*

Welcome to the October edition of Edison Insight. We have c 400 companies under coverage, of which 105 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 the volume is being turned up to 11 in respect of the challenges facing investors this year. Inflation remains well above target in developed markets. Year to date, 2022 has seen some of the sharpest increases in short- and long-term interest rates for decades. Most recently, the UK has amply demonstrated the real-world limits on expansionary fiscal policy and the risk premium associated with political instability. The order and timing of economic events – first GDP growth, then interest rate increases, followed by inflation and unemployment are in our view key to positioning portfolios correctly with the market 'noise' level set so high. For example, given the increasingly rapid declines in economic activity implied by recent survey data, at some point in the next six months we believe the factors of growth and unemployment are likely to dominate current inflation concerns in developed markets. Equity overvaluation risk has however melted away. From two standard deviations above fair value a year ago, global equity markets have since de-rated and now trade close to long their long-run average price/book multiple. Furthermore, European equities – and particularly those in the UK – appear to discount to a significant degree the difficult economic period expected in 2023. However, we also recognise that earnings forecasts are declining at an accelerating rate so we remain neutral on equities but with a positive bias until there is some evidence in a slowing in the pace of downgrades. We believe yields on US government bonds are now set to moderate as the US and global economies slow over coming quarters. Even modestly declining long-term yields would be an important pressure release valve for both the US dollar and equity market valuations. Nevertheless, equities will still have to contend with pressure on profits forecasts from rapidly declining demand but only relatively slowly declining input cost pressure. 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 still believe investors should remain focused on building portfolios robust to a variety of economic outcomes. Defensive stocks with pricing power, strong balance sheets and limited exposure to war-related risks continue to represent the most attractive segments of the equity market, in our view.

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: All in the lags

Analyst

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- **The volume is being turned up to 11 in respect of the challenges facing investors this year.** Inflation remains well above target in developed markets. Year to date, 2022 has seen some of the sharpest increases in short- and long-term interest rates for decades. Most recently, the UK has amply demonstrated the real-world limits on expansionary fiscal policy and the risk premium associated with political instability.
- **The order and timing of economic events – first GDP growth, then interest rate increases, followed by inflation and unemployment are in our view key to positioning portfolios correctly with the market 'noise' level set so high**. For example, given the increasingly rapid declines in economic activity implied by recent survey data at some point in the next six months we believe the factors of growth and unemployment are likely to dominate current inflation concerns in developed markets.
- **Overvaluation risk has however melted away.** From two standard deviations above fair value a year ago, global equity markets have since de-rated and now trade close to long their long-run average price/book multiple. Furthermore, European equities – and particularly those in the UK – appear to discount to a significant degree the difficult economic period expected in 2023. However, we also recognise that earnings forecasts are declining at an accelerating rate so we remain neutral on equities but with a positive bias.
- **We believe yields on US government bonds are now set to moderate as the US and global economies slow over coming quarters.** Even modestly declining yields would be an important pressure release valve for both the US dollar and equity market valuations. Nevertheless, equities will still have to contend with pressure on profits forecasts from rapidly declining demand but only relatively slowly declining input cost pressure.
- **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 still believe investors should remain focused on building portfolios robust to a variety of economic outcomes.** Defensive stocks with pricing power, strong balance sheets and limited exposure to war-related risks continue to represent the most attractive segments of the equity market, in our view.

All in the lags

The volume is being turned up to 11 in respect of the challenges facing investors this year. Inflation remains well above target in developed markets and 2022 has seen some of the sharpest increases in short- and long-term interest rates for decades. Most recently, the UK has amply demonstrated the real-world limits on expansionary fiscal policy and the risk premium associated with political instability.

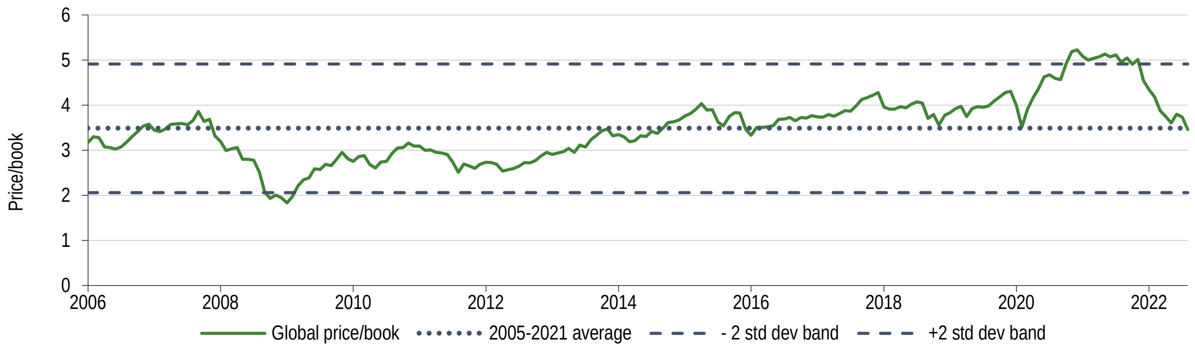
We believe the noise level in markets is unusually high. Investors seeking answers as to why portfolios have performed so poorly this year have recently recoiled at the ‘financial accident’ within the UK government bond market due to the hitherto hidden leverage used by UK pension fund hedging strategies. This is on top of wishing for a sense of when the ‘peak’ in interest rates will be seen and where the ‘bottom’ lies in equity markets. As with the COVID-19 pandemic when the most profitable strategy was to focus not on lockdowns but the fiscal and monetary policy response to them, the risk now is that of focusing on the heated discussion of the day rather than the likely sequence of events of the quarters ahead.

Furthermore, investors should keep in mind the traditional order of economic events in the economic cycle and their associated lags, which in our view provides a useful context for portfolio risk management. Following a recession such as the 2020 COVID-19 slowdown, investors enjoyed a period of rapid GDP growth (2021). As output gaps closed, policy interest rates increased (2022) to head off future inflation (2022–23). The final phase of this economic cycle is likely to be slowing growth and rising unemployment (2023–24), providing the necessary slack to cool the labour market. Understanding these lags is in our view key to positioning portfolios correctly at each point in the cycle – and to avoid investing using the rear-view mirror.

It should not be a surprise to investors that global economic activity has been slowing as central bank policymakers shifted tack towards restrictive monetary policy settings following the post COVID-19 recovery. Purchasing managers’ (PMI) survey data in developed markets have been on a public and visible declining trend since mid-2021.

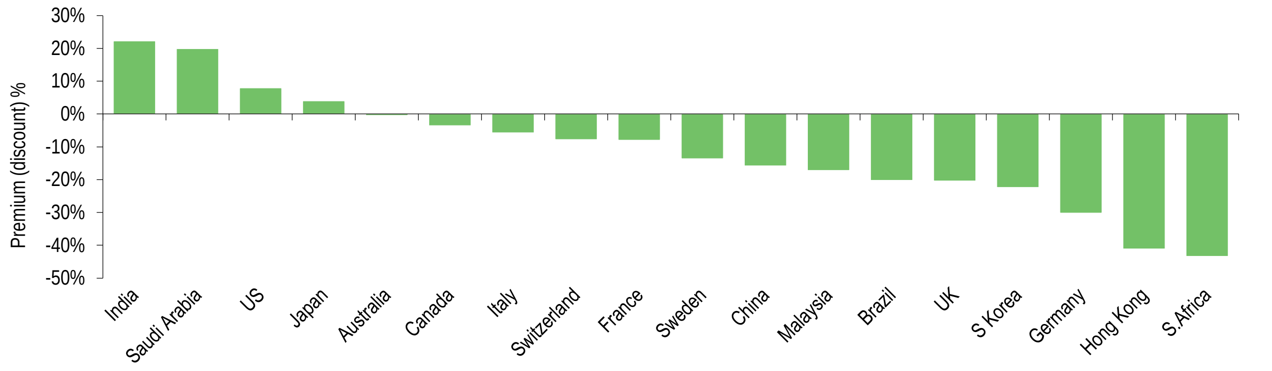
Most recently, this month’s surveys show sharper below-consensus declines, which suggest that tighter financial conditions and cost of living factors are now working to constrain demand. We believe the balance of probabilities is in favour of a peak in inflation in developed markets during the next six months, at which point worries over inflation are likely to give way to concerns about growth and rising unemployment.

Exhibit 1: Global equities make a full retracement from the COVID-19 valuation ‘excursion’



Source: Refinitiv, Edison Investment Research calculations

Exhibit 2: Most equity market valuations are already at discounted levels outside the US



Source: Refinitiv, Edison Investment Research calculations

At the same time, equity market valuation risk, which was so evident a year ago, has now evaporated, Exhibit 1. In aggregate, global equity markets are now currently trading close to their long-run average level on a price/book basis, having returned from a two standard deviation 'excursion' during the COVID-19 period of abnormal fiscal and monetary stimulus. Within this aggregate are US markets, which remain above long-run valuation levels, balanced by European markets, which are trading at a meaningful discount, Exhibit 2.

As a result, we believe the time for panic has long passed as the 'bear case' becomes consensus. Long-term investors are now in a position to balance the risks to corporate franchises and balance sheets during the upcoming slowdown against the expected returns on offer from discounted valuations.

PMI survey data highlight the risk of a synchronised downturn in the US and Europe

October's flash US manufacturing and services PMIs were well below expectations, with both components of the overall PMI indicating that the US economy is currently contracting. The decline in the services index was notably marked at 46.6 versus market expectations of 49.5, reflecting the the rising cost of living and tightening financial conditions.

According to the survey, manufacturing output remained resilient, but there has been a steep drop in new orders for goods, not only leading firms to address backlogs of previously placed orders but also reducing inventories. This may not be good news for corporate profits over coming quarters for cyclical industries. However, given the primary risk factor for markets at present is above-target inflation, the silver lining of this slower demand is likely to be an easing of both supply chain constraints and price pressures in the manufacturing sector.

UK survey data indicate that the UK economy will shortly be in recession as the service sector recorded its fastest decline in activity since January 2021 and the manufacturing sector generated the weakest output growth since March 2009. Inflationary pressures, political uncertainty and rising interest rates were the most commonly cited reasons for downbeat survey responses in October. There was also some evidence of softening inflation pressure as lower freight rates and commodity prices offset rising energy costs.

The Eurozone Manufacturing PMI fell to 46.6 in October, below estimates of 47.8 suggesting increased pressure on industrial activity from rising energy costs and weakening demand as new orders fell by the most since April 2009, excluding the onset of the COVID-19 pandemic. Central bank policymakers focused on inflation might be reassured that employment growth has slowed even if rising wages and energy costs are still causing significant input cost inflation.

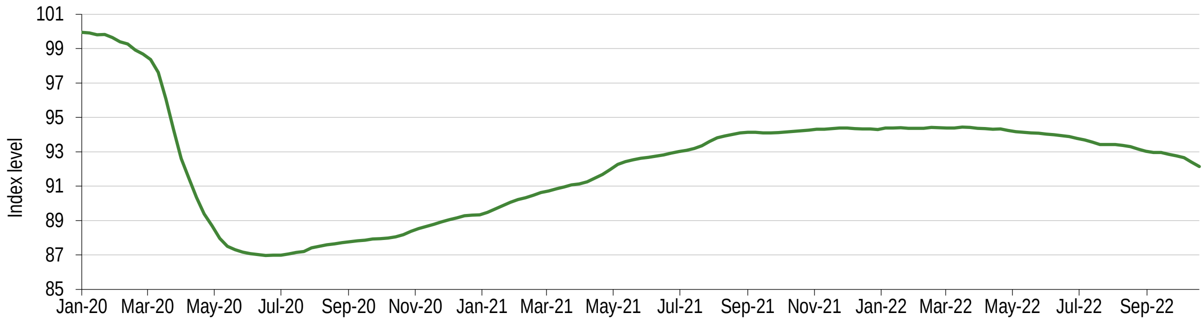
Taken together, these surveys therefore present a picture of the US and European economies slowing as a result of tightening monetary policy and high energy prices. Policymakers will in our view wish to avoid any sudden stops in the economy; the more effective policy actions become in reducing current demand, the less central banks will wish to be associated with them and rhetoric is likely to cool as the peak in US interest rates is approached within the next two quarters.

Consensus earnings falling at an accelerating rate

In tandem with softening PMI data, we also observe that consensus earnings forecasts for 2022 remain on a downward track and over the past month have been falling at an accelerated rate. In the short term this is clearly a negative for markets given the historical correlations between earnings revisions and sector performance.

There has been something of an epidemic of profits warnings in the UK, which are now just as prevalent as during the financial crisis of 2008. The services industry has been particularly hard-hit with relatively tight margins and wage and energy bills representing a significant proportion of total costs. However, other factors are also at work – separately to the issues in developed markets, the mining and resources sector is now bearing the impact of the slowdown in China while in the insurance sector claims inflation is outstripping premium growth.

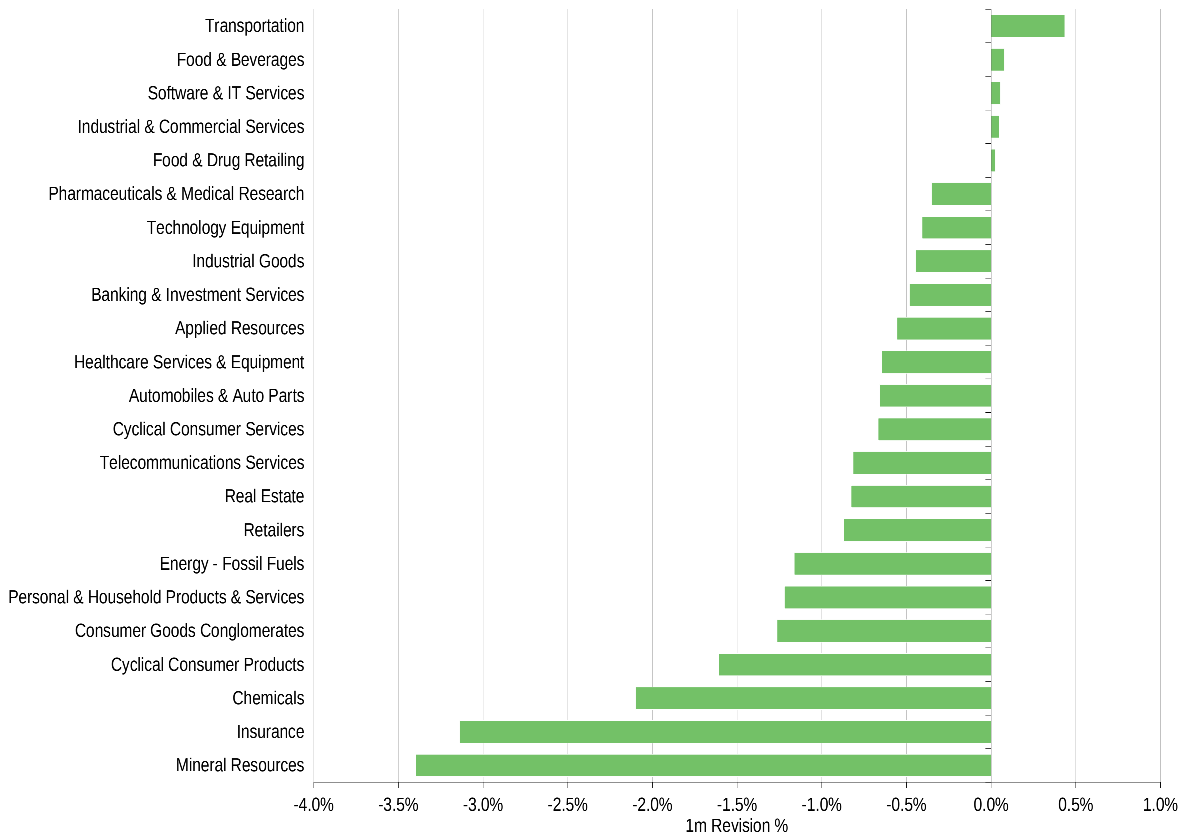
Exhibit 3: Earnings revisions still accelerating to the downside



Source: Refinitiv, Edison Investment Research calculations to 21 October 2022, global index

As a result, forecast global earnings growth for 2022 has fallen to only 6% from initial estimates of more than 10% as recently as April this year. With earnings risk still elevated, it is too early in our view to be unequivocally positive on equity markets even if the broad outline for improving sentiment based on other factors such as lower valuations and a near-term peak in interest rate expectations come into view.

Exhibit 4: Global one-month consensus earnings revisions by sector



Source: Refinitiv, Edison Investment Research calculations to 21 October 2022

UK equities: Approaching COVID-low valuations

The UK's reputation for political drama is probably the only thing that was enhanced by the debacle of former Prime Minister (PM) Truss's 45 days of power, a new record for the shortest-serving British PM. The UK government's 'mini-budget' announcement in September triggered sharp declines in UK asset prices, encompassing UK government bonds (gilts), equities, property and sterling. It took over a decade for the explosion but perhaps the UK government bond market was after all on a bed of nitroglycerine, as famously claimed by bond manager Bill Gross in 2010.

The UK government's mini-budget clearly lacked fiscal credibility. However, the recent 'coronation' of Rishi Sunak as the new UK PM and impetus from the volatility in financial markets strongly suggests that fiscal prudence will feature in the revised fiscal plan due 31 October. Despite a bounce from the lows, UK mid-cap indices are still down by 15% since August.

For the UK, the first objective for government economic policy should be to restore confidence in the long-term outlook for the UK's fiscal position to allow UK gilts to resume the role of stabilising assets in investors' portfolios. There is significant market and electorate pressure to demonstrate both fiscal and political stability and the new Sunak administration is likely to err on the side of caution rather than risk the ire of international investors in the gilt market.

While we expect 2023 to usher in an era of relatively conservative fiscal policy, which in combination with tighter UK monetary policy is likely to slow the economy in many respects, this bad news is in the price. Mid-cap UK equities are now trading at a price/book level seen only during the initial stages of the COVID-19 pandemic and financial crisis of 2008. The coming U-turn in fiscal policy is in our view set to continue the UK market rebound.

We would highlight that mid-cap UK equities are trading close to COVID-19 era valuation lows on a price/book basis and with political risk now reduced following the confirmation of Sunak as PM, UK markets have a catalyst in place to continue their short-term rebound, notwithstanding the deceleration in UK economic growth expected in 2023.

Conclusion

US and UK short-term interest rates would now seem to incorporate their respective central banks' views on the likely direction of policy rates. These policy rates are in our view at a level likely to decelerate their respective economies relatively rapidly and this is now becoming evident in economic survey data and declining consensus earnings estimates. As a result, we are not expecting significant further upward pressure on bond yields.

For the long-term equity investor, valuations are considerably more attractive than 12 months ago. While we would continue to caution that earnings forecasts are likely to decline further, we remain neutral on equities with a positive bias as the valuation picture is becoming increasingly favourable, despite currently heightened daily market volatility. Before becoming more aggressive on equities however, we believe investors should wait for evidence of at least a slowing in the pace of consensus earnings forecast downgrades and note that in recent weeks downgrades and earnings risk has only increased.

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 still believe investors should remain focused on building portfolios robust to a variety of economic outcomes. Defensive stocks with pricing power, strong balance sheets and limited exposure to war-related risks continue to represent the most attractive segments of the equity market, in our view.

Sector: Technology

Price: 45.0p
Market cap: £50m
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	9.8	(6.3)	(1.1)
Relative*	14.9	(0.7)	6.9

* % Relative to local index

Analyst

Kenneth Mestemacher

1Spatial (SPA)

INVESTMENT SUMMARY

1Spatial (SPA) delivered another period of robust results in H123, with annualised recurring revenue up 29% y-o-y, revenues growing 11% and EBITDA rising 10%. SPA's success in driving transformational growth was marked by several contract wins with significant amounts of recurring revenue, the expansion of smart partnerships and further penetration of the US market. We maintain our FY23 and FY24 estimates and watch for catalysts that signal SPA's plan is continuing to bear fruit. Although the company trades at a discount to peers, we expect there could be a reduction in the gap if management continues successfully executing its growth strategy.

INDUSTRY OUTLOOK

We see the GIS market as poised for rapid growth, driven by the substantial growth of data generated every day by sensors, the Internet of Things and mobile devices, and we estimate the GIS market could grow 20%+ pa over the next decade. We believe untapped value is found in companies like SPA that operate in a niche position and can turn GIS data into something useful for a wide variety of use cases.

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	264.7	12.7
2022	27.0	4.2	1.1	0.77	58.4	20.0
2023e	29.0	4.9	1.8	1.21	37.2	12.0
2024e	31.2	5.7	2.5	2.29	19.7	9.2

Sector: Technology

Price: HUF690.00
Market cap: HUF206362m
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	(3.0)	(3.6)	(24.1)
Relative*	(5.8)	0.2	3.5

* % Relative to local index

Analyst

Richard Williamson

4iG (4IG)

INVESTMENT SUMMARY

In H122, net revenue rose almost threefold y-o-y to HUF122bn, with EBITDA up 17x to HUF31bn, as the group has been transformed through M&A into a higher margin (H122: 25%) telecoms group from an IT services-led business. H122 net debt rose to HUF459bn at 30 June 2022, corresponding to leverage of 68%, based on an enterprise value of HUF671bn. The transformational acquisition of Vodafone Hungary has been announced, but is only expected to close by the year end. Financing for the HUF715bn acquisition has yet to be confirmed. We will reinstate our forecasts in due course.

INDUSTRY OUTLOOK

4iG is building a leading regional information and communication technology group. Its strategy is focused on three pillars: telecoms and infrastructure, IT services and satellites and space. 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	18.9	N/A
2021	93653.0	12094.0	8737.0	73.52	9.4	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: Media

Price:	3380.0p
Market cap:	£949m
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	(10.6)	14.2	17.4
Relative*	(6.4)	20.9	26.8

* % Relative to local index

Analyst

Fiona Orford-Williams

4imprint Group (FOUR)

INVESTMENT SUMMARY

4imprint's H122 results showed the benefit of record levels of customer demand, with revenue up 58% year-on-year and operating profit rising from $3.6m in H121 to $44.0m in H122. July's trading update had indicated FY22 revenue breaking through management's long-held $1bn target, with a material uplift in operating profit to over $75m. With H122 revenue per marketing dollar at $8.19, up from $5.46 in H121, we substantially raised our profit forecasts for FY22 and FY23 and published our first thoughts on FY24. The group continues to invest in its product and people as well as its marketing and generates significant amounts of cash, giving it an excellent opportunity to continue to build market share.

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	342.3	64.0
2021	787.3	35.7	30.2	80.3	46.9	46.3
2022e	1050.2	85.5	79.7	215.3	17.5	11.7
2023e	1161.0	96.1	90.2	243.4	15.5	11.2

Sector: General industrials

Price:	SEK1.34
Market cap:	SEK266m
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 and the United States and a start-up in Africa.

Price performance

%	1m	3m	12m
Actual	(1.6)	(13.3)	(51.1)
Relative*	(0.2)	(4.7)	(33.4)

* % Relative to local index

Analyst

Andy Chambers

AAC Clyde Space (AAC)

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. As nanosatellite build rates and deployments rise sharply, management expects sales of SEK500m in FY24 and targets revenues of c $250m (SEK2.2bn) by 2030. Of that space data as a service (SDaaS) revenues are expected to reach c $150m. Healthy order intake continues with two recent orders worth SEK22.5m for Astroscale. The order backlog is robust at SEK400m as investment increases in its own constellations to deliver the growth. Several key launches are expected in Q422 and Q322 results are due on 24 November.

INDUSTRY OUTLOOK

AAC Clyde Space has a strong space heritage in small and nanosatellites. Over the next six years around 2,500 nanosats 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	(12.4)	(27.0)	(14.34)	N/A	N/A
2022e	242.6	(8.3)	(21.2)	(10.19)	N/A	N/A
2023e	372.0	32.5	11.5	5.38	24.9	16.7

Sector: General industrials

Price: 66.5p
Market cap: £137m
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	(5.0)	(34.8)	(58.0)
Relative*	(0.6)	(31.0)	(54.7)

* % Relative to local index

Analyst

Johan van den Hooven

Accsys Technologies (AXS)

INVESTMENT SUMMARY

Accsys stated that Accoya wood sales remained flat year-on-year at €39m in the first five months of FY23. Due to the shutdown of all three reactors in Arnhem in April/May, as a result of problems with the start-up of the fourth reactor, overall volumes dropped by 24% to 18,803m3. Multiple sales price increases over the past 12 months have fully compensated for this volume drop. Our DCF valuation, which includes the plants in Arnhem, Hull and America, indicates a value of €1.21 per share.

INDUSTRY OUTLOOK

To fulfil the 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. The expansion at Arnhem now is completed (adding 20,000m3) and the construction of the Accoya plant in America is on track, but development of the Tricoya plant in Hull remains problematic. Accsys remains committed to working towards commercial production at this plant and our best guess for the start date is now April 2023.

Y/E Mar	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2021	99.8	10.1	0.3	0.0	N/A	N/A
2022	120.9	10.4	1.8	1.12	67.7	N/A
2023e	138.5	16.0	5.4	3.00	25.3	N/A
2024e	183.4	28.8	16.8	6.99	10.8	N/A

Sector: Mining

Price: A$0.63
Market cap: A$374m
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	(13.8)	(10.1)	(32.8)
Relative*	(13.1)	(8.1)	(24.4)

* % Relative to local index

Analyst

Lord Ashbourne

Alkane Resources (ALK)

INVESTMENT SUMMARY

Alkane exceeded its guidance range in FY22 by 11% at an all-in sustaining cost (AISC) of A$1,460/oz with FY23 guidance set at 55–60koz at A$1,650–1,900/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 at A$1,350–1,450/oz AISC. 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 valuation of Alkane continues to be underpinned by Tomingley (A$0.57/share). Liquid assets contribute a further A$0.06/share and Boda a further A$0.31/share. As such, we calculate that Alkane's share price is now more than 100% covered by the value of tangible assets, with up to an additional A$0.59/share available in the form of further exploration success at the Northern Molong Porphyry Project as well as the gold price and the ever-increasing probability of the Roswell underground extension going ahead.

Y/E Jun	Revenue (A$m)	EBITDA (A$m)	PBT (A$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2021	127.8	70.5	46.3	5.30	11.9	5.2
2022	165.0	87.5	52.1	3.63	17.4	2.7
2023e	140.1	69.2	37.8	4.39	14.4	5.4
2024e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Mining

Price:	C$0.62
Market cap:	C$789m
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	(3.9)	(13.9)	(34.0)
Relative*	(2.2)	(13.0)	(25.8)

* % Relative to local index

Analyst

Lord Ashbourne

Alphamin Resources (AFM)

INVESTMENT SUMMARY

Alphamin Resources (AFM) 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. Having successfully ramped up its Mpama North mine at Bisie in the Democratic Republic of the Congo to full production at a time when the tin price was simultaneously enjoying one of its biggest bull markets in decades, AFM is already net debt free and making distributions to shareholders.

INDUSTRY OUTLOOK

So far this year, the company reported record quarterly EBITDA in Q122 and record quarterly production in Q2, as well as the development of another mine at Mpama South and an expansion of resources at Mpama North. At a long-term tin price of US$42,793/t, in April, we calculated a value for AFM of US$1.25 (or C$1.58) per share. However, a concerted exploration programme is ongoing and this valuation rose to as high as US$1.98/share (C$2.49/share) in the event of exploration successfully 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	26.4
2021	352.9	194.9	159.0	3.75	12.0	3.8
2022e	519.6	350.2	315.1	11.73	3.8	2.0
2023e	541.7	369.7	328.1	14.99	3.0	2.7

Sector: Technology

Price:	14.0p
Market cap:	£9m
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	(9.7)	(5.4)	(51.7)
Relative*	(5.5)	0.2	(47.8)

* % Relative to local index

Analyst

Anne Margaret Crow

Applied Graphene Materials (AGM)

INVESTMENT SUMMARY

Applied Graphene Materials (AGM) has announced a supply agreement with one of the world's largest car care brands, which will be using AGM's graphene dispersions in the manufacture of its automotive detailing products. While the value of this agreement has not been disclosed, it is significant because it is the first with a major player in the car care sector.

INDUSTRY OUTLOOK

AGM has already announced multiple product launches with smaller participants in the car care sector. For example, in May 2021, successful Dragons' Den contestant Tru-Tension launched a detailing spray for motorbikes that was enhanced with AGM's graphene nanoplatelet technology. Customer Infinity Wax launched its first graphene-enhanced product, a detailing spray for cars, in Q4 CY20, followed by a graphene-enhanced wax in CY21. So far, however, none of these relatively small customers has generated meaningful revenues for AGM. The agreement with the global household name may potentially change that.

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$0.20
Market cap:	NZ$101m
Market	NZSX

Share price graph (NZ$)

Company description

ArborGen Holdings is an New Zealand-listed investment company and is the world's largest integrated developer, commercial manufacturer and supplier of advanced forestry seedlings with operations in the United States and Brazil.

Price performance

%	1m	3m	12m
Actual	(9.1)	(11.1)	(28.6)
Relative*	(3.0)	(6.0)	(10.5)

* % 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	7.0
2022	47.6	10.1	1.0	1.1	10.3	5.2
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:	SEK1.41
Market cap:	SEK140m
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	(4.1)	(11.6)	(62.8)
Relative*	(2.7)	(2.7)	(49.3)

* % 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 also underway with a view to accelerating the development of Solcocon.

INDUSTRY OUTLOOK

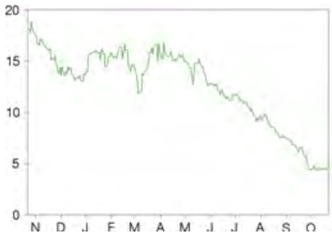
Operating in the former Soviet Union, Auriant is not without risk. However, Q222 and H122 results suggest that operations to date have been largely unaffected by the international situation. Assuming that it raises US$20m in equity in the near future, in December 2021 we valued Auriant at a fully diluted US$1.45/share (SEK13.27/share). Q322 results are scheduled for 30 November.

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	0.9	0.5
2021	47.7	23.1	11.6	10.2	1.2	0.6
2022e	55.6	35.2	23.8	11.4	1.1	0.6
2023e	51.5	32.6	28.4	14.6	0.9	0.6

Sector: Travel & leisure

Price:	€4.22
Market cap:	€30m
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	(28.7)	(57.8)	(76.9)
Relative*	(28.5)	(56.1)	(71.9)

* % Relative to local index

Analyst

Russell Pointon

bet-at-home (ACXX)

INVESTMENT SUMMARY

H122 gross betting and gaming revenue declined by c 19% y-o-y to €32.8m due to the ongoing effects of regulatory changes in the core German market. This led to a decrease in EBITDA to €1.1m from €6.1m in H121. Management re-iterated its FY22 guidance for gross betting and gaming revenue of €50–60m and an EBITDA loss of €2.0–4.5m.

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	3.3	1.0
2021	59.3	14.0	11.4	152.45	2.8	2.2
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:	125.0p
Market cap:	£373m
Market	AIM

Share price graph (p)

Company description

Boku operates a billing platform that connects merchants with mobile network operators and alternative payment methods in more than 90 countries. It has c 350 employees, with its main offices in the US, UK, Estonia, Germany and India.

Price performance

%	1m	3m	12m
Actual	38.1	35.9	(28.6)
Relative*	44.6	43.9	(22.8)

* % Relative to local index

Analyst

Katherine Thompson

Boku (BOKU)

INVESTMENT SUMMARY

Boku reported H122 revenue and adjusted EBITDA in line with its July trading update. During H122, payments made via local payment methods (LPMs) grew significantly: LPM new users and monthly active users grew six times and eight times respectively versus H121, with total payment volumes from LPMs increasing 11 times y-o-y. Since the end of H1, the company has signed a multi-year contract with Amazon for its LPM services and rolled out eWallets in China for another major merchant and in Japan for DAZN. We maintain our forecasts and highlight that underlying growth for the business remains strong, despite currency headwinds.

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	43.4	N/A
2021	62.1	22.9	17.8	4.70	29.6	N/A
2022e	62.5	19.7	15.2	3.95	35.3	N/A
2023e	69.6	22.7	17.4	4.44	31.4	N/A

Sector: Travel & leisure

Price:	€3.53
Market cap:	€390m
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	(0.8)	(3.5)	(28.3)
Relative*	(0.5)	0.4	(12.8)

* % Relative to local index

Analyst

Russell Pointon

Borussia Dortmund (BVB)

INVESTMENT SUMMARY

Headline FY22 results indicated revenue (€351.6m) was marginally ahead of our expectations (€350.4m) but the achieved net loss of €35.1m was below management's recently reduced guidance of a loss of €25–29m due to events after the balance sheet date, which led to a re-measurement of player registrations. The company is well-placed to deliver an improved financial performance in FY22/23 if further COVID-19 related restrictions can be avoided. Our forecasts are under review and will be updated following the publication of full financial statements. Our last-quoted valuation of €9.8/share suggested 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	7.5	5.5
2021	334.2	39.0	24.3	26.28	13.4	8.6
2022e	350.4	81.5	65.8	57.43	6.1	4.7
2023e	389.0	106.5	91.5	76.23	4.6	3.7

Sector: Industrial support services

Price:	301.5p
Market cap:	£107m
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	1.9	18.2	16.9
Relative*	6.6	25.2	26.3

* % 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. In August we raised our valuation as dividend forecasts increased, from 400p to 520p. This is a significant premium to Braemar's current price, but we 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)
2021	83.7	11.4	6.7	13.43	22.4	N/A
2022	101.3	13.5	8.9	18.79	16.0	N/A
2023e	130.6	23.6	19.1	38.15	7.9	N/A
2024e	112.5	19.9	15.9	30.41	9.9	N/A

Sector: Oil & gas

Price:	C$2.15
Market cap:	C$367m
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	(4.9)	(11.9)	(44.6)
Relative*	(3.2)	(10.9)	(37.7)

* % 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	71.8	1.9
2021	250.5	162.2	87.7	24.59	6.4	2.3
2022e	272.5	204.6	90.4	28.57	5.5	1.6
2023e	309.7	241.1	117.6	33.42	4.7	1.4

Sector: General industrials

Price:	97.6p
Market cap:	£92m
Market	LSE

Share price graph (p)

Company description

Carr's Group's Speciality Agriculture division provides feed blocks and supplements to farmers in the UK, Ireland, the US, 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	(4.3)	(22.5)	(37.0)
Relative*	0.1	(18.0)	(32.0)

* % Relative to local index

Analyst

Anne Margaret Crow

Carr's Group (CARR)

INVESTMENT SUMMARY

Carr's Group has sold its Agricultural Supplies division for up to £44.5m cash following the strategic review announced in January 2022. The sale was to Edward Billington & Son, which already had a significant stake in the division. While we expect the disposal to lead to an earnings reduction in the short term, the proceeds will be reinvested in the remaining two divisions. Management believes this strategy will generate faster growth in the longer term than retaining the Agricultural Supplies activity.

INDUSTRY OUTLOOK

Management intends to reinvest up to £10m of the proceeds in Speciality Agriculture manufacturing capacity and up to £4m in working capital to enable the Engineering division to fund potential new larger and longer-term contracts. It also intends to make targeted acquisitions that diversify the activity of the Speciality Agriculture division. The disposal takes the group out of a market where there is overcapacity and little scope for differentiation. It will remove the significant build-up in working capital at the half-year stage and avoid the need to invest an estimated £10m in enhancements to meet more stringent operating regulations.

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	8.3	3.8
2021	417.3	23.9	16.6	13.0	7.5	3.8
2022e	474.6	24.8	17.3	12.5	7.8	3.7
2023e	138.2	18.0	10.5	8.7	11.2	5.1

Sector: Financials

Price:	43.5p
Market cap:	£25m
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 UK small and mid-cap companies and investment funds. Since inception in 2005 it has raised more than £22bn in equity capital for corporate clients, which stood at 103 at end June 2022.

Price performance

%	1m	3m	12m
Actual	(5.4)	(23.0)	(44.2)
Relative*	(1.0)	(18.5)	(39.7)

* % Relative to local index

Analyst

Andrew Mitchell

Cenkos Securities (CNKS)

INVESTMENT SUMMARY

Cenkos's H122 results announced in September were affected by the challenging capital markets background. Total revenue was 30% below H121 at £12.7m. The flexible business model with contained fixed costs meant that underlying operating profit fell by a similar percentage (29%) from £2.7m to £1.9m; this was before changes in the fair value of options and warrants received in lieu of fees (a reduction of £1.9m in H122) and incentive plan costs (£0.6m). After these items there was a reported loss before tax of £0.48m compared with a £1.69m profit in H121. An interim dividend of 1.0p, versus 1.25p for H121 is to be paid.

INDUSTRY OUTLOOK

On the outlook, Cenkos cautioned that market conditions are likely to remain challenging for the foreseeable future given the macroeconomic background. Nevertheless, there are encouraging signs in that Cenkos accounted for 23% of money raised on AIM in the first half (FY21: 10%), the number of corporate clients is higher and the company had carried out three transactions in H222 to date (nine in H122). The balance sheet remained strong with capital resources of £23.6m, comfortably above the regulatory requirement, and cash stood at £15.9m. This supports selective investment in staff to maintain service levels to a growing client base.

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	13.2	3.9
2021	37.2	4.8	4.0	6.0	7.3	3.6
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:	41.0p
Market cap:	£60m
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 targeted at helping them add value.

Price performance

%	1m	3m	12m
Actual	(6.8)	(11.8)	(25.5)
Relative*	(2.5)	(6.6)	(19.5)

* % Relative to local index

Analyst

Fiona Orford-Williams

Centaur Media (CAU)

INVESTMENT SUMMARY

Centaur's H122 revenues were up 8% on H121, with a strong uplift in EBITDA margin from 12% to 17%, well on the way to achieving the 23% targeted within management's MAP23 objectives. The emphasis on driving higher-quality revenues from premium content, marketing services and training and advisory is giving the group a resilient earnings base. High subscription renewal levels indicate the utility to clients, with continued investment in content and products ensuring that these stay relevant and value-adding. The recent in-person Festival of Marketing was very successful, reaching 35 of the 100 top spending UK CMOs. The half-year balance sheet net cash was £14.2m and 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	205.0	28.1
2021	39.1	6.4	3.0	1.9	21.6	6.3
2022e	43.5	8.1	4.5	2.4	17.1	8.4
2023e	47.0	10.8	7.0	3.4	12.1	6.2

CentralNic Group (CNIC)

Sector: Technology

Price:	128.0p
Market cap:	£369m
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	9.4	(0.8)	0.9
Relative*	14.5	5.1	9.0

* % Relative to local index

Analyst

Richard Williamson

INVESTMENT SUMMARY

CentralNic continues to benefit from advertisers looking for privacy-safe marketing solutions, with 66% organic revenue growth for the last 12 months (LTM) to Q322 (LTM to Q222: 62%). Management anticipates 9M22 gross revenue of at least US$525m, net revenue of US$127m (a 24.2% margin) and adjusted EBITDA of at least US$61m (an 11.6% margin). Management expects CentralNic to materially exceed current market expectations for FY22, ahead of Q4, which is typically the strongest advertising quarter. We have therefore revised our FY22 revenue estimate upwards by 9% to US$702m, with adjusted EBITDA of US$81m, an 11.5% margin. Despite CentralNic's continuing momentum, the group trades on FY22e multiples of 5.9x EV/EBITDA and 7.7x P/E.

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 organic growth driven by its privacy-safe digital marketing division, supported by M&A.

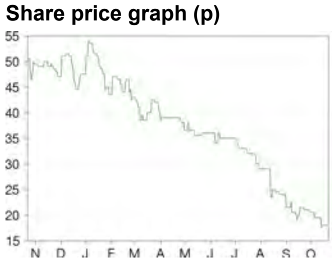
Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	240.0	29.4	18.6	9.57	14.9	N/A
2021	410.5	46.3	31.9	10.69	13.3	N/A
2022e	701.9	81.0	65.0	17.87	8.0	N/A
2023e	804.8	92.4	77.8	19.42	7.3	N/A

Checkit (CKT)

Sector: Technology

Price:	18.0p
Market cap:	£19m
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	(16.3)	(43.8)	(64.4)
Relative*	(12.4)	(40.4)	(61.5)

* % Relative to local index

Analyst

Katherine Thompson

INVESTMENT SUMMARY

During H123 Checkit made further progress in its transition to a 100% subscription business, achieving 82% recurring revenue and a 48% y-o-y increase in annual recurring revenue (ARR). The pipeline has grown and includes material opportunities with enterprise customers for which conversion timing is uncertain. As customers have become more cautious, sales cycles have lengthened, and we conservatively reduce our ARR and revenue forecasts. Despite this, we have improved our EBITDA loss forecasts for FY23/24 on the back of company plans to accelerate the path to profitability.

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	13.6	(4.2)	(4.7)	(7.0)	N/A	N/A
2023e	10.4	(6.5)	(7.6)	(7.1)	N/A	N/A
2024e	12.5	(3.7)	(5.2)	(4.9)	N/A	N/A

Sector: Technology

Price: 2.54PLN
Market cap: PLN465m
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	6.7	48.5	44.3
Relative*	14.1	77.1	148.2

* % Relative to local index

Analyst

Richard Williamson

CI Games (CIG)

INVESTMENT SUMMARY

FY22 is a year with no new releases for CI Games, after one release in FY21, and ahead of two expected releases in FY23. In this context, H122 provided a solid first half, driven by the back catalogue, with net revenue of PLN30.5m and adjusted EBITDA of PLN16.1m, a 53% margin. The company had net cash of PLN13.1m at 30 June 2022. The publisher's third IP, codenamed Survival Project, is expected to launch in FY24. Given this publishing schedule, our focus is on FY23 valuation multiples as CI Games prepares for a dual listing before the end of 2022, with LoTF rebooted due in FY23. The company remains attractively priced compared to UK peers.

INDUSTRY OUTLOOK

Valuations in the games sector have come under significant pressure in 2022, with investors punishing anything less than a perfect performance with heavy markdowns from the sector's 30x P/Es of 2021. In this context, CI Games' low valuation means the shares have avoided the sector's multiple compression 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	60.8	10.5
2021	105.5	62.5	44.9	16.12	15.8	8.6
2022e	57.3	32.9	15.3	6.70	37.9	12.8
2023e	272.2	129.4	102.0	44.59	5.7	6.4

Sector: Financials

Price: 57.8p
Market cap: £350m
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	(23.9)	(29.4)	(36.4)
Relative*	(20.3)	(25.3)	(31.3)

* % Relative to local index

Analyst

Martyn King

Civitas Social Housing (CSH)

INVESTMENT SUMMARY

Civitas Social Housing's (CSH's) AGM statement confirmed that the financial and operational performance had remained robust with a continuation of strong and growing demand for specialised supported housing (SSH). Leverage of 34% remained comfortably in line with the company's maximum 40% target and progress is being made with increasing the average tenor of debt facilities and further limiting exposure to interest rate fluctuations. Previously announced Q123 total return was 2.7%, continuing the consistently positive returns since IPO and DPS declared of 1.425p was in line with the full year target of at least 5.70p (+2.7%). CSH has made progress with its new lease clause which should assist housing association (HA) tenants in addressing issues identified by the regulator and inflation pressures. It has been approved by the boards of the two HAs with whom it was discussed initially and is now being introduced to several specimen leases.

INDUSTRY OUTLOOK

SSH/care-based social housing is widely recognised to improve lives in a cost-effective manner compared with the alternatives of residential care or hospitals. If approved for SSH, the discussed cap on social housing rents will better align the interests of landlords and HAs in the current inflationary environment.

Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2021	47.8	N/A	36.1	4.9	11.8	13.8
2022	50.7	N/A	44.8	4.8	12.0	9.5
2023e	55.6	N/A	49.8	5.8	10.0	7.9
2024e	57.0	N/A	51.5	6.0	9.6	7.7

Sector: Technology

Price:	€2.42
Market cap:	€111m
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	(19.1)	(38.3)	(57.3)
Relative*	(18.9)	(36.1)	(51.8)

* % Relative to local index

Analyst

Katherine Thompson

Claranova (CLA)

INVESTMENT SUMMARY

Claranova reported FY22 revenue of €474m (+1% y-o-y, -7% organic, constant currency), which is in line with its August trading update. Adjusted EBITDA of €25.5m was below our €29.6m forecast, with both PlanetArt and Avanquest generating lower EBITDA than expected. Net debt at year-end was €71m. The company recently announced the acquisition of Scanner App, a company specialising in mobile PDF functionality, which should strengthen Avanquest's PDF business. We are reviewing our forecasts.

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	12.1	N/A
2021	470.6	36.5	24.2	36.86	6.6	N/A
2022e	473.7	33.7	19.6	31.57	7.7	N/A
2023e	528.1	48.5	34.6	57.84	4.2	N/A

Sector: Technology

Price:	€17.82
Market cap:	€116m
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 H122, 38% of sales were generated in Europe, 57% in North America and 5% in other regions.

Price performance

%	1m	3m	12m
Actual	(20.4)	(34.0)	(28.3)
Relative*	(20.2)	(31.3)	(12.8)

* % Relative to local index

Analyst

Max Hayes

CLIQ Digital (CLIQ)

INVESTMENT SUMMARY

CLIQ Digital's H122 results were strong across all key performance indicators, illustrating that the group is on track to reach management's FY22 guidance, which saw significant uplifts at its strategy update in June. Our revenue and profit forecasts were materially unchanged on the announcement, although we updated our balance sheet expectations to reflect CLIQ's committed investment in its new package offering, CLIQ.de. The new upscaled multi-content platform is designed to be simple but affordable, encouraging widespread adoption with the aim of making CLIQ a 'household name' in Germany. The launch has been delayed temporarily to extend the testing phase of the beta version of CLIQ.de in order to have more time to do additional performance stress tests to secure high load across the multi-content verticals.

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 83% of the global population, has been key to driving demand. Cloud-gaming is a key focus for CLIQ, and here the value of the global market is forecast to grow from US$1.5bn in FY21 to US$6.3bn by FY24 (Statista).

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	116.0	15.4	7.3
2021	150.0	27.2	25.3	271.4	6.6	4.3
2022e	250.0	38.0	35.3	360.1	4.9	3.1
2023e	300.0	47.6	45.0	459.3	3.9	2.5

Cohort (CHRT)

Sector: Aerospace & defence

Price:	481.5p
Market cap:	£199m
Market	AIM

Share price graph (p)

Company description

Cohort is an AIM-listed defence and security company operating across six divisions: MASS (28% of FY22 sales), SEA (22%), MCL (16%), the 80%-owned Portuguese business EID (6%), the 81%-owned Chess Dynamics based in the UK (12%) and ELAC SONAR in Germany (16%).

Price performance

%	1m	3m	12m
Actual	(5.2)	(9.0)	(20.3)
Relative*	(0.8)	(3.6)	(13.9)

* % Relative to local index

Analyst

Andy Chambers

INVESTMENT SUMMARY

Cohort's defence and security orientation has proven resilient during the pandemic despite challenges at EID and Chess in FY22. MCL, SEA, MASS and ELAC all progressed although MASS faced some delays in H222. Order intake of £186m led to a record £291m closing backlog, with £127m deliverable in FY23 – 78% of consensus sales, which has risen to 95% by September. SEA's recent £34m five-year contract for upgrades of ASW and countermeasures equipment and systems for the Royal Navy further improves visibility.

INDUSTRY OUTLOOK

Cohort is heavily influenced by activities in defence and security (92% of FY22 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 (p)	P/E (x)	P/CF (x)
2021	143.3	22.1	17.9	33.6	14.3	9.3
2022	137.8	19.4	14.7	31.1	15.5	8.6
2023e	164.1	22.8	17.6	34.2	14.1	24.5
2024e	178.2	25.1	19.6	38.1	12.6	9.4

CoinShares International (CS)

Sector: Financials

Price:	SEK32.35
Market cap:	SEK2207m
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	(15.3)	(8.1)	(59.7)
Relative*	(14.1)	1.1	(45.1)

* % Relative to local index

Analyst

Milosz Papst

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 assets under management at £1.1bn at end-June 2022) and gains derived from capital markets activities, including liquidity provisioning, non-directional trading, decentralised finance income and fixed income activities. We consider CS an attractively priced option on the prospective adoption of digital assets.

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 and asset managers, which are now offering their 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	9.3	N/A
2021	80.9	121.7	113.8	164.0	1.6	N/A
2022e	49.3	20.0	10.5	25.1	10.3	0.1
2023e	36.1	31.5	20.3	28.1	9.2	N/A

Sector: Property

Price: 83.2p
Market cap: £367m
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	(16.6)	(21.7)	(15.3)
Relative*	(12.8)	(17.0)	(8.5)

* % Relative to local index

Analyst

Martyn King

Custodian REIT (CREI)

INVESTMENT SUMMARY

Custodian REIT's (CREI) Q123 NAV per share increased 2.0% to 122.2p, benefitting from a 1.7% like-for-like valuation uplift, and including DPS paid the NAV total return in the quarter was 3.2%. A Q123 DPS has been declared, fully covered by EPRA EPS of 1.4p, and in line with the targeted FY23 DPS of at least 5.5p. EPRA occupancy dipped to 88.7% (FY22: 89.9%) with positive letting offset by the timing of asset management. CREI expects continuing occupational demand for its properties to reduce vacancy in future. Rent growth also continued through Q123 with a blended like-for-like increase in ERV of 1.4%. Meanwhile debt refinancing has increased the share of fixed rate debt to 74%. The recent AGM approved a change in the name from Custodian REIT to Custodian Property Income REIT to better reflect the company's income focus.

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. Commercial property has the potential to offer a degree of inflation hedging but rising government bond yields have begun to weigh on asset valuations across the main sectors.

Y/E Mar	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2021	33.1	28.5	23.7	5.64	14.8	14.7
2022	35.6	30.1	25.3	5.89	14.1	10.9
2023e	38.8	32.3	26.4	6.00	13.9	12.4
2024e	40.0	33.4	27.0	6.13	13.6	11.2

Sector: Technology

Price: ZAR41.40
Market cap: ZAR9180m
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. It has two divisions, Westcon International (distribution) and Logicalis (IT services).

Price performance

%	1m	3m	12m
Actual	(6.2)	(5.4)	19.5
Relative*	(5.3)	(2.0)	20.4

* % Relative to local index

Analyst

Richard Williamson

Datatec (DTCJ)

INVESTMENT SUMMARY

Datatec's trading update indicated slowing momentum in H123, with geopolitical and economic headwinds and the strengthening dollar offsetting demand-driven technology tailwinds. Weakness was principally down to Logicalis LatAm. Management expects underlying EPS to be between 3.0–4.0 USc, a y-o-y fall of between 52% and 64%. Our estimates anticipate a y-o-y rise in FY23 revenues and earnings of 6% and 5% respectively, which now appears optimistic. We will review our estimates with the full H123 results, due around 3 November 2022. On the brighter side, Datatec is also set to return the initial gross proceeds from the disposal of Analysys Mason to shareholders via a £135.1m cash dividend (ZAR12.50 per share).

INDUSTRY OUTLOOK

Datatec has seen strong growth globally, with elevated demand for networking, cybersecurity and cloud infrastructure. Amidst continuing uncertainties, there are signs that global growth is slowing, but we expect established technology trends to persist, underpinned by the unwinding of Datatec's backlog during H223/FY24.

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	17.3	2.9
2022	4636.8	177.1	85.0	18.2	12.6	2.6
2023e	4919.2	190.9	95.9	19.0	12.0	2.6
2024e	5116.9	201.2	107.3	24.5	9.3	2.4

Dentsu Group (4324)

Sector: Media

Price:	¥4615.00
Market cap:	¥1331011m
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	8.7	2.0	8.7
Relative*	11.0	5.7	15.6

* % Relative to local index

Analyst

Fiona Orford-Williams

INVESTMENT SUMMARY

Dentsu is undergoing a further reorganisation to simplify and de-duplicate between its Japanese and International groupings. Further details are likely to be given with the Q322 figures in November. The group had a strong Q222, with organic revenue growth of 8.2% (7.9% including Russia). Customer Transformation & Technology (CT&T) is the main engine (32.3% of group net revenue, from 31.5% in Q122). We would expect this segment to be more resilient should a deteriorating H222 macro environment stall advertising momentum. The share price has outperformed peers year to date, narrowing the discount on EV/EBITDA.

INDUSTRY OUTLOOK

CT&T benefits from structural tailwinds as companies look to invest to optimise to meet the demands of their own customers, a process which may even accelerate as economic pressures become more pronounced. Dentsu's latest global ad spend forecast is +8.7% for FY22, with gains of 5.4% for FY23 and 5.1% for FY24 pencilled in. Digital spend is forecast at 55.5% of FY22 global ad spend, with linear TV the next largest media, making up 26.1%. 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	18.5	N/A
2021	1085592.0	195006.0	146021.0	389.0	11.9	5.1
2022e	1250000.0	210726.0	172809.0	440.0	10.5	6.6
2023e	1300000.0	217909.0	181411.0	470.0	9.8	6.1

discoverIE Group (DSCV)

Sector: Electronics & elec eqpt

Price:	733.0p
Market cap:	£700m
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	(0.1)	4.1	(31.1)
Relative*	4.5	10.3	(25.6)

* % Relative to local index

Analyst

Katherine Thompson

INVESTMENT SUMMARY

In H123, discoverIE reported strong organic growth in revenue and orders, with a book-to-bill of 1.07x and a record order book at the end of H1. On an organic basis, Magnetics & Controls saw 17% y-o-y growth and Sensing & Connectivity 11% growth. Gross margins have been resilient, despite various supply chain challenges, and the company is adding new production capacity in India. The company is on track to deliver underlying earnings in line with board expectations for FY23; we maintain our forecasts.

INDUSTRY OUTLOOK

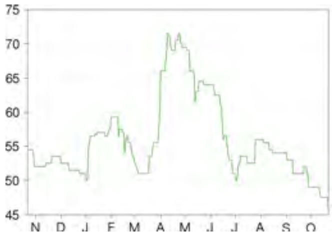
discoverIE specialises in the design and manufacture of technically demanding, bespoke electronics for industrial applications with operations throughout Europe and increasingly outside Europe. The company is focused on four target markets comprising three-quarters of group sales – renewables, electrification 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	31.3	11.5
2022	379.2	56.1	41.0	32.1	22.8	16.0
2023e	414.6	61.3	44.1	33.5	21.9	15.7
2024e	425.3	62.7	45.5	34.4	21.3	12.6

Sector: Media

Price:	45.5p
Market cap:	£53m
Market	AIM

Share price graph (p)



Company description

Ebiquity is a leading, independent global media consultancy, working for over 70 of the world's 100 leading brands to optimise their media investments.

Price performance

%	1m	3m	12m
Actual	(10.8)	(13.3)	(17.3)
Relative*	(6.6)	(8.2)	(10.6)

* % Relative to local index

Analyst

Fiona Orford-Williams

Ebiquity (EBQ)

INVESTMENT SUMMARY

Ebiquity delivered strong H122 results, with 7% organic revenue growth boosted to a 16% gain including acquisitions. An increasing proportion of revenues from the higher-margin digital media solutions and rigorous control of costs in the existing business drove a substantial uplift in underlying operating margins from 7.1% in H121 to 13.3% in H122. Full year results are expected to be in line with market expectations and we reinstated FY22 and FY23 forecasts including the H122 acquisitions. The shares have outperformed peers and the sector, but the valuation remains at a discount. In our view, the improving business quality and prospects for margin growth are not reflected in the share price.

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 in navigating optimising and benchmarking their spend is unlikely to diminish, with harsher economic circumstances also driving greater emphasis on marketing efficiency.

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	103.7
2021	63.1	6.8	4.1	2.7	16.9	4.8
2022e	77.0	13.6	8.1	5.3	8.6	35.5
2023e	89.0	17.5	11.5	7.0	6.5	4.9

Sector: Food & drink

Price:	C$0.71
Market cap:	C$80m
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 has started to roll out its product beyond the US market and is expanding its product offering.

Price performance

%	1m	3m	12m
Actual	(4.1)	20.3	(61.4)
Relative*	(2.4)	21.6	(56.6)

* % Relative to local index

Analyst

Sara Welford

Else Nutrition (BABY)

INVESTMENT SUMMARY

Else Nutrition has developed the world's first globally patented, 100% plant-based dairy- and soy-free infant formula line, 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 a line of baby cereal. Its infant formula is undergoing rigorous testing before launch, expected in FY25. Momentum is clearly building, with further geographic and product expansion into major markets such as China, Europe and Canada as catalysts for growth. In June, Else raised $7.35m through an equity offering, leaving the company well capitalised to fund its ambitious growth plans.

INDUSTRY OUTLOOK

The infant nutrition market was valued at 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)	(9.78)	N/A	N/A
2021	4.7	(15.1)	(15.5)	(15.92)	N/A	N/A
2022e	11.0	(17.0)	(17.8)	(16.46)	N/A	N/A
2023e	27.5	(16.2)	(18.1)	(16.20)	N/A	N/A

Sector: Technology

Price: 1862.0p
Market cap: £1171m
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	(1.7)	0.1	35.9
Relative*	2.9	6.0	46.9

* % 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. Shareholders approved the deal on 9 August. The company expects the deal to close by the end of 2022, subject to final conditions being met.

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	33.0	18.3
2021	168.2	54.7	43.5	55.0	33.9	23.4
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: Technology

Price: A$0.63
Market cap: A$236m
Market ASX

Share price graph (A$)

Company description

EML Payments provides payment solutions for banking, credit and disbursement services, earned wage access, gifts, incentives and rewards, and open banking and FX. It manages thousands of programmes across 32 countries in Europe, North America and Australia.

Price performance

%	1m	3m	12m
Actual	(27.6)	(43.5)	(80.1)
Relative*	(27.0)	(42.3)	(77.6)

* % Relative to local index

Analyst

Katherine Thompson

EML Payments (EML)

INVESTMENT SUMMARY

After a tough year dealing with the recovery from COVID and the European regulatory issue, EML Payments reported FY22 revenue growth of 21% (17% organic), underlying EBITDA down 4% and underlying NPATA down 1% y-o-y. The recently appointed CEO has launched a strategic review, with the outcome expected in November. While no quantitative guidance was given for FY23, we have reduced our EBITDA and NPATA forecasts for FY23/24 to reflect higher inflation, the ongoing costs of strengthening the risk and compliance functions and lower service-related fees.

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)
2021	192.2	42.2	30.2	0.066	954.5	N/A
2022	232.4	34.3	16.0	0.034	1852.9	N/A
2023e	256.7	42.1	18.9	0.040	1575.0	N/A
2024e	287.8	52.6	25.8	0.054	1166.7	N/A

EDISON

Sector: Mining

Price:	1539.0p
Market cap:	£3824m
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 six 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	(8.1)	(3.7)	(16.1)
Relative*	(3.8)	2.0	(9.4)

* % Relative to local index

Analyst

Lord Ashbourne

Endeavour Mining (EDV)

INVESTMENT SUMMARY

Endeavour's acquisitions of SEMAFO and Teranga have pushed 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 London-listed and a constituent of the UK 100 index.

INDUSTRY OUTLOOK

Endeavour has US$216.8m in net cash after fortuitous Q222 results. Recently, it added US$342m in value to Fetekro and Kalana via updated pre-feasibility studies (100% basis) and has announced a comprehensive shareholder returns programme. Exploration in FY16–FY21 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 at least 2028. An expansion at Sabadola-Massawaa and the launch of Lafigue (NPV US$477m) are also now underway. Our most recent analysis of Endeavour valued it at US$35.54/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	9.4	2.6
2021	2903.8	1517.3	756.5	203.21	8.4	3.0
2022e	2410.9	1241.7	572.7	123.71	13.9	3.2
2023e	2219.0	1223.2	763.8	184.44	9.3	3.7

Sector: Technology

Price:	NOK2.59
Market cap:	NOK561m
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	(7.5)	(17.3)	(58.8)
Relative*	(4.9)	(14.2)	(55.6)

* % Relative to local index

Analyst

Anne Margaret Crow

Ensurge Micropower (ENSU)

INVESTMENT SUMMARY

Ensurge has shipped rechargeable solid-state lithium microbattery unit cell samples to the second and third of the potential strategic partners with whom it is exploring a range of possible options including technology licensing, joint ventures and equity investments. Ensurge is in active discussions with two other potential strategic partners and a pipeline of several more. The companies interested in these strategic partnerships include large multinational corporations with market-leading products including consumer devices, electronic components and batteries.

INDUSTRY OUTLOOK

The discussions with strategic partners create an additional route to market that complements sales of complete microbatteries. Ensurge has recently shipped unit cells to one of the five customers who have signed evaluation agreements for complete microbatteries. The shipment represents a first step toward taking a customised solid-state microbattery into full production for the customer, who is making several milestone-based payments to Ensurge.

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:	74.5p
Market cap:	£108m
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	(3.9)	(3.9)	(31.8)
Relative*	0.6	1.8	(26.3)

* % Relative to local index

Analyst

Andy Murphy

Epwin Group (EPWN)

INVESTMENT SUMMARY

Epwin's H122 results highlighted double-digit revenue and profit growth with a static 6% margin, which is a good result in highly inflationary markets. Divisionally, Extrusion & Moulding saw good revenue growth in most core divisions and margins increased, though they remain below pre-pandemic levels. In Fabrication & Distribution revenue growth was achieved due to M&A and price increases. The other highlights were confirmed deleveraging in line with guidance and a DPS uplift. Since the half year, Epwin has announced the acquisition of PVC reprocessor Poly-Pure for £15m. 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	18.6	4.5
2021	329.6	34.8	13.3	8.8	8.5	3.1
2022e	350.4	36.5	14.5	8.1	9.2	3.3
2023e	355.5	38.4	16.2	8.8	8.5	2.9

Sector: Technology

Price:	€23.50
Market cap:	€236m
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	(18.7)	(24.4)	(40.7)
Relative*	(18.5)	(21.4)	(27.9)

* % Relative to local index

Analyst

Fiona Orford-Williams

EQS Group (EQS)

INVESTMENT SUMMARY

The long and frustrating wait for the EU directive on whistleblowing to be passed into law in Germany looks to be imminent and we would expect EQS to have a very busy final quarter. The delays mean management is now guiding to the lower end of the cited revenue range of €65–70m and EBITDA range of €6–10m and we adjusted our model to reflect this. We leave our FY23 estimates for revenue and EBITDA unchanged for now and have published our first thoughts on FY24. H122 revenues were up 33% (11% organic) but the EBITDA margin remains suppressed by the additional costs being carried.

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. 10 out of the 27 member states have now having implemented, with Germany set to follow very soon. The experience in Denmark, the first country to implement the law, was of a last-minute surge of interest. Further down the line, the German law will be extended to companies and organisations with fewer employees.

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	570.4	44.9
2021	50.2	1.7	(5.9)	(69.77)	N/A	N/A
2022e	66.0	6.0	(5.0)	(33.59)	N/A	68.3
2023e	90.0	18.0	8.2	53.38	44.0	19.8

Sector: Technology

Price:	€120.50
Market cap:	€720m
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 FY21, the business generated 55% of revenues from Europe, 39% from the United States and the remainder from Asia and Australia.

Price performance

%	1m	3m	12m
Actual	(4.9)	(15.1)	(56.9)
Relative*	(4.7)	(12.1)	(51.4)

* % Relative to local index

Analyst

Katherine Thompson

Esker (ALESK)

INVESTMENT SUMMARY

Esker's Q3 revenue update confirmed continued strong underlying and reported revenue growth, and management reiterated its FY22 revenue and margin guidance. Q322 revenue grew 21% y-o-y/13% in constant currency (cc) and 9M22 revenue was 19% higher y-o-y (13% cc). The company is making steady progress with its channel partner strategy, and record order intake, particularly in the US and Asia Pacific, provides support for FY23 and beyond.

INDUSTRY OUTLOOK

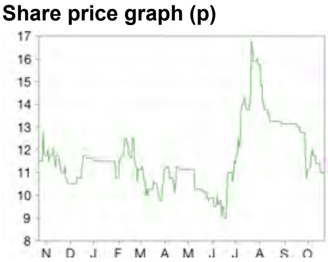
Esker's document process automation (DPA) software operates across five areas: document delivery, accounts payable, accounts receivable, procurement and sales order processing. Competitors are different for each business process and consist of business process outsourcers and specialist DPA software 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	60.6	28.2
2021	133.6	25.7	18.0	236.0	51.1	24.2
2022e	158.9	34.1	25.4	320.0	37.7	24.0
2023e	181.6	35.1	25.0	310.0	38.9	22.1

Sector: Technology

Price:	10.9p
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	(14.7)	(34.1)	(5.4)
Relative*	(10.7)	(30.2)	2.2

* % Relative to local index

Analyst

Anne Margaret Crow

Filtronic (FTC)

INVESTMENT SUMMARY

Group sales rose by 10% y-o-y during FY22 to £17.1m. The recovery noted in the US public safety market during Q421 as COVID-19-related restrictions started to ease was sustained throughout the year, but supply chain issues prevented Filtronic from fulfilling demand for 5G transceivers during H122. While this was resolved in Q222, the US public safety customer was itself affected by supply chain issues in H222. A higher proportion of sales to the critical communications and defence markets benefited gross margin, resulting in adjusted EBITDA climbing by 58% y-o-y to £2.8m.

INDUSTRY OUTLOOK

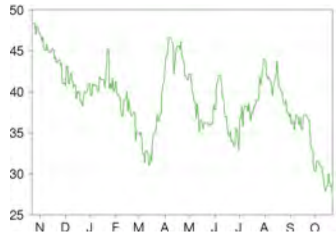
We have left our FY23 estimates, which are underpinned by a growing orderbook for 5G XHaul transceivers, unchanged. Since gross margins are likely to be lower year-on-year in FY23 because of the higher proportion of Xhaul transceivers, which are price-sensitive, and overheads are likely to be higher because of continued investment in engineering personnel, we model a year-on-year drop in EBITDA (but a substantial increase compared with FY21) even though revenue growth is modelled at 11.5%. Management intends that this investment will result in stronger revenue and profit growth during FY24 and FY25 as the group diversifies into adjacent markets.

Y/E May	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2021	15.6	1.8	0.1	0.14	77.9	9.3
2022	17.1	2.8	1.5	0.53	20.6	10.2
2023e	19.0	2.1	0.9	0.42	26.0	13.0
2024e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Financials

Price: 27.4p
Market cap: £85m
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	(25.8)	(29.9)	(43.4)
Relative*	(22.3)	(25.7)	(38.8)

* % Relative to local index

Analyst

Andy Murphy

Foxtons Group (FOXT)

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 fell slightly against a very tough comparator. Q322 and Q422 are likely to show growth year-on-year. 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 from 5 September.

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	(0.1)	N/A	20.0
2021	126.5	25.1	10.0	(0.5)	N/A	13.5
2022e	132.6	26.9	12.8	3.3	8.3	7.0
2023e	137.6	28.1	15.0	3.9	7.0	5.7

Sector: Consumer support services

Price: 6175.0p
Market cap: £2028m
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	(3.5)	(18.5)	(40.5)
Relative*	1.0	(13.7)	(35.7)

* % Relative to local index

Analyst

Russell Pointon

Games Workshop Group (GAW)

INVESTMENT SUMMARY

Games Workshop's Q123 (end August) trading update showed a solid start to the year from a revenue perspective with total revenue growth of c 6%, made up of c 8% growth in core, and a 40% decline in licensing revenue, which is typically quite lumpy. Sterling weakness, specifically versus the US dollar, is likely to have helped the reported growth rate. PBT, which was down by c 13% y-o-y to £39m from £45m in the prior year, reflects the decline in high-margin licensing revenue as well as likely ongoing cost pressures. Despite the lower profit, the higher cumulative declared dividend year to date of 165p, versus 65p last year suggests an improved cash position.

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)
2021	369.6	178.3	150.9	370.5	16.7	15.3
2022	414.8	193.2	156.5	390.6	15.8	16.7
2023e	432.7	196.5	160.4	399.6	15.5	12.6
2024e	454.2	211.0	169.2	384.5	16.1	12.1

Sector: Technology

Price:	330.0p
Market cap:	£833m
Market	AIM

Share price graph (p)

Company description

GB Group is a specialist in identity data intelligence. Its products and services enable its customers to better understand and verify their customers and are used across a range of fraud, risk management, compliance and customer on-boarding services.

Price performance

%	1m	3m	12m
Actual	(48.2)	(29.1)	(64.2)
Relative*	(45.7)	(24.9)	(61.3)

* % Relative to local index

Analyst

Katherine Thompson

GB Group (GBG)

INVESTMENT SUMMARY

GB Group's (GBG's) H123 trading update confirmed strong growth in its Fraud and Location businesses, offset by weaker growth in the Identity business. Pro forma revenue growth of 10% included a 6.5% currency benefit. While the board maintains its expectations for FY23, we have trimmed our forecast to reflect the weighting of growth across divisions, reducing our normalised EPS forecast by 1.7% in FY22, 1.2% in FY23 and 1.3% in FY24.

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	14.7	8.9
2022	242.5	62.2	57.1	20.2	16.3	12.7
2023e	298.1	74.6	66.5	20.0	16.5	11.7
2024e	334.4	84.6	77.1	22.5	14.7	9.6

Sector: Food & drink

Price:	1915.0p
Market cap:	£1954m
Market	LSE

Share price graph (p)

Company description

With 2,271 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	(0.1)	(3.3)	(36.6)
Relative*	4.6	2.4	(31.5)

* % Relative to local index

Analyst

Russell Pointon

Greggs (GRG)

INVESTMENT SUMMARY

Greggs' impressive sales performance in Q322, like-for-like sales (l-f-l) sales growth in company managed stores of 9.7% and total sales growth was 14.6%, enabled it to maintain its FY22 PBT guidance, despite the increasing pressures on consumer discretionary income and (maintained) input cost inflation guidance. Growth was driven by momentum in its own initiatives (eg menu innovation and trading in new channels and dayparts), which is helping Greggs to gain market share.

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	31.4
2021	1229.7	259.0	145.6	114.3	16.8	6.2
2022e	1451.0	267.1	146.8	118.0	16.2	6.7
2023e	1654.7	307.5	165.3	122.0	15.7	6.0

Gresham House (GHE)

Sector: Financials

Price:	730.0p
Market cap:	£279m
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. At end-June 2022 AUM stood at £7.3bn.

Price performance

%	1m	3m	12m
Actual	(6.1)	(16.6)	(15.4)
Relative*	(1.7)	(11.6)	(8.6)

* % Relative to local index

Analyst

Andrew Mitchell

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

With c 85% of AUM in real assets and private equity, the group is well-positioned to weather current market conditions. The H122 results in September supported this, showing AUM growth of 11% to £7.3bn (+8% organic) and adjusted operating profit up 91% to £13.2m. Gresham House expects to achieve adjusted operating profit at least in line with market expectations for FY22.

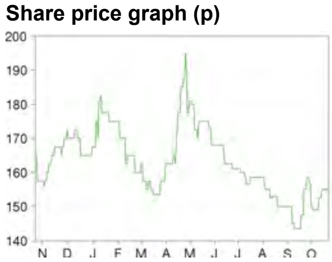
Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	41.9	12.1	12.1	32.92	22.2	14.9
2021	70.4	20.5	20.2	49.31	14.8	13.2
2022e	76.6	26.4	25.9	52.15	14.0	16.1
2023e	84.7	31.4	31.0	58.56	12.5	9.8

Helios Underwriting (HUW)

Sector: Financials

Price:	155.0p
Market cap:	£107m
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	0.0	(2.2)	(8.8)
Relative*	4.7	3.6	(1.5)

* % 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. This larger portfolio, alongside a hardening underwriting cycle and higher interest rates, 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 war in Ukraine may affect loss ratios, for the aviation sector in particular, but the greater impact will be from rising inflation and interest rates, which could increase near-term losses but should also meaningfully boost 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	96.9	N/A
2021	70.6	(1.9)	(1.9)	(0.7)	N/A	N/A
2022e	136.6	(1.0)	(1.0)	(1.1)	N/A	N/A
2023e	191.7	18.6	18.6	21.5	7.2	4.4

Sector: Oil & gas

Price: €6.75
Market cap: €2063m
Market Athens Stock Exchange

Share price graph (€)

Company description

HELLENiQ ENERGY (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	7.5	8.0	9.1
Relative*	3.9	4.4	15.5

* % Relative to local index

Analyst

James Magness

HELLENiQ ENERGY (ELPE)

INVESTMENT SUMMARY

HELLENiQ ENERGY Holdings shares are primarily listed on the Athens Exchange (ELPE) with a secondary listing in London (HLPD). ELPE has been successfully executing on its Vision 2025 strategy, having incorporated a new fit-for-purpose corporate structure, improved the overall corporate governance and rebranded with a new name, logo and corporate identity, while updating its business strategy/capital allocation and redefining its ESG strategy. ELPE plans to expand its Renewable Energy Sources (RES) portfolio from 0.34GW currently to >2GW by 2030. Q222 results were at record levels, with a strong performance across all divisions. Following the start-up of the Kozani (204MW) solar plant in April and the acquisition of a 55MW wind farm in July, the company is on course for annualised EBITDA run-rate from RES of c €50m. The sale of the company's 35% share in DEPA Infrastructure to Italgas was completed on 1 September 2022.

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 ELPE'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	375.0	4.6
2021	9222.0	401.0	151.0	47.1	14.3	7.6
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: Travel & leisure

Price: 17.2p
Market cap: £22m
Market AIM, LSE

Share price graph (p)

Company description

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

Price performance

%	1m	3m	12m
Actual	(10.7)	(49.0)	N/A
Relative*	(6.5)	(45.9)	N/A

* % Relative to local index

Analyst

Richard Finch

Hostmore (MORE)

INVESTMENT SUMMARY

In line with management expectations and testimony to market challenges, Hostmore saw like-for-like (LFL) revenue down 7% on pre-COVID H119 in the half to June. However, cash generation remained strong with adjusted free cash flow of £10m and liquidity headroom of £36m at end June reinforced by enhanced banking facilities. Guest feedback has improved markedly, attraction and retention of staff is good and senior management has been strengthened. Recent trading (LFL revenue down 14% on 2019) reflects industry slowdown, compounded by rail strikes and heatwaves. Hostmore expects 2019 comparatives down 11% in rest of the year despite best efforts at mitigation. 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 a 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 in September were down 8% year on year (Coffer CGA) and much further behind in real terms.

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	5.06	3.4	0.5
2022e	218.0	39.5	5.5	3.73	4.6	0.5
2023e	251.0	47.5	13.0	8.49	2.0	0.5

EDISON

Sector: Property

Price:	97.3p
Market cap:	£394m
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	(16.7)	(16.4)	(18.2)
Relative*	(12.8)	(11.5)	(11.7)

* % Relative to local index

Analyst

Martyn King

Impact Healthcare REIT (IHR)

INVESTMENT SUMMARY

Impact Healthcare REIT's (IHR's) Q322 NAV total return was 1.8%, taking the nine-month return to 8.0%, comprising a fully covered dividend return of 4.3% and capital return of 3.7%. A DPS of 1.635p is in line with the full year target of 6.54p (+2%). Index-linked rent increases drove a 0.8% like-for-like portfolio uplift and the underlying valuation yield was stable despite increased government bond yields (EPRA topped-up yield of 6.68%). Tenants are managing inflationary pressures through occupancy growth and strong fee uplifts. IHR continues to collect rents in full and expects Q322 rent cover will have increased versus Q222 (1.73x) when tenant data have been fully received. Gearing remains modest with an end-Q322 LTV of 21.4%. Liquidity remained strong, with £131m of the £206m of debt capacity drawn, and significant covenant headroom. Drawn debt was 77% hedged.

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	13.3	14.8
2021	36.4	30.9	27.4	8.1	12.0	14.0
2022e	41.6	34.9	31.5	8.2	11.9	15.1
2023e	49.2	42.3	32.9	8.1	12.0	10.7

Sector: Technology

Price:	37.0p
Market cap:	£34m
Market	AIM

Share price graph (p)

Company description

Induction Healthcare is a UK-based healthcare technology company, primarily engaged in the provision of software to the UK's secondary care market. Its products include Attend Anywhere, Zesty, Guidance, Switch and its Induction HealthStream platform. Its products are delivered over a SaaS platform.

Price performance

%	1m	3m	12m
Actual	17.5	(24.5)	(26.7)
Relative*	22.9	(20.0)	(20.8)

* % Relative to local index

Analyst

Max Hayes

Induction Healthcare Group (INHC)

INVESTMENT SUMMARY

Induction Healthcare is a growing UK-based healthcare software company, aiming to provide patients with more flexible care options beyond the traditional face-to-face consultation model. Early in FY22, management acquired Attend Anywhere, which was transformative for the business, leading to revenue growth of 8x and a move to adjusted EBITDA break-even. On 11 July 2022, Induction announced a software reseller agreement with System C for Induction's Zesty product in the UK, boosting its ability to integrate on a two-way basis with a wide variety of systems. Our forecasts indicate further growth in revenue and profitability, which should be supported by its robust cash position.

INDUSTRY OUTLOOK

The NHS, Induction's largest customer, is undergoing structural changes with the UK government aiming to streamline processes through both consolidation and digital transformation. The inefficiencies the government is trying to address, such as long wait times and the difficulty for patients to access their own patient records, have resulted in patient frustration, worsening clinical outcomes and high administrative costs. Induction's products have a track record of improving efficiencies within the healthcare market, and its experience working with the NHS makes it well-placed to capture the opportunity.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	0.1	(3.1)	(3.4)	(12.8)	N/A	N/A
2021	1.5	(4.6)	(6.0)	(15.0)	N/A	N/A
2022e	12.1	(0.1)	(1.3)	(2.0)	N/A	N/A
2023e	17.6	1.6	0.3	0.3	123.3	N/A

EDISON

Sector: Technology

Price:	55.5p
Market cap:	£575m
Market	LSE

Share price graph (p)

Company description

IP Group helps to create, build and support IP-based companies internationally focused on companies that meaningfully contribute to sustainable (renewable), healthier (life sciences) and tech-enriched (deep tech) futures. The group has an international footprint, with investment platforms in the UK, Australia, New Zealand, the US and China.

Price performance

%	1m	3m	12m
Actual	(19.4)	(29.8)	(54.8)
Relative*	(15.6)	(25.7)	(51.1)

* % Relative to local index

Analyst

Richard Williamson

IP Group (IPO)

INVESTMENT SUMMARY

IP Group is well-financed and trading at a discount of close to 60% to its H122 NAV/share (137p), which we believe represents a compelling opportunity for long-term and impact investors. After a 15+ year gestation period, its model appears to have started to mature since FY19, with returns and realisations accelerating (FY19–21 NAV/share growth of 24%). If management can deliver on targeted average gross returns of 20% for H122–27 through a renewed focus on its priority companies, we believe IP Group's discount to NAV would narrow, further lifting average annual NAV/share to over 30% over this timeframe.

INDUSTRY OUTLOOK

IP Group provides liquid exposure to a growing portfolio of high-growth science-based start-ups from its international ecosystem. The company invests primarily in life sciences, deep tech and renewables, and is increasingly focused on companies that will have an impact, delivering a sustainable, healthier and tech-enriched future.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	234.2	191.9	189.0	17.6	3.2	3.1
2021	508.9	460.2	457.2	41.9	1.3	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: Financials

Price:	€16.15
Market cap:	€221m
Market	Scale

Share price graph (€)

Company description

JDC Group is a leading German insurance platform, providing advice and financial services for professional intermediaries and banks, but also directly for end-customers. JDC's digital platform, for end-clients and for the administration and processing of insurance products, is also provided as a white-label product.

Price performance

%	1m	3m	12m
Actual	(6.1)	(10.5)	(35.1)
Relative*	(5.8)	(6.9)	(21.2)

* % Relative to local index

Analyst

Edwin De Jong

JDC Group (JDC)

INVESTMENT SUMMARY

Bancassurance, advisory and service platform JDC Group will report Q322 results on 11 November. With its Q222 report, JDC reiterated its FY22 guidance for revenues of €165.0–175.0m (FY21: €146.8m) and EBITDA of more than €11m in FY22 (FY21: €8.3m). The previously announced joint venture with Bain Capital and JDC's main shareholder Great-West Lifeco (GWL) to acquire insurance brokers/agencies will add a fresh source of revenue growth on top of the expected boost to platform revenues from 2023 due to previous large client wins. Based on 2023e consensus EV/sales and EV/EBITDA multiples and our DCF valuation of €37.90 per share, JDC's current valuation does not seem demanding.

INDUSTRY OUTLOOK

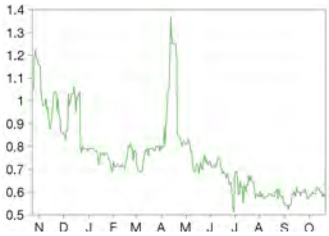
In the last few years, JDC has won several very large contracts with German savings bank-related insurers Provinzial and Versicherungskammer Bayern (VKB), and is running a pilot with R+V Versicherung, Germany's cooperative banks' insurance company. These contracts could add more than €300m in annual turnover.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (c)	P/E (x)	P/CF (x)
2020	122.8	5.1	(1.0)	(9.4)	N/A	62.6
2021	146.8	8.3	1.4	7.1	227.5	38.4
2022e	170.5	11.6	4.2	25.1	64.3	19.9
2023e	199.2	15.1	7.1	42.8	37.7	15.7

Sector: Mining

Price:	0.6p
Market cap:	£24m
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 KSA.

Price performance

%	1m	3m	12m
Actual	(0.4)	(7.4)	(41.8)
Relative*	4.2	(1.9)	(37.1)

* % 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 (KSA). KEFI now has three projects, in which it has a beneficial interest of 2.1Moz AuE. Ministries in both countries are reported to be supportive of the projects with KEFI signing the umbrella agreement for Tulu Kapi funding ahead of imminent anticipated financial closing and project launch by the year's end. Its Jibal Qutman exploration licence in KSA has also now been extended.

INDUSTRY OUTLOOK

In March, we calculated that KEFI's trio of projects were capable of generating free cash flow of c £78.6m pa from 2025 to 2031. This, in turn, drove average (maximum potential) dividends of 0.90p/share for the six years from 2026 to 2031 and valued KEFI at 2.62p/share (fully diluted for US$12.0m/£9.1m in equity issues – of which £8.0m was raised in April). However, at spot metals' prices, this rises to over 5p 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:	€13.62
Market cap:	€203m
Market	AMS

Share price graph (€)

Company description

Kendrion develops, manufactures and markets a range of actuators for industrial (53% of revenues) and automotive applications (47%). The FY21 geographical spread of revenues is Germany 39%, other Europe 30%, the Americas 16% and Asia 15%.

Price performance

%	1m	3m	12m
Actual	(8.0)	(12.8)	(34.2)
Relative*	(5.5)	(5.8)	(18.6)

* % 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 benefits from trends such as electrification and clean energy. At its capital markets day on 8 September 2022, Kendrion confirmed its targets for 2025: organic revenue growth of at least 5% pa on average and an EBITDA margin of at least 15%. We value Kendrion at €22.2 per share, the average of historical multiples, DCF and a peer comparison.

INDUSTRY OUTLOOK

In H122, reported revenue growth was 9.5% y-o-y, of which 5.0% was organic. Growth slowed down due to the many challenges in the market, particularly in Automotive which faced declining car production. With continued pressure on costs, EBITDA declined 4% y-o-y. Industrial continues good growth, benefiting from the accelerating transition to clean energy and electrification. Kendrion expects that markets will remain volatile for the foreseeable future, but remains very positive about its long-term growth perspectives.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (c)	P/E (x)	P/CF (x)
2020	396.4	44.6	5.7	79.25	17.2	5.0
2021	463.6	55.8	20.1	139.04	9.8	3.7
2022e	500.5	57.0	17.5	148.01	9.2	3.8
2023e	536.7	68.6	36.1	195.64	7.0	3.3

Sector: Mining

Price:	A$0.02
Market cap:	A$159m
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	(15.0)	(26.3)	(15.0)
Relative*	(14.3)	(24.7)	(4.4)

* % Relative to local index

Analyst

Lord Ashbourne

Lepidico (LPD)

INVESTMENT SUMMARY

Lepidico's (LPD's) patented technologies produce lithium hydroxide (plus by-products) in an eco-friendly way from less contested minerals (eg lepidolite). In May 2020 LPD announced a definitive feasibility study on its Karibib project showing an NPV(8%) of US$221m (A$0.049/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, LPD has completed the permitting and approvals processes for construction, awarded two EPCM contracts to Lycopodium, received great results from its resource expansion programme aimed at extending the mine life to >20 years, completed pilot plant trials and made key personnel appointments ahead of a final investment decision in Q1 CY23. In August we valued LPD at A$0.0666/share plus a further 0.63–1.55c/share for a risk-adjusted 20,000tpa LCE Phase 2 plant. This month, an entitlement offer was issued to raise up to A$11.7m.

Y/E Jun	Revenue (A$m)	EBITDA (A$m)	PBT (A$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2021	4.1	0.7	(0.3)	0.0	N/A	100.6
2022	0.0	(4.8)	(7.9)	0.0	N/A	N/A
2023e	0.0	(3.1)	(3.6)	0.0	N/A	N/A
2024e	0.0	(6.8)	(17.5)	0.0	N/A	N/A

Sector: Technology

Price:	6.2p
Market cap:	£11m
Market	AIM

Share price graph (p)

Company description

Light Science Technologies Holdings offers a range of products and services for improving productivity in controlled environment agriculture. It also offers an end-to-end, full-service contract electronic manufacturing capability (UK Circuits) based in the UK.

Price performance

%	1m	3m	12m
Actual	(18.3)	(19.4)	(49.8)
Relative*	(14.5)	(14.6)	(45.8)

* % Relative to local index

Analyst

Anne Margaret Crow

Light Science Technologies Holdings (LST)

INVESTMENT SUMMARY

Light Science Technologies Holdings has received an additional £0.5m in forward orders for contract electronics manufacturing services from long-standing customer Rentokil Initial. This uplift is in addition to historical forward order profiles for advance pest control products. For example, revenues attributable to Rentokil totalled £2.0m in the six months ended May 2022.

INDUSTRY OUTLOOK

The group's controlled environment agriculture division has signed the first two trial contracts for its sensorGROW product, which launched in June 2022. If successful, these two trials could roll into subscription contracts which generate up to £0.9m in recurring revenues from the provision of technology, data collection, advisory and maintenance services over a three year period.

Y/E Nov	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2020	6.9	0.5	0.2	0.10	62.0	22.2
2021	7.4	(1.1)	(1.6)	(0.81)	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: Mining

Lithium Power International (LPI)

Price:	A$0.57
Market cap:	A$225m
Market	ASX

Share price graph (A$)

Company description

Lithium Power International's main asset is its 100% interest (subject to completion) in the Maricunga lithium brine project in Chile. Subject to funding, the first stage is expected to produce 15.2ktpa of high-grade lithium carbonate, from 2026. It plans to demerge two early-stage exploration lithium projects in Western Australia by the end of CY22.

Price performance

%	1m	3m	12m
Actual	(3.4)	23.7	33.7
Relative*	(2.6)	26.3	50.4

* % Relative to local index

Analyst

Andrey Litvin

INVESTMENT SUMMARY

Lithium Power International (LPI) has announced a successful equity placement, raising c A$25m in gross proceeds at A$0.6/share (41.7m in new shares, or 11% of enlarged share capital). This brings its pro forma 30 June 2022 cash position to a comfortable level of A$31.5m. The funds will be used to advance LPI's flagship Maricunga lithium project in Chile. The company is making progress on consolidating its ownership of the project, with the slight delay to the original schedule caused by the time taken to obtain an independent expert's report and to finalise the audit of financials. LPI continues to assess best funding options as it received several expressions of interest in relation to debt and equity funding as well as the acquisition of the project.

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, 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)	(2.52)	N/A	N/A
2023e	0.0	N/A	(3.3)	(0.66)	N/A	N/A

Sector: Alternative energy

Loop Energy (LPEN)

Price:	C$1.75
Market cap:	C$60m
Market	TSE

Share price graph (C$)

Company description

Loop Energy, headquartered in Vancouver, develops and manufactures patented hydrogen proton exchange membrane fuel cells. It is targeting the return to base fleet market, where it has a growing order book with 12 customers.

Price performance

%	1m	3m	12m
Actual	(23.9)	7.4	(62.0)
Relative*	(22.6)	8.5	(57.2)

* % Relative to local index

Analyst

James Magness

INVESTMENT SUMMARY

Loop Energy's patented PEM fuel cell technology has a leading combination of fuel efficiency, power density and durability, resulting in an attractive total cost of ownership for fuel cell vehicle fleet operators. The company is targeting early movers in the electrification of the return-to-base fleet segment of the road transportation market, which should help it to ramp up sales and drive down costs relatively quickly. For example, it has won a transformational multi-year commercial order worth over US$12m from electric truck maker Tevva.

INDUSTRY OUTLOOK

Loop Energy has recently launched a 120kW fuel cell system which is a step up in power range and scope compared with its other fuel cell products and is specifically designed for medium- to heavy-duty commercial vehicles, opening up a new market. The new system builds on Loop Energy's existing technology to give up to 54% fuel to wheel efficiency compared to 20–25% for a diesel engine powered vehicle. More efficient use of fuel cuts the total cost of ownership and brings fuel cost parity with diesel forward by four-to-eight years.

Y/E Dec	Revenue (C$m)	EBITDA (C$m)	PBT (C$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	0.5	(7.5)	(8.9)	(43.98)	N/A	N/A
2021	1.4	(23.5)	(25.1)	(74.77)	N/A	N/A
2022e	4.2	(39.4)	(42.5)	(118.89)	N/A	N/A
2023e	28.0	(43.9)	(47.6)	(132.48)	N/A	N/A

Sector: Financials

Price:	116.0p
Market cap:	£1989m
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	(17.7)	(21.1)	(21.1)
Relative*	(13.9)	(16.4)	(14.7)

* % Relative to local index

Analyst

Martyn King

LXi REIT (LXI)

INVESTMENT SUMMARY

H123 results will be released on 24 November, the first results update since LXi's merger with Secure Income REIT (SIR). This brought together two complementary portfolios, creating a business of substantial scale and generating immediate cost savings. The end-H123 portfolio value was £3.65bn, well diversified across sectors and tenants with a long 26-year weighted average unexpired lease term. 98% of the rent is inflation-protected or contains fixed uplifts. LTV has reduced from a pro forma post-merger 37% to 33%, in line with LXi's aim of maintaining a medium-term LTV target of 30%. 100% of group debt is fixed or capped with a maximum cost of 4.2% and covenant headroom is significant. On a like-for-like basis, portfolio valuation was 1.4% lower, with rent growth substantially offsetting yield widening. LXi estimates EPRA NTA at end-H123 will be at least 139p per share.

INDUSTRY OUTLOOK

Long, upwards-only, mostly index-linked (mostly capped and collared at 2–4%) or fixed uplift leases provide significant visibility of income in the current inflationary environment although increased government bonds yields are creating a valuation headwind across the commercial real estate sector.

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: Technology

Price:	€1.50
Market cap:	€224m
Market	Xetra

Share price graph (€)

Company description

Media and Games Invest is an advertising software platform with strong first-party games content. It mainly operates in North America and Europe. Organic growth is supplemented with acquisitions and the group has bought more than 35 companies and assets in the past six years.

Price performance

%	1m	3m	12m
Actual	(9.2)	(35.7)	(68.1)
Relative*	(8.9)	(33.1)	(61.2)

* % Relative to local index

Analyst

Fiona Orford-Williams

Media and Games Invest (M8G)

INVESTMENT SUMMARY

Media and Games Invest (MGI) is grasping an opportunity to leverage its extensive first-party data resource, generated through its games content, to build out a full stack advertising software platform that can offer good returns to both advertisers and publishers. The August CMD gave a deeper dive on how MGI's activities add value to each other, emphasising a group strategy based on organic growth and driving efficiency which should speed deleveraging back into management's targeted range of 2.0–3.0x. MGI reported a strong Q222 performance, with net revenues up by 38%, of which 18% was organic. Full year guidance was retained, building in an element of circumspection around H222 reflecting market uncertainty over overall advertising spend.

INDUSTRY OUTLOOK

Free-to-play games (which account for 50% of group EBITDA) tend to be reasonably robust in a downturn, particularly when compared to subscription packages. While based out of Europe, MGI is very much an international business, generating around 70% of its advertising revenues from the US, where the current economic indicators are looking considerably more benign than those in Europe. Management is aiming to come out of the recession stronger. To do this, it must continue to invest and manage the cost base.

Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	140.2	35.8	21.2	16.35	9.2	47.4
2021	252.2	71.2	33.0	16.68	9.0	13.2
2022e	307.0	92.4	48.0	22.22	6.8	11.4
2023e	370.0	103.0	52.8	23.73	6.3	11.0

EDISON

Sector: General industrials

Price:	104.0p
Market cap:	£4217m
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	(3.5)	(36.8)	(35.1)
Relative*	1.0	(33.0)	(29.9)

* % 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 (acquired in 2018) is well advanced in restructuring, hence the decision to demerge the Automotive business to enable it to develop its EV opportunities as a standalone entity while Melrose/Aerospace is expected to be re-rated ex automotive and offer a platform for the next stage of Melrose development.

INDUSTRY OUTLOOK

Interim results were in line with expectations with no change to full year guidance. Automotive margins made progress on H221 but were held back by the industry supply chain/chip issues and inflationary pressures, both of which are set to improve in H2. Aerospace margins continue to recover which, with restructuring programmes all now underway and the market starting to recover, bodes well for achieving targeted 14% margin.

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	9.7
2021	7496.0	734.0	252.0	4.1	25.4	6.7
2022e	7718.0	831.0	307.0	5.6	18.6	5.3
2023e	8334.0	1016.0	466.0	8.8	11.8	4.1

Sector: Financials

Price:	247.0p
Market cap:	£378m
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	(28.1)	(49.5)	(75.1)
Relative*	(24.8)	(46.5)	(73.1)

* % Relative to local index

Analyst

Richard Williamson

Molten Ventures (GROW)

INVESTMENT SUMMARY

In September, management announced a new £150m debt facility, replacing the existing £65m facility – a net increase in liquidity of £85m. By our calculation, liquidity now increases to c £120m, less any unannounced net investment from June 2022. Molten's portfolio is well-funded and management has been transparent on its NAV, with minimal (c 3% of fair value) direct exposure to publicly listed stocks. Molten continues to make new investments (eg SettleMint), as well as follow-ons (eg Hadean, FocalPoint). The growth fund remains a work in progress for FY23, however, we remain optimistic that, at the right time, investors will support management's proven track record (five-year NAV/share CAGR of 22%).

INDUSTRY OUTLOOK

After a strong run in 2021, sector discounts have widened across the board in 2022, with the market rotation towards value and out of growth. Despite this, the 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	1.2	1.2
2022	351.2	N/A	331.1	218.0	1.1	1.1
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: Technology

MotorK (MTRK)

Price:	€2.37
Market cap:	€123m
Market	Euronext Amsterdam

Share price graph (€)

Company description

MotorK is a European SaaS provider operating in the automotive retail industry, selling mainly in the EU5 but with a global presence. Its cloud-based platform, SparK, offers OEMs and dealers a suite of digital tools to support the vehicle lifecycle end-to-end.

Price performance

%	1m	3m	12m
Actual	(5.2)	(25.2)	N/A
Relative*	(2.7)	(19.3)	N/A

* % Relative to local index

Analyst

Katherine Thompson

INVESTMENT SUMMARY

MotorK reported revenue growth of 20% y-o-y for the first nine months of FY22 and closed Q322 with annualised recurring revenue (ARR) of €21.8m (+86% y-o-y). While demand for the SparK platform remains strong, the company has reduced guidance for FY22 to reflect delays in customer decision making and the slower transition of acquired customers onto the SparK platform. We have reduced our estimates to the lower end of the new guidance range; we forecast growth of 60% for revenue, 86% for year-end ARR and an adjusted EBITDA margin of 12.7% for FY22.

INDUSTRY OUTLOOK

Automotive retailers are moving away from traditional bricks-and-mortar sales methods and are investing more in their digital capabilities. MotorK estimates its current addressable market of automotive OEMs and franchised dealers in EU5 is worth c €1.4bn; if it chooses to move into the far larger market of all European automotive OEMs and dealers for all vehicle types, this could expand its addressable market to €5.4bn.

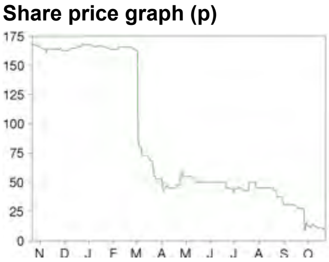
Y/E Dec	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	19.3	(1.1)	(6.1)	(19.07)	N/A	N/A
2021	27.6	0.8	(8.2)	(36.73)	N/A	N/A
2022e	44.1	5.6	(0.2)	(0.38)	N/A	N/A
2023e	60.9	11.0	3.8	7.21	32.9	N/A

Sector: Consumer support services

musicMagpie (MMAG)

Price:	10.2p
Market cap:	£11m
Market	AIM

Share price graph (p)



Company description

musicMagpie is a leader of re-commerce in the UK and US in consumer technology, books and disc media through its proprietary technology platform. It is expanding its offer into rentals of smartphones and other consumer technology, and widening its sourcing infrastructure.

Price performance

%	1m	3m	12m
Actual	(62.9)	(79.6)	(93.6)
Relative*	(61.2)	(78.4)	(93.1)

* % Relative to local index

Analyst

Russell Pointon

INVESTMENT SUMMARY

The company reported a slower rate of revenue growth during August and September for outright Technology sales due to more cautious consumer behaviour than was anticipated, and continuing margin pressure. Given the deteriorating macroeconomic outlook and pressures on consumer disposable incomes, management now also assumes a more prudent rate of revenue growth through the end of FY22. Q4 is typically a material contributor to full year results. On the positive side, Rentals revenue has benefited from the more difficult economic environment, the launch on Back Market has been positive, and, we infer, Disc Media and Books revenue is in line with expectations. We reduced our FY22–24 EBITDA estimates by 19–30%.

INDUSTRY OUTLOOK

The markets for pre-owned products in its core categories in the UK and US were worth £9bn in FY20, of which the UK was £1.6bn and the US was £7.1bn (source: musicMagpie's Admission Document). According to independent third-party research commissioned by management, medium-term annual market growth rates for the product categories were forecast to be Technology 15%, Books stable/low growth and Media negative 5–10%.

Y/E Nov	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2020	153.4	13.9	9.2	10.52	1.0	0.7
2021	145.5	12.2	7.9	6.11	1.7	0.9
2022e	146.3	6.5	(1.0)	(0.75)	N/A	1.7
2023e	156.9	9.2	(0.8)	(0.64)	N/A	1.2

EDISON

Sector: General industrials

Price:	€16.40
Market cap:	€2343m
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	14.2	16.0	5.1
Relative*	10.4	12.1	11.3

* % 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 H122 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. At the end of September, Mytilineos announced the completion of a number of solar projects, including 131MW in Uzbekistan, 118MW in Chile and 140MW in Spain.

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	17.8	7.3
2021	2664.0	359.0	239.0	132.733	12.4	8.1
2022e	5426.0	664.0	491.0	260.686	6.3	4.8
2023e	6133.0	704.0	511.0	280.182	5.9	3.9

Sector: Technology

Price:	37.0p
Market cap:	£119m
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	(26.6)	(4.6)	79.6
Relative*	(23.2)	1.0	94.1

* % Relative to local index

Analyst

Anne Margaret Crow

Nanoco Group (NANO)

INVESTMENT SUMMARY

As flagged in the August trading update, FY22 revenue totalled £2.5m (FY21: £2.1m), with £2.4m of this generated from Sensing applications, primarily driven by the company's major European customer. EBITDA losses (adding back National Insurance accruals on share-based payments) narrowed to £2.1m y-o-y from £2.8m, reflecting the higher revenues and cost-saving initiatives. Free operating cash outflow totalled £1.8m with the net monthly cash-burn brought down to under £0.2m. Following the £5.4m placing and subscription in June at 37p/share, gross cash at end FY22 was £6.8m. This gives a cash runway for nanomaterial development and scale-up activities into CY25, which is beyond the point Nanoco expects organic activities to be self-financing.

INDUSTRY OUTLOOK

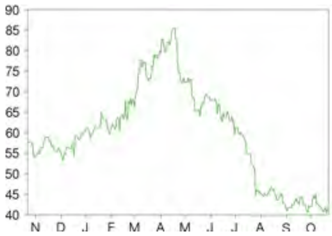
The start date of the trial between Nanoco and Samsung has been postponed from 3 October 2022 as the court had scheduled several trials on the October date on the basis that most cases would be settled before trial. The trial has yet to be rescheduled.

Y/E Jul	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2021	2.1	(2.9)	(4.7)	(1.30)	N/A	N/A
2022	2.5	(2.3)	(4.6)	(1.32)	N/A	N/A
2023e	2.9	(2.2)	(3.5)	(0.93)	N/A	N/A
2024e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Mining

Price: US$42.37
Market cap: US$33628m
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 the Americas, 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	(0.1)	(18.7)	(25.9)
Relative*	0.9	(13.3)	(10.2)

* % 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 and resources of 205.8Moz (excluding Agua Rica) in top tier jurisdictions. It aims to distinguish itself 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 a 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), albeit a full funds decision on the latter is delayed until H224. Following this, we have updated our FY22 valuation to US$64.30/share (assuming long-term, real cash-flow per share growth of 2% pa, in line with the gold price).

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	265.5	16.0	12.2
2021	12222.0	5963.0	3366.0	296.4	14.3	145.3
2022e	11793.0	4588.0	2066.0	181.9	23.3	23.3
2023e	11959.0	5318.0	2665.0	208.6	20.3	19.7

Sector: General industrials

Price: 176.5p
Market cap: £158m
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	(16.8)	(19.8)	(45.2)
Relative*	(12.9)	(15.0)	(40.8)

* % 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. The acquisition of Grant Westfield extends Norcros's UK product portfolio into panels and was expected to enhance earnings by c 10% in its first full year. The H1 trading update confirmed that Norcros anticipates achieving existing management expectations for FY23. We value the shares at 314p, offering material upside. We will update our forecasts following the interims, due to be released on 9 November.

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	39.2	27.4	29.58	6.0	3.6
2022	396.3	47.0	38.6	37.99	4.6	3.0
2023e	450.8	54.3	43.2	38.45	4.6	2.8
2024e	485.9	59.8	47.3	39.67	4.4	2.6

EDISON

Sector: Financials

Price:	175.0p
Market cap:	£194m
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	(32.4)	(34.0)	(51.3)
Relative*	(29.3)	(30.1)	(47.3)

* % Relative to local index

Analyst

Andrew Mitchell

Numis Corporation (NUM)

INVESTMENT SUMMARY

In its September year-end update, Numis reported FY22 revenues were expected to be approximately £144m, down c 33% versus FY21. Unsurprisingly the main source of weakness has been the capital markets activity, where macroeconomic and geopolitical concerns have had a chilling impact on activity. Positively, this was partly offset by M&A advisory, which achieved a further record result and Investment Banking revenues in total are expected to be down 39%. Within Equities the level of institutional activity has been affected, with clients experiencing fund outflows and revenue in this segment is expected to be down c 17%.

INDUSTRY OUTLOOK

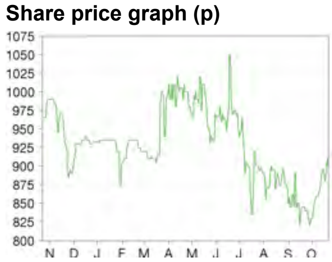
The near-term outlook is generally subdued given market volatility and the uncertain outlook. The M&A advisory area remains more active and was advising on nine announced public bids with an average transaction value of £1.5bn. On a longer view the group's existing franchise, continued focus on developing its client base and expanding internationally and into complementary areas should underpin its performance through market cycles.

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	6.6	N/A
2021	215.6	72.3	74.2	49.1	3.6	N/A
2022e	144.1	30.9	22.1	21.0	8.3	N/A
2023e	152.0	30.9	23.7	17.5	10.0	N/A

Sector: Investment companies

Price:	890.0p
Market cap:	£315m
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	5.3	(1.1)	(7.8)
Relative*	10.2	4.7	(0.4)

* % Relative to local index

Analyst

Pedro Fonseca

Ocean Wilsons Holdings (OCN)

INVESTMENT SUMMARY

Ocean Wilsons Holdings (OCN) reported a H122 net income loss of US$34.7m (H121: $39.5m profit) driven by a $48.9m loss in the investment portfolio (OWIL) due to volatile financial markets. Wilson Sons' (PORT3) results are still affected by the shortage of empty containers and the global logistics bottlenecks in the container terminals business. More positively, towage has been resilient while the offshore vessels business is doing much better, boosted by new contracts. The company is trading at a hefty 50% discount to the look-though value of its OWIL portfolio and its stake in listed PORT3.

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. Looking ahead, spare capacity in various PORT3 businesses means 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	9.1	2.3
2021	396.4	162.0	110.4	180.1	5.5	2.2
2022e	432.4	168.2	33.6	(41.8)	N/A	2.1
2023e	478.3	192.6	111.5	148.0	6.7	1.8

EDISON

Sector: Travel & leisure

Price:	€12.47
Market cap:	€4493m
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 49.8% stake and significant board representation.

Price performance

%	1m	3m	12m
Actual	(4.4)	(11.3)	(8.7)
Relative*	(7.7)	(14.3)	(3.3)

* % Relative to local index

Analyst

Russell Pointon

OPAP (OPAP)

INVESTMENT SUMMARY

OPAP's Q222 results highlighted a continued strong recovery in revenue, profitability, helped by cost containment, and cash generation following the disruption caused by COVID-19-related lockdowns and restrictions. The growth was driven by its land-based activities (easier comparative), while its online revenues normalised (tougher comparative). A more cautious macroeconomic outlook led management to trim its FY22 EBITDA guidance by 4%. The company's strong financial position means it is well placed to fund its attractive dividend profile.

INDUSTRY OUTLOOK

The Hellenic Gaming Commission estimates the total Greek gaming market's gross gaming revenue (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	39.2	18.8
2021	1538.8	551.2	364.6	82.28	15.2	8.2
2022e	2000.5	697.0	552.1	118.68	10.5	7.0
2023e	2039.4	700.2	537.0	114.21	10.9	7.3

Sector: Property

Price:	220.0p
Market cap:	£97m
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	(14.7)	(24.4)	(10.2)
Relative*	(10.8)	(19.9)	(3.0)

* % Relative to local index

Analyst

Martyn King

Palace Capital (PCA)

INVESTMENT SUMMARY

H123 results will be announced on 24 November. Strategy is now focused on maximising cash returns to shareholders, while remaining mindful of consolidation in the UK sector. However, reflecting recent market volatility and increased economic uncertainty, significant disposals will pause. Year to date disposals amount to £4.8m at a 25% discount to book value. A further nine Hudson Quarter apartments have been sold for a total of £3.9m and seven units are under offer with a value of £3.3m, leaving 31 units remaining. Operationally, rent collection is strong (99%) and occupancy stable (88.9%) and leasing progress continues. Cost reductions of £1.2m pa represent 25% of admin. Costs are equivalent to 16% of EPRA earnings. Net debt is at a similar level to end-FY22. As government bond yields increase, PCA expects a property valuation decline of less than 7%.

INDUSTRY OUTLOOK

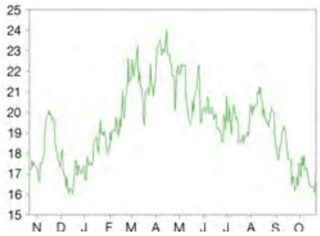
The commercial property market is cyclical, historically exhibiting substantial swings in capital values through cycles while income returns have been significantly more stable. Commercial property has the potential to offer a degree of inflation hedging but rising government bond yields have begun to weigh on asset valuations across the main sectors.

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	12.6	6.4
2021	17.3	10.6	7.5	16.4	13.4	9.0
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: Mining

Price:	17.0p
Market cap:	£377m
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	3.3	(8.1)	3.4
Relative*	8.1	(2.7)	11.7

* % Relative to local index

Analyst

Lord Ashbourne

Pan African Resources (PAF)

INVESTMENT SUMMARY

Pan African Resources (PAF) produced a forecast - and guidance - beating 205koz gold in FY22 (cf 202koz in FY21 and 180koz in FY20) to result in net senior debt declining by US$24m (or 72%) to just US$10m. At the same time, it has also recently completed a definitive feasibility study on its potential Mogale acquisition, showing c 50koz pa production over 13 years to generate an NPV to investors of US$64.9m (or 3.3c or 2.8p per share).

INDUSTRY OUTLOOK

Prior to FY22 results, our core valuation of PAF was 44.67c/share (37.18p/share), based on projects either already in production or sanctioned. However, this rose by a further 15.67–20.69c (13.04–17.22p) once other assets (eg Egoli) were also taken into account. Alternatively, if PAF's historical average price to normalised EPS ratio of 8.9x is applied to our FY23 forecast, it implies a share price of 40.78p. In the meantime, it is cheaper than its peers on 69% of valuation measures and remains among the top 15 yielding precious metals companies globally.

Y/E Jun	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (c)	P/E (x)	P/CF (x)
2021	368.9	156.6	117.7	4.54	4.2	2.9
2022	376.4	147.8	117.2	4.44	4.3	2.6
2023e	365.3	191.0	157.9	5.54	3.4	2.0
2024e	N/A	N/A	N/A	N/A	N/A	N/A

Sector: Mining

Price:	US$16.20
Market cap:	US$3411m
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	1.3	(14.8)	(37.1)
Relative*	2.3	(9.2)	(23.8)

* % Relative to local index

Analyst

Andrey Litvin

Pan American Silver (PAAS)

INVESTMENT SUMMARY

Pan American Silver (PAAS) reported a significant increase in the mineral resources estimate at La Colorada Skarn project, with overall contained silver of 227.3Moz at 29g/t based on a US$45/t unit cut-off value and an underground sub-level cave mining method followed by processing through a selective flotation beneficiation plant that generates zinc and lead concentrates. This compares to the August 2020 estimate of 141.0Moz at 44g/t, based on a higher cost long-hole stoping mining method. A significant part of the resource was promoted from the inferred to the indicated category, which now represents 42% of the combined resources estimate. Reported resources are based on 190,000m of drilling and do not take into account the 44,000m of drilling completed after the cut-off date.

INDUSTRY OUTLOOK

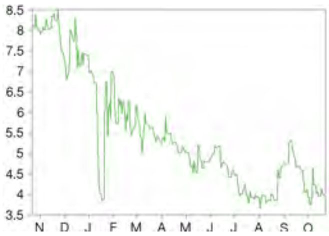
PAAS continues its exploration work and preliminary engineering studies and will release an update on resources and a preliminary economic assessment during the course of 2023. The market continues to focus on the near-term macroeconomic challenges, and in our view does not fully reflect the company's exposure to silver as an energy transition metal through its quality project portfolio and the relatively long life and low-cost nature of its core silver operations.

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	28.3	19.3
2021	1632.8	593.2	274.0	60.10	27.0	34.5
2022e	1614.9	400.1	80.8	17.03	95.1	N/A
2023e	1581.1	509.5	198.9	60.70	26.7	26.4

Sector: General industrials

Price:	€3.99
Market cap:	€18m
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	(13.4)	1.8	(52.5)
Relative*	(13.2)	5.9	(42.3)

* % Relative to local index

Analyst

Andy Chambers

paragon (PGN)

INVESTMENT SUMMARY

Recovery continues following the pandemic and the resolution of the Eurobond extension, which secures long-term financing. Despite automotive industry constraints, H122 saw the refocused paragon increase revenues by 14.1% to €86.4m with a 10.3% EBITDA margin. The stronger Q222 revenue performance and orders on hand for delivery in the year underpin management sales guidance to €170m for FY22. The EBITDA margin is still expected to be over 15% with free cash flow of c €12m. The company has financial targets for revenues of €250–300m by 2026 with a progressive improvement in EBITDA margin to 20%. Q322 results are due on 22 November and we await news on the CHF bond redemption proposals.

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	(6.0)	79.34	5.0	1.5
2021	146.9	20.0	1.2	27.26	14.6	0.9
2022e	170.8	25.9	2.9	47.00	8.5	0.6
2023e	188.1	31.0	7.4	119.00	3.4	0.6

Sector: Investment companies

Price:	€2.72
Market cap:	€16m
Market	AMS

Share price graph (€)

Company description

After the sale of Stern's operational activities to Hedin in H122, PB Holding only holds a 5.3% stake in the unlisted insurance company Bovemij, a loss compensation and €1.8m cash.

Price performance

%	1m	3m	12m
Actual	2.6	(12.5)	14.6
Relative*	5.4	(5.5)	41.8

* % Relative to local index

Analyst

Edwin De Jong

PB Holding (PBH)

INVESTMENT SUMMARY

PB Holding reported H122 results on 22 September. Driven by the €0.7m dividend paid out by Bovemij and an impairment of €0.5m, investment income came in at €0.2m. Net income was also €0.2m, with net cash of €1.6m. Bovemij is PB Holding's only asset, next to a small cash position and a loss compensation. In a previous report we calculated that the stake could be valued at up to €5.16 per PB Holding share based on peer valuations. 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 car dealer 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. Bovemij reported a net loss of €3.8m in H122 (H121: net profit €31.7m).

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

Phoenix Spree Deutschland (PSDL)

Sector: Property

Price:	264.0p
Market cap:	£242m
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	(10.8)	(19.5)	(34.3)
Relative*	(6.7)	(14.8)	(29.1)

* % Relative to local index

Analyst

Martyn King

INVESTMENT SUMMARY

Phoenix Spree Deutschland's (PSDL's) H122 performance was robust. Rents, property values and NAV all increased. NAV total return was 2.2% and DPS declared was unchanged. PBT was lower (€17.0m vs €20.4m in H121), but the continuing Berlin re-letting premium (33.7%) and premium to book value on condominium notarisations (19.2%) highlight the considerable value embedded in PSD's portfolio even though volumes weakened (€3m vs €4.3m in H121) as a result of higher interest rates and increasing the cost of home ownership. PSD expects that condominium sales for the full year will be materially lower than in FY21, reducing cash flow. Rising bond yields will likely be reflected in asset values. Despite these headwinds, demographic trends remain positive, and PSD continues to benefit from significant rent reversion. With 76% of units designated as such, from a medium-term recovery in condominium sales. Gearing is modest (36% LTV) and interest costs are fixed at 2.1% until 2026. Our estimates are under review.

INDUSTRY OUTLOOK

Demographic trends within the Berlin market remain positive, supporting growth in free market rents. Rising interest rates, inflation, and economic uncertainty is depressing private buyer and institutional investment demand, creating a headwind for 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	10.0	44.2
2021	25.8	45.4	45.3	39.3	7.7	35.8
2022e	26.2	49.7	42.0	36.6	8.2	41.0
2023e	27.9	51.4	43.7	38.2	7.9	38.2

Picton Property Income (PCTN)

Sector: Financials

Price:	78.2p
Market cap:	£427m
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	(9.1)	(11.8)	(20.9)
Relative*	(4.8)	(6.6)	(14.6)

* % Relative to local index

Analyst

Martyn King

INVESTMENT SUMMARY

Picton's H123 results will be published on 9 November. FY22 total profit of £147m was the highest since the company's launch, driven by a 21% like-for-like uplift in property valuations. This continued into Q123 (1.9% like-for-like valuation increase, 2.0% NAV increase and 2.8% NAV total return). However, rising bond yields are an increasing headwind for asset values and, in the current year, income is likely to drive returns. FY22 EPRA earnings increased 5.5%, while annualised DPS of 3.5p was restored to pre-pandemic levels, 115% covered. Building on this, the portfolio contains significant rent reversion, particularly from recently refurbished but vacant assets. With Q123 gearing moderate (LTV of 22%) and drawn borrowing nearly all long-term and fixed rate, PCTN has since utilised its strong balance sheet to acquire a mixed-use property for £5.3m at an accretive 7.2% with further upside potential.

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. Commercial property has the potential to offer a degree of inflation hedging but rising government bond yields have begun to weigh on asset valuations across the main sectors.

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	21.3	16.4
2022	35.4	29.7	147.0	3.88	20.2	15.2
2023e	37.1	30.9	70.3	3.95	19.8	13.1
2024e	38.6	32.0	38.1	4.15	18.8	13.0

Sector: Consumer support services

Portobello SpA (POR)

Price:	€15.95
Market cap:	€56m
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	(6.2)	(36.2)	(63.2)
Relative*	(4.3)	(36.7)	(54.3)

* % Relative to local index

Analyst

Russell Pointon

INVESTMENT SUMMARY

Portobello demonstrated strong revenue growth in H122 as it executed its retail-focused expansion strategy. Significantly, given the greater pressures on consumer discretionary income, the more established stores grew on an underlying basis, according to management. It believes the value-based retail offer is well positioned for more difficult economic times. Lower profitability reflected price investment to drive footfall and upfront investment in new trading space. Our operational estimates were unchanged, but our DCF-based valuation reduced to €115/share (€121/ share previously) to reflect a higher bond yield and net debt position.

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	8.2	4.1
2021	85.5	16.5	13.0	260.74	6.1	3.0
2022e	137.9	22.2	17.8	332.60	4.8	2.4
2023e	211.0	34.0	28.0	506.86	3.1	1.6

Sector: Property

Primary Health Properties (PHP)

Price:	103.8p
Market cap:	£1387m
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	(19.5)	(26.0)	(32.7)
Relative*	(15.7)	(21.6)	(27.3)

* % Relative to local index

Analyst

Martyn King

INVESTMENT SUMMARY

Primary Health Properties' (PHP's) H122 adjusted EPS increased 9.7% y-o-y, adjusted NTA per share by 3.5% to 120.8p and the adjusted NTA total return was 6.3%. PHP is on track to achieve its 6.5p annual target, its 26th year of unbroken DPS growth. Higher earnings were driven by growth in rental income and refinancing measures that lowered average debt cost. Costs were affected by inflation and investment in the operating platform, but the EPRA cost ratio remains the lowest in the REIT sector. In part due to inflation, rents are rising at an accelerating pace while 95% of debt costs are fixed/hedged. LTV of 43.1% remained well within PHP's 40–50% target, above the mainstream commercial sector reflecting the security and visibility of cash flows. Despite ample liquidity and a strong investment pipeline, given financial market uncertainties, PHP is being prudent and selective about which projects to pursue. We forecast continued earnings and dividend growth.

INDUSTRY OUTLOOK

Income visibility is strong, with long leases and upwards-only rents, 89% 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	18.2	11.1
2021	136.7	126.2	141.6	6.1	17.0	9.8
2022e	141.3	130.0	164.3	6.3	16.5	12.1
2023e	146.9	134.8	119.5	6.5	16.0	10.3

EDISON

Sector: Financials

Price:	€3.32
Market cap:	€196m
Market	Xetra

Share price graph (€)

Company description

ProCredit Holding is a Germany-based group operating regional banks across South Eastern and Eastern Europe and Ecuador. The banks focus on SMEs and private middle-income and high earners.

Price performance

%	1m	3m	12m
Actual	17.7	(8.3)	(57.9)
Relative*	18.1	(4.6)	(48.8)

* % 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 13% of PCB's loan book at end-June 2022) remains difficult to predict, we believe investors may have overreacted as PCB is trading at c 0.2x our tangible book value forecast for FY22 (with a potential default of PCB's Ukrainian bank more than priced in).

INDUSTRY OUTLOOK

Russia's invasion of Ukraine has introduced macroeconomic and geopolitical uncertainty in the region and the World Bank expects a 45.1% 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-June 2022), prudent credit risk management and solid capital base (CET-1 ratio of 13.7% at end-June 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	4.7	N/A
2021	222.0	N/A	94.5	135.0	2.5	N/A
2022e	254.7	N/A	25.0	39.7	8.4	N/A
2023e	279.5	N/A	98.9	142.0	2.3	N/A

Sector: Alternative energy

Price:	A$0.06
Market cap:	A$32m
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 Southeast Asia and Europe.

Price performance

%	1m	3m	12m
Actual	(3.3)	6.3	(46.4)
Relative*	(2.6)	8.6	(39.7)

* % 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 2027, serving markets into Southeast 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%. An MOU signed with Total Eren adds considerable credibility.

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 Southeast 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.

Y/E Jun	Revenue (A$m)	EBITDA (A$m)	PBT (A$m)	EPS (c)	P/E (x)	P/CF (x)
2021	0.2	0.0	(3.1)	(0.7)	N/A	N/A
2022	0.4	0.0	(6.8)	(1.3)	N/A	N/A
2023e	0.3	0.0	(9.7)	(1.7)	N/A	N/A
2024e	0.3	0.0	(10.2)	(1.6)	N/A	N/A

Sector: General industrials

Price:	2.1p
Market cap:	£29m
Market	AIM

Share price graph (p)

Company description

Quadrise Fuels International is the innovator and global supplier of disruptive refinery upgrading 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	65.2	44.9	(42.0)
Relative*	72.9	53.5	(37.3)

* % Relative to local index

Analyst

Anne Margaret Crow

Quadrise Fuels International (QFI)

INVESTMENT SUMMARY

During FY22 Quadrise Fuels International signed agreements progressing the three key projects with MSC Shipmanagement, its client in Morocco and Valkor in Utah, following which it expects trials to start soon. Successful delivery on these existing projects should enable Quadrise to become revenue generating during FY23 (H1 CY23), subject to the timely completion of commercial project agreements.

INDUSTRY OUTLOOK

Quadrise is still pre-revenue. Stripping out share option and exceptional charges, operating losses reduced by £0.1m year-on-year during FY22 at £2.8m. Free cash outflow increased by £0.2m to £2.6m. The group had £4.4m in cash and no debt or convertible securities at end FY22. Management estimates that this is sufficient to reach commercial revenues in H1 CY23 and to cover project expenditure and fixed costs up to early H2 CY23, although additional funding will be required to bridge the gap to sustainable cash generation from H2 CY24 onwards.

Y/E Jun	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (fd) (p)	P/E (x)	P/CF (x)
2021	0.0	(2.8)	(2.8)	(0.23)	N/A	N/A
2022	0.1	(2.7)	(2.8)	(0.19)	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: Financials

Price:	76.4p
Market cap:	£152m
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	9.1	8.5	(2.8)
Relative*	14.2	14.9	5.0

* % Relative to local index

Analyst

Andrew Mitchell

Record (REC)

INVESTMENT SUMMARY

At the end of Record's Q223, to end September, total assets under management equivalent (AUME) stood at $80.8bn, 3.7% above the end June level or up 12.6% in sterling terms to £72.3bn. We calculate that average AUME in sterling terms for H123 was 10% above the prior year period and nearly 5% above H222. There was a net inflow of $6.6bn in Q223 while net market and other moves were negative at $3.7bn. Increased market interest rate differentials allowed enhanced passive hedging service to generate further returns for clients and £0.5m in performance fees in the quarter.

INDUSTRY OUTLOOK

The group continues to work on its diversification plans and notes that current market volatility underlines the relevance of its products for potential clients. Further detail on its diversification initiatives will be given at the time of the H123 results on 29 November. Record has previously 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	28.0	22.1
2022	35.2	12.2	10.9	4.37	17.5	13.3
2023e	41.3	14.2	13.1	5.30	14.4	14.0
2024e	45.1	15.5	14.4	5.39	14.2	13.5

Sector: Property

Price:	62.8p
Market cap:	£324m
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	(9.0)	(14.0)	(28.8)
Relative*	(4.8)	(8.9)	(23.1)

* % Relative to local index

Analyst

Martyn King

Regional REIT (RGL)

INVESTMENT SUMMARY

Regional REIT (RGL) will provide a trading update on 10 November. With the return to work underway, H122 results showed good and continuing operational progress. Higher energy prices affected property costs, but this should moderate with government support measures. Combined with income seasonality and fully fixed/hedged borrowing costs, RGL expects a stronger H222 and reiterated its full-year DPS target of 6.6p. Nearly all tenants have returned to occupation and rent collection is now effectively back to normal, underpinning DPS. H122 occupational demand was strong, continuing into Q322, and capital recycling from lower to higher-yield assets was a further positive for income and asset quality. Including the benefit of transactions, EPRA occupancy increased while like-for-like property gains supported NAV per share, little changed at 97.1p.

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. Commercial property has the potential to offer a degree of inflation hedging but rising government bond yields have begun to weigh on asset valuations across the main sectors.

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	9.7	5.6
2021	55.8	45.2	28.8	6.6	9.5	5.1
2022e	62.8	50.7	46.6	6.5	9.7	6.1
2023e	64.3	52.0	34.2	6.7	9.4	6.7

Sector: General industrials

Price:	512.0p
Market cap:	£410m
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	(20.7)	(34.1)	(31.3)
Relative*	(17.1)	(30.2)	(25.8)

* % Relative to local index

Analyst

David Larkam

Renewi (RWI)

INVESTMENT SUMMARY

Renewi's FY22 results reflect a strong performance across the group assisted by recyclate prices which management expect to moderate going forward. Q1 update was in line with guidance, supporting expectations of another good year. Renewi 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.

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. The current recycling rate is 67.2% with a target of 75% by 2025. It is also worth noting the recent agreed deal for Biffa highlighting the differing valuation between public and private markets for such assets.

Y/E Mar	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2021	1693.6	202.2	47.8	45.0	13.0	2.3
2022	1869.2	261.5	105.3	98.0	6.0	1.8
2023e	1906.1	256.0	97.2	89.0	6.6	1.8
2024e	1958.9	266.8	103.4	95.0	6.1	1.8

S&U (SUS)

Sector: Financials

Price:	2090.0p
Market cap:	£254m
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 63,000 customers. The Aspen property bridging business has been developing since its launch in 2017.

Price performance

%	1m	3m	12m
Actual	3.6	3.5	(27.7)
Relative*	8.4	9.6	(21.9)

* % Relative to local index

Analyst

Andrew Mitchell

INVESTMENT SUMMARY

In S&U's H123 total net receivables increased by 21% to £370m versus H122. Within this, Advantage motor finance receivables were up 13% to £280m and Aspen property bridging was up 56% to £90m. Revenue was £49.4m (+15%) and pre-tax profit increased by 5% to £20.9m; the smaller increase in profit reflected a lower-than-normal level of impairment charge at Advantage last year following previous exceptionally high pandemic-period charges. The group reported that credit quality remained strong and improving in terms of bad debt, default level and collections against due. Earnings per share increased by 6% to 140.7p and a first interim dividend of 35p (33p) was announced.

INDUSTRY OUTLOOK

While both businesses continue to perform well, S&U acknowledges the more challenging economic background with growing pressure on household incomes and the potential for a cooling in the housing market as rates rise. Advantage has adjusted its affordability criteria to reflect conditions, refined credit metrics and broadened its range of introducers supporting its ability to address opportunities in the market that offer attractive risk-adjusted yields. Aspen's high net worth borrowers are showing resilience and it stands to benefit if some participants withdraw from the bridging market or act more cautiously.

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	17.3	7.7
2022	87.9	51.3	47.0	312.7	6.7	N/A
2023e	101.6	48.6	40.9	274.1	7.6	N/A
2024e	117.3	55.9	41.9	279.3	7.5	N/A

Secure Trust Bank (STB)

Sector: Financials

Price:	630.0p
Market cap:	£118m
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	(34.2)	(41.9)	(45.9)
Relative*	(31.2)	(38.5)	(41.6)

* % Relative to local index

Analyst

Pedro Fonseca

INVESTMENT SUMMARY

One of Secure Trust Bank's (STB's) key attractions is that it is a niche, high-yield lender that is also diversified across 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. This is backed by a strong capital base (CET1 14.0%) and good returns (we forecast a return on equity of 8.9% for FY22 and 11.6% for FY23). We have trimmed our fair value by 3% to 2,407p to reflect the current challenging macro backdrop.

INDUSTRY OUTLOOK

Although management remains confident about growth opportunities, it is mindful of the deteriorating economic environment. It has already made some lending adjustments, including tightening criteria in vehicle finance and further increasing the weight of investment loans (as opposed to the higher-yielding but riskier development loans) in the real estate portfolio.

Y/E Dec	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2020	166.1	N/A	19.1	81.0	7.8	N/A
2021	164.5	N/A	58.8	254.0	2.5	N/A
2022e	173.6	N/A	39.5	157.3	4.0	N/A
2023e	193.6	N/A	50.8	203.2	3.1	N/A

Sector: Technology

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

Share price graph (A$)

Company description

Australia-based technology company SenSen Networks operates in the field of sensor artificial intelligence (AI). By applying its SenDISA AI platform to physical space monitoring, it extracts real-time insights for customers. It provides solutions to customers in the smart city, gaming, retail and surveillance verticals.

Price performance

%	1m	3m	12m
Actual	(4.1)	1.4	(49.3)
Relative*	(3.3)	3.6	(42.9)

* % Relative to local index

Analyst

Kenneth Mestemacher

SenSen Networks (SNS)

INVESTMENT SUMMARY

SenSen Networks (SNS) reported accelerating growth in FY22, with operating results reflecting continued investments to support the company's rapid, ongoing vertical and geographic expansion. Management's expense rationalisation efforts should stabilise SNS's cost base. We adjust our forecasts to account for ongoing macro events and rising inflation, though we still forecast substantial growth through FY24. SenSen's shift to a 'pragmatic SaaS' model should boost margins, and we see the company's growth potential as underappreciated in the market.

INDUSTRY OUTLOOK

SenSen 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, SenSen 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)
2021	5.5	(2.2)	(3.0)	(0.62)	N/A	N/A
2022	9.1	(7.8)	(12.3)	(2.02)	N/A	N/A
2023e	15.5	(2.8)	(5.6)	(0.83)	N/A	N/A
2024e	23.5	3.2	0.4	0.05	140.0	26.1

Sector: Engineering

Price:	50.0p
Market cap:	£155m
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	(10.8)	(12.4)	(28.6)
Relative*	(6.7)	(7.2)	(22.9)

* % Relative to local index

Analyst

Andy Murphy

Severfield (SFR)

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) 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. A P/E of around 7x and a dividend yield of c 6% are attractive measures.

INDUSTRY OUTLOOK

The primary strategic aim is to maintain Severfield's position as the leading UK structural steelwork supplier. JSSL 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 (fd) (p)	P/E (x)	P/CF (x)
2021	363.3	29.6	24.3	6.68	7.5	4.5
2022	403.6	33.4	27.1	7.00	7.1	3.8
2023e	460.1	37.8	31.2	8.30	6.0	3.5
2024e	473.9	40.3	33.6	8.88	5.6	3.3

Sector: Industrial support services

Price:	34.2p
Market cap:	£85m
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	23.5	2.4	(10.9)
Relative*	29.2	8.5	(3.8)

* % Relative to local index

Analyst

Andy Murphy

Smiths News (SNWS)

INVESTMENT SUMMARY

Smiths News has successfully performed a turnaround 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 demonstrable cost-saving track record such that cash flow is strong and profits are broadly flat. The recent five-year contract renewals with Frontline and Seymour from 2025 underline sector confidence. Debt is falling despite the potential for a £4.5m bad debt relating to McColl's administration and dividends are being materially lifted as restrictions are relaxed. We value the business at 92p per share. We note that FY22e EBITDA excludes the bad debt.

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	3.2	1.9
2022e	1077.2	42.8	31.3	10.56	3.2	1.9
2023e	1044.9	41.6	31.5	10.07	3.4	1.9

Sector: Financials

Price:	97.4p
Market cap:	£1209m
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	(15.7)	(22.1)	(18.2)
Relative*	(11.7)	(17.5)	(11.6)

* % Relative to local index

Analyst

Martyn King

Supermarket Income REIT (SUPR)

INVESTMENT SUMMARY

Supermarket Income REIT's (SUPR's) FY22 results showed strong growth across the income statement and balance sheet with c £344m subsequently invested in an additional six supermarkets. Reflecting equity raised but yet to fully contribute to earnings, EPRA EPS was flat at 5.9p. EPRA NTA increased 6.5% to 115p and including DPS paid the total return was 12.5%. FY22 DPS was 108% covered by EPRA earnings and the FY23 DPS target was increased to 6.0p (FY21: 5.94p). Inflation-linked like-for-like rental growth (3.7%) drove 3.2p of direct portfolio gains and completed JV asset sales 2.5p. The JV generated a 1.7x return on equity invested. Since period-end, the cost of substantially all current debt has been fixed at a blended 2.6%, with cost equivalent to 2.8p a reduction in NTA. We estimate recent acquisitions have increased LTV to c 34% from c 19% at end-FY22. SUPR operates in a structurally supported sector, benefiting from predominantly inflation-linked rents, with interest rates significantly reduced. Our forecasts are under review.

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.

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	19.5	12.1
2021	46.2	38.7	36.8	5.6	17.4	14.9
2022e	68.9	57.8	58.3	6.0	16.2	16.3
2023e	98.0	84.6	68.5	5.5	17.7	14.1

Sylvania Platinum (SLP)

Sector: Mining

Price:	97.6p
Market cap:	£260m
Market	AIM

Share price graph (p)

Company description

Sylvania Platinum focuses on the re-treatment and recovery of PGMs including platinum, palladium and rhodium, mainly from tailings dumps and other surface sources, but also lesser amounts of run-of-mine underground ore from Samancor chrome mines in South Africa.

Price performance

%	1m	3m	12m
Actual	0.6	13.5	(7.2)
Relative*	5.3	20.2	0.2

* % Relative to local index

Analyst

Rene Hochreiter

INVESTMENT SUMMARY

Sylvania Platinum's FY22 results were much in line with our revised forecasts, though the stellar 8p/share dividend declared (2.2% yield) was higher than our forecast 3.5p/share and much appreciated by the market, giving the share price a 25% boost on its declaration. At 22.1c/share our FY23e EPS is slightly higher than last year because our PGM price forecasts take into account supply disruptions in South Africa that could spill over into next year. The stock is cheap relative to our valuation, especially because of its low risk in terms of safety, low labour component, low costs and strong yield potential. Its US dollar costs could fall in FY23 as the ZAR has weakened sharply since the end of FY22.

INDUSTRY OUTLOOK

PGM prices, especially platinum, iridium and ruthenium will likely benefit from their use in the future hydrogen economy. Rhodium and palladium will benefit from sharply higher auto sales in H222, as forecast by industry experts. Lower production from nearly all PGM producers will support prices further.

Y/E Jun	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2021	206.0	145.0	143.0	35.9	3.0	2.6
2022	152.0	83.0	81.0	20.5	5.3	3.2
2023e	164.0	88.0	84.0	22.1	4.9	3.3
2024e	178.0	99.0	95.0	24.7	4.4	3.0

Target Healthcare REIT (THRL)

Sector: Property

Price:	77.9p
Market cap:	£483m
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	(24.4)	(30.6)	(34.3)
Relative*	(20.9)	(26.5)	(29.0)

* % Relative to local index

Analyst

Martyn King

INVESTMENT SUMMARY

Acquisitions and index-linked rent uplifts continue to drive consistently positive accounting returns (7.8% for FY22). Strong fee growth and increased occupancy are mitigating the impact of inflation on tenants and maintaining the level of rent cover, while Target benefits from indexed rent uplifts and improved rent collection, as the lingering impacts of the pandemic on tenants are worked through. The sharp change in the interest rate environment has nonetheless affected the previously expected path to full dividend cover, increasing the cost of capital and, with asset yields yet to reflect this, slowing the pace of acquisitions. We are reviewing our forecasts.

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 THRL invests. It believes 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	14.8	16.0
2021	50.0	N/A	26.0	5.46	14.3	14.8
2022e	59.3	N/A	30.2	5.04	15.5	12.3
2023e	69.2	N/A	36.4	5.87	13.3	14.1

Sector: Mining

Price:	US$0.98
Market cap:	US$260m
Market	NASDAQ

Share price graph (US$)

Company description

The Metals Company is a deep-sea minerals exploration company focused on the collection, processing and refining of polymetallic nodules, containing nickel, copper and cobalt, found on the seafloor in international waters of the Clarion Clipperton Zone, 1,300 nautical miles off the coast of Southern California.

Price performance

%	1m	3m	12m
Actual	(12.5)	8.5	(73.7)
Relative*	(11.6)	15.6	(68.1)

* % Relative to local index

Analyst

David Larkam

The Metals Company (TMC)

INVESTMENT SUMMARY

The Metals Company (TMC) has been exploring the Clarion Clipperton Zone, a deep seabed off the coast of Western California, as well as developing its operational and commercial capabilities. The region, which contains polymetallic nodules rich in nickel, cobalt, manganese and copper, has been explored since the 1970s but required the establishing of the International Seabed Authority to initiate the requisite regulation. TMC is looking to be awarded the first commercial deep-sea exploitation licence to mine the nodules. Assuming the award of a licence, TMC is aiming to commence commercial operations in H224.

INDUSTRY OUTLOOK

The decarbonisation of the automotive sector is gathering pace with sales doubling in 2021 to nearly 10% of the global market. This seismic shift will require a significant increase in the availability of nickel, cobalt and manganese for the batteries required to power electric vehicles. We estimate TMC's total nickel resources could electrify 230 million cars.

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	N/A	N/A	N/A	N/A	N/A	N/A
2021	0.0	(115.7)	(107.9)	(46.93)	N/A	N/A
2022e	0.0	(39.9)	(40.0)	(12.75)	N/A	N/A
2023e	0.0	(39.7)	(40.0)	(8.51)	N/A	N/A

Sector: General industrials

Price:	€3.68
Market cap:	€161m
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	(4.7)	(7.0)	(48.2)
Relative*	(7.9)	(10.1)	(45.1)

* % Relative to local index

Analyst

Andy Murphy

Thrace Plastics (PLAT)

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 EBT of €10.5m included core product EBT of €6.4m. For H1 in total, Thrace reported EBT of €20.1m which included core EBT of €9.0m, in line with guidance. Full year expectations were maintained despite the acknowledgement that market conditions are now less favourable than before. 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	4.0	1.9
2021	428.4	103.8	83.9	207.0	1.8	1.8
2022e	345.6	57.8	34.5	59.1	6.2	2.4
2023e	362.1	61.5	38.2	65.5	5.6	2.8

Sector: Media

Price:	€19.20
Market cap:	€906m
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	0.6	(17.1)	(53.6)
Relative*	2.6	(17.7)	(42.3)

* % Relative to local index

Analyst

Russell Pointon

Tinexta (TNXT)

INVESTMENT SUMMARY

Tinexta's interim results were strong due to a combination of underlying growth and contributions from M&A. The completion of the disposal of the lowest-growth division, Credit Information and Management (CIM), leaves Tinexta with a significantly improved financial position, and therefore well placed to take advantage of recent weakness in equity markets to undertake further M&A. The reiteration of underlying guidance for FY22, despite the disposal of lower-growth CIM, indicates a little more caution by management for the rest of the year, likely due to the heightened macroeconomic risks. Our underlying forecasts for the remaining divisions in FY22 were unchanged.

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, we believe 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	22.6	11.1
2021	375.4	98.7	70.4	102.0	18.8	12.5
2022e	365.3	97.3	67.4	89.8	21.4	12.7
2023e	408.2	113.2	83.7	118.7	16.2	9.9

Sector: Food & drink

Price:	597.0p
Market cap:	£358m
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, with particular emphasis on the beverage sector.

Price performance

%	1m	3m	12m
Actual	(4.3)	(25.4)	(48.3)
Relative*	0.1	(21.0)	(44.2)

* % Relative to local index

Analyst

Sara Welford

Treatt (TET)

INVESTMENT SUMMARY

Treatt's most recent trading update confirmed the reduced FY22 pre-tax profit guidance of £15-15.3m (pre-exceptional rather than normalised) as per the unscheduled August trading update. Management has corrected the FX over-hedging, which was responsible for part of the downgrade, and has introduced more robust systems across the business. Treatt has made substantial investments in both its assets and people over the last few years to support future growth, but the investment phase is largely complete now. While the economic environment remains uncertain, management is encouraged by prevailing consumer trends, particularly in beverages and is hence confident that the business can revert to its trajectory of growth. Results are due on 29 November.

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	28.0	22.8
2021	124.3	24.9	22.7	30.1	19.8	25.8
2022e	138.6	21.7	16.3	21.8	27.4	185.6
2023e	146.9	24.0	18.0	23.7	25.2	15.5

Triple Point Social Housing REIT (SOHO)

Sector: Property

Price:	63.8p
Market cap:	£257m
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	(24.1)	(32.1)	(35.9)
Relative*	(20.5)	(28.1)	(30.7)

* % Relative to local index

Analyst

Martyn King

INVESTMENT SUMMARY

In H122, index linked rent increases and acquisitions supported a continuation of consistent positive returns and the resilience of Triple Point Social Housing REIT's (SOHO's) business model has been underlined by the re-affirmation of its investment grade credit rating. Borrowings are long term and at fixed rates and provide scope for further external growth. H122 NAV per share increased 3.2% and including DPS paid the accounting total return was 5.8%. DPS declared of 2.73p leaves SOHO on track to meet its 5.46p (+5%) annual target, with DPS fully covered on an EPRA earnings run-rate basis. For tenants, most costs of providing specialised supported housing are reimbursed by government, but not all, for which inflation is a challenge. If adopted, a cap on social housing rent increases would compound the inflationary pressures on operator lessee margins but SOHO's revised investment policy provides it with additional flexibility to manage the effects.

INDUSTRY OUTLOOK

Private capital remains 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	13.8	9.4
2021	33.1	26.2	19.4	4.82	13.2	10.4
2022e	37.2	29.0	18.6	4.62	13.8	8.6
2023e	39.1	31.1	22.7	5.63	11.3	8.2

Unbound Group (UBG)

Sector: Consumer support services

Price:	9.8p
Market cap:	£6m
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	(9.3)	(53.7)	(90.5)
Relative*	(5.1)	(50.9)	(89.7)

* % Relative to local index

Analyst

Russell Pointon

INVESTMENT SUMMARY

Despite the increasing economic challenges through H123, Hotter Shoes has demonstrated strong revenue growth of over 10%, with the majority of the growth in the company's retail activities. With respect to the key KPIs there was growth in the customer base of 5.5%, average order value of 12.3%, and an increase in the order frequency. The higher gross margin (+180bp to 63.4%) compares with management's guidance of approximately two percentage points above pre-COVID levels from FY23. The operating profit of c £1m is a significant improvement versus the prior year's operating loss after adjusting for the benefit of COVID-related support (ie CJRS, rent and rates relief). Management points to tougher trading in recent weeks and guided for FY23 pre-exceptional operating profit of between nil and an operating loss of £1m after non-recurring costs of £0.7m. Our forecasts are under review.

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	10.9	0.7
2023e	59.5	7.5	2.0	3.8	2.6	0.5

Sector: Technology

Price: €0.76
Market cap: €269m
Market Euronext Paris

Share price graph (€)

Company description

Vantiva 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	(21.8)	(25.2)	(19.9)
Relative*	(21.7)	(22.6)	(9.7)

* % Relative to local index

Analyst

Fiona Orford-Williams

Vantiva (VANTI)

INVESTMENT SUMMARY

Technicolor Creative Studios (TCS) is now separately quoted (from 27 September), following the spin-out of 65% of the shares from Vantiva, which now comprises Connected Home and Vantiva Supply-Chain Services. Group H122 results, published late-July, showed good trading across activities, with the group on track to deliver full year results in line with earlier management guidance, with strong underlying demand offset by continuing supply side issues in both Connected Home and TCS. We will publish our models for the two businesses and comment on their respective valuations shortly.

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 over 85% 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	13.1
2022e	2975.0	375.0	89.0	31.57	2.4	0.9
2023e	3135.0	415.0	138.0	48.42	1.6	0.8

Sector: Technology

Price: 454.8p
Market cap: £303m
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	(6.6)	56.0	34.3
Relative*	(2.3)	65.2	45.2

* % Relative to local index

Analyst

Kenneth Mestemacher

WANdisco (WAND)

INVESTMENT SUMMARY

WANdisco (WAND) has reported record bookings of $34m in Q322 and $61.2m year to date (up 1,649% y-o-y and ahead of our FY forecast of $60m), driven by several large contract wins with repeat customers and across multiple use cases. The company's cash balance strengthened to about $26.3m, reflecting the strong bookings and that a number of contracts had 50% up-front cash payments. The statement confirms management expects to show more progress in client wins and consumption. We raise our FY22 bookings and ending RPO estimates to $70m and $67m, but wait to make P&L and balance sheet changes until we have more information on the rate of consumption. Nevertheless, we see continued upside potential at all KPI levels.

INDUSTRY OUTLOOK

In the Internet of things (IoT), where applications require continuous movement of very large volumes of data, we are now seeing a use case capable of driving strong, sustainable growth. IDC values the global IoT market at $742bn in 2020, with IoT devices expected to generate 73.1 zettabytes annually by 2025 (1 zettabyte is 1bn terabytes or 1tn gigabytes), leaving significant headroom for growth.

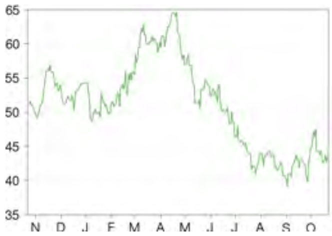
Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (fd) (c)	P/E (x)	P/CF (x)
2020	10.5	(22.2)	(30.4)	(57.3)	N/A	N/A
2021	7.3	(29.5)	(34.7)	(57.9)	N/A	N/A
2022e	12.0	(25.9)	(31.4)	(48.4)	N/A	N/A
2023e	25.0	(15.3)	(20.8)	(29.0)	N/A	N/A

Wheaton Precious Metals (WPM)

Sector: Mining

Price:	C$44.60
Market cap:	C$20145m
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	4.7	5.9	(12.9)
Relative*	6.5	7.1	(2.0)

* % Relative to local index

Analyst

Lord Ashbourne

INVESTMENT SUMMARY

Wheaton's Q222 results exceeded our forecasts, while updated guidance for FY22 merely brought anticipated production into line with our pre-existing expectations. Recently, WPM has concluded five new streaming deals to put it on a rising production profile to FY31. Note that WPM has no exposure to assets in the former Soviet Union.

INDUSTRY OUTLOOK

Wheaton's shares are trading on near-term financial ratios that are cheaper than those of its peers on 69% of common valuation measures which otherwise imply a WPM share price in 2022 of US$44.40, or C$56.89 or £36.82 (based on Edison forecasts). Using a CAPM-type methodology, we calculate a terminal value for WPM of US$57.33 (C$73.29) per share in FY26. Alternatively, if precious metals return to favour, then we believe that a near-term valuation of US$58.50 (C$74.79 or £48.41) per share is possible. This follows the settlement between WPM and the CRA in December 2018 which exempted WPM's international subsidiaries from Canadian tax. Q3 results are scheduled for 3 November.

Y/E Dec	Revenue (US$m)	EBITDA (US$m)	PBT (US$m)	EPS (c)	P/E (x)	P/CF (x)
2020	1096.2	763.8	503.2	112.0	29.0	18.6
2021	1201.7	852.7	592.1	132.0	24.6	17.2
2022e	1097.1	756.9	507.9	113.0	28.7	18.6
2023e	1358.7	969.1	663.4	147.0	22.1	15.1

XP Power (XPP)

Sector: Technology

Price:	1478.0p
Market cap:	£292m
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	(17.8)	(51.1)	(71.4)
Relative*	(14.0)	(48.3)	(69.1)

* % Relative to local index

Analyst

Katherine Thompson

INVESTMENT SUMMARY

Quarter-on-quarter revenue growth of 28% in Q322 confirmed that supply chain challenges have started to ease for XP. Despite the current uncertain economic environment, and reports of weaker consumer demand from some semiconductor companies, XP reported robust order intake and a book-to-bill of 1.27x for Q3, closing the quarter with a record order book. The discount to peers has widened, in our view reflecting uncertainty around demand and the Comet litigation case.

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	7.4	5.0
2021	240.3	55.5	43.8	176.3	8.4	5.2
2022e	282.4	57.9	42.3	170.1	8.7	5.0
2023e	295.8	70.8	52.9	213.3	6.9	4.1

Sector: Media

Price:	898.0p
Market cap:	£991m
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	(11.1)	(8.7)	(31.2)
Relative*	(7.0)	(3.3)	(25.7)

* % Relative to local index

Analyst

Fiona Orford-Williams

YouGov (YOU)

INVESTMENT SUMMARY

YouGov's FY22 results (July year-end) showed 20% underlying revenue growth, boosted to 31% by currency. Progress was good in all three segments, with a particularly encouraging performance in Custom Research, which is increasingly about connected data rather than one-off projects. FY23 is the last year of YouGov's FYP3 strategic plan, with some elements of the ambitious built-in targets easier to achieve than others. A new FY24–26 plan is being drawn up, overseen by CEO Stephan Shakespeare, who transitions to the role of chair at end FY23. The share price performance has been affected by the market rotation out of high growth tech stocks.

INDUSTRY OUTLOOK

The momentum remains positive, with plenty of new initiatives and iterative improvements on existing elements in the offering. That said, the economic mood has obviously darkened and there is significant upward pressure on operating costs through labour cost inflation, with data specialists, in particular, in short supply. To some extent this is mitigated by the investment that the group has made in its CenX (centres of excellence), the latest of which is opening in Mexico, with the ability to meet servicing requirements in multiple time zones and multiple languages.

Y/E Jul	Revenue (£m)	EBITDA (£m)	PBT (£m)	EPS (p)	P/E (x)	P/CF (x)
2021	169.0	45.9	31.1	21.1	42.6	21.8
2022	221.1	61.6	34.6	23.2	38.7	14.3
2023e	255.0	73.2	51.4	33.0	27.2	13.0
2024e	290.0	82.4	60.0	38.8	23.1	11.8

Edison dividend list

Company name	FY0 period end	Currency	DPS FY0	DPS FY1	DPS FY2
4imprint Group	2021/12	USD	45.00	120.00	135.00
Canacol Energy	2021/12	USD	0.21	0.22	0.22
Cenkos Securities	2021/12	GBP	4.25		
Centaur Media	2021/12	GBP	1.00	1.00	1.40
Cohort	2022/04	GBP	12.20	13.40	14.70
discoverIE Group	2022/03	GBP	10.80	11.15	11.50
Endeavour Mining	2021/12	USD	56.00	81.00	84.00
Epwin Group	2021/12	GBP	4.10	4.20	4.50
Esker	2021/12	EUR	60.00	65.00	70.00
Games Workshop Group	2022/05	GBP	250.00	251.00	252.00
GB Group	2022/03	GBP	3.80	4.00	4.30
Greggs	2021/12	GBP	97.00	59.00	61.00
Helios Underwriting	2021/12	GBP	3.00	3.00	6.00
HELLENiQ ENERGY	2021/12	EUR	40.00		
Impact Healthcare REIT	2021/12	GBP	6.40	6.50	6.80
Jersey Electricity	2021/09	GBP	17.40	18.30	19.20
Numis Corporation	2021/09	GBP	13.50	13.50	13.50
Ocean Wilsons Holdings	2021/12	USD	70.00	70.00	70.00
Palace Capital	2021/03	GBP	10.50		
Pan African Resources	2022/06	USD	1.04	1.76	
Phoenix Spree Deutschland	2021/12	EUR	7.50	7.50	7.50
Primary Health Properties	2021/12	GBP	6.20	6.50	6.70
ProCredit Holding	2021/12	EUR	0.00	0.00	47.30
Record	2022/03	GBP	3.60	4.40	4.55
Secure Trust Bank	2021/12	GBP	61.10	36.00	50.80
Supermarket Income REIT	2021/06	GBP	5.86	5.94	6.00
Target Healthcare REIT	2021/06	GBP	6.72	6.76	6.76
Thrace Plastics	2021/12	EUR	4.60	4.60	4.60
Treatt	2021/09	GBP	7.50	7.50	8.10
Wheaton Precious Metals	2021/12	USD	57.00	60.00	61.00
YouGov	2022/07	GBP	7.00	10.00	11.00

Company	Sector	Most recent note	Date published
1Spatial	Software & comp services	Update	28/09/22
4iG	IT services	Update	30/08/22
4imprint Group	Media	Update	10/08/22
AAC Clyde Space	Aerospace & defence	Flash	12/10/22
Aberdeen New Thai Investment Trust	Investment companies	Investment company review	29/01/21
abrdn Asian Income Fund	Investment companies	Investment company review	29/09/22
abrdn Latin American Income Fund	Investment companies	Investment company update	31/08/22
Abrdn Private Equity Opportunities Trust	Investment companies	Investment company review	08/08/22
abrdn UK Smaller Cos Growth Trust	Investment companies	Investment company review	25/10/22
Accsys Technologies	General industrials	Update	22/09/22
Agronomics	Investment companies	Investment company flash	23/09/22
Alkane Resources	Metals & mining	Flash	17/10/22
Alphamin Resources	Metals & mining	Update	13/04/22
Applied Graphene Materials	Tech hardware & equipment	Flash	15/09/22
ArborGen	Basic materials	Update	30/06/22
Atlantis Japan Growth Fund	Investment companies	Investment company review	18/10/22
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	Investment company update	30/09/22
Baker Steel Resources Trust	Investment companies	Investment company review	05/08/22
BayWa	Consumer staples	Update	19/01/21
BB Biotech	Investment companies	Investment company review	13/09/22
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 review	18/08/22
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	26/07/22
Boku	Software & comp services	Update	29/09/22
Borussia Dortmund	Travel & leisure	Update	17/05/22
Braemar Shipping Services	Industrial support services	Update	30/08/22
Brunner Investment Trust (The)	Investment companies	Investment company update	14/06/22
Canacol Energy	Oil & gas	Update	06/09/22
Canadian General Investments	Investment companies	Investment company review	12/05/22
Carr's Group	Food & drink	Update	31/08/22
Cenkos Securities	Financial services	Outlook	15/09/22
Centaur Media	Media	Update	20/07/22
CentralNic Group	Software & comp services	Update	18/10/22
Channel Islands Property Fund	Investment companies	Initiation	04/11/21
Checkit	Software & comp services	Update	15/09/22
CI Games	Video games	Flash	31/05/22
Civitas Social Housing	Real estate	Update	27/05/22
Claranova	Software & comp services	Update	10/08/22
CLIQ Digital	Media	Update	05/08/22
Cohort	Aerospace & Defence	Update	18/10/22
CoinShares International	Financials	Update	10/08/22
Coro Energy	Oil & gas	Flash	03/04/20
Custodian REIT	Property	Outlook	30/08/22
CVC Income & Growth	Investment companies	Investment company update	12/09/22
Datatec	IT services	Flash	11/10/22
Dentsu Group	Media	Update	15/08/22
Deutsche Beteiligungs	Investment companies	Investment company update	22/08/22
discoverIE Group	Electronics & electrical	Update	14/10/22
Diverse Income Trust (The)	Investment companies	Investment company review	13/09/22
Doctor Care Anywhere Group	Healthcare equipment &	Update	25/04/22
Ebiquity	Media	Update	28/09/22

Company	Sector	Most recent note	Date published
Else Nutrition	Food & beverages	Update	07/09/22
EMIS Group	Software & comp services	Update	29/09/22
EML Payments	Software & comp services	Update	09/09/22
Endeavour Mining	Metals & mining	Update	18/10/22
Ensurge Micropower	Tech hardware & equipment	Update	31/08/22
Epwin Group	Industrials	Update	19/04/22
EQS Group	Media	Update	15/08/22
Esker	Technology	Outlook	25/10/22
European Assets Trust	Investment companies	Investment company review	29/03/22
European Opportunities Trust	Investment companies	Investment company update	17/08/22
Expert.ai	Technology	Update	05/10/21
Fidelity Emerging Markets	Investment companies	Investment company review	08/08/22
Filtronic	Tech hardware & equipment	Update	02/08/22
Finsbury Growth & Income Trust	Investment companies	Investment company review	27/05/22
Foresight Solar Fund	Investment companies	Investment company review	22/08/22
Foxtons Group	Financial services	Update	11/08/22
Fundsmith Emerging Equities Trust	Investment companies	Investment company review	17/11/21
Games Workshop Group	Consumer goods	Outlook	20/11/22
GB Group	Technology	Update	20/10/22
Georgia Capital	Investment companies	Investment company update	25/08/22
Greggs	Food & drink	Update	04/10/22
Gresham House	Financials	Update	16/09/22
Gresham House Energy Storage Fund	Investment companies	Investment company update	28/04/22
Gresham House Strategic	Investment companies	Investment company review	08/10/20
Hansa Investment Company	Investment companies	Investment company review	06/05/21
HBM Healthcare Investments	Investment companies	Investment company review	25/05/22
Heliad Equity Partners	Investment companies	Investment company update	14/10/22
Helios Underwriting	Insurance	Update	29/09/22
Hellenic Petroleum	Oil & gas	Flash	26/08/22
Henderson Far East Income	Investment companies	Investment company update	12/07/22
Henderson International Income Trust	Investment trusts	Investment company update	17/06/22
Henderson Opportunities Trust	Investment trusts	Investment company update	15/09/22
Henderson Smaller Companies Investment Trust	Investment trusts	Initiation	29/06/22
HgCapital Trust	Investment companies	Investment company update	12/09/22
Hostmore	Travel & leisure	Update	14/07/22
Impact Healthcare REIT	Real estate	Update	25/10/22
Induction Healthcare Group	Software & comp services	Initiation	04/07/22
Invesco Asia Trust	Investment companies	Investment company review	18/08/22
IP Group	Listed venture capital	Initiation	12/09/22
JDC Group	Diversified financials	Flash	12/08/22
Jersey Electricity	Industrials	Outlook	04/07/22
JPMorgan European Discovery Trust	Investment companies	Update	21/07/22
JPMorgan Global Growth & Income	Investment companies	Investment company review	22/10/21
Jupiter UK Growth Investment Trust	Investment trusts	Investment company review	13/05/19
KEFI Gold and Copper	Mining	Flash	20/10/22
Kendrion	Industrial engineering	Outlook	30/09/22
Lepidico	Metals & mining	Update	06/10/22
Light Science Technologies Holdings	Tech hardware & equipment	Flash	30/09/22
Lithium Power International	Metals & mining	Update	14/09/22
Loop Energy	Hydrogen	Initiation	15/09/22
Lowland Investment Company	Investment companies	Investment company update	21/06/22
LXi REIT	Real estate	Outlook	23/03/22
Manx Financial Group	Banking	Flash	17/05/22
Martin Currie Global Portfolio Trust	Investment companies	Investment company review	30/06/22
Media and Games Invest	Media	Initiation	14/07/22
Melrose Industries	Industrials	Update	29/09/22
Merchants Trust (The)	Investment companies	Investment company review	05/08/22
Molten Ventures	Listed venture capital	Update	22/06/22

Company	Sector	Most recent note	Date published
MotorK	Software & comp services	Update	24/10/22
Murray Income Trust	Investment companies	Investment company update	20/05/22
Murray International Trust	Investment companies	Investment company review	23/09/22
musicMagpie	Retail	Update	27/09/22
Mynaric	Technology	Initiation	30/10/20
Mytilineos	General industrials	Outlook	16/09/22
Nanoco Group	Tech hardware & equipment	Update	21/10/22
NB Private Equity Partners	Investment companies	Investment company update	24/10/22
Newmont Corporation	Metals & mining	Update	14/10/22
Norcros	Construction & materials	Update	20/07/22
Numis Corporation	Financial services	Update	03/10/22
Ocean Wilsons Holdings	Investment companies	Update	06/09/22
OPAP	Travel & leisure	Update	15/09/22
OPG Power Ventures	Utilities	Update	05/04/22
OTC Markets Group	Financial services	Update	30/05/22
Palace Capital	Real estate	Update	08/04/22
Pan African Resources	Metals & mining	Update	07/07/22
Pan American Silver	Metals & mining	Flash	16/09/22
paragon	General industrials	Update	30/08/22
PB Holding	Automobiles & parts	Flash	31/08/22
Phoenix Spree Deutschland	Real estate	Flash	08/08/22
Picton Property Income	Property	Flash	27/07/22
Portobello	Retail	Update	23/09/22
Premier Miton Global Renewables Trust	Investment companies	Investment company review	24/10/22
Primary Health Properties	Property	Update	11/08/22
Princess Private Equity Holding	Investment companies	Investment company review	01/07/22
ProCredit Holding	Banks	Update	17/08/22
Provaris Energy	Industrial support services	Update	20/09/22
Quadrise Fuels International	Alternative energy	Update	06/10/22
Raven Property Group	Property	Outlook	09/09/21
Record	Financials	Update	11/07/22
Regional REIT	Real estate	Update	27/09/22
Renewi	Industrial support services	Flash	03/10/22
Riverstone Credit Opportunities Income	Investment companies	Investment company update	03/10/22
Round Hill Music Royalty Fund	Investment companies	Investment company update	06/06/22
RTW Venture Fund	Investment companies	Investment company review	18/10/22
S&U	Financials	Update	29/09/22
Schroder AsiaPacific Fund	Investment companies	Initiation	24/11/21
Secure Trust Bank	Financials	Update	16/08/22
SenSen Networks	Software & comp services	Update	15/09/22
Seraphim Space Investment Trust	Investment companies	Investment company update	03/08/22
Severfield	Construction & materials	Update	13/09/22
Silver One Resources	Metals & mining	Update	12/10/21
S Immo	Real estate	Update	02/09/21
Smiths News	Industrial support services	Update	26/09/22
Supermarket Income REIT	Property	Flash	22/08/22
Sylvania Platinum	Metals & mining	Update	12/09/22
SynBiotic	Consumer	Update	06/12/21
Target Healthcare REIT	Property	Update	12/09/22
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 review	26/08/22
The Bankers Investment Trust	Investment trusts	Investment company update	22/08/22
The European Smaller Companies Trust	Investment companies	Investment company update	17/10/22
The Law Debenture Corporation	Investment trusts	Investment company update	29/07/22
The Metals Company	Metals & mining	Flash	12/10/22
The MISSION Group	Media	Update	20/01/21
Thrace Plastics	General industrials	Update	06/12/21

Company	Sector	Most recent note	Date published
TIE Kinetix	Software & comp services	Update	18/05/22
Tinexta	Professional services	Update	08/08/22
Treatt	Basic industries	Update	14/10/22
Triple Point Social Housing REIT	Real estate	Update	04/10/22
UIL	Investment companies	Investment company update	27/05/22
Unbound Group	Retail	Flash	01/07/22
Utilico Emerging Markets Trust	Investment companies	Investment company review	16/08/22
Vietnam Enterprise Investments	Investment companies	Investment company update	28/09/22
VietNam Holding	Investment companies	Investment company update	24/10/22
VinaCapital Vietnam Opportunity Fund	Investment companies	Investment company review	22/04/22
VivoPower International	General industrials	Update	28/02/22
WANdisco	Technology	Update	13/10/22
Wheaton Precious Metals	Metals & mining	Update	24/10/22
Witan Investment Trust	Investment companies	Investment company update	30/09/22
Worldwide Healthcare Trust	Investment companies	Investment company review	21/07/22
XP Power	Electronic & electrical	Update	11/10/22
YOC	TMT	Flash	28/01/22
YouGov	Media	Update	13/10/22

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