

 **EDISON**

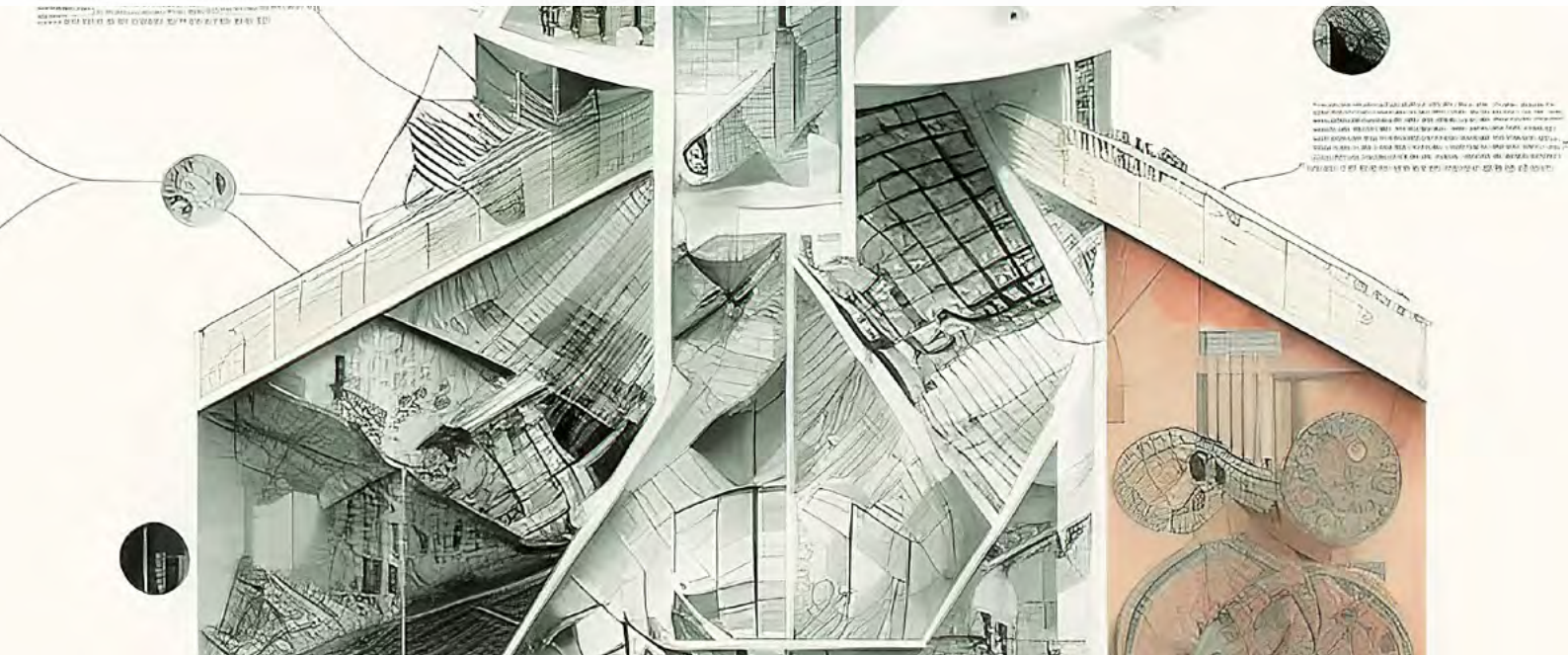
BRILLIANT KNOWLEDGE

# INSIGHT

Strategic perspective | company profiles

**MARCH 2023**

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## Contents

|                      |    |
|----------------------|----|
| Global perspectives  | 2  |
| Company profiles     | 7  |
| Edison dividend list | 72 |
| Stock coverage       | 73 |

Prices at 27 March 2023

US\$/£ exchange rate: 0.8268

€/£ exchange rate: 0.8819

C\$/£ exchange rate: 0.6035

A\$/£ exchange rate: 0.5522

NZ\$/£ exchange rate: 0.5223

SEK/£ exchange rate: 0.0787

PLN/£ exchange rate: 0.1877

Published 30 March 2023

NOK/£ exchange rate: 0.0784

CHF/£ exchange rate: 0.8906

ZAR/£ exchange rate: 0.0451

HUF/£ exchange rate: 0.0023

KZT/£ exchange rate: 0.0018

JPY/£ exchange rate: 0.0062

DKK/£ exchange rate: 0.1184

Welcome to the March edition of Edison Insight. This month we open with a strategy piece by Alastair George, who notes that 2023's rally in global equities has proved unsustainable in the face of cracks in the US banking system. The weakest link in the financial system during this period of tighter monetary policy has been uncovered. However, the collapse of Silicon Valley Bank (SVB) seems a special case of mismanagement rather than a harbinger of a systemic crisis in the banking system. Furthermore, while Credit Suisse has been forced into the arms of UBS, error-prone management featured more strongly in the market dynamics than actual capital ratios. Although all banks are subject to the risk of depositor flight, the situation is not at all similar to that of 2008, in our view. There is at this time no evidence of widespread hidden losses embedded deep in the banking system. A decade of post-crisis regulation means that Tier 1 capital ratios for systemically important banks are close to double those prevailing at the time of the financial crisis. Central banks are adopting the correct approach of isolating the problem banks and providing liquidity against good collateral. In hindsight, SVB's collapse may be seen as a trigger for the peak in US interest rates, which are now expected to fall by 140bp by the end of 2024 from current levels. Long-term bond yields have shifted lower, which, if sustained, will provide valuation relief to asset prices. This faux-banking crisis may yet come to be seen as the perfect storm in a teacup, as it shifts medium-term expectations for US interest rates lower. However, global consensus earnings estimates for 2023 have continued on a downtrend over the past month. Subdued single-digit earnings forecasts for major markets are unlikely to induce investors to aggressively jump back into global equities, leaving a brief rebound rather than a sustained rally our base case. We maintain a neutral outlook on both global equities and global bonds. Global equity valuations at a little above their long-term averages at a time of cyclically low earnings growth offer little directional guidance in an environment of banking stress, even in the absence of a full-blown systemic crisis.

Readers wishing for more detail should visit our website, where reports are freely available for download ([www.edisongroup.com](http://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: Storm in AT1-cup?

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- **2023's rally in global equities has proved unsustainable in the face of cracks in the US banking system.** The weakest link in the financial system during this period of tighter monetary policy has been uncovered. However, the collapse of Silicon Valley Bank (SVB) seems a special case of mismanagement rather than a harbinger of a systemic crisis in the banking system. While Credit Suisse has been forced into the arms of UBS, error-prone management featured more strongly in the market dynamics than actual capital ratios.
- **While all banks are subject to the risk of depositor flight, the situation is not at all similar to that of 2008.** There is at this time no evidence of widespread hidden losses embedded deep in the banking system. A decade of post-crisis regulation means that Tier 1 capital ratios for systemically important banks are close to double those prevailing at the time of the financial crisis.
- **Central banks are adopting the correct approach of isolating the problem banks and providing liquidity against good collateral.** In hindsight, SVB's collapse may be seen as triggering the peak in US interest rates, which are now expected to fall by 140bp by the end of 2024 from current levels. Long-term bond yields have shifted lower, which, if sustained, will provide valuation relief to asset prices. This faux banking crisis may yet come to be seen as the perfect storm in a teacup, as it shifts medium-term expectations for US interest rates lower.
- **Global consensus earnings estimates for 2023 have continued on a downtrend over the past month.** Subdued single-digit earnings forecasts for major markets are unlikely to induce investors to aggressively jump back into global equities, leaving a brief rebound rather than a sustained rally our base case.
- **We maintain a neutral outlook on both global equities and global bonds.** Global equity valuations at a little above their long-term averages at a time of cyclically low earnings growth offer little directional guidance in an environment of banking stress, even in the absence of a full-blown systemic crisis..

### Analyst

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## Banking crisis: This is not 2008

The aphorism that in every period of monetary tightening, something in the financial plumbing will break has been confirmed in 2023. March has been a harrowing period for investors, as psychological echoes of the 2008 financial crisis at times drowned out rational analysis. Investors observed the failure of SVB, followed by bank runs out of the US regional banking system. The US Federal Reserve raced to backstop liquidity within the system by allowing swaps of held-to-maturity bonds at face rather than market value.

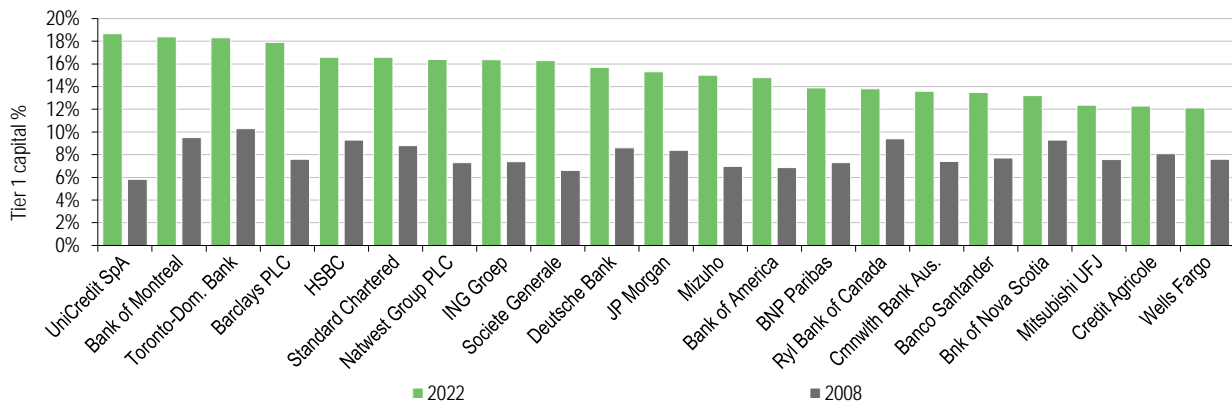
Large US banks attempted to shore up confidence in regional banks by placing deposits at First Republic Bank to offset panicking customer withdrawals. Then, risk aversion spread to Europe where Credit Suisse was hastily driven into the arms of UBS, in what was deemed by the Swiss authorities to be a viability event. This controversially incurred a write-down of CHF16bn of additional tier 1 (AT1) debt securities, while leaving equity investors with significant potential value in the merged entity. Swiss regulators may have saved Credit Suisse, but at the cost of wrecking a €250bn market in bank debt securities.

As in 2008, regulators, central banks and governments were involved in initiatives that had imperatively to be concluded 'before markets opened on Monday'. Most recently, Deutsche Bank was a further victim of a speculative attack as according to reports a US\$5m credit default swap trade sparked a sell-off in the company's debt triggering a share price fall of a further 15%, an all-time low and risking further depositor flight.

During this market panic there has been a generous overlay of the 2008 financial crisis narrative, which in our view obscures key differences between then and now. Mismanagement appears to have played a significant role in the demise of SVB, as the concentration of depositors in a single economic sector suggested that liquidity had to be especially carefully managed. Instead, management chose to boost profits by investing in long-dated securities at record low yields, which suffered significant losses as interest rates increased.

In the case of Credit Suisse, the bank has suffered numerous scandals in recent years, potentially indicative of a squeeze on profitability in the core business, which was being offset by increasingly risky client-based activities. The lack of investor confidence in its proposed restructuring plan spilled over into an existential crisis when its recent anchor investor declined to offer further support and depositor flight took hold. Regulators and well-remunerated bank employees may wish to reflect on the fact that if there is no long-term attraction for bank sector shareholders, depositors will be next out of the door.

**Exhibit 1: Capitalisation ratios of large global banks significantly enhanced compared to 2008**



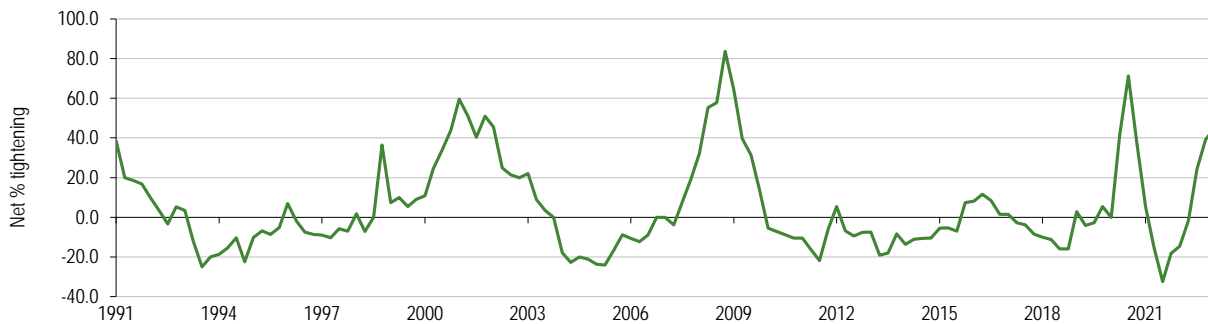
Source: Refinitiv

However, in terms of the banking system, rather than specific corporate entities, the level of capitalisation is a world apart from that prevailing in the run-up to the financial crisis of 2008. Bank tier 1 capital ratios (of loss absorbing capital to risk-weighted assets) are in the mid-teens, or close to double their level prior to 2008, Exhibit 1. Furthermore, there is not at this stage the perception of widespread hidden losses within the banking system, which would rapidly erode these capital buffers. We would certainly concede that in the event of a recession there may be, for example, commercial property exposures that may prove troublesome for profitability for certain banks, but that still does not necessarily represent a systemic risk for the entire banks sector.

It appears that short-term interest rates have now risen to the point that there is a rush for money-market funds, which are seeing record inflows, and out of the banking system. This disintermediation of the banking system as money is directed away from deposits and into government securities will in turn have a contractionary effect on credit availability, if sustained.

We concur with the view recently expressed by US Fed Chair Jerome Powell that it represents a significant extra level of monetary tightening. We note that even before the recent volatility within the banking sector, the US Fed's loan officer survey in January, Exhibit 2, suggests that bank credit conditions have tightened to recessionary levels.

**Exhibit 2: US bank credit availability restrictive even before recent bank volatility**

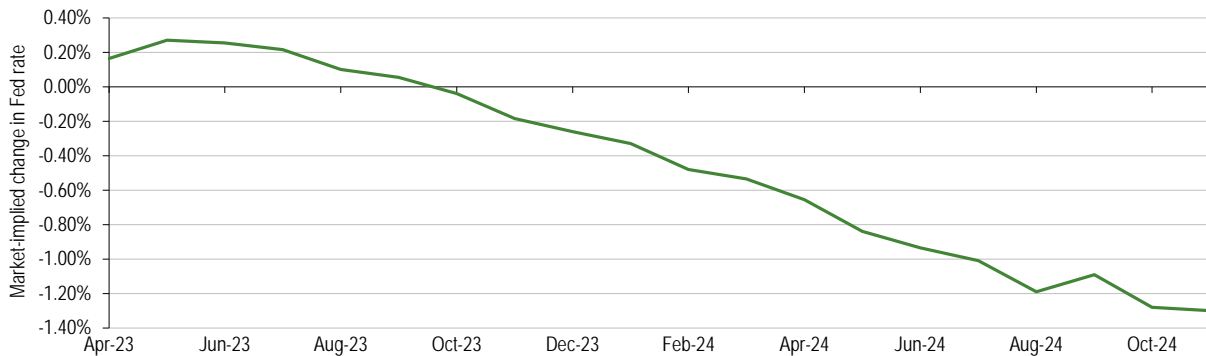


Source: Board of Governors of the US Federal Reserve

## Peak in US policy rates to ease valuation pressure

As the market panic in respect of the banking sector eases, we believe investors will become more focused on the likely slowing of the US economy in a tougher market for credit, but also recognise the peak in US policy rates has been reached. US interest rate futures are now discounting a 140bp decline in US interest rates from current levels and the US Treasury yield curve has shifted meaningfully lower at all maturities. This is likely to ease the pressure on bank funding, as alternatives to deposits become proportionately less attractive in terms of income.

**Exhibit 3: US interest rate futures now discount 140bp of easing by December 2024**



Source: Refinitiv

For asset markets, the key risk a month ago was ever-increasing interest rates as unseasonably warm weather on both sides of the Atlantic boosted economic growth and gave central bank policymakers no reason to hesitate in jawboning market rates higher and increasing policy rates with relative impunity, even as monetary policy operates with a significant lag on economic activity and consequently inflation.

Despite protestations to the contrary, given recent events we expect policymakers to be acutely aware of the risks to financial stability of significant further increases in policy rates at this time. Bank depositors have effectively given notice that they will no longer 'look through' mark-to-market losses on held-to-maturity bank security portfolios. In terms of the economic cycle, we expect inflationary pressure to continue to decline during 2023, as a result of prior policy tightening and still fading impacts on the supply chain from COVID-19.

The positive impact of this mini-crisis in the banking sector has been, in our view, to hasten the peak in US policy rates. We now believe 10-year government bond yields in Europe and the US are unlikely to rise significantly from current levels, which should underpin equity markets by easing the valuation pressure seen over the prior 12 months on sectors particularly geared to discount rates, such as utilities. For real estate, however, investors will have to carefully tease apart the offsetting impact of the reduced availability of funding and rising vacancy rates from lower economic growth.

### **Earnings estimates stuck on a downward track**

Even if US interest rates may have peaked, 2023 earnings forecasts remain on a downward track, which is set to accelerate given the recent stresses in the banking system. The declines are evident at a global level and are widely spread across sectors. Furthermore, most major markets are offering a sub-10% rate of earnings growth for the full year, which seems unlikely to persuade marginal equity investors to come off the sidelines and aggressively chase the equity market.

This modest consensus earnings growth forecast is, however, consistent with the below-trend level of developed market GDP growth expected by central bank policymakers. Such a low rate of earnings growth continues to offer precious little scope for forward P/E multiple compression from expanding earnings over the course of the year.

**Exhibit 4: Global consensus earnings forecasts subdued for 2023**



Source: Refinitiv, Edison Investment Research calculations. Note: Equal-weighted global revisions index.

## Conclusion

The recent banking mini-crisis is a reminder that accidents happen when monetary policy is tightened as the weakest links in the financial chain are tested. The good news is that the world banking system is amply capitalised to absorb the current shocks and is in a very different position to when the first financial institutions failed or required rescue in 2007 and 2008.

In addition, the question of financial stability represents a new constraint on the rate at which monetary policy can or should be tightened. With a tougher environment for credit provision ahead, we believe we are at least close to the peak in US interest rates and, if so, long-term government bond yields are unlikely to rise significantly further from current levels. This should ease pressure on global valuations, especially in non-cyclical sectors such as utilities, pharma or technology where earnings are less at risk from declining economic activity.

While there has been a rapid release of upward pressure on US short-term interest rates, the recent banking mini-crisis represents a reality check in an environment where earnings growth is subdued and above-target inflation is yet to be defeated.

Global equity valuations at a little above their long-term averages offer little directional guidance at a time of cyclically low earnings growth in an environment of banking stress, even in the absence of a full-blown systemic crisis. We maintain neutral outlooks on both global equities and global bonds, at least until we are able to discern a stronger directional signal, either in terms of earnings momentum or valuations.

**Sector: Technology**

Price: 47.5p  
 Market cap: £53m  
 Market: LSE 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    | (8.7) | (3.1) | 28.4 |
| Relative* | (2.8) | (2.8) | 31.4 |

\* % Relative to local index

**Analyst**

Kenneth Mestemacher

# 1Spatial (SPA)

**INVESTMENT SUMMARY**

1Spatial's trading update confirms that trading has remained robust, with FY23 revenues and EBITDA expected to be no less than £29.8m (+10.3% y-o-y) and £4.9m (+17% y-o-y) despite some inflationary pressure. The revenue mix continues to improve, with recurring revenues now c 50% (+c 22% y-o-y) of the total and term licences up c 80% to £5.2m. With momentum continuing into Q1, and a healthy order book and pipeline, the company looks well set to deliver further progress this year. Trials of the company's SaaS applications are progressing well and strong uptake could drive an acceleration in scalable recurring revenue growth.

**INDUSTRY OUTLOOK**

We see the geographic information system (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 1Spatial, which 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         | 279.4   | 13.4     |
| 2022    | 27.0         | 4.2         | 1.1      | 0.77         | 61.7    | 21.1     |
| 2023e   | 29.8         | 4.9         | 1.8      | 1.21         | 39.3    | 12.6     |
| 2024e   | 31.2         | 5.7         | 2.5      | 2.28         | 20.8    | 9.7      |

**Sector: Technology**

Price: HUF677.00  
 Market cap: HUF202474m  
 Market: Budapest stock exchange

**Share price graph (HUF)**



**Company description**

4iG is a regional ICT/telecoms group, based in Hungary and focused on two core areas: telecoms and infrastructure in Hungary and the West Balkans; and IT services, where it is the number one IT systems integrator in Hungary.

**Price performance**

| %         | 1m    | 3m    | 12m    |
|-----------|-------|-------|--------|
| Actual    | (3.2) | (4.0) | (16.0) |
| Relative* | 3.4   | 0.9   | (12.2) |

\* % Relative to local index

**Analyst**

Katherine Thompson

# 4iG (4IG)

**INVESTMENT SUMMARY**

Following on from the acquisition of a 51% stake in Vodafone Hungary in January, 4iG has increased its effective stake by 19.5%, to 70.5%, by means of a share swap. Subsidiary Antenna Hungária has swapped its 25% stake in the Hungarian businesses of Yettel and CETIN for 19.5% of Corvinus's 49% stake in Vodafone Hungary. This strengthens 4iG's ownership of Vodafone Hungary and should help improve the efficiency of the integration process. Post the share swap, the board of Vodafone Hungary is to be increased to seven (from the current five), with 4iG having the right to appoint five members in line with its ownership proportion and Corvinus appointing two members.

**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) |
|---------|----------------|---------------|------------|----------------|---------|----------|
| 2021    | 93653.0        | 12185.0       | 8108.0     | 67.64          | 10.0    | 5.3      |
| 2022    | 277315.0       | 72022.0       | (18426.0)  | (75.97)        | N/A     | 2.6      |
| 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: Media**

Price: 5010.0p  
 Market cap: £1407m  
 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 FY22, 98% of revenues were generated in the United States and Canada.

**Price performance**

| %         | 1m   | 3m   | 12m  |
|-----------|------|------|------|
| Actual    | 12.2 | 11.8 | 73.4 |
| Relative* | 19.4 | 12.2 | 77.4 |

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## 4imprint Group (FOUR)

**INVESTMENT SUMMARY**

4imprint's FY22 results were impressive, with 45% organic revenue growth and an uplift in operating margin to 9.0% (FY21: 3.9%) despite some gross margin pressure from inflation. Much of this is due to the step-change in marketing efficiency via investment in the 4imprint brand, which has delivered large numbers of new customers and higher order counts. The group is inherently highly cash generative, and we had already assumed that a special dividend was likely. This is now confirmed, at twice the level we anticipated, at \$2/share. The pace of growth will likely moderate this year and there will need to be some investment to cater for the larger volumes, but momentum remains good, and our forecasts were edged ahead.

**INDUSTRY OUTLOOK**

The US promotional products distribution market is highly fragmented and PPAI estimated its value in 2022 at over US\$25bn, up 13% on the year, well ahead of the increase in GDP of 2.9%. While there will be a continuing impact in FY23 from inflation on customer budgets, and some ongoing concerns regarding stock availability and cost inflation for both stock and staff, the overall prospects for the sector remain positive.

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|--------------|---------|----------|
| 2021    | 787.3           | 35.7           | 30.2        | 80.3         | 75.5    | 74.5     |
| 2022    | 1140.3          | 108.4          | 103.7       | 285.0        | 21.3    | 16.8     |
| 2023e   | 1275.0          | 115.2          | 110.7       | 294.8        | 20.6    | 16.7     |
| 2024e   | 1410.0          | 132.2          | 127.4       | 343.8        | 17.6    | 15.0     |

**Sector: General industrials**

Price: SEK1.47  
 Market cap: SEK301m  
 Market: Nasdaq Nordic

**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    | (3.9) | 1.8 | (32.9) |
| Relative* | 2.3   | 0.1 | (27.1) |

\* % Relative to local index

**Analyst**

Andy Chambers

## AAC Clyde Space (AAC)

**INVESTMENT SUMMARY**

AAC Clyde Space (AAC) is at the forefront of the rapidly growing and innovative market for small satellites. It continues to seek opportunities in new space to extend its reach, capabilities and technologies. As nanosatellite 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. By the end of 2023 AAC should have a fleet of 11 satellites deployed supplying SDaaS. The FY22 order backlog rose to SEK428m and FY23 has started with strong order intake, including SEK23.8m of subsystems for FY23 delivery to a US major and a SEK16.6m 12-month resell contract for a US blue-chip company.

**INDUSTRY OUTLOOK**

AAC Clyde Space has a strong space heritage in small and nanosatellites. Over the next five years, around 2,100 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 (öre) | P/E (x) | P/CF (x) |
|---------|------------------|---------------|------------|-----------|---------|----------|
| 2021    | 180.0            | (12.4)        | (27.0)     | (14.34)   | N/A     | N/A      |
| 2022    | 196.7            | (30.0)        | (23.8)     | (11.41)   | N/A     | N/A      |
| 2023e   | 355.1            | 21.9          | 0.6        | 0.28      | 525.0   | 17.6     |
| 2024e   | 483.6            | 71.5          | 44.9       | 20.83     | 7.1     | 3.0      |

**Sector: General industrials**

Price: 63.0p  
 Market cap: £138m  
 Market: LSE AIM

**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    | (12.5) | 1.6 | (56.6) |
| Relative* | (6.9)  | 1.9 | (55.6) |

\* % Relative to local index

**Analyst**

Johan van den Hooven

# Accsys Technologies (AXS)

**INVESTMENT SUMMARY**

Accsys showed strong revenue growth of 32% y-o-y in the first nine months of FY23 (year-end March) to €109m (vs 5% in H123), due to higher average sales prices (to mitigate input pressure) and 1% higher volumes (-19% in H123). The first three reactors in Arnhem are at full capacity again after earlier plant shutdowns and the fourth reactor is ramping up, since September 2022. Steven Salo has been appointed CFO from 1 April 2023 and the company mentioned good progress in the search for a new CEO. Our DCF indicates a value of €1.15 per share.

**INDUSTRY OUTLOOK**

Demand for Accoya and Tricoya remains strong and Accsys expects volumes in H2 to be c 50% higher than in H1. The focus remains on expanding capacity. The fourth reactor in Arnhem increased capacity to 80k m3, with estimated potential revenues of €210m by CY24. The construction of the Accoya plant in America is on track, adding 43k m3 in CY24, with potential revenues of €115m by CY27 (this 60–40% joint venture is equity accounted). We assume that the Tricoya project will be continued, although it is unlikely to be operational before March 2024 (40k m3 capacity).

| 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     | 12.1     |
| 2022    | 120.9        | 10.4        | 1.8      | 1.12         | 63.8    | 12.9     |
| 2023e   | 153.3        | 19.2        | (47.4)   | 3.50         | 20.4    | 9.9      |
| 2024e   | 185.7        | 27.7        | 15.6     | 5.88         | 12.1    | 5.8      |

**Sector: Pharma & healthcare**

Price: A\$0.07  
 Market cap: A\$124m  
 Market: ASX

**Share price graph (A\$)**



**Company description**

Actinogen Medical is an ASX-listed Australian biotech developing its lead asset Xanamem, a specific and selective 11beta-HSD1 inhibitor designed to treat cognitive impairment (CI), which occurs in chronic neurodegenerative and neuropsychiatric diseases.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (24.4) | (30.6) | (35.2) |
| Relative* | (21.5) | (29.2) | (30.3) |

\* % Relative to local index

**Analyst**

Pooya Hemami

# Actinogen Medical (ACW)

**INVESTMENT SUMMARY**

Actinogen Medical's lead asset, Xanamem®, is a once-daily oral selective 11beta-HSD1 inhibitor, designed to cross the blood brain barrier and target excess brain cortisol, which has been associated with CI. The company is targeting two CI indications: for patients with mild CI in the early stages of Alzheimer's disease (AD), and for patients with major depressive disorder. Positive clinical results in healthy adults demonstrated the drug's initial efficacy, and a recent analysis of biomarker-positive patients using newly available plasma samples from the previous XanADu study in mild AD also showed clinical activity. Having received the requisite FDA authorisations, Actinogen plans to start its Phase IIb XanaMIA trial in patients with biomarker-confirmed early AD in Q2 CY23. It started the XanaCIDD proof-of-concept Phase II trial in major depressive disorder in Q422 and plans to report top-line data in late 2023 or early 2024.

**INDUSTRY OUTLOOK**

The unmet need in chronic neurocognitive disorders is tremendous due to the limited effectiveness of available treatment options. The Phase IIb portion of the XanaMIA trial will be key for validating the encouraging Xanamem data shown to date. The XanaCIDD study may also validate the drug's potential for treating CI related to major depressive disorder.

| Y/E Jun | Revenue (A\$m) | EBITDA (A\$m) | PBT (A\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|--------------|---------|----------|
| 2021    | 2.0            | (3.5)         | (3.3)      | (0.236)      | N/A     | N/A      |
| 2022    | 3.6            | (9.1)         | (7.9)      | (0.460)      | N/A     | N/A      |
| 2023e   | 4.0            | (10.4)        | (9.4)      | (0.519)      | N/A     | N/A      |
| 2024e   | 4.1            | (36.6)        | (37.6)     | (2.054)      | N/A     | N/A      |

**Sector: Pharma & healthcare**

Price: NZ\$3.41  
 Market cap: NZ\$358m  
 Market ASX, New Zealand SE

**Share price graph (NZ\$)**

**Company description**

AFT Pharmaceuticals is a specialty pharmaceutical company that operates primarily in Australasia but has product distribution agreements across the globe. The company's product portfolio includes prescription and over-the-counter (OTC) drugs to treat a range of conditions and a proprietary nebuliser.

**Price performance**

| %         | 1m  | 3m    | 12m   |
|-----------|-----|-------|-------|
| Actual    | 0.3 | (4.2) | (4.2) |
| Relative* | 2.9 | (4.2) | 2.6   |

\* % Relative to local index

**Analyst**

Soo Romanoff

## AFT Pharmaceuticals (AFT)

**INVESTMENT SUMMARY**

AFT Pharmaceuticals is a profitable New Zealand-based specialty pharmaceutical company that sells 130 proprietary branded and generic products through its own sales force in New Zealand and Australia, with offices in SE Asia and Europe to handle its growing export business. Among its strategic priorities for FY23, Maxigesic remains the main commercial driver with plans to launch new variants internationally, including Maxigesic IV in the US, which was unexpectedly delayed due to FDA observations on product packaging. In an important development, AFT recently received FDA approval for Maxigesic Rapid tablets (a quick-release version of its flagship Maxigesic product line), marking AFT's first entry in the high-margin US market. Despite its revised guidance in November 2022, AFT remains on track to pay a maiden dividend at the end of FY23.

**INDUSTRY OUTLOOK**

AFT is a multi-product company targeting pharmacy prescription, OTC and hospital markets. Data for Maxigesic offer it a competitive advantage in a fragmented industry.

| Y/E Mar | Revenue (NZ\$m) | EBITDA (NZ\$m) | PBT (NZ\$m) | EPS (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|---------|---------|----------|
| 2021    | 113.1           | 11.8           | 8.2         | 7.1     | 48.0    | N/A      |
| 2022    | 130.3           | 21.4           | 18.9        | 19.2    | 17.8    | 29.1     |
| 2023e   | 152.2           | 21.3           | 17.6        | 13.4    | 25.4    | 18.9     |
| 2024e   | 189.7           | 35.0           | 31.3        | 21.7    | 15.7    | 41.9     |

**Sector: Mining**

Price: A\$0.73  
 Market cap: A\$434m  
 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 Northern Molong Porphyry project, which is shaping up to be a tier 1 alkalic porphyry district.

**Price performance**

| %         | 1m   | 3m   | 12m    |
|-----------|------|------|--------|
| Actual    | 8.2  | 27.2 | (33.5) |
| Relative* | 12.4 | 29.8 | (28.4) |

\* % Relative to local index

**Analyst**

Lord Ashbourne

## Alkane Resources (ALK)

**INVESTMENT SUMMARY**

Alkane upgraded its FY23 guidance for gold production from 55,000–60,000oz to 62,000–70,000oz following H123 production at Tomingley of 37,790oz, lowering expected unit costs to an all-in sustaining cost of A\$1,550–1,800/oz, down from previous guidance of A\$1,650–1,900/oz. Following exploration, Tomingley's mine life increased from CY23 to CY31; subsequent work has delineated a maiden resource at Boda of 10.1Moz AuE and identified an inferred mineral resource of 4.7Moz AuE at Kaiser.

**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 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 increasing probability of the Roswell underground extension advancing.

| 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         | 13.8    | 6.0      |
| 2022    | 165.0          | 87.5          | 52.1       | 3.63         | 20.1    | 3.2      |
| 2023e   | 140.1          | 69.2          | 37.8       | 4.39         | 16.6    | 6.3      |
| 2024e   | N/A            | N/A           | N/A        | N/A          | N/A     | N/A      |

**Sector: Mining**

Price: C\$0.82  
 Market cap: C\$1045m  
 Market: TSX Venture Exchange

**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 Democratic Republic of the Congo 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    | (6.8) | 12.3 | (26.8) |
| Relative* | (3.8) | 11.7 | (17.9) |

\* % 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.

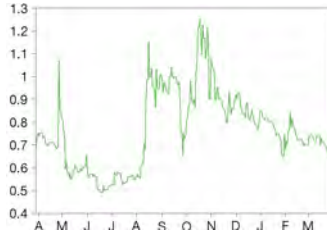
**INDUSTRY OUTLOOK**

Following record quarterly EBITDA in Q122 and record quarterly production in Q222, AFM exceeded its market guidance for tin production in both Q322 and Q422 at 3,139t and 3,113t of 3,000t respectively. This takes FY22 production to 12,493t, up 14% on FY21. The Mpama South project also moves towards production of 7,200tpa in FY24, increasing annual production to c 20,000tpa. We believe the valuation of AFM could reach US\$1.98/share (C\$2.49/share) in the event of its exploration programme 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     | 35.0     |
| 2021    | 352.9           | 194.9          | 159.0       | 3.75         | 16.0    | 5.0      |
| 2022e   | 519.6           | 350.2          | 315.1       | 11.73        | 5.1     | 2.6      |
| 2023e   | 541.7           | 369.7          | 328.1       | 14.99        | 4.0     | 3.6      |

**Sector: Basic industries**

Price: €0.65  
 Market cap: €32m  
 Market: Euronext Paris

**Share price graph (€)**

**Company description**

Amoéba is developing biological fungicides for treating diseases such as mildews and rusts, which have a major economic impact on the production globally of a wide range of crops. These novel fungicides are based on the characteristics of the Willaertia magna C2c Maky amoeba.

**Price performance**

| %         | 1m    | 3m     | 12m    |
|-----------|-------|--------|--------|
| Actual    | (6.2) | (15.4) | (11.8) |
| Relative* | (3.0) | (21.3) | (17.0) |

\* % Relative to local index

**Analyst**

Anne Margaret Crow

## Amoeba (ALMIB)

**INVESTMENT SUMMARY**

During 2022 Amoéba secured regulatory approval in the United States and a recommendation for approval in the European Union for the active substance used in its innovative biological fungicides. It is now looking to raise €45m to fund operations and site expansion over the next three years.

**INDUSTRY OUTLOOK**

€23m of the financing will be for capital expenditure, primarily on a production plant capable initially of manufacturing sufficient active substance annually to treat 100,000 hectares of crops, 200,000 hectares when extended. We estimate this capacity could represent annual revenues of €26m and gross profit of €19.5m at full utilisation. Management plans to have the plant operational by early 2025 to support product roll-out, subject to Amoéba receiving regulatory approval for individual fungicides containing the active substance in 2024.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2020    | 0.0          | (4.4)       | (8.0)    | (49.31)      | N/A     | N/A      |
| 2021    | 0.0          | (4.5)       | (8.0)    | (45.06)      | N/A     | N/A      |
| 2022e   | 0.0          | (4.5)       | (7.2)    | (22.87)      | N/A     | N/A      |
| 2023e   | 0.0          | (7.7)       | (9.1)    | (18.43)      | N/A     | N/A      |

**Sector: General industrials**

Price: NZ\$0.19  
 Market cap: NZ\$93m  
 Market: New Zealand SE

**Share price graph (NZ\$)**



**Company description**

ArborGen Holdings is a 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    | (3.1) | (19.6) | (22.9) |
| Relative* | (0.7) | (19.6) | (17.4) |

\* % Relative to local index

**Analyst**

Kenneth Mestemacher

## ArborGen Holdings (ARB)

**INVESTMENT SUMMARY**

Reflecting ArborGen Holdings' (ARB's) strategic shift to focus on Brazil and the United States, the company reported mixed H123 results: growth from Brazil boosted overall revenues by 61% over the prior comparable period, although US challenges and a higher amortisation charge led normalised operating earnings to fall US\$1.2m y-o-y to a loss of US\$0.6m. ARB made investments in Brazilian and US nurseries, adding capacity for about 38m seedlings. While H223 could be affected by ongoing inflationary pressures and US yields, ARB's long-term prospects appear solid, benefiting from recent record Mass Control Pollinated cone harvests, capacity expansion and the potential for margin recovery from future price increases and a favourable mix shift. We are reviewing our estimates.

**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     | 7.4      |
| 2022    | 47.6            | 10.1           | 1.0         | 1.1          | 10.9    | 5.6      |
| 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: SEK1.88  
 Market cap: SEK185m  
 Market: Nasdaq Nordic

**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    | 41.5 | 44.2 | (4.8) |
| Relative* | 50.5 | 41.8 | 3.4   |

\* % Relative to local index

**Analyst**

Lord Ashbourne

## Auriant Mining (AUR)

**INVESTMENT SUMMARY**

Auriant's Tardan CIL plant increased metallurgical recoveries by c 40pp and reduced cash costs to c US\$806/oz, which resulted in an approximate 3x increase in EBITDA and c 2x increase in operational cash flows in FY21, before being set back again in FY22 as a result of logistical disruptions after Russia's invasion of Ukraine. Even so, Auriant has 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 have the capacity to achieve management's goal of c 3t (96.5koz) of gold output per annum from FY26. Drilling is also underway to investigate a hard rock mining plan at Solcocon/Staroverinskaya.

**INDUSTRY OUTLOOK**

Production guidance for FY23 is in line with the Q422 performance (albeit lower than FY22) at 630–670kg. The company is also receiving the benefit of a belated weakening of the rouble against the dollar. In our last formal valuation of the company in December 2021, we valued Auriant at US\$1.45/share (SEK13.27/share).

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|--------------|---------|----------|
| 2021    | 47.7            | 23.1           | 11.6        | 10.2         | 1.8     | 0.9      |
| 2022    | 51.1            | 16.3           | 7.7         | 7.7          | 2.3     | 1.0      |
| 2023e   | 39.1            | 9.4            | (3.0)       | (2.6)        | N/A     | 1.1      |
| 2024e   | 41.8            | 24.8           | 12.0        | 3.1          | 5.8     | 2.0      |



**Sector: Pharma & healthcare**

Price: CHF49.60  
 Market cap: CHF650m  
 Market: SIX Swiss Exchange

**Share price graph (CHF)**



**Company description**

Basilea Pharmaceutica is focused on treating infectious diseases. Its marketed products are Cresemba (an antifungal) and Zevtera (an anti-MRSA broad-spectrum antibiotic). The company plans to file for US approval for Zevtera.

**Price performance**

| %         | 1m    | 3m  | 12m  |
|-----------|-------|-----|------|
| Actual    | (7.6) | 6.7 | 36.0 |
| Relative* | (3.9) | 7.2 | 52.9 |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Basilea Pharmaceutica (BSLN)

**INVESTMENT SUMMARY**

Following the successful strategic realignment on anti-infectives, Basilea reported strong FY22 results with the top-line beat (c 21% ahead of the top end of guidance) driven by accelerating global uptake of its marketed assets (Cresemba recorded 22% y-o-y growth in royalties to CHF65m). In combination with the receipt of milestone payments, lower-than-expected operating expenses and the sale of oncology assets, management was able to achieve profitability (FY22 net profit of CHF12.1m) a year earlier than anticipated. While NDA submission for Zevtera is anticipated in March/April 2023, we believe the key strategic focus will be to maximise its potential in the United States while refilling Basilea's development pipeline. With an improved net debt position of CHF46.7m and two consecutive years of operating profitability on the books, Basilea remains well capitalised to fund its portfolio growth ambitions in FY23.

**INDUSTRY OUTLOOK**

There is an ever-increasing need for therapeutic agents that are efficacious against drug-resistant strains of bacteria (eg MRSA) or fungi. Hence the opportunities for Cresemba and Zevtera could be significant.

| Y/E Dec | Revenue (CHFm) | EBITDA (CHFm) | PBT (CHFm) | EPS (CHFc) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|------------|---------|----------|
| 2021    | 148.1          | 1.9           | (6.6)      | (56.90)    | N/A     | N/A      |
| 2022    | 147.8          | 19.6          | 12.3       | 104.10     | 47.6    | N/A      |
| 2023e   | 156.7          | 49.8          | 40.9       | 312.63     | 15.9    | N/A      |
| 2024e   | 180.7          | 66.8          | 62.0       | 473.38     | 10.5    | N/A      |

**Sector: Travel & leisure**

Price: €6.36  
 Market cap: €45m  
 Market: Deutsche Börse 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    | (2.2) | 26.7 | (61.6) |
| Relative* | (0.5) | 17.2 | (63.7) |

\* % Relative to local index

**Analyst**

Russell Pointon

## bet-at-home (ACXX)

**INVESTMENT SUMMARY**

bet-at-home's FY22 headline revenue was in line with Q322 guidance. Revenue fell 10% mainly due to the closure of its UK operations in July 2022 and new German deposit limits across all gaming products. Adjusted EBITDA was better than guided at €0.4m (including €-1.7m from discontinued operations), even with higher operating expenses given elevated advertising spend and an increase in legal and consulting fees. Management is focusing on revenue growth in its key markets of Germany and Austria in FY23, guiding to revenue of €50-60m and EBITDA of between €-3m and €1m. Employee and fixed cost savings will help fund customer acquisition and marketing expenditure.

**INDUSTRY OUTLOOK**

According to H2 Gambling Capital, the European online sports betting and gaming market is expected to grow by a CAGR of 7.4% between 2019 and 2024. bet-at-home operates mainly in 'grey' markets (no formal regulation but not illegal), which are characterised by strong cash flow but carry commensurately higher regulatory risks. The company's 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       | 4.9     | 1.4      |
| 2021    | 59.3         | 14.0        | 11.4     | 152.45       | 4.2     | 3.2      |
| 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: 142.0p  
 Market cap: £421m  
 Market: LSE 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 370 employees, with its main offices in the US, UK, Estonia, Germany and India.

**Price performance**

| %         | 1m    | 3m  | 12m  |
|-----------|-------|-----|------|
| Actual    | (2.4) | 1.4 | 14.1 |
| Relative* | 3.8   | 1.7 | 16.7 |

\* % Relative to local index

**Analyst**

Katherine Thompson

## Boku (BOKU)

**INVESTMENT SUMMARY**

Boku's FY22 results reflect a return to pre-COVID-19 customer behaviour and company spending, investment in its platform to support local payment methods (LPMs) and the negative effect of the strong dollar on reported results. Growth in LPM users accelerated in the year (monthly active users increased 230% y-o-y) and is likely to be boosted further as the Amazon relationship develops. With plans to double revenue and grow EBITDA margins by c 18pp to over 50% in the medium term, Boku looks well positioned for earnings growth over the forecast period.

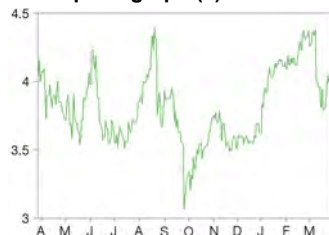
**INDUSTRY OUTLOOK**

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) |
|---------|-----------------|----------------|-------------|--------------|---------|----------|
| 2021    | 62.1            | 22.9           | 17.8        | 4.71         | 36.5    | 22.0     |
| 2022    | 63.8            | 20.5           | 15.3        | 3.97         | 43.3    | 25.0     |
| 2023e   | 72.1            | 23.1           | 17.2        | 4.40         | 39.0    | 22.2     |
| 2024e   | 82.1            | 27.0           | 20.9        | 5.31         | 32.3    | 19.1     |

**Sector: Travel & leisure**

Price: €4.05  
 Market cap: €447m  
 Market: Deutsche Börse

**Share price graph (€)**

**Company description**

The group operates Borussia Dortmund, a leading football club, placed second in the Bundesliga in 2021/22, DFB Super Cup winners in 2019/20 and DFB-Pokal winners in 2020/21. The club has qualified to play in the Champions League in nine of the last 10 seasons.

**Price performance**

| %         | 1m    | 3m  | 12m   |
|-----------|-------|-----|-------|
| Actual    | (7.2) | 9.8 | (1.7) |
| Relative* | (5.7) | 1.6 | (7.0) |

\* % Relative to local index

**Analyst**

Russell Pointon

## Borussia Dortmund (BVB)

**INVESTMENT SUMMARY**

Borussia Dortmund's Q223 results reflected the negative effects of the first-time staging of the FIFA World Cup during the football season, offset by underlying improvements due to the absence of COVID-19-related restrictions. The company's financial results are more dependent on H2 than in a typical year due to the changes in scheduling. However, the first team appears well placed in the Bundesliga. Management reiterated its FY23 guidance.

**INDUSTRY OUTLOOK**

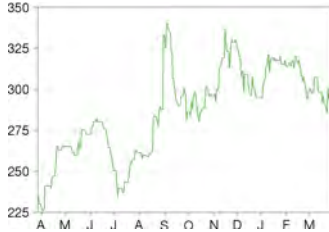
Unsustainable spend on wages and transfers is increasingly being penalised by UEFA Financial Fair Play requirements. A 'break-even requirement' obliges clubs to spend no more than they generate over a rolling three-year period. Sanctions vary from a warning to a ban from UEFA competition, fines and a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

| Y/E Jun | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 334.2        | 39.0        | 24.3     | 26.3         | 15.4    | 9.8      |
| 2022    | 351.6        | 80.8        | 63.2     | 63.0         | 6.4     | 5.6      |
| 2023e   | 395.0        | 105.9       | 91.6     | 76.3         | 5.3     | 4.3      |
| 2024e   | 420.5        | 120.2       | 105.9    | 88.3         | 4.6     | 3.7      |

**Sector: Industrial support services**

Price: 305.0p  
 Market cap: £100m  
 Market: LSE

**Share price graph (p)**



**Company description**

Braemar 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    | 2.2 | 3.4 | 28.7 |
| Relative* | 8.7 | 3.7 | 31.7 |

\* % Relative to local index

**Analyst**

Andy Murphy

## Braemar (BMS)

**INVESTMENT SUMMARY**

Braemar completed a corporate transformation in mid-2022, which saw it move away from being a widely spread shipping services company to a clearly focused broking operation. Allied to the transformation is Braemar's growth strategy, supported by growing global trade and shipping's status as the most energy efficient and lowest carbon method of freight transport, which has management focused on doubling the business within four years. In August 2022 we raised our valuation as dividend forecasts increased, from 400p to 520p. Braemar's FY23 trading update confirmed operating profit expectations of 'not less than £20m', in line with our estimates.

**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 tanker 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        | 22.7    | N/A      |
| 2022    | 101.3        | 13.5        | 8.9      | 18.79        | 16.2    | N/A      |
| 2023e   | 130.6        | 23.6        | 19.2     | 38.17        | 8.0     | N/A      |
| 2024e   | 112.5        | 19.9        | 15.9     | 30.46        | 10.0    | N/A      |

**Sector: Oil & gas**

Price: C\$10.74  
 Market cap: C\$366m  
 Market: Toronto SE

**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    | 1.2 | 2.3 | (32.7) |
| Relative* | 4.5 | 1.7 | (24.5) |

\* % Relative to local index

**Analyst**

Elaine Reynolds

## 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. The company continues to progress a new pipeline connecting to interior markets, which will add 100mmscfd from the end of 2024. In 2022, Canacol upgraded its net unrisks prospective resources from 5.7tcf to 20.5tcf, and is focused on converting this into reserves, targeting a reserves replacement ratio of over 200% (it achieved 169% in 2022). Ten wells are planned in 2023, with an emphasis on exploration wells, including the first well targeting a new Tertiary gas play. The planned cash and cash dividends are covered by Canacol's existing cash and cash generation. The company reported net income of \$147m and EBITDAX of \$212.9m for FY22. We will update our forecasts in due course.

**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         | 359.6   | 9.3      |
| 2021    | 250.5           | 162.2          | 87.7        | 24.59        | 31.9    | 11.3     |
| 2022e   | 272.5           | 204.6          | 90.4        | 28.57        | 27.4    | 7.9      |
| 2023e   | 309.7           | 241.1          | 117.6       | 33.42        | 23.5    | 7.2      |

**Sector: Pharma & healthcare**

Price: SEK6.29  
 Market cap: SEK1050m  
 Market: Nasdaq Nordic

**Share price graph (SEK)**



**Company description**

Cantargia is a clinical-stage biotechnology company based in Sweden. It is developing two assets against IL1RAP, CAN04 and CAN10. CAN04 is being studied in several solid tumours with a main focus on NSCLC and pancreatic cancer. The most advanced trial is in Phase II.

**Price performance**

| %         | 1m    | 3m    | 12m    |
|-----------|-------|-------|--------|
| Actual    | (5.7) | 102.9 | (54.2) |
| Relative* | 0.3   | 99.5  | (50.2) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Cantargia (CANTA)

**INVESTMENT SUMMARY**

Cantargia is developing antibodies against IL1RAP. Data from its Phase IIa CANFOUR trial, investigating nadunolimab in first-line non-small cell lung cancer (NSCLC) and pancreatic ductal adenocarcinoma (PDAC), support the hypothesis that nadunolimab has a synergistic benefit with chemotherapy. The company is now preparing for a Phase II/III trial in metastatic PDAC in collaboration with PanCAN and a follow-on randomised study in NSCLC. Additionally, in Q123, the first patient was dosed in the Phase II part of the TRIFOUR study investigating nadunolimab for the treatment of triple-negative breast cancer. A second programme, CAN10, is being developed for the treatment of myocarditis and systemic sclerosis and the company intends to initiate Phase I trials in the first half of 2023. Cantargia had a cash and short-term investment position of SEK426.7m at end-FY22.

**INDUSTRY OUTLOOK**

Increasing understanding of inflammation in malignant processes now includes findings that cytokines are not only produced by the immune cells, but that cancer itself can produce certain cytokines and the associated receptors to escape from the immune response. Therefore, cytokines represent a potentially promising class of targets in oncology.

| Y/E Dec | Revenue (SEKm) | EBITDA (SEKm) | PBT (SEKm) | EPS (öre) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|-----------|---------|----------|
| 2021    | 0.0            | (366.8)       | (366.5)    | (365.80)  | N/A     | N/A      |
| 2022    | 0.0            | (377.9)       | (371.8)    | (290.43)  | N/A     | N/A      |
| 2023e   | 0.0            | (302.1)       | (306.6)    | (183.58)  | N/A     | N/A      |
| 2024e   | 0.0            | (286.9)       | (292.6)    | (175.20)  | N/A     | N/A      |

**Sector: Pharma & healthcare**

Price: €8.82  
 Market cap: €200m  
 Market: Euronext Paris

**Share price graph (€)**



**Company description**

Carmat is developing a biocompatible, artificial heart to satisfy the lack of donor hearts available for terminal heart failure patients. Management is taking corrective actions with recent quality challenges.

**Price performance**

| %         | 1m     | 3m     | 12m   |
|-----------|--------|--------|-------|
| Actual    | (11.8) | (15.6) | (4.1) |
| Relative* | (8.7)  | (21.5) | (9.8) |

\* % Relative to local index

**Analyst**

Pooya Hemami

## Carmat (ALCAR)

**INVESTMENT SUMMARY**

Carmat announced in November 2022 that it has resumed implantations of its Aeson physiologic heart replacement therapy in a commercial setting, and it expects to continue resuming implant sales in Europe at a gradual pace as it replenishes inventory. The company had implemented controls to improve Aeson quality and safety, in response to a voluntary suspension of Aeson implantations in Q421. Carmat recorded €2.3m in FY21 revenue and is guiding for €10–13m in FY23 sales. After raising over €71m in gross proceeds in 2022, the company expects its €51m cash position at year-end 2022 to fund operations until July 2023 and it is actively seeking financing opportunities.

**INDUSTRY OUTLOOK**

The Aeson artificial heart is being developed as a permanent replacement or destination therapy for chronic biventricular heart failure or acute myocardial infarction patients who do not have access to a human donor heart. Carmat anticipates potential break-even by FY27 and plans to expand its annual manufacturing capacity to 500 units by 2024 and 1,000 units by 2027.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2020    | 0.0          | N/A         | (38.7)   | (285.32)     | N/A     | N/A      |
| 2021    | 2.2          | N/A         | (61.9)   | (402.00)     | 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: 121.5p  
 Market cap: £114m  
 Market: LSE

**Share price graph (p)**

**Company description**

Carr's Group's Speciality Agriculture division serves farmers in the UK, Ireland, the United States, Germany, Canada and New Zealand with feed blocks and feed supplements. The Engineering division offers remote handling equipment and fabrications to the global nuclear and oil and gas industries.

**Price performance**

| %         | 1m  | 3m  | 12m    |
|-----------|-----|-----|--------|
| Actual    | 0.0 | 3.4 | (19.1) |
| Relative* | 6.4 | 3.7 | (17.3) |

\* % Relative to local index

**Analyst**

Anne Margaret Crow

## Carr's Group (CARR)

**INVESTMENT SUMMARY**

Carr's Group has released its audited results for FY22, having previously issued a detailed trading update in February giving preliminary financial metrics on FY22 performance. The shares were suspended from trading in January because of delays in publishing these results. The company has applied for them to be restored to trading.

**INDUSTRY OUTLOOK**

Group revenues grew by 3.3% yoy to £124.2m in FY22, with higher commodity prices offsetting a small reduction in feed block volumes and lower revenues from the engineering division. Adjusted operating profit increased by 7.5% to £11.9m. A strong recovery in the Engineering division was partly offset by a reduction in profits from the Speciality Agriculture division and higher central costs. The full-year dividend was raised by 4% to 5.2p per share.

| Y/E Aug | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 120.3        | 14.9        | 10.4     | 9.9          | 12.3    | 7.6      |
| 2022    | 124.2        | 16.0        | 11.2     | 9.9          | 12.3    | 7.1      |
| 2023e   | 150.0        | 15.0        | 10.5     | 8.7          | 14.0    | 7.6      |
| 2024e   | 158.9        | 16.1        | 11.7     | 9.2          | 13.2    | 7.1      |

**Sector: Financials**

Price: 38.5p  
 Market cap: £22m  
 Market: LSE 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 107 at end December 2022.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (26.0) | (12.5) | (49.0) |
| Relative* | (21.2) | (12.2) | (47.8) |

\* % Relative to local index

**Analyst**

Andrew Mitchell

## Cenkos Securities (CNKS)

**INVESTMENT SUMMARY**

A recommended all-share merger of Cenkos and finnCap has been announced under the terms of which Cenkos shareholders will be entitled to receive 3.19420647 new finnCap shares for each Cenkos share. At finnCap's closing share price prior to the announcement (11.625p) this valued each Cenkos share at 37.13p. Shareholders of each company will hold approximately 50% of the enlarged share capital of finnCap. Cenkos shareholders will receive the 0.5p final dividend already announced and the board also intends to formally declare an interim dividend of 3p after the end of June. The merger is subject to conditions including FCA approval. For the purposes of the Takeover Code, Edison is deemed to be connected with Cenkos as a provider of paid-for research.

**INDUSTRY OUTLOOK**

On a pro forma basis the combined group will have more than 210 retained listed/quoted clients, over 230 employees and revenue of more than £50m. The capabilities of the two companies are complementary and when combined will encompass equity capital markets, M&A advisory, debt advisory and private growth capital fundraising. The boards see potential for significant cost synergies and believe greater scale should provide a stable platform for growth.

| Y/E Dec | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 37.2         | 4.8         | 4.0      | 6.0          | 6.4     | 3.2      |
| 2022    | 20.3         | (2.0)       | (2.7)    | (4.9)        | 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: Media**

Price: 49.0p  
 Market cap: £72m  
 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    | (7.6) | 27.3 | 2.1 |
| Relative* | (1.6) | 27.7 | 4.5 |

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## Centaur Media (CAU)

**INVESTMENT SUMMARY**

Centaur's FY22 results came in slightly better than indicated at the year-end update, showing good revenue growth of 6% and a notable step-up in adjusted EBITDA margin, from 16% to 20%, as the group focuses on its higher-quality repeat and recurring revenue streams. The 'new' news is of an additional special dividend of 2.0p, coming soon after the 3.0p special dividend paid in February, reflecting the accumulation of cash on the balance sheet beyond the level needed to support the existing business and the investment required to support the anticipated growth. Management's FY23 MAP23 targets of £45m in revenue and an EBITDA margin of 23% are demanding but achievable.

**INDUSTRY OUTLOOK**

The marketing sector continues to undergo disruptive transformation which provides a fertile backdrop for demand for B2B market intelligence. With increasing penetration of digital solutions, employee skill sets need constant enhancement through training. The need for comprehensive and timely market intelligence also supports demand at The Lawyer, which continues to build its market presence and pursue further growth opportunities, particularly with the major UK and European law firms and in-house corporate lawyers.

| Y/E Dec | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 39.1         | 6.4         | 3.0      | 1.9          | 25.8    | 11.1     |
| 2022    | 41.6         | 8.5         | 5.2      | 2.6          | 18.8    | 8.3      |
| 2023e   | 45.0         | 10.2        | 6.4      | 3.2          | 15.3    | 7.1      |
| 2024e   | 47.7         | 10.9        | 6.9      | 3.9          | 12.6    | 6.6      |

**Sector: Technology**

Price: 135.0p  
 Market cap: £386m  
 Market: LSE 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    | (1.8) | (9.1) | 8.9  |
| Relative* | 4.5   | (8.8) | 11.4 |

\* % Relative to local index

**Analyst**

Max Hayes

## CentralNic Group (CNIC)

**INVESTMENT SUMMARY**

CentralNic is a UK software company, operating globally through its two businesses, Online Presence and Online Marketing. Through a series of acquisitions, Online Marketing has become the group's primary driver, delivering high double-digit revenue and profit growth year-on-year since the group's first foray in 2019. Now at critical mass, the business is positioned for sustained organic growth, allowing management to prioritise capital allocation and shareholder returns, while maintaining high margins and strong cash conversion.

**INDUSTRY OUTLOOK**

CentralNic's largest addressable market is online marketing, with global spending reaching US\$616bn in 2022 and forecast to grow at a CAGR of 10% to 2027, according to Statista. While CentralNic currently has a small share of this market, its proprietary digital marketing capabilities and blue-chip partnerships offer the potential for rapid growth. However, further market consolidation may result in heightened competition from larger competitors, namely marketing technology companies such as The Trade Desk or AppLovin.

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|--------------|---------|----------|
| 2021    | 410.5           | 46.3           | 31.9        | 10.91        | 15.0    | 15.9     |
| 2022    | 728.2           | 86.0           | 64.3        | 21.41        | 7.6     | 8.0      |
| 2023e   | 833.7           | 94.4           | 80.7        | 19.96        | 8.2     | 7.9      |
| 2024e   | 909.6           | 103.0          | 89.3        | 22.08        | 7.4     | 6.1      |

**Sector: Technology**

Price: 29.0p  
 Market cap: £31m  
 Market: LSE AIM

**Share price graph (p)**

**Company description**

Checkit optimises the performance of people, processes and physical assets with its intelligent operations software. It is headquartered in Cambridge, UK, and has operations centres in Fleet, UK, and Tampa, US.

**Price performance**

| %         | 1m     | 3m   | 12m    |
|-----------|--------|------|--------|
| Actual    | (12.1) | 52.6 | (31.0) |
| Relative* | (6.5)  | 53.1 | (29.4) |

\* % Relative to local index

**Analyst**

Katherine Thompson

## Checkit (CKT)

**INVESTMENT SUMMARY**

Checkit's FY23 trading update confirmed that year-end annual recurring revenue (ARR), FY23 reported revenue and year-end net cash beat our forecasts. ARR increased 28% y-o-y despite the challenging economic environment, as the company made good progress signing up new customers and expanding existing contracts. With 93% recurring revenue for continuing operations, the transition to a subscription-based model is complete. We will review our forecasts following FY23 results on 27 April.

**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: 3.33PLN  
 Market cap: PLN609m  
 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 (LoF) franchises.

**Price performance**

| %         | 1m   | 3m   | 12m   |
|-----------|------|------|-------|
| Actual    | 32.4 | 45.7 | 99.9  |
| Relative* | 42.9 | 52.6 | 150.7 |

\* % Relative to local index

**Analyst**

Max Hayes

## CI Games (CIG)

**INVESTMENT SUMMARY**

CI Games' Q322 results reflect the investment in its next major release, TLoTF and the hiatus between releases. Margin compression in the period primarily relates to the group's marketing push for the release of TLoTF, which has been confirmed for FY23. Positive newsflow around TLoTF gives us confidence in rapid sales growth and significant margin expansion this year. On 8 February the company held an extraordinary general meeting, where it approved the change from an SA to an SE corporate structure, primarily to allow management to have better control of its EU operations.

**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        | 3.48          | 95.7    | 20.2     |
| 2021    | 105.5          | 62.5          | 44.9       | 16.33         | 20.4    | 9.4      |
| 2022e   | 59.5           | 16.7          | 9.4        | 3.97          | 83.9    | 31.8     |
| 2023e   | 270.0          | 206.9         | 131.5      | 56.85         | 5.9     | 2.9      |

## Sector: Financials

Price: 52.8p  
Market cap: £320m  
Market: LSE

### Share price graph (p)



### Company description

Civitas Social Housing (CSH) 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    | (15.4) | (13.0) | (39.1) |
| Relative* | (10.0) | (12.8) | (37.7) |

\* % Relative to local index

### Analyst

Martyn King

# Civitas Social Housing (CSH)

## INVESTMENT SUMMARY

The Q323 DPS declared of 1.425p is in line with CSH's full year target of at least 5.7p. Specialised social housing is exempt from the 7% social housing rent cap from 1 April. Meanwhile, rent roll increased during the quarter, with inflation and lease billings continuing to reflect CPI inflation increases. With all debt fixed, earnings are protected against interest rate rises. Unaudited IFRS NAV per share declined by 3.40% to 110.93p (Q222: 114.84p) reflecting the widening of valuation yields (5.45% vs 5.27%) and mark-to-market movements of financial swaps/caps on debt facilities. CSH continues to benefit from sustained high demand for the specially adapted community-based homes it provides for vulnerable adults where bespoke care can be delivered, by 130 separate specialist care providers.

## INDUSTRY OUTLOOK

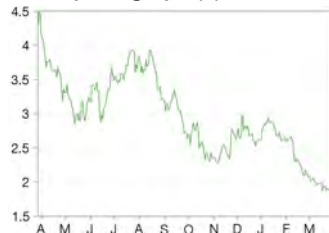
Specialised social housing/care-based social housing is widely recognised to improve lives in a cost-effective manner compared with the alternatives of residential care or hospitals. Most providers/lessees are responding positively to regulatory activity by enhancing operational performance, financial strength and governance structures, all positive for sector sustainability.

| 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          | 10.8    | 12.6     |
| 2022    | 50.7         | N/A         | 44.8     | 4.8          | 11.0    | 8.7      |
| 2023e   | 55.6         | N/A         | 49.8     | 5.8          | 9.1     | 7.2      |
| 2024e   | 57.0         | N/A         | 51.5     | 6.0          | 8.8     | 7.0      |

## Sector: Technology

Price: €1.94  
Market cap: €89m  
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    | (6.2) | (25.2) | (52.1) |
| Relative* | (3.0) | (30.4) | (55.0) |

\* % Relative to local index

### Analyst

Katherine Thompson

# Claranova (CLA)

## INVESTMENT SUMMARY

Claranova reported H123 revenue growth of 12% y-o-y (1% organic, constant currency), with organic growth resuming in PlanetArt. Adjusted EBITDA declined 22% to €17m, reflecting inflationary effects (labour, raw materials, transport) and higher investment in marketing, which should benefit H223 profitability. Net debt was €64.8m at the end of H123. The company expects to generate revenue growth of c 10% in FY23 and to grow adjusted EBITDA by 25–30% y-o-y (which implies EBITDA of €31.9–33.1m).

## 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) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 470.6        | 36.5        | 24.2     | 37.47        | 5.2     | 2.1      |
| 2022    | 473.7        | 28.3        | 7.2      | 10.70        | 18.1    | 2.9      |
| 2023e   | 526.5        | 38.0        | 15.5     | 23.87        | 8.1     | 2.3      |
| 2024e   | 552.3        | 43.2        | 20.7     | 31.83        | 6.1     | 2.1      |

**Sector: Technology**

Price: €28.10  
 Market cap: €183m  
 Market Deutsche Börse Scale

**Share price graph (€)**



**Company description**

CLIQ Digital sells subscription-based streaming services that bundle movies and series, music, audiobooks, sports and games to consumers globally. In FY22, 37% of sales were generated in Europe, 57% in North America and 6% in other regions.

**Price performance**

| %         | 1m  | 3m   | 12m  |
|-----------|-----|------|------|
| Actual    | 2.6 | 15.4 | 12.4 |
| Relative* | 4.3 | 6.8  | 6.3  |

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## CLIQ Digital (CLIQ)

**INVESTMENT SUMMARY**

CLIQ Digital demonstrated another year of strong revenue growth in FY22, driven by elevated levels of marketing expenditure in the year. Margins fell slightly year-on-year due to higher advertising prices and investment into platform development and licensed content to support the group's growing customer base. The substantial uplift in the scale of the business and the strong balance sheet supported the 63% increase in the proposed dividend for the year. We have adjusted our FY23 forecasts to reflect management's updated guidance, introduced our FY24 forecasts and highlighted our expectations for CLIQ to continue the positive momentum.

**INDUSTRY OUTLOOK**

Demand for mobile entertainment has grown rapidly over the last decade, boosted by increased smartphone penetration, now at 83% of the global population (Statista). While boundaries between types of content are becoming increasingly blurred, mobile gaming is the largest segment. The larger content subscription services have been struggling to maintain momentum in their subscriber base and delivery of perceived value to the consumer is becoming a more important consideration.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 150.0        | 27.2        | 25.3     | 271.36       | 10.4    | 6.8      |
| 2022    | 276.1        | 43.5        | 40.9     | 445.38       | 6.3     | 4.1      |
| 2023e   | 345.0        | 51.0        | 48.9     | 498.87       | 5.6     | 3.6      |
| 2024e   | 400.2        | 59.4        | 57.3     | 584.18       | 4.8     | 3.1      |

**Sector: Financials**

Price: SEK33.95  
 Market cap: SEK2316m  
 Market Nasdaq Nordic

**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    | 2.3 | 76.6 | (58.4) |
| Relative* | 8.8 | 73.7 | (54.8) |

\* % Relative to local index

**Analyst**

Milosz Papst

## CoinShares International (cs)

**INVESTMENT SUMMARY**

CoinShares International (CS) is a fintech created to support the emergence of digital assets as a new investible asset class. However, it is more than a simple beta play on the bitcoin price as its proprietary technology facilitates regulated issuance platforms (with CS's ETP assets under management at £1.00bn at end-December 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**

Except for the Terra/LUNA project, major failures in 2022 were mostly associated with centralised entities rather than decentralised finance (DeFi), which we consider one of the core value propositions of public blockchains. Moreover, despite the crypto winter, we saw continued technological progress in the sector, such as Ethereum's 'Merge' or projects connecting the on-chain environment to real-world assets. Digital assets have grown 'too big to ignore', even if the current adoption rate varies by investor group. Still, near-term adoption may be dampened by low market liquidity and gaps in infrastructure left by the collapse of some service providers (eg Silvergate Bank).

| Y/E Dec | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 80.8         | 121.1       | 112.7    | 162.0        | 1.6     | N/A      |
| 2022    | 51.5         | (6.5)       | (15.8)   | 4.0          | 66.8    | 0.4      |
| 2023e   | 37.8         | 25.2        | 17.6     | 25.6         | 10.4    | 0.3      |
| 2024e   | 50.0         | 41.0        | 30.4     | 43.0         | 6.2     | 0.2      |

**Sector: Pharma & healthcare**

Price: US\$0.65  
 Market cap: US\$10m  
 Market: Nasdaq

**Share price graph (US\$)**



**Company description**

Context Therapeutics is a clinical-stage biopharma company developing therapeutics for solid tumors. Following a strategic pivot, the core pipeline focus will be on CTIM-76, a selective Claudin 6 (CLDN6) x CD3 bispecific antibody for CLDN6 positive tumors, which is in preclinical development with plans for an IND application filing in Q124.

**Price performance**

| %         | 1m     | 3m    | 12m    |
|-----------|--------|-------|--------|
| Actual    | (17.0) | (2.8) | (71.3) |
| Relative* | (16.9) | (6.4) | (67.2) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Context Therapeutics (CNTX)

**INVESTMENT SUMMARY**

Context Therapeutics is a clinical-stage biopharma company developing therapeutics for solid tumors. Along with recently reported FY22 results, the company announced it will discontinue its flagship ONA-XR program (three ongoing Phase II trials and one Phase Ib trial in advanced breast, endometrial and ovarian cancers) due to toxicity concerns in the Phase II OATH trial for endometrial cancer. Although not considered serious adverse events, they would have required additional analyses resulting in increased costs and trial delays. Following the strategic realignment, the core pipeline focus will be on CTIM-76, a selective Claudin 6 (CLDN6) x CD3 bispecific antibody for CLDN6 positive tumors, which is in preclinical development with plans for an investigational new drug filing in Q124.

**INDUSTRY OUTLOOK**

According to the American Cancer Society, there were an estimated 284,200 breast cancer cases, 66,570 endometrial cancer cases and 21,410 ovarian cancer cases in the United States in 2021 (more than 70% of these are hormone-driven). Long-term survival rates remain low (c 30% for HR+/HER2- metastatic breast cancer) despite recent advances, highlighting the high unmet need in the metastatic space.

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|--------------|---------|----------|
| 2021    | 0.0             | (10.5)         | (10.6)      | (373.72)     | N/A     | N/A      |
| 2022    | 0.0             | (15.4)         | (14.8)      | (93.00)      | 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: Pharma & healthcare**

Price: 25.0p  
 Market cap: £88m  
 Market: LSE AIM

**Share price graph (p)**



**Company description**

UK-based Creo Medical focuses on the development and commercialisation of minimally invasive electrosurgical devices. Its six products in the flagship CROMA platform have all been CE marked, with five cleared by the FDA. In 2020 Creo acquired Albyn Medical, which provides it with profitable products and a direct salesforce in Europe.

**Price performance**

| %         | 1m     | 3m  | 12m    |
|-----------|--------|-----|--------|
| Actual    | (13.0) | 2.4 | (76.8) |
| Relative* | (7.5)  | 2.7 | (76.2) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Creo Medical (CREO)

**INVESTMENT SUMMARY**

Creo Medical is developing and commercialising minimally invasive endoscopic electrosurgical devices. Its CROMA advanced energy platform delivers a combination of advanced bi-polar radio frequency and microwave energy for the dissection, resection, ablation and haemostasis of diseased tissue. Its initial focus is on gastrointestinal tract procedures, expanding into soft tissue (eg pancreas and liver) and pulmonology. It has six advanced energy products CE marked with five cleared by the FDA. Its first commercially available device, Speedboat Inject, is used across the globe, with a slimmer version launched in November 2022 opening up the potential to be used in more procedures. In 2022 Creo announced agreements with two surgical robotic partners. With the recent £26.8m fund-raise, Creo plans to accelerate its commercialisation efforts globally and develop further licensing and partnership opportunities for its core Kamaptive technology.

**INDUSTRY OUTLOOK**

Creo's products are in a large and lucrative market. Conmed estimates the gastrointestinal endoscopic technologies market is worth c \$3.0–3.2bn and the radio frequency energy based surgical device market is \$2.7–2.9bn pa. Entering the robotics and laparoscopic markets further increases the scale of opportunity open to Creo.

| Y/E Dec | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|---------|---------|----------|
| 2020    | 9.4          | (21.4)      | (23.0)   | (12.75) | N/A     | N/A      |
| 2021    | 25.2         | (26.7)      | (29.7)   | (14.58) | N/A     | N/A      |
| 2022e   | 27.1         | (23.4)      | (26.4)   | (12.36) | N/A     | N/A      |
| 2023e   | 31.0         | (19.0)      | (21.8)   | (10.22) | N/A     | N/A      |



**Sector: Property**

Price: 88.1p  
 Market cap: £388m  
 Market: LSE

**Share price graph (p)**

**Company description**

Custodian Property Income REIT (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    | (4.0) | (1.5) | (14.8) |
| Relative* | 2.1   | (1.2) | (12.8) |

\* % Relative to local index

**Analyst**

Martyn King

# Custodian Property Income REIT (CREI)

**INVESTMENT SUMMARY**

A Q323 DPS of 1.375p/4.1p y-t-d, fully covered by EPRA earnings, is in line with the company's full year target of at least 5.5p. Positive leasing events added to rent roll (+1.4% like for like) and reduced vacancy (EPRA occupancy rate 89.9% vs 89.3% at end-Q2), and this has continued into Q4. This had a positive impact on property valuations, mitigating the negative effects of yield widening. As a result, the 9.1% like for like decline in Custodian's property portfolio valuations compares favourably with MSCI data that indicate a market-wide decline in capital values of almost 13%. NAV per share declined to 99.8p, or by c 12%. Continuing occupier demand is a positive indicator for future income development, protected by fixed costs on 80% of borrowing, across a highly diversified portfolio

**INDUSTRY OUTLOOK**

The commercial property market is cyclical, historically exhibiting substantial swings in capital values through cycles. Income returns have been significantly more stable. Across all main sectors, valuations are showing significant negative adjustment to higher bond yields and economic uncertainty, in many cases despite continuing rent growth. Unlike previous downturns, there are few areas of over supply and gearing is generally lower.

| 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    | 15.6    | 15.6     |
| 2022    | 35.6         | 30.1        | 25.3     | 5.89    | 15.0    | 11.6     |
| 2023e   | 37.9         | 31.7        | 25.2     | 5.72    | 15.4    | 13.4     |
| 2024e   | 39.3         | 33.5        | 26.1     | 5.92    | 14.9    | 11.9     |

**Sector: Technology**

Price: ZAR35.72  
 Market cap: ZAR8034m  
 Market: Johannesburg SE

**Share price graph (ZAR)**

**Company description**

Datatec is a South Africa-listed multinational ICT business, serving clients globally, predominantly in the networking and telecoms sectors. The group operates through three main divisions: Westcon International (distribution); Logicalis International (IT services); and Logicalis LatAm (IT services in Latin America).

**Price performance**

| %         | 1m  | 3m   | 12m   |
|-----------|-----|------|-------|
| Actual    | 5.3 | 13.2 | (8.8) |
| Relative* | 8.4 | 10.5 | (9.9) |

\* % Relative to local index

**Analyst**

Katherine Thompson

# Datatec (DTCJ)

**INVESTMENT SUMMARY**

Datatec expects to report FY23 revenue of \$5.16bn, which represents growth of 13% compared to FY22 and is 3% ahead of our forecast. Westcon performance was well ahead of our expectations, with Logicalis International slightly ahead and Logicalis Latin America below. Overall, the group saw signs of improvement in the supply chain, although the backlog remained elevated at the year-end. The secular growth in networking and cyber security solutions continues to be the main driver of demand. We maintain our forecasts pending full FY23 results in May.

**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 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          | 152.5          | 73.1        | 13.2         | 14.8    | 2.0      |
| 2022    | 4546.4          | 158.9          | 69.1        | 14.2         | 13.7    | 5.6      |
| 2023e   | 5017.4          | 175.2          | 74.3        | 20.2         | 9.6     | 4.7      |
| 2024e   | 5282.2          | 191.8          | 95.6        | 23.3         | 8.4     | 4.4      |

**Sector: Media**

Price: ¥4390.00  
 Market cap: ¥1186025m  
 Market: Tokyo SE

**Share price graph (¥)**



**Company description**

Dentsu Group is a holding company, operating in over 145 countries. It provides a wide range of client-centric integrated communications, media and digital services.

**Price performance**

| %         | 1m  | 3m  | 12m    |
|-----------|-----|-----|--------|
| Actual    | 1.2 | 5.3 | (10.6) |
| Relative* | 2.8 | 2.5 | (9.7)  |

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## Dentsu Group (4324)

**INVESTMENT SUMMARY**

Dentsu has agreed to buy Tag Worldwide, an omnichannel digital marketing content production house, for a reported £533m, likely to complete in Q323, which will bolster Dentsu's positioning as a fully-integrated, full-service provider and give good cross- and up-sell opportunities. Management forecasts FY23 group organic revenue growth at 4%, reflecting a tougher macro backdrop. Guidance on underlying operating margin is for a dip to 17.5% as the group invests more in Customer Transformation and Technology and the One dentsu initiative. It should rebound to 18% in FY24 as benefits start to flow. End FY22 net cash of ¥71.3bn and an appetite for leverage of 1.0–1.5x provide ample resource for both capex and M&A. Our FY23 estimates are under review.

**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 FY23 global ad spend forecast is +3.8%, with 4.8% for FY24 and 4.5% for FY25 pencilled in. Digital spend is forecast at 57% of FY23 global ad spend. The Japanese ad market still lags the digital transition curve, with a digital share of 49%, and with TV remaining prominent at 26%.

| Y/E Dec | Revenue (¥m) | EBITDA (¥m) | PBT (¥m) | EPS (fd) (¥) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2020    | 939242.0     | 91013.0     | 123471.0 | 249.0        | 17.6    | N/A      |
| 2021    | 1085592.0    | 226326.0    | 146020.0 | 389.0        | 11.3    | 4.3      |
| 2022e   | 1240000.0    | 221152.0    | 172461.0 | 437.0        | 10.0    | 5.9      |
| 2023e   | 1264862.0    | 219840.0    | 172569.0 | 457.0        | 9.6     | 5.6      |

**Sector: Electronics & elec eqpt**

Price: 769.0p  
 Market cap: £741m  
 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    | (6.6) | 2.5 | (2.7) |
| Relative* | (0.6) | 2.9 | (0.4) |

\* % Relative to local index

**Analyst**

Katherine Thompson

## discoverIE Group (DSCV)

**INVESTMENT SUMMARY**

discoverIE's Q323 trading update confirmed continued good momentum, with FY23 underlying earnings tracking ahead of board expectations. Q323 revenue was 11% higher y-o-y (5% organic, 3% from FX and 3% from acquisitions) and for the nine months to 31 December 2022, revenue grew 21% y-o-y (11% organic, 3% FX, 7% from acquisitions). The company has completed the previously announced acquisition of Magnasphere, adding a high margin sensor business to the Sensing & Connectivity division. We have upgraded our forecasts to reflect better trading and the accretive acquisition and note that gearing remains below the company's target range, providing headroom for further M&A.

**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         | 32.9    | 12.0     |
| 2022    | 379.2        | 56.1        | 41.0     | 32.1         | 24.0    | 16.8     |
| 2023e   | 432.0        | 63.3        | 45.4     | 34.1         | 22.6    | 16.6     |
| 2024e   | 445.3        | 67.2        | 46.9     | 35.3         | 21.8    | 12.4     |

**Sector: Media**

Price: 51.5p  
 Market cap: £60m  
 Market: LSE 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    | (10.4) | 7.3 | (7.2) |
| Relative* | (4.7)  | 7.6 | (5.1) |

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## Ebiquity (EBQ)

**INVESTMENT SUMMARY**

Ebiquity's year-end trading update confirmed that revenue continued to grow strongly in H222, delivering a 20% improvement for the full year, with underlying organic growth of 9%. Management is guiding to an underlying operating margin of 12%, implying that FY22 operating profit will be just ahead of our £8.9m forecast, notwithstanding the slight undershoot on revenue. This improvement in margin reflects the two transformative acquisitions made in the year, adding operational capability and efficiency, and scaling the US reach, as well as the increase of digital in the revenue mix. The shares are priced at a substantial discount to both peers and the group's long-term average EV/EBITDA multiple. Final results are scheduled for 28 March.

**INDUSTRY OUTLOOK**

The shifting dynamics of the major social media and tech platforms, along with fundamental changes in privacy and data usage make it all the more important that brands and advertisers understand their marketing effectiveness. New channels such as TikTok and Advanced TV and the growth of commerce media increase the need for independent guidance in navigating optimising and benchmarking marketing spend. That need is unlikely to diminish with harsher economic circumstances.

| 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     | 23.4     |
| 2021    | 63.1         | 6.8         | 4.1      | 2.7          | 19.1    | 6.2      |
| 2022e   | 77.0         | 13.6        | 8.1      | 5.3          | 9.7     | 4.0      |
| 2023e   | 89.0         | 17.5        | 11.5     | 7.0          | 7.4     | 3.5      |

**Sector: Technology**

Price: 1794.0p  
 Market cap: £1129m  
 Market: LSE AIM

**Share price graph (p)**



**Company description**

EMIS is a software supplier to the UK healthcare market. 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 healthcare market, including medicines management, partner businesses, patient-facing services and healthcare analytics.

**Price performance**

| %         | 1m    | 3m    | 12m  |
|-----------|-------|-------|------|
| Actual    | (4.3) | (4.5) | 31.5 |
| Relative* | 1.9   | (4.2) | 34.6 |

\* % Relative to local index

**Analyst**

Katherine Thompson

## EMIS Group (EMIS)

**INVESTMENT SUMMARY**

The Competition and Markets Authority (CMA) has finished its Phase 1 investigation and has concluded that it has concerns that the UnitedHealth takeover of EMIS could reduce competition in certain areas. It has given both parties five working days to offer legally binding proposals in lieu of a Phase 2 investigation. EMIS expects to be able to provide a further update on or around 31 March, which is the statutory deadline for the CMA to determine whether these undertakings are acceptable in principle.

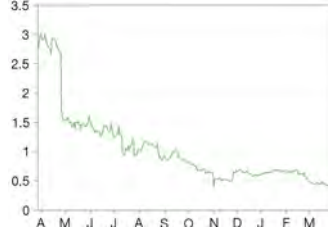
**INDUSTRY OUTLOOK**

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         | 31.8    | 17.6     |
| 2021    | 168.2        | 54.7        | 43.5     | 55.0         | 32.6    | 22.6     |
| 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: Technology**

Price: A\$0.41  
 Market cap: A\$151m  
 Market: ASX

**Share price graph (A\$)**

**Company description**

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

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (19.0) | (31.4) | (86.0) |
| Relative* | (15.9) | (30.0) | (84.9) |

\* % Relative to local index

**Analyst**

Katherine Thompson

## EML Payments (EML)

**INVESTMENT SUMMARY**

EML Payments' H123 results reflected the changing mix of revenue (lower establishment fees and breakage, higher interest income), the effect of the ongoing remediation of regulatory issues in the European and UK PFS businesses and the restructuring of the group. With the Irish regulator raising additional concerns post results, the board has initiated a strategic review of the business.

**INDUSTRY OUTLOOK**

EML provides payment solutions for banking, credit and disbursement services, earned wage access, gifts, incentives and rewards, and open banking and FX. The company estimates it has a serviceable addressable market worth A\$114bn, which is growing at c 7% pa. It estimates it has less than a 0.2% share of this market, providing plenty of scope for growth.

| 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       | 6.579        | 6.2     | 3.6      |
| 2022    | 232.4          | 34.3          | 16.0       | 3.398        | 12.1    | 4.6      |
| 2023e   | 240.9          | 26.5          | 3.3        | 0.702        | 58.4    | 6.0      |
| 2024e   | 271.3          | 39.2          | 12.4       | 2.606        | 15.7    | 4.0      |

**Sector: Mining**

Price: 1859.0p  
 Market cap: £4602m  
 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    | 9.4  | 5.0 | (0.6) |
| Relative* | 16.4 | 5.3 | 1.7   |

\* % 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 also now London-listed and a constituent of the UK 100 index.

**INDUSTRY OUTLOOK**

Endeavour's FY22 results reconfirmed 10 consecutive years of achieving guidance, with production totaling 1,400koz at an all-in sustaining cost of US\$928/oz. Endeavour boasted adjusted net earnings of US\$358m, or US\$1.44/share for FY22. The company aims to reinvest in organic growth throughout FY23 via the Sabodala-Massawa expansion (NPV US\$861m) and Lafigué greenfield projects (NPV US\$477m). In addition, after its first five-year exploration plan in FY16–21 delineated 11.4Moz indicated gold resources, it has embarked upon a second five-year plan to discover a further 15–20Moz by FY26. Our most recent analysis of Endeavour valued it at US\$36.92/share.

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|--------------|---------|----------|
| 2021    | 2903.8          | 1517.3         | 756.5       | 203.21       | 11.1    | 4.0      |
| 2022    | 2508.1          | 1261.3         | 527.2       | 125.44       | 17.9    | 4.6      |
| 2023e   | 2493.8          | 1235.0         | 545.4       | 127.45       | 17.6    | 4.4      |
| 2024e   | 2235.7          | 1228.0         | 708.5       | 187.85       | 12.0    | 4.6      |

**Sector: Technology**

Price: NOK0.27  
 Market cap: NOK66m  
 Market: Oslo SE

**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    | 19.3 | (86.1) | (94.1) |
| Relative* | 27.6 | (85.4) | (93.4) |

\* % Relative to local index

**Analyst**

Anne Margaret Crow

## Ensurge Micropower (ENSU)

**INVESTMENT SUMMARY**

Ensurge Micropower has brought in battery expert Mark Newman as interim CEO to accelerate commercialisation. His five-point action plan builds on the company's achievements in FY22, which include shipping its first samples of both packaged microbatteries and unpackaged cells in coin format to customers and receiving its first production order for delivery in FY23.

**INDUSTRY OUTLOOK**

Ensurge did not generate any revenues during FY22. Payroll costs were \$1.6m higher year-on-year, at \$8.9m, as management increased spending on operations to support sampling and production readiness. This resulted in a widening of EBITDA losses, excluding share-based payments, by \$2.1m to \$16.7m. Investment in capital expenditure was only \$0.5m (net), as most of the work adapting the roll-to-roll facility for manufacturing microbatteries was completed in FY21. Free cash outflow totalled \$20.8m, leaving \$3.4m cash (gross excluding restricted cash) at end-FY22. The company is seeking alternative sources of financing to continue operations through and beyond Q223.

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|---------|---------|----------|
| 2021    | 0.0             | (14.6)         | (17.8)      | (9.19)  | N/A     | N/A      |
| 2022    | 0.0             | (16.7)         | (20.8)      | (9.67)  | 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: Construction & blding mat**

Price: 72.5p  
 Market cap: £105m  
 Market: LSE 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    | (9.4) | 0.0 | (17.1) |
| Relative* | (3.6) | 0.3 | (15.2) |

\* % Relative to local index

**Analyst**

Andy Murphy

## Epwin Group (EPWN)

**INVESTMENT SUMMARY**

Epwin's FY22 trading update confirmed that revenue for the year increased by around 8% to £355m, driven mainly by inflationary price increases and bolt-on acquisitions. It also confirmed that despite the inflationary headwinds, it expects to report significantly higher profit versus FY21. Year end net debt rose to £18m, which was better than market expectations. In the second half of the year, Epwin announced the acquisition of PVC reprocessor Poly-Pure for £15m and the purchase of Hampton Decking for £4m, both in line with its strategy. Epwin remains on track to achieve revised FY22 expectations and will report full year results on 4 April.

**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 though UK newbuild fundamentals remain favourable.

| Y/E Dec | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2020    | 241.0        | 28.6        | 5.0      | 3.98         | 18.2    | N/A      |
| 2021    | 329.6        | 36.3        | 13.7     | 9.06         | 8.0     | N/A      |
| 2022e   | 349.5        | 38.1        | 14.6     | 8.14         | 8.9     | N/A      |
| 2023e   | 356.0        | 40.5        | 16.3     | 8.75         | 8.3     | N/A      |



**Sector: Technology**

Price: €22.30  
 Market cap: €224m  
 Market Deutsche Börse 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    | 0.0 | (8.6)  | (29.4) |
| Relative* | 1.7 | (15.4) | (33.3) |

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## EQS Group (EQS)

**INVESTMENT SUMMARY**

EQS's year-end trading update showed that it achieved its targets for number of new customers and for annually recurring revenues. However, the continuing delays to the full implementation of the whistleblowing legislation in the key German market mean that the group has missed its previously published targets for revenue and for EBITDA by €1.5m and €1.3m respectively. Guidance for FY23 now reflects an abundance of caution on the likely timing of the legislative stimulus, assuming that the law is not transposed until Q323. Our new forecasts align with the lower end of the guided range for now. Despite the delays, the shares continue to trade well below the level indicated by the DCF. Final results are scheduled for 31 March.

**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. 14 out of the 27 member states have now implemented, with Belgium and Italy implementing the legislation in Q422. 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         | 541.3   | 42.6     |
| 2021    | 50.2         | 1.7         | (5.9)    | (69.77)      | N/A     | N/A      |
| 2022e   | 61.4         | 4.7         | (5.6)    | (38.98)      | N/A     | 104.3    |
| 2023e   | 71.0         | 9.0         | (0.9)    | (5.77)       | N/A     | 41.1     |

**Sector: Pharma & healthcare**

Price: 1028.0p  
 Market cap: £518m  
 Market LSE AIM

**Share price graph (p)**



**Company description**

Ergomed is a global full-service contract research outsourcing (CRO) business focused on the US and EU. It provides Phase I-III clinical services in addition to post-marketing pharmacovigilance (PV) services and is predominantly focused on oncology, orphan drugs, rare diseases and PV.

**Price performance**

| %         | 1m    | 3m     | 12m    |
|-----------|-------|--------|--------|
| Actual    | (9.8) | (21.3) | (15.4) |
| Relative* | (4.1) | (21.0) | (13.4) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Ergomed (ERGO)

**INVESTMENT SUMMARY**

Ergomed FY22 results re-emphasised its robust business model and resilient growth despite the challenging macro environment. Revenues grew 22.5% y-o-y to £145.3m, underpinned by sustained demand for both the CRO and PV segments and supported by the ADAMAS acquisition (£10.2m revenue contribution) and foreign exchange benefit. The order book, a leading indicator of near-term sales potential, remained robust at £295m (up 23.1% over FY21). Ergomed recently acquired ADAMAS Consulting Group (a UK-based quality assurance services provider), which will diversify revenue sources (its offerings do not overlap with Ergomed's). With year-end net cash of £19.1m over the £12m reported in H122 (after the £24.2m net cash purchase of ADAMAS in February 2022) and £80m in undrawn credit facilities, Ergomed remains well-capitalised to fund future growth.

**INDUSTRY OUTLOOK**

Innovation in healthcare is driving sales and growth in the number of clinical trials being initiated, as pharmaceutical and biotechnology companies continue to invest substantially. Tight operational control and execution will enable Ergomed to drive market share in high-growth orphan drug trials as well as in larger indications.

| Y/E Dec | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2020    | 86.4         | 19.4        | 14.4     | 22.8         | 45.1    | 27.5     |
| 2021    | 118.6        | 25.4        | 21.6     | 39.6         | 26.0    | 26.7     |
| 2022e   | 142.1        | 28.1        | 24.4     | 39.4         | 26.1    | 29.0     |
| 2023e   | 158.3        | 31.4        | 27.5     | 43.8         | 23.5    | 23.1     |

**Sector: Technology**

Price: €129.70  
 Market cap: €776m  
 Market: Euronext Paris

**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    | (14.7) | (16.4) | (18.9) |
| Relative* | (11.8) | (22.2) | (23.8) |

\* % Relative to local index

**Analyst**

Katherine Thompson

## Esker (ALESK)

**INVESTMENT SUMMARY**

Esker reported FY22 revenue growth of 19% (13% constant currency (cc)), operating profit growth of 29% and normalised diluted EPS growth of 29%. SaaS revenue grew 23% (17% cc) and now makes up 80% of group revenue. Bookings intake increased 19% cc y-o-y on an annual recurring revenue basis, providing support for growth in FY23/24. Management maintained its FY23 guidance; we have trimmed our FY23 forecasts, which sit within the guidance range, and introduce forecasts for FY24. We forecast EPS to decline 1% in FY23 (as the currency benefit and accrual reversal are not expected to repeat) and increase 17% in FY24.

**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) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 133.6        | 25.7        | 18.0     | 237.0        | 54.7    | 26.1     |
| 2022    | 159.0        | 31.8        | 23.4     | 303.0        | 42.8    | 34.1     |
| 2023e   | 180.1        | 33.9        | 24.2     | 301.0        | 43.1    | 23.5     |
| 2024e   | 205.4        | 39.7        | 28.7     | 352.0        | 36.8    | 21.6     |

**Sector: Technology**

Price: 12.1p  
 Market cap: £26m  
 Market: LSE 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    | (12.6) | (12.6) | 24.4 |
| Relative* | (7.0)  | (12.3) | 27.2 |

\* % Relative to local index

**Analyst**

Anne Margaret Crow

## Filtronic (FTC)

**INVESTMENT SUMMARY**

Filtronic's H123 revenue grew by 5% y-o-y to £8.4m, driven primarily by demand for products used in 5G mobile telecommunications infrastructure and the £0.5m defence contract announced in July 2022. Adjusted EBITDA reduced slightly, from £1.1m to £1.0m, as management continued with its stated strategy of investing in sales and engineering to support diversification.

**INDUSTRY OUTLOOK**

Shortages of specific semiconductor components will result in some deliveries being delayed from FY23 to FY24. Since demand for the company's products has not been affected, management expects an uplift in revenue and a return to the planned growth trajectory in FY24 as the temporary component shortages ease. We have revised our FY23 estimates and introduced FY24 estimates to reflect the delivery delays and anticipated recovery.

| 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         | 86.4    | 14.3     |
| 2022    | 17.1         | 2.8         | 1.5      | 0.53         | 22.8    | 9.3      |
| 2023e   | 16.6         | 1.3         | 0.1      | 0.13         | 93.1    | 20.0     |
| 2024e   | 20.7         | 2.1         | 0.9      | 0.41         | 29.5    | 12.4     |

**Sector: Financials**

Price: 39.7p  
 Market cap: £120m  
 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    | 2.6 | 32.3 | 6.3 |
| Relative* | 9.1 | 32.7 | 8.8 |

\* % Relative to local index

**Analyst**

Andy Murphy

## Foxtons Group (FOXT)

**INVESTMENT SUMMARY**

FY22 was a robust year for Foxtons with revenue up 11%, but the short-term outlook is less certain for recessionary reasons. However, the outlook remains encouraging with the new CEO announcing a growth-oriented operational review in March. 65% of revenue is now generated from the resilient Lettings and Financial Services divisions, a proportion that is likely to increase over time. Our 'base' case valuation gives a value of 59p/share, but ignores the potential of M&A expansion in particular. Our revised 'bull' case valuation implies a share price of 124p, which is more than twice the current share price, highlighting the potential.

**INDUSTRY OUTLOOK**

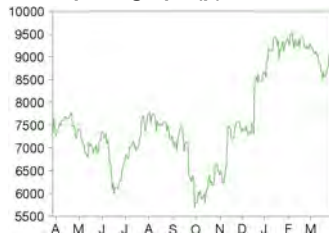
Foxtons is almost entirely focused on the London market where both the lettings and sales markets are recovering as London and the rest of the UK, head towards a 'new normal'.

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) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 126.5        | 25.1        | 10.0     | (0.52)       | N/A     | 19.5     |
| 2022    | 140.3        | 27.8        | 13.7     | 3.543        | 11.2    | 8.2      |
| 2023e   | 137.8        | 26.7        | 13.5     | 3.586        | 11.1    | 8.9      |
| 2024e   | 146.5        | 30.0        | 17.8     | 4.597        | 8.6     | 6.8      |

**Sector: Consumer support services**

Price: 9175.0p  
 Market cap: £3020m  
 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    | (1.1) | 8.3 | 29.0 |
| Relative* | 5.2   | 8.6 | 32.0 |

\* % Relative to local index

**Analyst**

Russell Pointon

## Games Workshop Group (GAW)

**INVESTMENT SUMMARY**

The Q323 trading update to the end of February 2023 stated that trading is in line with expectations. In addition, a further dividend of £1.20 per share was declared, taking the year-to-date total to £4.15 per share, well ahead of FY22's £2.35 per share. The current year dividend was boosted by the repayment of a £12m VAT debtor from France. Following Brexit, Games Workshop Group has been required to pay VAT on the entry of goods to Europe and submit a reclaim with the authorities, which led to the build of a debtor balance from the French authorities. Separately, the company announced the tenth edition of Warhammer 40,000 will be released in the summer of 2023.

**INDUSTRY OUTLOOK**

Games Workshop Group 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        | 24.8    | 22.7     |
| 2022    | 414.8        | 193.2       | 156.5    | 390.6        | 23.5    | 24.8     |
| 2023e   | 447.0        | 196.5       | 160.4    | 389.6        | 23.5    | 18.1     |
| 2024e   | 461.1        | 211.1       | 169.2    | 384.5        | 23.9    | 17.7     |

**Sector: Food & drink**

Price: 2678.0p  
 Market cap: £2735m  
 Market: LSE

**Share price graph (p)**

**Company description**

With 2,328 shops and 12 main 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    | (1.4) | 13.6 | 10.8 |
| Relative* | 4.9   | 13.9 | 13.3 |

\* % Relative to local index

**Analyst**

Russell Pointon

## Greggs (GRG)

**INVESTMENT SUMMARY**

Management delivered on its FY22 profit guidance, with growth limited as expected while the cost base normalised post COVID-19, testimony to the strength of the brand and its value-based offer with greater-than-expected cost inflation through the year. FY22 year-on-year revenue growth of 23% included 17.8% like-for-like growth, which was boosted by higher selling price inflation to counter the elevated 9% underlying input cost inflation. We increased FY23 and FY24 profit estimates by less than 1% and introduced forecasts for FY25. Following the normalisation of the cost base in FY22, which tempered profit growth versus revenue growth, we anticipate more consistent profit growth relative to sales growth in FY23–25.

**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 broadening customer appeal and driving loyalty. 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) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 1229.7       | 259.0       | 145.6    | 114.3        | 23.4    | 8.7      |
| 2022    | 1512.8       | 269.9       | 148.3    | 117.5        | 22.8    | 10.0     |
| 2023e   | 1710.8       | 305.0       | 161.2    | 119.1        | 22.5    | 8.4      |
| 2024e   | 1902.9       | 351.9       | 183.1    | 131.7        | 20.3    | 7.4      |

**Sector: Financials**

Price: 160.0p  
 Market cap: £124m  
 Market: LSE AIM

**Share price graph (p)**

**Company description**

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

**Price performance**

| %         | 1m  | 3m  | 12m |
|-----------|-----|-----|-----|
| Actual    | 0.0 | 1.6 | 1.6 |
| Relative* | 6.4 | 1.9 | 3.9 |

\* % Relative to local index

**Analyst**

Marius Strydom

## Helios Underwriting (HUW)

**INVESTMENT SUMMARY**

Helios Underwriting is a successful aggregator of Lloyd's of London (Lloyd's) syndicate capacity, delivering a ninefold increase since FY16 and a 27% increase reported for 2023. This was supported by a capital raise in 2022, reinsurance utilisation and strong syndicate growth. Its larger portfolio, alongside a hardening underwriting cycle and higher interest rates, should fuel strong earnings growth into FY24 and FY25. Capacity growth is expected to moderate until this growth is delivered, unless Helios can raise further capital. The large £3bn pool of limited liability vehicle capacity remains an attractive growth opportunity to then pursue.

**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          | 100.0   | N/A      |
| 2021    | 70.6         | (1.9)       | (1.9)    | (0.7)        | N/A     | N/A      |
| 2022e   | 137.6        | (1.6)       | (1.6)    | (1.2)        | N/A     | N/A      |
| 2023e   | 218.7        | 20.8        | 20.8     | 21.5         | 7.4     | 5.0      |

**Sector: Oil & gas**

Price: €7.27  
 Market cap: €2222m  
 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    | (13.6) | (3.1)  | 3.4    |
| Relative* | (7.1)  | (13.6) | (15.8) |

\* % Relative to local index

**Analyst**

Elaine Reynolds

## 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 greater than 2GW by 2030. It reported another strong set of results in Q422, with reported net income of €890m and historically high adjusted EBITDA of €1,601m in FY22. We will update our forecasts in due course

**INDUSTRY OUTLOOK**

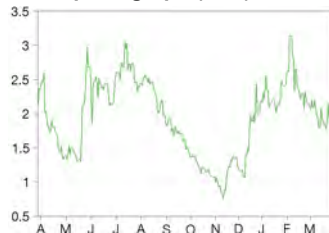
European refining will likely face continued challenges in the coming years as demand falls and refinery systems elsewhere (Asia/United States) hold structural advantages. To offset this, changing regulations should put complex, middle distillate-orientated refineries, such as ELPE's, in a strong position.

| 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     | 403.9   | 4.9      |
| 2021    | 9222.0       | 401.0       | 151.0    | 47.1    | 15.4    | 8.2      |
| 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: Pharma & healthcare**

Price: US\$1.86  
 Market cap: US\$26m  
 Market Nasdaq

**Share price graph (US\$)**



**Company description**

Immix Biopharma's lead asset, IMX-110, is being investigated in a Phase Ib/IIa study for the treatment of soft tissue sarcoma and a Phase Ib trial in advanced solid tumors in combination with the ICI tislelizumab. Immix also has a pre-clinical pipeline based on the TSTx technology.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (13.1) | (7.0)  | (12.7) |
| Relative* | (13.0) | (10.5) | (0.3)  |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Immix Biopharma (IMMX)

**INVESTMENT SUMMARY**

Immix Biopharma is a clinical-stage biopharmaceutical company focused on the development of its SMARxT tissue-specific platform producing tissue-specific therapeutics (TSTx). Its lead clinical asset, IMX-110, is being investigated for the treatment of soft tissue sarcoma, where interim results from its Phase Ib trial have, so far, demonstrated positive safety and efficacy profiles. Management intends to initiate a Phase IIa of the study in first-line soft tissue sarcoma in 2023. In Q422 Immix reported dosing of the first two patients in a Phase Ib/IIa study, investigating the use of IMX-110 in combination with tislelizumab in the treatment of solid tumors. We expect rolling data readouts across both studies throughout 2023. In December 2022 Immix Biopharma announced the in-licensing of NXC-201, a novel CAR-T therapy, which has shown high response rates in multiple myeloma and AL amyloidosis.

**INDUSTRY OUTLOOK**

With IMX-110 Immix is targeting the soft tissue sarcoma market, a rare cancer with c 13,000–16,000 new cases reported in the United States each year and limited safe and effective treatment options. IMX-110's combination study may further expand the drug's offering into new indications.

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|---------|---------|----------|
| 2020    | 0.0             | (0.5)          | (0.6)       | (50.88) | N/A     | N/A      |
| 2021    | 0.0             | (1.4)          | (1.3)       | (35.91) | N/A     | N/A      |
| 2022e   | 0.0             | (6.2)          | (5.9)       | (42.56) | N/A     | N/A      |
| 2023e   | 0.0             | (8.8)          | (8.8)       | (63.12) | N/A     | N/A      |



**Sector: Property**

Price: 91.8p  
 Market cap: £380m  
 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    | (9.7) | (11.4) | (19.5) |
| Relative* | (3.9) | (11.1) | (17.6) |

\* % Relative to local index

**Analyst**

Martyn King

## Impact Healthcare REIT (IHR)

**INVESTMENT SUMMARY**

FY22 results were in line with the data provided in the Q422 update. DPS was fully covered, 128% by EPRA earnings (+4% per share) and 109% by adjusted cash earnings (+6%). The target for FY23 of a fully covered 6.77p is an increase of 3.5%, reflecting the past year's achieved rent growth and strong rent collection. FY23 will continue to benefit from indexation and the recent accretive £46m portfolio acquisition. Earnings are significantly protected from interest rate increases with the costs on 80% of debt fixed. Tenant rent cover remains strong at c 1.8x, and we do not believe that the single tenant in arrears is indicative of wider tenant stress. On a like-for-like basis, property valuations were 4% lower. Although higher than reflected in our current forecasts, the Q4 impact of yield widening across the broad property sector was limited by the long-indexed leases, while low gearing mitigated the impact on NAV. NAV total return was a positive 3.8%. We will review our forecasts.

**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     | 12.6    | 13.9     |
| 2021    | 36.5         | 31.0        | 27.4     | 8.1     | 11.3    | 13.2     |
| 2022e   | 45.5         | 38.6        | 32.7     | 8.4     | 10.9    | 14.2     |
| 2023e   | 52.9         | 44.7        | 35.0     | 8.4     | 10.9    | 10.0     |

**Sector: Pharma & healthcare**

Price: US\$1.99  
 Market cap: US\$126m  
 Market: Nasdaq

**Share price graph (US\$)**



**Company description**

Incannex Healthcare is an Australian dual-listed biotech company focused on developing medicinal cannabis pharmaceutical products and psychedelic medicine therapies. These therapies are being designed to target indications with unmet need, including obstructive sleep apnea, generalized anxiety disorder, trauma and inflammatory conditions.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (17.4) | (30.9) | (82.1) |
| Relative* | (17.3) | (33.5) | (79.6) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Incannex Healthcare (IXHL)

**INVESTMENT SUMMARY**

Incannex Healthcare specializes in the development of treatments for chronic conditions through a unique approach. Specifically, it is investigating the use of cannabinoids and psychedelics, leveraging its synergistic combination intellectual property. Most recently, it has achieved proof-of-concept in Australia for IHL-42X, its lead asset for the treatment of obstructive sleep apnea. Incannex intends to file an investigational new drug application with the FDA (in CY23). Interim safety data reported in Q123 from the ongoing (Australian) Phase II trial of psilocybin in combination with psychotherapy in generalized anxiety disorder were positive and an independent safety review recommended no changes to the study design. Final data are expected in Q423. ILH-675A is in Australian Phase I trials for the treatment of various inflammatory disorders.

**INDUSTRY OUTLOOK**

Management's strategy to pursue synergistic combination patent filings of its assets has the potential to create extensive protection within the cannabinoid treatment market. The intellectual property position for the combinations will be further supported by method of use and formulation patents. Combination patents could therefore be a significant source of value for the company should approval be granted.

| Y/E Jun | Revenue (A\$m) | EBITDA (A\$m) | PBT (A\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|--------------|---------|----------|
| 2021    | 2.0            | N/A           | (8.2)      | (0.83)       | N/A     | N/A      |
| 2022    | 0.8            | N/A           | (14.9)     | (1.25)       | N/A     | N/A      |
| 2023e   | 0.1            | N/A           | (20.7)     | (1.43)       | N/A     | N/A      |
| 2024e   | 0.1            | N/A           | (33.4)     | (2.10)       | N/A     | N/A      |

**Sector: Technology**

Price: 55.8p  
 Market cap: £577m  
 Market: LSE

**Share price graph (p)**



**Company description**

IP Group helps to create, build and support IP-based companies internationally. It focuses on companies that meaningfully contribute to regenerative (renewable), healthier (life sciences) and tech-enriched (deep tech) futures. The group has investment platforms in Australia, New Zealand, the United States, China and the UK.

**Price performance**

| %         | 1m     | 3m    | 12m    |
|-----------|--------|-------|--------|
| Actual    | (15.4) | (2.6) | (40.2) |
| Relative* | (10.0) | (2.3) | (38.8) |

\* % Relative to local index

**Analyst**

Milosz Papst

## IP Group (IPO)

**INVESTMENT SUMMARY**

IP Group trades at a c 55–60% discount to end-2022 NAV, which together with a strengthened balance sheet, largely up-to-date portfolio marks and several potential portfolio catalysts, provides a certain degree of downside protection. IP Group's NAV/share was 132.9p at end-2022, 2% below the end-June 2022 level. This was primarily due to the £428.5m loss from listed holdings (before foreign exchange (FX), mostly Oxford Nanopore Technologies, ONT), while private holdings posted gains before FX of c £101.4m (5.8% of opening NAV). Excluding ONT, IP Group posted a £25.2m profit in 2022. Most notably, its four major cleantech holdings posted a valuation uplift of c £120m in FY22.

**INDUSTRY OUTLOOK**

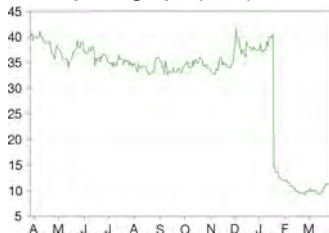
The fair value of several later-stage holdings was marked down at end-2022 (eg Hinge Health and some of the IP Group's deep tech holdings, as median public revenue multiples fell from 18.6x to 5.4x). Meanwhile, we think that early-stage venture capital (VC) valuations seem to have been more resilient across the market because: 1) they were less inflated in 2020–21 than late-stage VC valuations (especially pre-IPO candidates); 2) they are less often valued based on revenue multiples versus public peers than late-stage VC; and 3) they are further away from a VC exit.

| 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: Pharma & healthcare**

Price: SEK11.68  
 Market cap: SEK605m  
 Market: Nasdaq Nordic

**Share price graph (SEK)**



**Company description**

Based in Sweden, IRLAB Therapeutics is focused on developing novel drugs for the treatment of neurodegenerative diseases utilising its ISP technology platform. Its two lead assets, mesdopetam and pirepemat, are in late-stage clinical trials for the symptomatic treatment of Parkinson's disease (PD).

**Price performance**

| %         | 1m   | 3m     | 12m    |
|-----------|------|--------|--------|
| Actual    | 16.8 | (68.9) | (71.2) |
| Relative* | 24.2 | (69.4) | (68.8) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## IRLAB Therapeutics (IRLABA)

**INVESTMENT SUMMARY**

IRLAB Therapeutics is focused on developing novel, potential first-in-class treatments for the symptoms of PD and other central nervous system (CNS) disorders. Its proprietary ISP discovery platform has been validated by the progress of its two lead assets, pirepemat and mesdopetam, which have novel mechanisms of action. Pirepemat is an oral prefrontal cortex enhancer in a Phase IIb trial for the treatment of impaired balance and falls in PD. Mesdopetam, an oral D3 antagonist, failed to hit primary endpoints in a Phase IIb trial for levodopa-induced dyskinesias in January 2023; however, the study did meet a key secondary efficacy endpoint. IRLAB has licensed the global rights for mesdopetam to Ipsen and we await further communication on how this data will define Ipsen's future development strategy for the drug. IRLAB is also developing three preclinical assets, IRL942, IRL757 and IRL117 for various CNS indications. The company remains well funded in the medium term.

**INDUSTRY OUTLOOK**

PD is characterised by a triad of cardinal motor symptoms, although non-motor symptoms are as debilitating and remain undertreated. Despite substantial efforts to develop disease-modifying approaches in PD, symptomatic treatment remains the mainstay.

| Y/E Dec | Revenue (SEKm) | EBITDA (SEKm) | PBT (SEKm) | EPS (öre) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|-----------|---------|----------|
| 2021    | 207.9          | 56.1          | 91.1       | 176.0     | 6.6     | 11.5     |
| 2022    | 61.3           | (108.3)       | (113.1)    | (218.0)   | N/A     | N/A      |
| 2023e   | 0.2            | (157.7)       | (160.0)    | (308.0)   | N/A     | N/A      |
| 2024e   | 0.2            | (165.7)       | (168.4)    | (325.0)   | N/A     | N/A      |

**Sector: Financials**

Price: €17.90  
 Market cap: €245m  
 Market Deutsche Börse Scale

**Share price graph (€)**

**Company description**

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

**Price performance**

| %         | 1m    | 3m    | 12m    |
|-----------|-------|-------|--------|
| Actual    | (7.0) | 5.3   | (20.8) |
| Relative* | (5.5) | (2.6) | (25.1) |

\* % Relative to local index

**Analyst**

Edwin De Jong

## JDC Group (JDC)

**INVESTMENT SUMMARY**

JDC Group (JDC) reported preliminary FY22 results that were on the lower side of the guided range for revenues and on the higher end for EBITDA. FY22 revenue increased by 6.3%, compared to 18% in 2021, reflecting low German consumer confidence especially in December. This led to weaker demand especially for life insurance products. JDC expects FY23 revenue growth to accelerate, to 17% at the midpoint of guidance (€175–190m) based on cooperation agreements that are already signed. The EBITDA margin is also expected to increase based on a guided EBITDA range of €11.5–13.0m. We will review our model and valuation after the final results, which will be published on 31 March.

**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 with a significant contribution as of 2023.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|---------|---------|----------|
| 2020    | 122.8        | 5.1         | (1.0)    | (9.21)  | N/A     | 68.3     |
| 2021    | 146.8        | 8.3         | 1.4      | 6.61    | 270.8   | 43.8     |
| 2022e   | 161.2        | 8.6         | 1.2      | 6.91    | 259.0   | 29.2     |
| 2023e   | 192.9        | 13.3        | 5.3      | 30.79   | 58.1    | 20.1     |

**Sector: Pharma & healthcare**

Price: US\$0.96  
 Market cap: US\$16m  
 Market Nasdaq

**Share price graph (US\$)**

**Company description**

Kazia Therapeutics' lead asset paxalisib (a PI3K inhibitor that can cross the blood brain barrier (BBB), licensed from Genentech) is in a pivotal study for glioblastoma (GBM) and in early-stage studies in childhood brain cancers, DIPG and AT/RT. Phase I EVT801 is an inhibitor of VEGFR3.

**Price performance**

| %         | 1m  | 3m   | 12m    |
|-----------|-----|------|--------|
| Actual    | 8.0 | 90.1 | (87.3) |
| Relative* | 8.1 | 83.0 | (85.4) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Kazia Therapeutics (KZIA)

**INVESTMENT SUMMARY**

Kazia is developing the anti-cancer compound paxalisib (GDC-0084) for GBM and other brain cancers. Paxalisib is a PI3K inhibitor, a well understood class with activity across a wide range of tumor types and multiple previously approved drugs. Paxalisib, unlike other drugs of this class, can cross the BBB, opening the potential to treat cancers of the brain. Paxalisib has not progressed to stage 2 of the Phase III GBM AGILE study, although the first stage (~150 patients) remains ongoing, with final data expected in H2 CY23. A Phase II DIPG study (paxalisib in combination with ONC201) is ongoing at 22 sites globally, with initial data anticipated in CY23. Kazia recently announced a collaboration with the Australian and New Zealand Children's Haematology/Oncology Group for a Phase II study investigating paxalisib (with chemotherapy) in children with advanced solid tumors.

**INDUSTRY OUTLOOK**

GBM is the most common primary cancer of the brain with c 12,500–13,000 new cases reported in the United States per year. There are very limited treatment options for GBM and there is a very low survival rate. Paxalisib is currently being developed for use in the adjuvant setting after initial resection and radiation treatment. EVT801 will target the multibillion-dollar angiogenesis cancer market.

| Y/E Jun | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|--------------|---------|----------|
| 2021    | 10.7            | (3.1)          | (3.1)       | (25.09)      | N/A     | N/A      |
| 2022    | 0.0             | (14.9)         | (14.9)      | (110.57)     | N/A     | N/A      |
| 2023e   | 0.0             | (19.0)         | (19.0)      | (111.41)     | N/A     | N/A      |
| 2024e   | 10.8            | (17.2)         | (17.2)      | (82.84)      | N/A     | N/A      |

**Sector: Mining**

Price: 0.9p  
 Market cap: £37m  
 Market: LSE 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 – namely, the Tulu Kapi project in Ethiopia (projected 70% interest) and the Hawiah and Jibal Qutman projects (both 30%) in Saudi Arabia.

**Price performance**

| %         | 1m   | 3m   | 12m  |
|-----------|------|------|------|
| Actual    | 17.3 | 29.7 | 18.1 |
| Relative* | 24.8 | 30.1 | 20.8 |

\* % 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. The company 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 having an agreed costing and finance plan for Tulu Kapi. The finance package of US\$390m is agreed in principle and project launch is expected imminently. KEFI's Jibal Qutman exploration licence in Saudi Arabia has also now been extended.

**INDUSTRY OUTLOOK**

In December, we calculated that KEFI was capable of generating free cash flow of c £84.0m pa from 2026 to 2031, driving average (maximum potential) dividends of 0.63p/share for the six years from 2026 to 2031 and valuing KEFI at 2.19p/share (fully diluted at the warrant exercise price of 1.6p/share to account for US\$11.5m/£9.4m in issuance over the next seven months). However, this valuation rises to over 5.88p in FY26 at spot metals prices.

| Y/E Dec | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (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          | (2.6)       | (6.9)    | (0.2)   | N/A     | N/A      |
| 2023e   | 0.0          | (1.4)       | (4.0)    | (0.1)   | N/A     | N/A      |

**Sector: General industrials**

Price: €15.40  
 Market cap: €230m  
 Market: Euronext Amsterdam

**Share price graph (€)**



**Company description**

Kendrion develops, manufactures and markets high-quality actuator products for industrial applications (53% of revenues) and automotive (47%). The geographical spread of FY22 revenues is Europe 68%, the Americas 17% and Asia 15%.

**Price performance**

| %         | 1m    | 3m    | 12m    |
|-----------|-------|-------|--------|
| Actual    | (6.4) | (0.4) | (21.4) |
| Relative* | (3.8) | (5.1) | (22.7) |

\* % 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. The company's financial targets for 2025 are: organic revenue growth of at least 5% pa on average and an EBITDA margin of at least 15%. We value Kendrion at €22.8 per share, the average of historical multiples, DCF and a peer comparison.

**INDUSTRY OUTLOOK**

In Q422, organic revenue growth was a strong 11% y-o-y with a recovery in Automotive (14%) and continued good growth in Industrial (7%). Group EBITDA in the quarter was up 4% y-o-y and margins were affected by higher input prices and higher engineering costs in preparation for the ramp up of new projects in 2023. Kendrion expects the uncertain economic environment to continue in H123 with potentially better economic circumstances in H223, which is based on the expectation that China's economy will benefit from the end of the strict zero-COVID policy.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|---------|---------|----------|
| 2021    | 463.6        | 55.8        | 20.1     | 139.04  | 11.1    | 4.2      |
| 2022    | 519.3        | 57.4        | (39.7)   | 145.01  | 10.6    | 4.4      |
| 2023e   | 552.5        | 68.3        | 32.7     | 166.73  | 9.2     | 3.4      |
| 2024e   | 593.6        | 80.4        | 45.5     | 222.77  | 6.9     | 2.9      |

**Sector: Pharma & healthcare**

Price: CHF0.01  
 Market cap: CHF12m  
 Market: SIX Swiss Exchange

**Share price graph (CHF)**



**Company description**

Based in Switzerland, Kinarus Therapeutics is a clinical-stage pharmaceutical company focused on advancing lead candidate KIN001 in inflammatory, fibrotic and/or viral infection-related conditions.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (29.3) | (10.2) | (84.6) |
| Relative* | (26.5) | (9.7)  | (82.7) |

\* % Relative to local index

**Analyst**

Pooya Hemami

## Kinarus Therapeutics (KNRS)

**INVESTMENT SUMMARY**

Kinarus Therapeutics is advancing KIN001, a patented orally dosed combination of p38 mitogen-activated protein kinase inhibitor pamapimod and pioglitazone. Preclinical data suggest this combination may have anti-inflammatory and anti-fibrotic activity, as well as antiviral properties against COVID-19. KIN001 is under development for the treatment of wet age-related macular degeneration, its lead indication, as well as idiopathic pulmonary fibrosis and COVID-19. Wet age-related macular degeneration is a leading cause of vision loss in older adults and there are no oral drugs approved to treat the condition, signalling a potentially significant unmet need.

**INDUSTRY OUTLOOK**

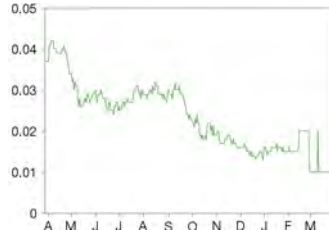
Upon availability of new funding, Kinarus plans to start a Phase II study in wet age-related macular degeneration, backed by preclinical data suggesting potential benefit in reducing choroidal neovascularisation lesions and in idiopathic pulmonary fibrosis. Having shown in vitro antiviral activity against many COVID-19 variants, KIN001 is currently being assessed in the KINFAST Phase II study in ambulatory COVID-19 patients.

| Y/E Dec | Revenue (CHFm) | EBITDA (CHFm) | PBT (CHFm) | EPS (fd) (CHFc) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|-----------------|---------|----------|
| 2020    | 0.0            | (1.5)         | (1.5)      | (31.17)         | N/A     | N/A      |
| 2021    | 0.0            | (5.1)         | (4.9)      | (0.41)          | 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**

Price: A\$0.01  
 Market cap: A\$80m  
 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    | (25.0) | (30.0) | (72.2) |
| Relative* | (22.1) | (28.6) | (70.1) |

\* % Relative to local index

**Analyst**

Lord Ashbourne

## Lepidico (LPD)

**INVESTMENT SUMMARY**

Lepidico's patented technologies produce lithium hydroxide (plus by-products) in an eco-friendly way, sourced from less contested minerals such as lepidolite. It has a definitive feasibility study on its Phase 1 project and in November 2022 it released updated economics with an NPV(8%) of US\$530m (cf US\$221m previously) and an IRR of 42% (cf 31%) from the production of c 4,900tpa battery grade lithium hydroxide (7,060tpa lithium carbonate equivalent including by-products). The operating life is 19 years.

**INDUSTRY OUTLOOK**

In 2022, Lepidico completed extensive pilot plant trials that should mitigate scale-up risk and this year has substantially upgraded its mineral resources (and ore reserves) at Karibib. In the light of these developments we increased our valuation of LPD by approximately a third to 8.61c/share plus a further 0.65–1.59c/share for a significantly risk-adjusted 20,000tpa lithium carbonate equivalent Phase 2 plant.

| 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     | 50.3     |
| 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            | (3.1)         | (14.7)     | 0.0          | N/A     | N/A      |



**Sector: Technology**

Price: 3.8p  
 Market cap: £7m  
 Market: LSE 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 (CEA). It also offers an end-to-end, full-service contract electronic manufacturing (CEM) capability (UK Circuits) based in the UK.

**Price performance**

| %         | 1m     | 3m  | 12m    |
|-----------|--------|-----|--------|
| Actual    | (16.7) | 7.1 | (69.4) |
| Relative* | (11.3) | 7.5 | (68.7) |

\* % Relative to local index

**Analyst**

Anne Margaret Crow

# Light Science Technologies Holdings (LST)

**INVESTMENT SUMMARY**

In December, Light Science Technologies Holdings noted that high input costs have resulted in strong interest in the group's CEA products because they help growers operate more efficiently. This demand has generated a sales pipeline for the group of quoted work worth more than £60m (as of December 2022), including forward orders and contracts of £18m (contingent on meeting certain milestones).

**INDUSTRY OUTLOOK**

High input costs have, however, caused growers to defer capital investment decisions, resulting in longer sales cycles. This adversely affected FY22 trading because some anticipated revenue streams for the CEA division are now more likely to materialise in FY23 rather than FY22. Based on this information, we have introduced estimates for FY22 and FY23.

| 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    | 38.0    | 13.6     |
| 2021    | 7.4          | (1.1)       | (1.6)    | (0.81)  | N/A     | N/A      |
| 2022e   | 8.2          | (1.7)       | (2.3)    | (1.21)  | N/A     | N/A      |
| 2023e   | 10.9         | (0.4)       | (1.0)    | (0.47)  | N/A     | N/A      |

**Sector: Mining**

Price: A\$0.28  
 Market cap: A\$176m  
 Market: ASX

**Share price graph (A\$)**

**Company description**

Lithium Power International's (LPI's) main asset is its 100% interest 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 its early-stage exploration lithium projects in Western Australia in Q1 CY23.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (13.8) | (34.1) | (58.2) |
| Relative* | (10.5) | (32.8) | (55.0) |

\* % Relative to local index

**Analyst**

Andrey Litvin

# Lithium Power International (LPI)

**INVESTMENT SUMMARY**

Lithium Power International has recently announced that it completed an acquisition of the water rights for the Maricunga project. This replaces a long-term lease that the company held for part of its water requirements and will secure water supply for both Stage 1 (15.2ktpa lithium carbonate) and any future expansions. LPI estimates the initial stage of the project will only require eight litres/second of water compared to the 62 litres/second rights acquired by the company. At end December 2022, the company had A\$20m in cash and no debt.

**INDUSTRY OUTLOOK**

We have raised our near-term lithium prices expectations to reflect the current supply/demand cycle and upgraded our long-run (post 2031) price forecasts (from US\$17,000/t to US\$22,500/t LCE) to reflect lithium's high demand growth and highly concentrated supply fundamentals. As a result, our valuation of LPI has increased from A\$1.24/share to A\$1.42/share assuming the full project equity dilution.

| Y/E Jun | Revenue (A\$m) | EBITDA (A\$m) | PBT (A\$m) | EPS (c) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|---------|---------|----------|
| 2021    | 0.0            | N/A           | (6.0)      | (2.16)  | N/A     | N/A      |
| 2022    | 0.0            | N/A           | (12.6)     | (3.77)  | N/A     | N/A      |
| 2023e   | 0.0            | N/A           | (2.7)      | (0.55)  | N/A     | N/A      |
| 2024e   | N/A            | N/A           | N/A        | N/A     | N/A     | N/A      |

**Sector: Financials**

Price: 95.4p  
 Market cap: £1636m  
 Market: LSE

**Share price graph (p)**



**Company description**

LXi REIT is an externally managed UK REIT investing in assets that are let on long, index-linked leases to strong financial covenants across a range of sectors with defensive characteristics.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (15.9) | (16.2) | (35.8) |
| Relative* | (10.5) | (15.9) | (34.3) |

\* % Relative to local index

**Analyst**

Martyn King

## LXi REIT (LXI)

**INVESTMENT SUMMARY**

LXi REIT's H123 results showed a successful integration of Secure Income REIT (SIR), creating a c £3.65bn portfolio that is well diversified by sectors and tenants and with long, c 26-year weighted average unexpired leases. 98% of rent is inflation protected or contains fixed uplifts which, along with merger cost savings and a full period contribution from SIR, will drive further income growth, leaving LXi well on track to meet its FY23 DPS target of 6.3p. As in H1, long, mostly indexed leases should mitigate some of the impact of market-wide yield widening that we expect to be reported with the March year-end property valuation. While this will delay the planned move towards a 30% LTV covenant headroom is strong and the refinancing of shorter maturity debt is progressing well.

**INDUSTRY OUTLOOK**

The commercial property market is cyclical, historically exhibiting substantial swings in capital values through cycles. Income returns have been significantly more stable. Across all main sectors, valuations are showing significant negative adjustment to higher bond yields and economic uncertainty. Unlike previous downturns, there are few areas of over-supply and gearing is generally lower.

| Y/E Mar | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|---------|---------|----------|
| 2021    | 42.8         | 36.9        | 39.2     | 7.5     | 12.7    | 17.4     |
| 2022    | 58.5         | 49.2        | 49.9     | 7.0     | 13.6    | 13.2     |
| 2023e   | 193.5        | 175.1       | 136.1    | 9.1     | 10.5    | 8.5      |
| 2024e   | 237.3        | 218.3       | 159.9    | 9.3     | 10.3    | 9.3      |

**Sector: General industrials**

Price: 161.0p  
 Market cap: £6528m  
 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    | 6.5  | 22.9 | 29.4 |
| Relative* | 13.3 | 23.2 | 32.4 |

\* % 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 internal rate of return 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 (Dowlais) 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. The demerger date is 20 April.

**INDUSTRY OUTLOOK**

Aerospace is recovering strongly with organic growth of 11% in 2022 and margins increased from 4.4% to 6.3%. Management is pointing to 15% growth in 2023 and retaining the 14%+ margin target once markets recover. Automotive organic growth was 9% which, with inflation recovery delivered as expected in H2, enabled margins to rise from 4.6% to 5.9%. Bookings were strong at more than £5bn with over 40% EV or hybrid EV.

| Y/E Dec | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 7263.0       | 676.0       | 194.0    | 3.1          | 51.9    | 11.2     |
| 2022    | 8191.0       | 808.0       | 384.0    | 7.0          | 23.0    | 8.4      |
| 2023e   | 8912.0       | 963.0       | 547.0    | 10.3         | 15.6    | 6.8      |
| 2024e   | 9559.0       | 1150.0      | 722.0    | 13.6         | 11.8    | 5.7      |

**Sector: Pharma & healthcare**

Price: SEK1.24  
 Market cap: SEK247m  
 Market: Nasdaq Nordic

**Share price graph (SEK)**

**Company description**

Mendus is a clinical-stage immunoncology (IO) company based in Sweden and the Netherlands. The company specialises in allogeneic dendritic cell (DC) biology and currently has two lead, cell-based, off-the-shelf therapies for haematological and solid tumours.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (32.4) | (51.0) | (46.1) |
| Relative* | (28.1) | (51.8) | (41.4) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Mendus (IMMU)

**INVESTMENT SUMMARY**

Mendus aims to become a global leader in off-the-shelf, allogeneic cell therapies, using its expertise in DC biology. It has two advanced clinical-stage pipeline products, addressing both solid tumours and haematological malignancies. DCP-001 is aimed at reducing the risk of cancer relapse after standard of care and is currently in two clinical trials: Phase II (currently in follow-up) in acute myeloid leukaemia (AML, ADVANCE-II) and Phase I in ovarian cancer (ALISON). Key survival data from DCP-001's use in AML was reported on 12 December 2022, demonstrating a competitive profile, in our view. The company's second asset, Ilixadencel, is being developed as an immune primer and is currently in preparations to start a Phase II trial in gastrointestinal stromal tumours. With an FY22 gross cash position of SEK41.9m and the committed financing available (SEK250m), which if fully executed, we expect could fund the company to H224.

**INDUSTRY OUTLOOK**

IO is a frenetic pharmaceutical development area with many clinical combination studies being conducted by pharmaceutical and biotech companies. Investors should expect relatively rich newsflow from this subsector over the next few years.

| Y/E Dec | Revenue (SEKm) | EBITDA (SEKm) | PBT (SEKm) | EPS (fd) (öre) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|----------------|---------|----------|
| 2021    | 0.0            | (129.1)       | (133.4)    | (72.5)         | N/A     | N/A      |
| 2022    | 3.4            | (129.5)       | (138.8)    | (70.0)         | N/A     | N/A      |
| 2023e   | 0.0            | (145.4)       | (151.6)    | (75.8)         | N/A     | N/A      |
| 2024e   | 0.0            | (62.5)        | (77.3)     | (38.6)         | N/A     | N/A      |

**Sector: Technology**

Price: €1.22  
 Market cap: €194m  
 Market: Deutsche Börse Xetra

**Share price graph (€)**

**Company description**

MGI - 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    | (27.7) | (28.2) | (66.1) |
| Relative* | (26.5) | (33.5) | (68.0) |

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## MGI - Media and Games Invest (M8G)

**INVESTMENT SUMMARY**

MGI – Media and Games Invest is increasingly focused on its vertically integrated multichannel advertising platform, retaining a core of games that serve to generate first-party data and provide an efficient sandpit for developing new services. FY22 results were at the top end of guidance (as revised upwards at Q322), despite the headwind of lower market advertising rates. This scenario has continued in Q123, and we have taken a cautionary approach to our revised FY23 forecasts, which will be reviewed when management issues guidance for the year at the Q1 update. Medium-term guidance remains for a revenue CAGR of 25–30%. The shares are valued well below peers and the level indicated by a discounted cash flow.

**INDUSTRY OUTLOOK**

The digital advertising market continues to undergo significant changes, mostly driven by changing attitudes towards privacy. Where there is change, there is opportunity. The target addressable market is vast and there is a long runway until market share starts to become an issue for MGI. As the group builds scale, its increasing reach attracts greater numbers of software customers and a higher calibre of advertisers, with larger budgets.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 252.2        | 65.0        | 26.9     | 19.77        | 6.2     | 10.8     |
| 2022    | 324.4        | 84.8        | 30.3     | 12.07        | 10.1    | N/A      |
| 2023e   | 343.0        | 82.7        | 22.8     | 8.11         | 15.0    | N/A      |
| 2024e   | 388.5        | 94.5        | 32.7     | 11.96        | 10.2    | 79.3     |

**Sector: Pharma & healthcare**

Price: 0.0p  
 Market cap: £2m  
 Market: LSE AIM

**Share price graph (p)**



**Company description**

Midatech is a drug-delivery specialist focused on re-engineering therapeutics through its technology platforms (MidaSolve, local drug-delivery; Q-Sphera, sustained-release; MidaCore, targeted delivery) to improve biodistribution and delivery.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (39.7) | (59.6) | (92.5) |
| Relative* | (36.2) | (59.7) | (92.4) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Midatech Pharma (MTPH)

**INVESTMENT SUMMARY**

Midatech is a drug delivery technology company with three key platforms focusing on commercialising and developing products in central nervous system, anti organ rejection and brain cancer. The core asset, Q-Sphera, is a sustained release technology; proprietary microspheres that can be tailored to deliver a precise release profile for numerous drugs. The second asset, MidaSolve, is a nanosaccharide technology used to liquefy inherently insoluble drugs to aid local delivery to a disease area. Its lead asset, MTX110, is undertaking clinical studies in aggressive brain cancers such as glioblastoma (Phase Ib trial commenced in Q422 with first patient recruited) and diffuse intrinsic pontine glioma, a very rare pediatric cancer. In December 2022, Midatech announced an all stock-acquisition of Bioasis Technologies, however, it did not receive shareholders' approval. Recently, the company announced it had raised £5m through a private placement, which remains crucial (though highly dilutive) in supporting its ongoing working capital requirements.

**INDUSTRY OUTLOOK**

The proprietary platforms develop products that address debilitating conditions with significant clinical needs. Applications are expected to be out-licensed for development following proof of concept.

| Y/E Dec | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|---------|---------|----------|
| 2020    | 0.3          | (9.5)       | (11.1)   | (22.92) | N/A     | 0.0      |
| 2021    | 0.6          | (6.6)       | (6.1)    | (6.78)  | N/A     | 0.0      |
| 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: Pharma & healthcare**

Price: 20.75PLN  
 Market cap: PLN291m  
 Market: Warsaw Stock Exchange

**Share price graph (PLN)**



**Company description**

Molecure is a clinical-stage biotechnology company. It uses its medicinal chemistry and biology capabilities to discover and develop first-in-class small molecule drug candidates that directly modulate the function of RNA and underexplored protein targets designed to treat multiple incurable diseases.

**Price performance**

| %         | 1m   | 3m   | 12m    |
|-----------|------|------|--------|
| Actual    | 10.8 | 51.5 | (30.8) |
| Relative* | 19.6 | 58.5 | (13.3) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Molecure (MOC)

**INVESTMENT SUMMARY**

Molecure aims to discover and develop drugs that have novel mechanisms of action to address inflammation, fibrosis and oncology. The company's two lead assets, OATD-01 (a chitotriosidase inhibitor) and OATD-02 (an ARG1/2 inhibitor), are approaching important clinical development milestones. After a purely strategic decision by partner Galapagos (June 2022), the rights to OATD-01 were returned to the company. Molecure now plans to leverage newly collected data to commence a Phase II trial with OATD-01 in sarcoidosis in mid-2023. Top-line results are expected in Q125. In addition, the company's second clinical asset, OATD-02, began Phase I trials in solid tumour indications in Q123. With a cash position of PLN80.7m at end-September 2022, the company guides that its current runway is into Q224.

**INDUSTRY OUTLOOK**

There remain serious unmet medical needs in the treatment of inflammatory and fibrotic diseases such as sarcoidosis, idiopathic pulmonary fibrosis and non-alcoholic steatohepatitis. Additionally, there is a constant need for new, targeted cancer treatments. The development of drugs which act through novel mechanisms of action could address these problems.

| Y/E Dec | Revenue (PLNm) | EBITDA (PLNm) | PBT (PLNm) | EPS (fd) (gr) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|---------------|---------|----------|
| 2020    | 124.9          | 73.9          | 112.0      | 745.0         | 2.8     | 5.0      |
| 2021    | 1.2            | (13.5)        | (11.0)     | (79.0)        | N/A     | N/A      |
| 2022e   | N/A            | N/A           | N/A        | N/A           | N/A     | N/A      |
| 2023e   | N/A            | N/A           | N/A        | N/A           | N/A     | N/A      |

**Sector: Financials**

Price: 281.0p  
 Market cap: £430m  
 Market: LSE AIM

**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    | (25.0) | (17.7) | (60.3) |
| Relative* | (20.2) | (17.5) | (59.4) |

\* % Relative to local index

**Analyst**

Milosz Papst

## Molten Ventures (GROW)

**INVESTMENT SUMMARY**

At the 2023 capital markets day on 9 February, Molten's CEO outlined the company's key priorities. At the holding level, management continues to focus on capital preservation. Molten still wants to leverage third-party capital to participate in larger deals and to generate recurring fee income to cover most or all of its ongoing expenses. Given the change in market dynamics since late 2021/early 2022, Molten declares it has a 'laser-like' focus on securing the capital needs – and extending the cash runway – of its portfolio companies. It also seeks continued targeted growth of its portfolio holdings and focuses on exits.

**INDUSTRY OUTLOOK**

After a strong run in 2021, the technology sector faced a challenging macroeconomic environment triggering market rotation towards value and out of growth (impacting valuations of listed high-growth tech companies). While Q422 deal volumes of €12.8bn across the European venture capital market were 54% below Q421, they represented only an 8% decline from Q420 (according to PitchBook) and Molten's CEO highlighted recently that 'landmark' deals are still being completed. At the same time, the market downturn is likely to create opportunities for long-term investors. More recently, public equities (including tech stocks) have rallied in early 2023.

| 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        | 1.4     | 1.3      |
| 2022    | 351.2        | N/A         | 331.1    | 218.0        | 1.3     | 1.3      |
| 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: €2.43  
 Market cap: €95m  
 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 original equipment manufacturers (OEMs) and dealers a suite of digital tools to support the vehicle lifecycle end-to-end.

**Price performance**

| %         | 1m    | 3m    | 12m    |
|-----------|-------|-------|--------|
| Actual    | (5.1) | 116.0 | (55.8) |
| Relative* | (2.4) | 105.8 | (56.5) |

\* % Relative to local index

**Analyst**

Max Hayes

## MotorK (MTRK)

**INVESTMENT SUMMARY**

MotorK's FY22 results showed a 40% y-o-y increase in reported revenue and a 78% increase in annual recurring revenue (40% organic growth), driven by new enterprise contract wins, higher retail average contract values and contributions from newly acquired companies. Customer churn remained low, while net retention benefited from higher levels of cross- and up-selling, underpinned by multi-product adoption. Higher marketing and R&D costs affected cash in FY22 but should support operating leverage from FY23 now that most of the investment is complete.

**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   | 38.5         | 0.2         | (8.8)    | (22.03)      | N/A     | N/A      |
| 2023e   | 55.8         | 14.8        | 2.8      | 5.26         | 46.2    | 97.2     |



**Sector: Consumer support services**

Price: 25.5p  
 Market cap: £27m  
 Market: LSE AIM

**Share price graph (p)**



**Company description**

musicMagpie is a circular economy pioneer in refurbished consumer technology and media in the UK and United States. It is expanding its offer into rentals of smartphones and other technology to consumers and corporates, and widening its sourcing infrastructure.

**Price performance**

| %         | 1m     | 3m   | 12m    |
|-----------|--------|------|--------|
| Actual    | (36.6) | 13.3 | (51.4) |
| Relative* | (32.5) | 13.7 | (50.3) |

\* % Relative to local index

**Analyst**

Russell Pointon

## musicMagpie (MMAG)

**INVESTMENT SUMMARY**

musicMagpie delivered FY22 results in line with our expectations despite the tougher environment faced by UK consumer-facing companies. Strong revenue growth from Consumer Technology offset the decline in Disc Media and Books. The multiple initiatives to increase and improve sourcing of products and to grow its end-markets are bearing fruit, as evidenced by the growing proportion of Consumer Technology sales. Our profit expectations are broadly unchanged as we anticipate better growth in Consumer Technology offsetting the decline in Disc Media and Books.

**INDUSTRY OUTLOOK**

The markets for pre-owned products in MMAG's core categories in the UK and United States were worth £9bn in FY20, of which the UK was £1.6bn and the United States 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) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 145.5        | 12.2        | 7.9      | 6.11         | 4.2     | 2.3      |
| 2022    | 145.3        | 6.5         | (0.9)    | (0.71)       | N/A     | 4.9      |
| 2023e   | 153.8        | 9.2         | (1.1)    | (0.86)       | N/A     | 3.0      |
| 2024e   | 165.1        | 11.5        | 0.7      | 0.50         | 51.0    | 2.4      |

**Sector: General industrials**

Price: €25.14  
 Market cap: €3592m  
 Market: Athens Stock Exchange

**Share price graph (€)**



**Company description**

Mytilineos is a leading industrial company with an international presence in all five continents. The company is active in Energy and Metals (integrated aluminium smelting). Its renewable energy business is growing strongly organically, helped by European policy initiatives.

**Price performance**

| %         | 1m  | 3m   | 12m  |
|-----------|-----|------|------|
| Actual    | 0.6 | 25.8 | 78.6 |
| Relative* | 8.1 | 12.2 | 45.4 |

\* % Relative to local index

**Analyst**

Andrew Keen

## Mytilineos (MYTIL)

**INVESTMENT SUMMARY**

Mytilineos is a leading industrial company with international presence in all five continents. We have recently raised our earnings estimates and increased our valuation 29% from €28/share to €36/share. Cyclical factors helped earnings acceleration in 2022, but we see underlying organic growth (particularly in Energy) resetting earnings to €1bn/year from FY24. Mytilineos is simplifying its story around two key activities in a roughly 70/30 earnings mix: Energy (renewables, generation and natural gas supply) and Metallurgy (aluminium smelting). Its renewables business is particularly well positioned to benefit from European policy initiatives.

**INDUSTRY OUTLOOK**

Mytilineos has a portfolio of low-cost energy and metals assets. Its renewable energy business is growing strongly organically, helped by European policy initiatives. Its power business benefits from access to relatively low-cost natural gas and its generating and aluminium smelting assets are highly efficient.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 2664.0       | 359.0       | 239.0    | 132.73       | 18.9    | 12.3     |
| 2022    | 6306.0       | 823.0       | 635.0    | 341.17       | 7.4     | 3.6      |
| 2023e   | 5953.0       | 931.0       | 691.0    | 376.62       | 6.7     | 5.8      |
| 2024e   | 5575.0       | 1048.0      | 787.0    | 431.01       | 5.8     | 3.2      |

**Sector: Technology**

Price: US\$2.60  
 Market cap: US\$647m  
 Market: Nasdaq

**Share price graph (US\$)**



**Company description**

Nano Dimension offers equipment for additive manufacture of high-performance electronic devices, complex 3D ceramic and metal objects as well as miniature parts requiring a resolution of only one micron. It also offers complementary equipment for automated assembly of electronic devices and PCBs.

**Price performance**

| %         | 1m     | 3m  | 12m    |
|-----------|--------|-----|--------|
| Actual    | (10.7) | 7.9 | (30.7) |
| Relative* | (10.5) | 3.9 | (20.8) |

\* % Relative to local index

**Analyst**

Anne Margaret Crow

## Nano Dimension (NNDM)

**INVESTMENT SUMMARY**

Nano Dimension has built up a uniquely broad portfolio of complementary additive manufacturing capabilities through a sequence of acquisitions starting in April 2021. Revenues have grown from US\$3.4m in FY20 to US\$43.6m in FY22. At the end of December 2022 the group had US\$1.0bn in cash and equivalents to accelerate this strategy.

**INDUSTRY OUTLOOK**

On 9 March Nano Dimension made a formal, non-binding offer to acquire Stratasys (Nasdaq: SSYS) for US\$18.00/share in cash. Under the terms of the proposal, Nano Dimension, which has been the largest shareholder of Stratasys since July 2022 and currently owns approximately 14.5% of the company's outstanding shares, would have acquired the remaining shares of Stratasys for a total consideration of c US\$1.1bn in cash. Stratasys rejected the initial offer, following which Nano Dimension has increased it to US\$19.55/share.

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|---------|---------|----------|
| 2020    | 3.4             | (12.6)         | (15.0)      | (34.87) | N/A     | N/A      |
| 2021    | 10.5            | (38.4)         | (44.5)      | (17.97) | 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: Technology**

Price: 20.0p  
 Market cap: £64m  
 Market: LSE, Nasdaq

**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    | (14.9) | (55.1) | (16.7) |
| Relative* | (9.5)  | (54.9) | (14.7) |

\* % Relative to local index

**Analyst**

Anne Margaret Crow

## Nanoco Group (NANO)

**INVESTMENT SUMMARY**

Nanoco's H123 revenues benefitted from the successful delivery of technical milestones for its European electronics customer, taking it close to full production validation of two different wavelength materials for use in sensing chips. Revenue jumped by 45% year-on-year to £1.6m, while cost savings from exiting the Manchester facility helped offset inflationary cost increases, so adjusted EBITDA losses were stable at £1.1m. Net cash consumption during H123 was £0.8m, giving a cash balance of £6.0m at the period end.

**INDUSTRY OUTLOOK**

Shortly after the H123 period end, Nanoco signed the final agreements to settle the litigation with Samsung on a no fault basis for the alleged infringement of the group's IP. Samsung agreed to pay Nanoco \$150m (£124.3m) in cash in two equal tranches. The first of these has been paid, the second is payable by 3 February 2024. After deducting litigation costs, Nanoco will retain c £71.4m net proceeds after costs. The settlement frees management to concentrate on getting the company ready for volume production in anticipation of receiving its first production order later in CY23.

| Y/E Jul | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 2.1          | (2.8)       | (4.7)    | (1.30)       | N/A     | N/A      |
| 2022    | 2.5          | (2.1)       | (4.6)    | (1.32)       | N/A     | N/A      |
| 2023e   | 6.0          | 0.5         | (0.8)    | (0.26)       | N/A     | 128.8    |
| 2024e   | N/A          | N/A         | N/A      | N/A          | N/A     | N/A      |

**Sector: Mining**

Price: US\$48.21  
 Market cap: US\$38303m  
 Market New York SE, Toronto SE

**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    | 11.2 | (1.1) | (38.9) |
| Relative* | 11.4 | (4.8) | (30.3) |

\* % 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 5.7–6.7Moz Au plus 1.4–1.6Moz AuE in co- and by-products per annum from attributable reserves of 96.1Moz Au and reserves and resources of 207.6Moz in top tier jurisdictions. It aims to distinguish itself via its high ESG standards, 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\$1,400/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). Newmont's potential merger with Newcrest also remains in discussion. In the meantime, using a real discount rate of 6.52%, we value the company at US\$66.69/share, based on a long-term (real) gold price of US\$1,524/oz and assuming just 2.0% growth per annum in real cash flows.

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|--------------|---------|----------|
| 2021    | 12222.0         | 5963.0         | 3366.0      | 296.4        | 16.3    | 165.3    |
| 2022    | 11915.0         | 4550.0         | 2138.0      | 184.7        | 26.1    | N/A      |
| 2023e   | 12372.0         | 4968.0         | 2381.0      | 212.7        | 22.7    | 22.0     |
| 2024e   | 11827.0         | 4963.0         | 1727.0      | 150.3        | 32.1    | 30.5     |

**Sector: Pharma & healthcare**

Price: CHF6.32  
 Market cap: CHF113m  
 Market SIX Swiss Exchange

**Share price graph (CHF)**



**Company description**

Newron Pharmaceuticals is focused on the central nervous system. Xadago for Parkinson's disease (PD) is sold in Europe, Japan, the United States and other regions. Evenamide, a novel schizophrenia add-on therapy, is involved in a Phase II/III trial programme targeting schizophrenia.

**Price performance**

| %         | 1m    | 3m    | 12m   |
|-----------|-------|-------|-------|
| Actual    | (5.4) | 300.0 | 393.8 |
| Relative* | (1.6) | 302.0 | 454.9 |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Newron Pharmaceuticals (NWRN)

**INVESTMENT SUMMARY**

Newron is developing evenamide (30mg twice per day) as an add-on to treat poorly managed and treatment resistant schizophrenia (TRS). A potentially pivotal Phase II/III study (008A) in patients with schizophrenia who are taking antipsychotics but not classified as having TRS is underway with readouts expected in H223. Newron intends to begin an additional, potentially pivotal, multinational Phase III study (study 003) in TRS diagnosed patients (expected to start in H223). This follows positive top-line results reported in Q123 from a Phase II trial (study 014/015) where evenamide demonstrated both safety and efficacy in moderate-to-severe TRS, and positive interim safety and efficacy results up to one year of treatment from the first 100 TRS patients randomised to that study. In FY22, Newron's total revenue recorded moderate growth of 5.8% y-o-y to €6.1m, largely pertaining to royalty payments from sales of Xadago.

**INDUSTRY OUTLOOK**

Xadago is marketed as an add-on to levodopa therapy in PD. It is currently sold in Europe, Japan, the United States and other territories. Generic manufacturers have notified the FDA of their intention to file generic Xadago products. Newron is contesting these filings. After 2022, Xadago is protected by a set of patents, which expire no earlier than 2027 if upheld.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (c)  | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|----------|---------|----------|
| 2021    | 5.8          | (11.4)      | (14.1)   | (79.23)  | N/A     | N/A      |
| 2022    | 6.1          | (12.6)      | (17.0)   | (95.34)  | N/A     | N/A      |
| 2023e   | 6.5          | (14.2)      | (17.1)   | (95.86)  | N/A     | N/A      |
| 2024e   | 6.8          | (19.1)      | (22.3)   | (124.77) | N/A     | N/A      |

**Sector: Pharma & healthcare**

Price: €0.65  
 Market cap: €33m  
 Market: Euronext Paris

**Share price graph (€)**

**Company description**

France-based Nicox develops therapeutics for the treatment of ocular conditions. Lead candidate NCX-470 is in Phase III studies for the treatment of glaucoma and it is advancing NCX-4251 for dry eye disease. Nicox receives licence revenue for its FDA-approved drugs Vyzulta and Zerviate.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (18.7) | (40.0) | (66.4) |
| Relative* | (15.9) | (44.2) | (68.4) |

\* % Relative to local index

**Analyst**

Pooya Hemami

## NICOX (COX)

**INVESTMENT SUMMARY**

Nicox develops drugs for eye diseases, with lead candidate NCX-470 targeting the topical ocular treatment of glaucoma. NCX-470 combines an NO-donating molecule with an analogue of established prostaglandin F2a drug, bimatoprost. NCX-470 0.1% showed non-inferiority compared to latanoprost 0.005% in the lowering of intraocular pressure in the Mont-Blanc Phase III study and the company is pursuing a second Phase III study (Denali). Nicox also has a Phase II stage drug candidate in NCX-4251 for dry eye disease, which it is seeking to out-license for further development.

**INDUSTRY OUTLOOK**

In addition to its established intraocular pressure lowering activity, Nicox is starting a Phase IIIb study in H123 to investigate whether NCX-470 can provide improvements to retinal perfusion, which may provide an additional protective mechanism for glaucoma treatment. Nicox had €27.7m gross cash at 31 December 2022 and has guided that it is financed into Q224, based on the development of NCX-470 alone.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2020    | 14.4         | (5.3)       | (10.2)   | (30.33)      | N/A     | N/A      |
| 2021    | 8.6          | (16.5)      | (15.5)   | (31.74)      | N/A     | N/A      |
| 2022e   | 5.2          | (21.1)      | (18.3)   | (33.68)      | N/A     | N/A      |
| 2023e   | 7.5          | (17.2)      | (19.0)   | (37.75)      | N/A     | N/A      |

**Sector: General industrials**

Price: 182.5p  
 Market cap: £163m  
 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    | (11.0) | 0.4 | (31.9) |
| Relative* | (5.3)  | 0.7 | (30.3) |

\* % Relative to local index

**Analyst**

Andy Murphy

## NORCROS (NXR)

**INVESTMENT SUMMARY**

Norcros's interims highlighted a solid H1 performance and although we have reduced our estimates to reflect a weaker outlook into FY24, we believe that Norcros's proven strategy remains on track, which should allow it to unlock significant market share opportunities. We also believe that its key strengths are undervalued and that most, if not all, of the legacy issues, particularly the pension deficit, have been resolved. Our valuation of 252p per share implies c 40% upside, but we acknowledge there is upside to estimates from a market recovery when it materialises.

**INDUSTRY OUTLOOK**

In the UK housing market's recovery phase from the impact of the COVID-19 pandemic, repair, maintenance and improvement 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        | 6.2     | 3.8      |
| 2022    | 396.3        | 47.0        | 38.6     | 37.99        | 4.8     | 3.1      |
| 2023e   | 448.9        | 53.6        | 41.8     | 35.86        | 5.1     | 3.0      |
| 2024e   | 462.6        | 52.4        | 38.9     | 32.89        | 5.5     | 3.1      |

**Sector: Financials**

Price: 215.0p  
 Market cap: £237m  
 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-September 2022, it employed 336 staff in offices in London, Dublin and New York and had 176 corporate clients.

**Price performance**

| %         | 1m    | 3m   | 12m    |
|-----------|-------|------|--------|
| Actual    | (5.7) | 11.2 | (14.7) |
| Relative* | 0.3   | 11.5 | (12.7) |

\* % Relative to local index

**Analyst**

Andrew Mitchell

# Numis Corporation (NUM)

**INVESTMENT SUMMARY**

In February Numis released a trading update for the four months to end January. As anticipated at the time of the FY22 results, low levels of equity issuance and corporate activity have continued into H123 and revenues for the period were similar to the H222 run rate. Within Investment Banking, capital markets activity remained subdued. However, momentum in M&A advisory was maintained and the near-term pipeline in this area was strong, demonstrating the benefit of Numis's diversifying investment in the business. Equities revenue was slightly ahead of the H222 run rate, benefiting from a significant rally in small and mid-cap equity indices.

**INDUSTRY OUTLOOK**

In its update Numis noted that while the timing of a recovery in capital markets is uncertain, it did see some improvement in institutional appetite for both primary and secondary offerings, a potentially encouraging early indicator, albeit market volatility has increased again more recently. On a longer view, the company retains a strong client base and will continue to invest selectively in staff and technology to expand its capabilities and enhance its operational efficiency, underpinning its performance through market cycles.

| Y/E Sep | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 215.6        | 72.3        | 74.2     | 49.1         | 4.4     | 4.3      |
| 2022    | 144.2        | 25.6        | 20.9     | 11.9         | 18.1    | 210.6    |
| 2023e   | 151.8        | 28.7        | 24.0     | 16.8         | 12.8    | 7.4      |
| 2024e   | N/A          | N/A         | N/A      | N/A          | N/A     | N/A      |

**Sector: Investment companies**

Price: 900.0p  
 Market cap: £318m  
 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    | (1.6) | 1.1 | (4.3) |
| Relative* | 4.7   | 1.4 | (2.0) |

\* % Relative to local index

**Analyst**

Andy Murphy

# Ocean Wilsons Holdings (OCN)

**INVESTMENT SUMMARY**

Ocean Wilson (OCN) reported in its Q322 update that the investment portfolio's (OWIL's) NAV declined by 19.5% year to date due to difficult financial markets (eg the MSCI World Index fell by 25%). However, Wilson Sons (PORT3) saw its quarterly PBT grow 20% yo-yo in US dollar terms. The towage and offshore vessels divisions (two of PORT3's three key divisions) continue to have positive operating trends. The third division, container terminal ports, is still experiencing the headwinds of a global logistics bottleneck but the situation is expected to improve in the coming quarters. Despite the decline in OWIL's NAV, OCN is trading at a 52% discount to the look-through value of its stake in PORT3 and the OWIL portfolio. This rises to 58% if we use our fair value for 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.

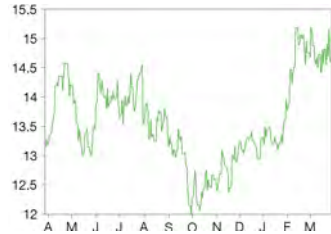
| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|---------|---------|----------|
| 2020    | 352.8           | 138.8          | 74.6        | 109.5   | 9.9     | 2.5      |
| 2021    | 396.4           | 162.0          | 110.4       | 180.1   | 6.0     | 2.4      |
| 2022e   | 432.4           | 168.2          | 33.6        | (41.8)  | N/A     | 2.4      |
| 2023e   | 478.3           | 192.6          | 111.5       | 148.0   | 7.4     | 2.0      |



**Sector: Travel & leisure**

Price: €14.80  
 Market cap: €5377m  
 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    | 0.3 | 14.3 | 14.6  |
| Relative* | 7.9 | 1.9  | (6.7) |

\* % Relative to local index

**Analyst**

Russell Pointon

## OPAP (OPAP)

**INVESTMENT SUMMARY**

OPAP's FY22 results benefitted from the ongoing retail recovery post COVID-19, and a still-growing contribution from online (despite the tough comparative) as the enhanced offering attracts more customers. FY22 revenue was c 5% below our estimate, but EBITDA was c 2% above guidance. This is noteworthy as EBITDA was towards the top end of guidance from the start of 2022, despite revenue being more than 11% below initial guidance. Management's guidance for FY23 is revenue growth 6–10% y-o-y and EBITDA 1–3%. Guidance understates underlying EBITDA growth (we estimate 3–5%) as FY22 included associate income from Betano, which has been sold.

**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) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 1538.8       | 551.2       | 364.6    | 82.28        | 18.0    | 9.2      |
| 2022    | 1939.0       | 722.6       | 565.9    | 122.22       | 12.1    | 7.3      |
| 2023e   | 2063.5       | 742.8       | 591.3    | 123.92       | 11.9    | 7.2      |
| 2024e   | 2110.2       | 746.8       | 600.4    | 126.01       | 11.7    | 7.2      |

**Sector: Pharma & healthcare**

Price: US\$1.43  
 Market cap: US\$8m  
 Market Nasdaq

**Share price graph (US\$)**



**Company description**

OpGen is primarily a lab diagnostic manufacturer focused on identifying and treating bacterial infections. It has the technology to detect pathogens and predict resistance and through the dual platform offering of the AMR Gene Panel and Unyvero, it can provide diagnostic results in hours instead of days.

**Price performance**

| %         | 1m   | 3m     | 12m    |
|-----------|------|--------|--------|
| Actual    | 40.2 | (40.4) | (90.6) |
| Relative* | 40.4 | (42.6) | (89.3) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## OpGen (OPGN)

**INVESTMENT SUMMARY**

OpGen is a diagnostics company focused on the identification and treatment of bacterial infections. Its portfolio of molecular diagnostic tests includes the Unyvero platform with five CE-IVD-marked tests and two FDA-cleared cartridges; Ares Genetics' next-generation antimicrobial resistance (AMR) testing services; the 510(k) cleared Acuitas AMR Gene Panel in bacterial isolates; and ARES Genetics (NGS and bioinformatics platform). OpGen's products are differentiated by short turnaround time, large range of pathogen detection and AMR profiling. OpGen reported FY22 revenue of \$2.7m (within the guidance range of \$2.5–3.0m), followed by the share consolidation in the ratio of 1:20 and a \$7.5m equity issue in January 2023.

**INDUSTRY OUTLOOK**

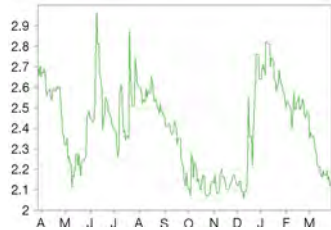
It currently takes days to test a patient sample to find out if they have an infection, what they are infected with and to which drugs that infection might be susceptible. This can lead to a delay in treatment or the wrong treatment being prescribed. According to the Centers for Disease Control and Prevention, there are over two million cases of drug-resistant bacterial infections every year.

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (c)  | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|----------|---------|----------|
| 2020    | 4.2             | (19.6)         | (24.7)      | (3148.5) | N/A     | N/A      |
| 2021    | 4.3             | (20.4)         | (35.7)      | (2342.4) | N/A     | N/A      |
| 2022e   | 3.2             | (19.9)         | (25.4)      | (1021.6) | N/A     | N/A      |
| 2023e   | 5.3             | (16.7)         | (21.8)      | (751.5)  | N/A     | N/A      |

**Sector: Pharma & healthcare**

Price: €2.14  
 Market cap: €122m  
 Market: Madrid SE

**Share price graph (€)**



**Company description**

Oryzon Genomics is a Spanish biotech focused on epigenetics. Iadademstat is being explored for acute leukaemias, small-cell lung cancer and neuroendocrine tumours. Vafidemstat, its central nervous system asset, has completed several Phase IIa trials and a Phase IIb trial in borderline personality disorder is now the lead study.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (13.6) | (22.5) | (19.4) |
| Relative* | (9.6)  | (28.0) | (24.6) |

\* % Relative to local index

**Analyst**

Soo Romanoff

# Oryzon Genomics (ORY)

**INVESTMENT SUMMARY**

Oryzon develops small molecule inhibitors for epigenetic targets. The two lead drugs are iadademstat for oncology and vafidemstat for central nervous system (CNS) indications (both are LSD1 inhibitors, an epigenetic target). In oncology, positive top-line data has been reported from the ALICE trial in acute myeloid leukaemia (AML) while new trials FRIDA in AML (first patient dosed in Q123) and STELLAR in small cell lung cancer (SCLC) could potentially be pivotal, with the FDA having now granted orphan drug designation for iadademstat in AML and SCLC. The FRIDA study represents one of Oryzon's key strategic priorities. In CNS, vafidemstat is being evaluated in two Phase IIb trials, PORTICO in borderline personality disorder and EVOLUTION in schizophrenia, with interim results from PORTICO expected in Q123. Oryzon is also hoping to register vafidemstat in its Phase I/II HOPE study targeting Kabuki syndrome.

**INDUSTRY OUTLOOK**

Oryzon is among the leading clinical stage drug developers with a second generation of epigenetic therapeutics, which have greater selectivity and potentially a favourable safety/efficacy profile than the first generation HDAC inhibitors.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 10.6         | (6.9)       | (7.2)    | (8.83)       | N/A     | N/A      |
| 2022    | 15.7         | (5.3)       | (6.4)    | (7.43)       | N/A     | N/A      |
| 2023e   | 17.3         | (3.7)       | (4.2)    | (3.31)       | N/A     | N/A      |
| 2024e   | 19.0         | (9.3)       | (10.0)   | (13.79)      | N/A     | N/A      |

**Sector: Pharma & healthcare**

Price: €5.23  
 Market cap: €97m  
 Market: Euronext Paris

**Share price graph (€)**



**Company description**

OSE Immunotherapeutics is based in Nantes and Paris in France and is listed on the Euronext Paris exchange. It is developing immunotherapies for the treatment of solid tumours and autoimmune diseases and has established several partnerships with large pharma companies.

**Price performance**

| %         | 1m    | 3m     | 12m    |
|-----------|-------|--------|--------|
| Actual    | (7.8) | (18.7) | (40.4) |
| Relative* | (4.6) | (24.4) | (43.9) |

\* % Relative to local index

**Analyst**

Soo Romanoff

# OSE Immunotherapeutics (OSE)

**INVESTMENT SUMMARY**

OSE Immunotherapeutics (OSE) and its three pharma partners have made progress with all key clinical and preclinical assets. The final analysis of the data from the most advanced trial in OSE's R&D pipeline, the Phase III ATALANTE-1 study investigating lung cancer vaccine Tedopi, revealed a potential path to market and OSE aims to begin a new Phase III trial in FY23. The three partnered assets – BI 765063, S95011/OSE-127 and VEL-101/FR104 – are at different stages of clinical development and generate relatively steady licensing fee income. In December 2022 OSE announced its fifth asset to enter clinical trials, OSE-279, an anti-PD1 blocking monoclonal antibody being investigated for the treatment of advanced solid tumours or lymphomas. The first data readouts from the Phase I/II trial are expected in 2024.

**INDUSTRY OUTLOOK**

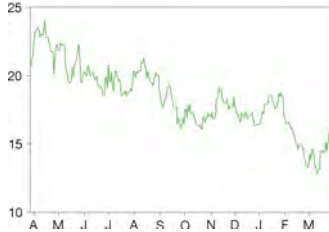
OSE has products in development for both immunological diseases and various cancer indications. As a result, the R&D pipeline is diversified and the outlook does not depend on developments in any specific subsector.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (c)  | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|----------|---------|----------|
| 2020    | 10.4         | (18.1)      | (18.5)   | (101.83) | N/A     | N/A      |
| 2021    | 26.3         | (13.6)      | (16.5)   | (89.03)  | 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**

Price: 15.5p  
 Market cap: £344m  
 Market: LSE 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 45koz, rising to >75koz).

**Price performance**

| %         | 1m   | 3m    | 12m    |
|-----------|------|-------|--------|
| Actual    | 17.1 | (5.3) | (27.3) |
| Relative* | 24.6 | (5.0) | (25.6) |

\* % Relative to local index

**Analyst**

Lord Ashbourne

## Pan African Resources (PAF)

**INVESTMENT SUMMARY**

Group production guidance for FY23 remains unchanged at 195–205koz in the wake of H123 results; however we have upgraded our EPS forecasts for the full year. In the short term, Pan African will benefit from a reconfiguration of shift cycles at the Fairview and Sheba Mines to continuous (24/7) operations. Subject to the normal permitting process, the group will embark upon the development of its Mogale project later this year, which we believe will increase medium-term production to c 250koz pa in 2026 and push normalised HEPS to close to 6.00c/share.

**INDUSTRY OUTLOOK**

Following H123 results, our core valuation of Pan African is 32.59c/share (27.08p/share), based on projects either already in production or sanctioned. However, this rises by 16.09–21.11c (13.30–17.45p) once other assets (eg Egoli) are also taken into account. Alternatively, if the company’s historical average price to normalised EPS ratio of 8.6x is applied to our FY23 forecast, it implies a share price of 29.53p, followed by 30.49p in FY24.

| 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    | 4.1     | 2.9      |
| 2022    | 376.4           | 147.8          | 117.2       | 4.44    | 4.2     | 2.5      |
| 2023e   | 355.0           | 144.5          | 109.0       | 4.17    | 4.5     | 3.0      |
| 2024e   | 342.1           | 130.1          | 100.2       | 4.31    | 4.3     | 2.7      |

**Sector: Mining**

Price: US\$18.07  
 Market cap: US\$3804m  
 Market: Nasdaq

**Share price graph (US\$)**



**Company description**

Pan American Silver (PAAS) is one of the largest global primary silver producers and a sizeable gold miner with operations in North, Central and South America since 1994. It owns seven 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    | 23.1 | 4.3 | (36.1) |
| Relative* | 23.2 | 0.4 | (27.0) |

\* % Relative to local index

**Analyst**

Andrey Litvin

## Pan American Silver (PAAS)

**INVESTMENT SUMMARY**

PAAS reported an encouraging set of Q4/FY22 results, with Q4 EBITDA of US\$92.3m exceeding consensus expectations by c 21% and FY22 EBITDA coming in at US\$272m, c 6% above consensus. The bottom line was distorted by US\$212m of exceptionals, including US\$157m in one-off costs associated with the Yamana transaction. Excluding Yamana costs, FY22 company adjusted net profit came in at US\$17.9m (US\$4.8m in adjusted net loss in Q422). PAAS has swung into net debt of US\$118m (US\$82m including ST investments; FY21 net cash of US\$238m) after raising US\$160m in debt to fund the Yamana/Gold Fields termination fee.

**INDUSTRY OUTLOOK**

Despite the relative strength of gold and silver prices, PAAS’s share price performance remains relatively muted and, in our opinion, does not reflect the transformative nature of the Yamana transaction. The stock is currently trading at a consensus FY23e EV/EBITDA of c 11x, which appears to be an undemanding multiple.

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|--------------|---------|----------|
| 2021    | 1632.8          | 593.2          | 274.0       | 60.10        | 30.1    | 38.5     |
| 2022    | 1494.7          | 272.0          | (66.6)      | (51.01)      | 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: Pharma & healthcare**

Price: A\$1.35  
 Market cap: A\$379m  
 Market: ASX

**Share price graph (A\$)**



**Company description**

Paradigm Biopharmaceuticals is an Australian biotechnology company focused on the development of injectable pentosan polysulfate (iPPS). Its most advanced clinical programme is investigating the drug's use as a potentially disease modifying treatment for knee osteoarthritis (kOA).

**Price performance**

| %         | 1m  | 3m    | 12m  |
|-----------|-----|-------|------|
| Actual    | 0.4 | (6.6) | 21.9 |
| Relative* | 4.2 | (4.7) | 31.2 |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Paradigm Biopharma (PAR)

**INVESTMENT SUMMARY**

Paradigm Biopharmaceuticals is a late-stage Australian drug developer focused on developing iPPS. The company's most advanced clinical programme is investigating iPPS as a potentially disease modifying treatment for kOA, a globally prevalent condition with unmet medical needs. Paradigm's comprehensive Phase III programme is designed to maximise the potential of iPPS in kOA. At end-December 2022, the company had A\$83.9m in cash, supported by an August 2022 capital raise of A\$66.0m, which management expects will provide a runway into FY24. Additional cash will be needed to fund the final part of the Phase III programme.

**INDUSTRY OUTLOOK**

kOA is a highly prevalent and quality-of-life impacting disease. Currently no disease modifying drugs are available for the condition, resulting in serious unmet medical needs and a potentially significant opportunity for drug developers.

| Y/E Jun | Revenue (A\$m) | EBITDA (A\$m) | PBT (A\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|--------------|---------|----------|
| 2021    | 8.9            | (51.5)        | (34.3)     | (16.74)      | N/A     | N/A      |
| 2022    | 0.1            | (55.7)        | (39.2)     | (16.87)      | N/A     | N/A      |
| 2023e   | N/A            | N/A           | N/A        | N/A          | N/A     | N/A      |
| 2024e   | N/A            | N/A           | N/A        | N/A          | N/A     | N/A      |

**Sector: General industrials**

Price: €5.18  
 Market cap: €23m  
 Market

**Share price graph (€)**



**Company description**

Based in Delbrück, Germany, paragon designs and supplies automotive electronics and solutions, selling directly to OEMs, including sensors, interior and body kinematics. It has production facilities in Germany, Croatia and China.

**Price performance**

| %         | 1m   | 3m   | 12m   |
|-----------|------|------|-------|
| Actual    | 11.6 | 34.2 | (4.1) |
| Relative* | 13.5 | 24.2 | (9.3) |

\* % Relative to local index

**Analyst**

Andy Chambers

## paragon (PGN)

**INVESTMENT SUMMARY**

The €40m disposal of Semvox is due to complete in Q223 allowing accelerated bond redemptions, which appear to be de-risking the paragon investment case. Despite automotive industry constraints, FY22 saw the ongoing activities increase revenues by 18% to €160.1m and the momentum continued into January 2023 with revenues of €14.6m, 29% ahead of the prior year. Management's FY23 guidance is for €170m in sales with an EBITDA margin of 12–15%. The company expects revenues of over €300m by 2027 with a progressive improvement in EBITDA margin. FY22 results are due in April just after the remaining CHF12.6m bond maturity, which appears covered by a bridge finance facility if Semvox does not complete in time.

**INDUSTRY OUTLOOK**

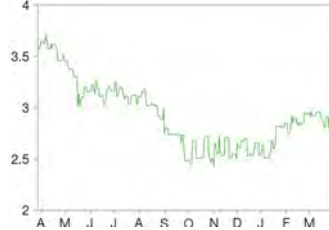
We believe paragon's identification of, and investment in, solutions to address megatrends in global automotive markets is understood by investors. It is growing faster than its markets due to innovative products that are driving changes in customer perceptions, creating new growth engines for the group. 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        | 6.5     | 2.0      |
| 2021    | 146.9        | 20.0        | 1.2      | 27.26        | 19.0    | 1.2      |
| 2022e   | 160.1        | 17.4        | (1.9)    | (37.58)      | N/A     | 1.2      |
| 2023e   | 173.5        | 23.1        | 4.6      | 74.19        | 7.0     | 0.9      |

**Sector: Investment companies**

Price: €3.00  
 Market cap: €18m  
 Market: Euronext Amsterdam

**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    | 1.7 | 12.8 | (15.3) |
| Relative* | 4.6 | 7.4  | (16.6) |

\* % Relative to local index

**Analyst**

Edwin De Jong

## PB Holding (PBH)

**INVESTMENT SUMMARY**

PB Holding will report FY22 results on 28 April. Bovemij, PB Holding's only asset, next to a small cash position and a loss compensation, will report its final FY22 results on 30 March. 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      |

**Sector: Pharma & healthcare**

Price: €0.00  
 Market cap: €1m  
 Market: Euronext Paris

**Share price graph (€)**



**Company description**

Pharnext is an advanced clinical-stage biopharmaceutical company developing novel therapies for neurodegenerative diseases lacking curative and/or disease-modifying treatments. PXT3003 for Charcot-Marie-Tooth disease type 1A (CMT1A) is currently in advanced Phase III clinical trials with top-line data expected in Q423.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (70.0) | (99.2) | (99.9) |
| Relative* | (69.0) | (99.2) | (99.9) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Pharnext (ALPHA)

**INVESTMENT SUMMARY**

Pharnext's lead programme is PXT3003, a synergistic fixed-dose combination of baclofen, naltrexone and sorbitol formulated as an oral solution and identified with the Pleotherapy R&D approach. It is in pivotal Phase III clinical development for CMT1A. Top-line data are expected in Q423. Data from the open-label PLEO-CMT-FU extension study of the first Phase III programme suggest continuous treatment benefit after a total trial time of five years. In October 2022, Pharnext finalised a strategic financing agreement worth €20.7m with Neovacs by issuing bonds and associated warrants, possibly giving Neovacs access to one-third of Pharnext's capital if fully converted (vests in January 2024). Following an additional commitment of up to €24m by Neovacs, the company has changed its legal framework to a limited partnership with shares.

**INDUSTRY OUTLOOK**

PXT3003 could potentially be the first approved treatment for CMT1A. This disease is a debilitating and rare (prevalence of 1/5,000) peripheral neuropathy with high unmet medical need where patients suffer from pain, progressive muscle atrophy and cramps in the limbs. The CMT1A development pipeline is early stage, with PXT3003 the most clinically advanced asset (Phase III) for this indication.

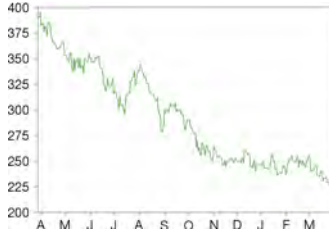
| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2020    | 2.8          | (18.2)      | (21.4)   | (117.33)     | N/A     | 0.0      |
| 2021    | 3.6          | (22.2)      | (30.6)   | (100.67)     | N/A     | 0.0      |
| 2022e   | 2.4          | (25.3)      | (31.7)   | (190.40)     | N/A     | 0.0      |
| 2023e   | 2.5          | (28.4)      | (30.4)   | (3.47)       | N/A     | 0.0      |



**Sector: Property**

Price: 221.0p  
 Market cap: £203m  
 Market: LSE

**Share price graph (p)**



**Company description**

Phoenix Spree Deutschland (PSD) 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    | (13.3) | (10.2) | (42.6) |
| Relative* | (7.8)  | (9.9)  | (41.3) |

\* % Relative to local index

**Analyst**

Martyn King

## Phoenix Spree Deutschland (PSDL)

**INVESTMENT SUMMARY**

FY22 EPRA NTA per share of €5.1 was in line with company guidance. A pre-tax loss of €17.5m (FY21: 45.3m profit) reflected a c €80m y-o-y negative swing in property values, partly offset by gains on interest rate derivatives. Like for like rental income per sqm increased by 3.9% with new leases in Berlin signed at more than 30% above passing rent. Lower condominium sales volumes reflected market conditions but the premium to book value remained above 20%. We expect PSD to continue to benefit from rent reversion built into the portfolio but whilst it is well-placed for a medium-term recovery in condominium sales (76% of units are designated as such) it is difficult to call a turn in the buyer/investment market. Gearing is comfortable (LTV of 39%) and interest costs are fixed at 2.1% until 2026. Nonetheless, asset sales are a key source of cash flow and in common with locally listed peers, the board has decided to suspend dividends and preserve cash for investment in the core business. We will review our forecasts.

**INDUSTRY OUTLOOK**

Demographic trends within the Berlin market remain positive, providing continuing support for the rental market. Rising interest rates, inflation and economic uncertainty is depressing private buyer and institutional investment demand, continues to weigh on 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     | 30.11   | 8.3     | 36.8     |
| 2021    | 25.8         | 45.4        | 45.3     | 39.26   | 6.4     | 29.8     |
| 2022e   | 26.5         | (35.4)      | (37.0)   | (33.99) | N/A     | 81.0     |
| 2023e   | 28.2         | 9.2         | 1.4      | 1.57    | 159.6   | 26.6     |

**Sector: Financials**

Price: 70.1p  
 Market cap: £382m  
 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) | (9.6) | (27.4) |
| Relative* | (3.3) | (9.3) | (25.7) |

\* % Relative to local index

**Analyst**

Martyn King

## Picton Property Income (PCTN)

**INVESTMENT SUMMARY**

Q323 EPRA net income covered DPS 1.12x and the annualised rate of quarterly DPS remained 3.5p. Despite high uncertainty for occupiers as well as investors, leasing events across all sectors continued at average levels above ERV/previous passing rent, rent collection was strong and occupancy increased. This provided a partial offset to strong market-wide pressure on property valuations across all sectors. The Q3 like-for-like capital value decline for PCTN's portfolio was 9.0%, better than for close peers, continuing its outperformance of its benchmark MSCI UK Quarterly Property Index return, as it has over one, three, five and 10 years since inception. Moderate gearing softened the valuation impact on NAV (down 12.4% to 102p) and NAV total return (negative 11.7%). We expect the company to soon publish a portfolio update ahead of releasing FY23 results in May.

**INDUSTRY OUTLOOK**

The commercial property market is cyclical, historically exhibiting substantial swings in capital values through cycles. Income returns have been significantly more stable. Across all main sectors, valuations are showing significant negative adjustment to higher bond yields and economic uncertainty, in many cases despite continuing rent growth. Unlike previous downturns, there are few areas of over-supply and gearing is generally lower.

| 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    | 19.0    | N/A      |
| 2022    | 35.4         | 29.7        | 147.0    | 3.88    | 18.1    | N/A      |
| 2023e   | 36.5         | 30.5        | (104.0)  | 3.86    | 18.2    | N/A      |
| 2024e   | 38.0         | 31.4        | 21.6     | 3.96    | 17.7    | N/A      |

**Sector: Pharma & healthcare**

Price: €0.03  
 Market cap: €3m  
 Market: Euronext Paris

**Share price graph (€)**



**Company description**

Pixium Vision develops bionic vision systems for patients with severe vision loss. Its lead product, Prima, is a wireless sub-retinal implant system for dry age-related macular degeneration. The company started implantations for the European PRIMAvera pivotal study in Q422.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (48.3) | (69.0) | (94.8) |
| Relative* | (46.6) | (71.2) | (95.1) |

\* % Relative to local index

**Analyst**

Pooya Hemami

## Pixium Vision (PIX)

**INVESTMENT SUMMARY**

Pixium Vision is developing the Prima System, a wireless photovoltaic sub-retinal implant combined with proprietary smart glasses. Prima is designed to apply proprietary algorithms and artificial intelligence to generate a form of bionic vision for patients who have lost their sight due to severe retinal diseases. Positive 36-month data from its EU feasibility study in patients with geographic atrophy associated with dry age-related macular degeneration (GA-AMD) showed sustained improvements on the Landolt C visual acuity scale versus baseline, the ability to restore reading capabilities and continued implant safety and stability.

**INDUSTRY OUTLOOK**

Pixium started the PRIMAvera European pivotal study in Q420 and completed its target of 38 implantations in Q422, which we believe could lead to top-line data being reported in late 2023 or early 2024. GA-AMD is a leading cause of blindness in older adults, affecting over 2.5 million persons in the United States and Europe, and there is no approved treatment. Pixium reported €7.7m gross cash on 31 December 2022 and expects its current cash position to maintain operations to the end of Q223.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2020    | 2.1          | (7.6)       | (8.7)    | (25.58)      | N/A     | N/A      |
| 2021    | 2.7          | (9.7)       | (10.9)   | (22.56)      | N/A     | N/A      |
| 2022e   | 1.8          | (12.1)      | (12.3)   | (21.43)      | N/A     | N/A      |
| 2023e   | 0.8          | (16.2)      | (18.1)   | (26.07)      | N/A     | N/A      |

**Sector: Consumer support services**

Price: €22.50  
 Market cap: €79m  
 Market: Milan SE/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    | (9.6) | (15.7) | (37.8) |
| Relative* | (5.3) | (23.1) | (41.2) |

\* % Relative to local index

**Analyst**

Russell Pointon

## Portobello SpA (POR)

**INVESTMENT SUMMARY**

Portobello's underlying profitability in FY22 was ahead of our expectations despite the more difficult operating environment affecting revenue growth. Portobello's multi-distribution model enabled its B2B activities to partially compensate for the slower-than-expected but still strong Retail and Media growth. Portobello's revenue, underlying EBITDA and operating profit grew to €129.9m (+48% y-o-y), €24.6m (+49%) and €19.9m (+43%), respectively. Our forecasts are under review and will be updated following publication of Portobello's full financial statements in English.

**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) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 85.5         | 16.5        | 13.0     | 260.74       | 8.6     | 4.2      |
| 2022    | 129.9        | 24.6        | 18.6     | 341.83       | 6.6     | 3.4      |
| 2023e   | 211.0        | 34.0        | 28.0     | 506.86       | 4.4     | 2.3      |
| 2024e   | N/A          | N/A         | N/A      | N/A          | N/A     | N/A      |

**Sector: Financials**

Price: €5.86  
 Market cap: €345m  
 Market Deutsche Börse Xetra

**Share price graph (€)**



**Company description**

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

**Price performance**

| %         | 1m   | 3m   | 12m  |
|-----------|------|------|------|
| Actual    | 15.8 | 49.1 | 44.7 |
| Relative* | 17.8 | 37.9 | 36.8 |

\* % 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 and Eastern Europe and banking operations in Ecuador. While the situation in Ukraine (which accounted for 9% of PCB's loan book at end-2022) remains difficult to predict, we believe investors may have overreacted as PCB is trading at c 0.4x its tangible book value for FY22. The company recently released a new medium-term target, now aiming for a return on equity of c 12% (10% previously) based on a cost of risk at 25–30bp over the cycle.

**INDUSTRY OUTLOOK**

The International Monetary Fund expected in October 2022 c 2–4% GDP growth in 2023 for most countries where PCB is active (except for Ukraine where according to a preliminary estimate of the Ukrainian Economy Ministry, real GDP fell by 30.4% in 2022). PCB's in-depth, impact-oriented relationships with SME borrowers (91% of the loan book at end-2022), prudent credit risk management and solid capital base (CET-1 ratio of 13.5% at end-2022) should help it weather the near-term turmoil. Longer term, PCB should be assisted by the low banking sector penetration in the region (loans to 2021 GDP 0.5x in SEE/EE versus 1.5x in Western Europe) and scaling potential of its regional banks.

| 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    | 8.4     | N/A      |
| 2021    | 222.0        | N/A         | 94.5     | 135.0   | 4.3     | N/A      |
| 2022e   | 260.6        | N/A         | 22.5     | 37.5    | 15.6    | N/A      |
| 2023e   | 278.3        | N/A         | 100.1    | 144.5   | 4.1     | N/A      |

**Sector: Alternative energy**

Price: A\$0.05  
 Market cap: A\$25m  
 Market ASX

**Share price graph (A\$)**



**Company description**

Australian company Provaris Energy is becoming a vertically integrated green hydrogen producer and supplier, combining production and compressed hydrogen shipping solutions.

**Price performance**

| %         | 1m    | 3m  | 12m    |
|-----------|-------|-----|--------|
| Actual    | (9.8) | 0.0 | (52.6) |
| Relative* | (6.3) | 2.0 | (49.0) |

\* % Relative to local index

**Analyst**

Peter Hitchens

## Provaris Energy (PV1)

**INVESTMENT SUMMARY**

Central to Provaris Energy's plans is the development of a new class of ocean-going compressed H2 delivery vessel, the H2Neo carrier. The class 'Design Approval' for the vessel was issued by the American Bureau of Shipping in December 2022. The approval opens the way for Provaris to seek a shipyard to quote for and construct the carrier. The novel vessel design gives Provaris first-mover advantage in large-scale hydrogen transport solutions and paves the way for the more cost-effective H2Max vessel, which has five times the capacity.

**INDUSTRY OUTLOOK**

Provaris is also developing its 2.8 gigawatt 'Tiwi H2' project in northern Australia, the company's base for its green hydrogen production. In 2022, Provaris took a major step forward when it signed a memorandum of understanding (MoU) with major French power supplier, Total Eren. It subsequently signed a separate MOU with Norwegian Hydrogen in January 2023, which could lead to the transportation of compressed GH2 volumes from Norway, to developing import hubs on the continent and potentially, to the UK. Our scenario models suggest IRRs of between 10% and 19%.

| 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)     | (1.57)  | N/A     | N/A      |

**Sector: General industrials**

Price: 0.1p  
 Market cap: £21m  
 Market: LSE AIM

**Share price graph (p)**



**Company description**

Quadrise 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    | (6.4) | (23.4) | (13.8) |
| Relative* | (2.2) | (23.6) | (11.8) |

\* % Relative to local index

**Analyst**

Anne Margaret Crow

## Quadrise (QED)

**INVESTMENT SUMMARY**

As part of Quadrise's ongoing framework agreement with MSC Shipmanagement, Wärtsilä Services Switzerland carried out optical combustion and engine wear tests on bioMSAR ahead of commercial-scale vessel trials. The optical combustion test confirmed that bioMSAR has similar injection and combustion properties to Quadrise's original MSAR fuel and that it is therefore expected to behave similarly to MSAR when used in medium- and slow-speed diesel engines. Extended wear tests over a 250-hour period were also completed successfully.

**INDUSTRY OUTLOOK**

Quadrise can now proceed to the next phase of assessment of bioMSAR. Hazard identification and operability studies have been scheduled ahead of commercial vessel testing on the MSC Leandra later this year.

| 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: Pharma & healthcare**

Price: A\$0.58  
 Market cap: A\$103m  
 Market: ASX

**Share price graph (A\$)**



**Company description**

Recce Pharmaceuticals is an Australian company developing its novel, broad-spectrum synthetic polymer anti-infective drugs for the treatment of several infectious diseases, including sepsis (Phase II-ready), burn wound infections (Phase I/II) and urinary tract infections.

**Price performance**

| %         | 1m  | 3m     | 12m    |
|-----------|-----|--------|--------|
| Actual    | 1.8 | (10.8) | (39.6) |
| Relative* | 5.7 | (9.0)  | (35.0) |

\* % Relative to local index

**Analyst**

Pooya Hemami

## Recce Pharmaceuticals (RCE)

**INVESTMENT SUMMARY**

Recce Pharmaceuticals is developing a novel class of broad-spectrum synthetic anti-infective drugs to which, so far, all tested bacteria have been unable to develop resistance. This could be a very desirable trait given widespread concerns about antimicrobial resistance. The lead indication for Recce's synthetic polymer antibiotic, Recce 327 (R327), is sepsis, a substantial area of unmet need with significant mortality and high costs of care. The company is also assessing its intravenous formulation in other indications, such as complicated urinary tract infections. A topical (spray-on) formulation of R327 is also being assessed for burn wound infections and diabetic foot infections.

**INDUSTRY OUTLOOK**

Sepsis affects 1.7 million people in the United States each year and has been reported as the country's most expensive condition in aggregate to treat in the hospital, costing the healthcare system US\$57bn in inpatient costs. We view significant opportunities for treatments that may reduce morbidity or hospital utilization.

| Y/E Dec | Revenue (A\$m) | EBITDA (A\$m) | PBT (A\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|--------------|---------|----------|
| 2021    | 1.9            | (13.3)        | (13.5)     | (8.70)       | N/A     | N/A      |
| 2022    | 3.1            | (10.9)        | (11.0)     | (6.31)       | N/A     | N/A      |
| 2023e   | 6.2            | (17.1)        | (17.5)     | (9.86)       | N/A     | N/A      |
| 2024e   | 5.9            | (41.4)        | (42.0)     | (23.48)      | N/A     | N/A      |

**Sector: Financials**

Price: 84.0p  
 Market cap: £167m  
 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    | (12.0) | (7.3) | 16.7 |
| Relative* | (6.4)  | (7.0) | 19.4 |

\* % Relative to local index

**Analyst**

Andrew Mitchell

## Record (REC)

**INVESTMENT SUMMARY**

In its capital markets event in February, Record provided more detail on the progress it is making with its strategy and in particular on its diversification initiatives. This highlighted a range of partnerships to develop new products and, as a result, a promising sales pipeline pointing towards growth and potentially contributing to realisation of its FY25 revenue target. Subsequently, signalling a further step in its succession planning, the group has announced that Neil Record, founder of the group in 1983 and currently non-executive chairman, is to retire from his role and the board following the AGM in July. David Morrison has been appointed as chair elect.

**INDUSTRY OUTLOOK**

Record reiterated its financial targets for FY25 in February, including revenue of over £60m (excluding performance fees), an operating profit margin of 40% and a target ordinary dividend payout ratio of between 70% and 90% of EPS. We adjusted our estimates, taking into account the increase in AUME (to \$86bn) reported at the time of the Q323 update and also making allowance for the indications given on the sales pipeline in the February presentation.

| 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         | 30.8    | 24.2     |
| 2022    | 35.2         | 12.2        | 10.9     | 4.37         | 19.2    | 14.6     |
| 2023e   | 45.4         | 16.3        | 15.5     | 6.38         | 13.2    | 13.6     |
| 2024e   | 47.2         | 16.6        | 16.0     | 6.10         | 13.8    | 13.5     |

**Sector: Property**

Price: 58.2p  
 Market cap: £300m  
 Market: LSE

**Share price graph (p)**

**Company description**

Regional REIT (RGL) 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    | (5.4) | (2.0) | (33.6) |
| Relative* | 0.7   | (1.7) | (32.1) |

\* % Relative to local index

**Analyst**

Martyn King

## Regional REIT (RGL)

**INVESTMENT SUMMARY**

FY22 DPS of 6.6p (+3% y-o-y) was, as expected, fully covered by EPRA EPS (6.6p). We expect the Q123 DPS and FY23 target to be at least in line with FY22. New lettings were strong, adding £5.9m to rent roll (£72m at end-FY22), more than double the FY21 level and above pre-pandemic levels. RGL's own tenant data provide an additional positive indicator for tenant demand, with virtually all of its tenants having returned to their offices. With EPRA occupancy of 83.4% there is significant scope to grow income further. Reflecting market-wide property yield movements, like-for-like property values fell by c 12%, ahead of market-wide indications, but reduced EPRA NTA to 73.5p (FY21: 97.2p) and increased end-FY22 LTV to 49.5%. RGL says that ample headroom remains on all loan covenants and notes that the cost of all debt is fixed at 3.5%. We will review our forecasts.

**INDUSTRY OUTLOOK**

The commercial property market is cyclical, historically exhibiting substantial swings in capital values through cycles. Income returns have been significantly more stable. Across all main sectors, valuations are showing significant negative adjustment to higher bond yields and economic uncertainty, in many cases despite continuing rent growth. Unlike previous downturns, there are few areas of over supply and gearing is generally lower.

| 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          | 9.0     | 5.2      |
| 2021    | 55.8         | 45.2        | 28.8     | 6.6          | 8.8     | 4.7      |
| 2022e   | 62.3         | 50.7        | (83.6)   | 6.5          | 9.0     | 5.4      |
| 2023e   | 64.3         | 52.0        | 34.3     | 6.7          | 8.7     | 6.0      |



**Sector: Pharma & healthcare**

Price: 9.2p  
 Market cap: £5m  
 Market: LSE AIM

**Share price graph (p)**

**Company description**

ReNeuron Group is a UK biotech focused on its stem cell-derived exosome drug delivery platform (CustomEx). It operates as a contract research and development organisation (CDRO) and its established partners are progressing the preclinical development of exosome-based therapeutics utilising its CustomEx technology.

**Price performance**

| %         | 1m    | 3m    | 12m    |
|-----------|-------|-------|--------|
| Actual    | (9.8) | (5.1) | (72.8) |
| Relative* | (4.0) | (4.8) | (72.2) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## ReNeuron Group (RENE)

**INVESTMENT SUMMARY**

ReNeuron Group is a UK biotech focused on the development of its stem cell-derived exosome drug delivery platform, CustomEx. The company operates as a CRDO and has established seven discovery stage collaborations with pharma, biotech and academic institutions, through which its proprietary CustomEx exosome platform is being investigated for application in targeted drug delivery. ReNeuron's exosomes have shown encouraging preclinical proof-of-concept data to deliver complex therapeutic payloads with high tissue specificity.

**INDUSTRY OUTLOOK**

Drug delivery remains a major challenge in both central nervous system (CNS) and cell and gene drug development, and we view these as key markets for ReNeuron to target with its exosome drug delivery platform. Additionally, ReNeuron's diversification in exosome-producing stem cell lines and ability to produce exosomes with enhanced natural tissue targeting affinity, particularly neural stem cell lines to target CNS indications, may offer market differentiation against single cell line competitors.

| Y/E Mar | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 0.3          | N/A         | (13.4)   | (29.00)      | N/A     | N/A      |
| 2022    | 0.4          | N/A         | (11.1)   | (17.01)      | N/A     | N/A      |
| 2023e   | 0.8          | N/A         | (8.9)    | (13.27)      | N/A     | N/A      |
| 2024e   | 0.9          | N/A         | (9.6)    | (14.37)      | N/A     | N/A      |

**Sector: General industrials**

Price: 597.0p  
 Market cap: £479m  
 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    | (13.6) | 1.2 | (11.8) |
| Relative* | (8.1)  | 1.5 | (9.8)  |

\* % Relative to local index

**Analyst**

David Larkam

## Renewi (RWI)

**INVESTMENT SUMMARY**

Renewi's Q323 trading update was in line with management's expectations for the full year. The Commercial Waste Division's volumes were lower than the previous year but stabilised compared to earlier quarters. Recyclate prices were also softer but have stabilised. Cost actions and price increases initiated to offset inflationary pressures. Hence, performance is in line with expectations. The other divisions had mixed performances but specialist recycling businesses water, Coolrec and Maltha, was performing well. The €100m investment programme is on track and core net debt at 31 December 2022 was €372m.

**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 how growth and improving financial results can be achieved from the circular economy tailwinds. The current recycling rate is 68.4% with a target of 75% by 2025. It is also worth noting the recent agreed deal for Biffa, which highlights 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         | 15.0    | 2.7      |
| 2022    | 1869.2       | 261.5       | 105.3    | 98.0         | 6.9     | 2.1      |
| 2023e   | 1898.5       | 252.4       | 97.0     | 86.0         | 7.9     | 2.1      |
| 2024e   | 1927.1       | 252.6       | 93.0     | 84.0         | 8.1     | 2.1      |

**Sector: Pharma & healthcare**

Price: A\$0.06  
 Market cap: A\$52m  
 Market: ASX

**Share price graph (A\$)**



**Company description**

Respiri is an Australia-based medical device and SaaS company focused on respiratory health management through its integrated wheezo platform. Its technology records data such as wheeze rates, breath recordings and other environmental factors and medication usage. Wheezo was launched in the US in December 2021.

**Price performance**

| %         | 1m   | 3m   | 12m  |
|-----------|------|------|------|
| Actual    | 29.2 | 34.8 | 8.8  |
| Relative* | 34.2 | 37.5 | 17.1 |

\* % Relative to local index

**Analyst**

Soo Romanoff

# Respiri (RSH)

**INVESTMENT SUMMARY**

Respiri is an Australian medical device and SaaS company, developing a novel remote patient monitoring (RPM) approach to respiratory health management through its integrated wheezo platform. With a commercialisation focus on the US market, the company has onboarded roughly 100 patients across eight clients (including the Minnesota Lung Center and Arkansas Heart Hospital) by the end of Q323. Respiri is also in advanced RPM discussions with two private health insurers and four clinical services companies. The recent fund-raise of A\$1.9m through a security purchase plan extended the company's cash runway to Q124. We estimate Respiri to reach break-even (c 40,000 units) by FY25.

**INDUSTRY OUTLOOK**

Despite the relatively large target patient population (asthma and chronic obstructive pulmonary disease) in the US, the key consideration for Respiri's US push is the established reimbursement infrastructure. The Centers for Medicare and Medicaid Services has established CPT codes for RPM reimbursement coverage. With key technology patents, two telehealth partners and reimbursement arrangements in place, Respiri is well positioned and has a first-mover advantage.

| Y/E Jun | Revenue (A\$m) | EBITDA (A\$m) | PBT (A\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|--------------|---------|----------|
| 2021    | 1.4            | (8.4)         | (8.5)      | (1.22)       | N/A     | N/A      |
| 2022    | 0.8            | (6.2)         | (6.3)      | (0.87)       | N/A     | N/A      |
| 2023e   | 1.7            | (4.2)         | (4.2)      | (0.51)       | N/A     | N/A      |
| 2024e   | 5.9            | (1.1)         | (1.1)      | (0.13)       | N/A     | N/A      |

**Sector: Financials**

Price: 2400.0p  
 Market cap: £292m  
 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 that may have impaired credit records restricting access to mainstream products. It has c 65,000 customers. The Aspen property bridging business has been developing since its launch in 2017.

**Price performance**

| %         | 1m   | 3m   | 12m |
|-----------|------|------|-----|
| Actual    | 5.5  | 11.9 | 0.0 |
| Relative* | 12.2 | 12.2 | 2.3 |

\* % Relative to local index

**Analyst**

Andrew Mitchell

# S&U (SUS)

**INVESTMENT SUMMARY**

S&U's FY23 results met expectations with group revenue of £103m versus £88m. PBT was £41.4m versus £47m in FY22, £18.8m in FY21 and the pre-pandemic level of £35.1m in FY20. In common with other lenders, the Advantage impairment charge was unusually high in FY21 reflecting the pandemic and then low in FY22; FY23 saw some normalisation but the charge remained relatively low. Finance costs have increased due to loan book growth and higher rates. Basic EPS of 277.5p compared with the average of 216.8p for FY20/FY22. With a final dividend of 60p, the full year dividend is 133p versus 126p. Looking within the total, PBT for Advantage was £37.2m (vs £43.7m - see comments on provisioning) and for Aspen £4.5m (vs £3.4m).

**INDUSTRY OUTLOOK**

Looking ahead, S&U acknowledges continuing uncertainty on the economic background and the impact of inflation and higher interest rates. It has adjusted its lending criteria accordingly and still sees good opportunities for responsible lending by both its businesses against this background. We will review our estimates following the results.

| Y/E Jan | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2022    | 87.9         | 51.3        | 47.0     | 312.7        | 7.7     | N/A      |
| 2023    | 102.7        | 49.4        | 41.4     | 277.5        | 8.6     | N/A      |
| 2024e   | 121.0        | 58.1        | 42.5     | 265.6        | 9.0     | 426.4    |
| 2025e   | N/A          | N/A         | N/A      | N/A          | N/A     | N/A      |

**Sector: Pharma & healthcare**

Price: SEK2.27  
 Market cap: SEK92m  
 Market: Nasdaq Nordic

**Share price graph (SEK)**



**Company description**

Scandion Oncology is focused on the development of add-on therapies to reverse chemotherapy resistance in oncology. Lead asset SCO-101 is in a Phase II trial for metastatic colorectal cancer and a Phase Ib trial for pancreatic cancer.

**Price performance**

| %         | 1m  | 3m     | 12m    |
|-----------|-----|--------|--------|
| Actual    | 0.4 | (12.4) | (85.0) |
| Relative* | 6.8 | (13.8) | (83.7) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Scandion Oncology (scOL)

**INVESTMENT SUMMARY**

Scandion Oncology is a biotechnology company focused on the development of add-on therapies to reverse chemotherapy resistance in oncology. The company's lead asset SCO-101 is currently in a Phase II trial for metastatic colorectal cancer (mCRC) and a Phase Ib trial for pancreatic cancer. In H222 management undertook a rights issue, raising c SEK75m gross, mainly to fund the expansion of the SCO-101 clinical development programme to include patients harbouring RAS mutations. As such, part 3 of the CORIST trial in mCRC is currently recruiting. While top-line readouts from the CORIST part 2 mCRC trial did not achieve the primary endpoint for efficacy, patients are continuing treatment and longer-term efficacy benefits may be realised. In December 2022, Francois Martelet was appointed CEO of Scandion. We estimate that Scandion is funded into FY24. We value the company at SEK238.2m or SEK5.8/share.

**INDUSTRY OUTLOOK**

Tumours often develop resistance to chemotherapeutic regimens. Widely available drugs, such as irinotecan and paclitaxel, are commonly associated with tumour resistance. The existence of add-on therapies to reverse resistance of this type will be an attractive prospect to many clinicians, in our view.

| Y/E Dec | Revenue (DKKm) | EBITDA (DKKm) | PBT (DKKm) | EPS (ore) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|-----------|---------|----------|
| 2021    | 0.8            | (54.8)        | (57.2)     | (161.0)   | N/A     | N/A      |
| 2022    | 2.1            | (79.3)        | (82.2)     | (187.0)   | N/A     | N/A      |
| 2023e   | 0.6            | (65.3)        | (65.3)     | (147.0)   | N/A     | N/A      |
| 2024e   | 0.6            | (69.0)        | (69.4)     | (157.0)   | N/A     | N/A      |

**Sector: Financials**

Price: 698.0p  
 Market cap: £131m  
 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    | (8.2) | 9.1 | (46.0) |
| Relative* | (2.3) | 9.4 | (44.8) |

\* % Relative to local index

**Analyst**

Rob Murphy

## Secure Trust Bank (STB)

**INVESTMENT SUMMARY**

Specialist lender STB reported a fall in FY22 pre-tax profits (from continuing operations) to £39m compared to £55.9m in the prior year as impairments normalised. This result was ahead of the consensus estimate of £36.6m and our estimate of £37.1m. The bank also announced it will enter the 'Buy Now Pay Later' market with a regulated product in FY23. A final dividend of 29.1p per share was recommended, bringing the total payout for the year to 45.1p, down from 61.6p in FY21. Despite a strong capital base and ROE of 10.7% in FY22, the shares continue to trade at a very low valuation at 40% of book value. We will update our model to reflect the results in due course.

**INDUSTRY OUTLOOK**

In its FY22 results, STB acknowledged a tightening lending criteria as the elevated interest rate environment prevails. Management remains focused on increasing the prime lending segment and reducing the cost-to-income ratio. Despite the toughening macroeconomic conditions, STB remains confident in achieving its medium-term ROE target of 14–16%.

| 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    | 8.6     | N/A      |
| 2021    | 164.5        | N/A         | 58.8     | 254.0   | 2.7     | N/A      |
| 2022e   | 168.0        | N/A         | 37.4     | 145.5   | 4.8     | N/A      |
| 2023e   | 184.6        | N/A         | 41.6     | 164.2   | 4.3     | N/A      |

**Sector: Technology**

Price: A\$0.05  
 Market cap: A\$31m  
 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    | (10.0) | (27.4) | (62.5) |
| Relative* | (6.5)  | (26.0) | (59.6) |

\* % Relative to local index

**Analyst**

Kenneth Mestemacher

## SenSen Networks (SNS)

**INVESTMENT SUMMARY**

SenSen Networks (SNS) maintained its streak of record year-on-year cash receipts in Q223, with customer receipts up 70% against Q222 to A\$2.6m. SNS continues to see growth across its key verticals of smart cities, gaming, retail and surveillance, boosting annual recurring revenues (ARR) to c A\$8m, and leaving the company well on track to meet management's expected ARR of A\$10m by the end of FY23. SNS's operational restructuring and previously announced A\$2.5m in cost saving efforts should support management's goal of cash flow neutrality by the end of the fiscal year. These results lead us to maintain our forecasts and if SenSen can continue to grow ARR, then the valuation gap between peers can potentially close.

**INDUSTRY OUTLOOK**

SenSen operates in the fast-growing, global artificial intelligence (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    | 100.0   | 18.6     |

**Sector: Pharma & healthcare**

Price: €5.12  
 Market cap: €122m  
 Market: Euronext Brussels

**Share price graph (€)**

**Company description**

Based in Belgium, Sequana Medical develops products to treat diuretic-resistant fluid overload, a frequent complication of liver disease and heart failure (HF). Its proprietary alfapump and Direct Sodium Removal (DSR) approaches aim to provide significant clinical and quality-of-life benefits.

**Price performance**

| %         | 1m    | 3m     | 12m    |
|-----------|-------|--------|--------|
| Actual    | (5.5) | (15.0) | (18.2) |
| Relative* | 0.8   | (13.7) | (8.0)  |

\* % Relative to local index

**Analyst**

Pooya Hemami

## Sequana Medical (SEQUA)

**INVESTMENT SUMMARY**

Sequana's alfapump and DSR platforms are being advanced as long-term treatments for diuretic-resistant fluid overload related to liver disease, malignant ascites and HF. The alfapump removes localised excess fluid build-up in the peritoneal cavity and it is being advanced for treating fluid overload (ascites) resulting from liver disease including non-alcoholic steatohepatitis. Sequana's larger opportunity lies within its DSR programme for chronic HF patients with persistent congestion.

**INDUSTRY OUTLOOK**

Given positive efficacy data in Q422 from its POSEIDON North American registration study for the alfapump in recurrent and refractory ascites, we expect Sequana to submit a US Premarket Approval application in H223, with US approval anticipated in 2024. Following encouraging data including sustained improvements in diuretic response from its Phase IIa SAHARA DSR study in HF patients with persistent congestion, the company plans to start the MOJAVE US Phase I/IIa study in Q223 using its second-generation product (DSR 2.0) in a similar patient population. We believe the IND for MOJAVE will be supported by positive human safety data for DSR 2.0 shown in the 10-patient CHIHUAHUA single-dose study, as well as favourable GLP animal safety data, both reported in Q123.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 0.4          | (23.4)      | (24.4)   | (136.37)     | N/A     | N/A      |
| 2022    | 0.9          | (28.3)      | (30.9)   | (137.33)     | N/A     | N/A      |
| 2023e   | 0.8          | (25.6)      | (28.1)   | (118.23)     | N/A     | N/A      |
| 2024e   | 3.0          | (25.7)      | (30.0)   | (125.93)     | N/A     | N/A      |

**Sector: Engineering**

Price: 61.0p  
 Market cap: £189m  
 Market: LSE

**Share price graph (p)**



**Company description**

Severfield is the market-leading UK structural steelwork fabricator operating across a broad range of market sectors. An Indian facility undertakes structural steelwork projects for the local market in a joint venture with India's largest steel producer, JSW Steel.

**Price performance**

| %         | 1m  | 3m    | 12m   |
|-----------|-----|-------|-------|
| Actual    | 1.7 | (1.6) | (6.7) |
| Relative* | 8.2 | (1.3) | (4.6) |

\* % Relative to local index

**Analyst**

Andy Murphy

## Severfield (SFR)

**INVESTMENT SUMMARY**

The strong interims confirmed Severfield's robust performance in the current inflationary environment. The company is benefiting from solid demand across a range of sectors, which is reflected in the elevated UK order book (£464m versus the 2016–21 average of £266m). In India, the joint venture is growing rapidly and capacity is to be expanded to cater for additional demand. In March, Severfield announced the acquisition of Voortman Steel Construction for €24m, which gives it increased access to mainland European markets. We believe the quality of the business and the anticipated growth is not reflected in the FY23e P/E rating of c 7.5x, which is comfortably below the long-term average of 10.4x.

**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 (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|---------|---------|----------|
| 2021    | 363.3        | 29.6        | 24.3     | 6.68    | 9.1     | N/A      |
| 2022    | 403.6        | 33.4        | 27.1     | 7.03    | 8.7     | N/A      |
| 2023e   | 490.3        | 38.5        | 31.2     | 8.32    | 7.3     | N/A      |
| 2024e   | 500.1        | 40.7        | 33.6     | 8.94    | 6.8     | N/A      |

**Sector: Pharma & healthcare**

Price: 6.0p  
 Market cap: £35m  
 Market: LSE AIM

**Share price graph (p)**



**Company description**

Shield Therapeutics is a commercial-stage pharmaceutical company. Its proprietary product, Feraccru/Accrufer, is approved by the EMA and FDA for iron deficiency. Outside the United States, Feraccru is marketed internationally through Shield and its commercial partners.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (18.8) | (15.6) | (69.0) |
| Relative* | (13.6) | (15.3) | (68.3) |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Shield Therapeutics (STX)

**INVESTMENT SUMMARY**

Shield Therapeutics is a UK-headquartered commercial-stage speciality pharmaceutical company focused on the commercialisation of Feraccru/Accrufer (oral ferric maltol), approved by the EMA and FDA for the treatment of iron deficiency in adults, with or without anaemia. Shield launched the product in the US in July 2021 as part of its self-commercialisation strategy, however, it signed a co-commercialisation deal for Accrufer in the US with Viatrix in December 2022. The commercialisation of Feraccru in Europe, Australia and New Zealand is managed by distribution partner Norgine, and the product has been licensed to ASK Pharm in China, Korea Pharma in South Korea and KYE Pharma in Canada. With the recent equity fund-raise of US\$21.7m, US\$10m additional funding from AOP Health (its largest shareholder) and a \$5m upfront payment from Viatrix, Shield is adequately funded to break-even, provided revenue targets are achieved.

**INDUSTRY OUTLOOK**

The market for iron deficiency is substantial and Feraccru/Accrufer is a unique oral formulation of iron developed to overcome the side-effect profile of salt-based oral iron therapies and provides an alternative treatment to intravenously administered iron.

| Y/E Dec | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2020    | 10.4         | 0.6         | 0.8      | 0.1          | 60.0    | N/A      |
| 2021    | 1.5          | (17.9)      | (17.5)   | (8.4)        | N/A     | N/A      |
| 2022e   | 8.8          | (15.9)      | (15.7)   | (6.5)        | N/A     | N/A      |
| 2023e   | 24.4         | (19.9)      | (21.2)   | (4.2)        | N/A     | N/A      |



**Sector: Pharma & healthcare**

Price: US\$5.75  
 Market cap: US\$415m  
 Market: Nasdaq

**Share price graph (US\$)**



**Company description**

SIGA Technologies is a commercial-stage health security company focused on the treatment of smallpox and other orthopoxvirus. It has contracts with both the US and Canadian governments for TPOXX, its treatment for smallpox, and is expanding internationally.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (17.4) | (23.1) | (19.6) |
| Relative* | (17.3) | (26.0) | (8.1)  |

\* % Relative to local index

**Analyst**

Soo Romanoff

## SIGA Technologies (SIGA)

**INVESTMENT SUMMARY**

SIGA Technologies is a commercial-stage company focused on the treatment of smallpox and other orthopoxvirus. Lead drug TPOXX was approved by the US FDA in 2018 for the treatment of smallpox and in the EU and UK under the broad label including all orthopox pathogens in 2022. Additionally, three randomized, placebo-controlled trials were launched in October 2022 to assess the safety and efficacy of TPOXX in treating patients with mpox. Post the material uptick in international orders in FY22 due to the mpox outbreak, we estimate replenishment of government stockpiles will continue to remain a pillar, driven by BARDA deliveries for oral (total \$225m due in FY23 and FY24) and IV TPOXX.

**INDUSTRY OUTLOOK**

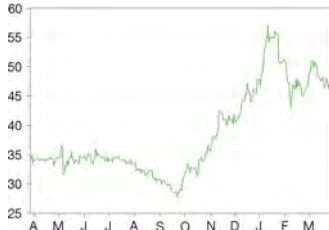
With c 64k global cases and 23k cases in the United States, mpox remains a growing concern for governments and health agencies. SIGA's antiviral product TPOXX is the leading therapeutic, originally designed to treat smallpox. TPOXX was approved by the US FDA for smallpox and is now available to treat mpox through the Centers for Disease Control and Prevention's expanded access investigational new drug protocol. Currently, it is the only allowed therapy for all orthopoxvirus pathogens, including mpox, approved in both the UK (July 2022) and the EU (January 2022).

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|--------------|---------|----------|
| 2021    | 133.7           | 89.7           | 89.1        | 90.61        | 6.3     | 37.5     |
| 2022    | 110.8           | 44.3           | 42.7        | 44.15        | 13.0    | 10.1     |
| 2023e   | 176.4           | 98.2           | 97.6        | 105.53       | 5.4     | 9.3      |
| 2024e   | 177.0           | 99.3           | 98.8        | 111.52       | 5.2     | 5.0      |

**Sector: Industrial support services**

Price: 49.1p  
 Market cap: £122m  
 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    | 5.1  | 7.9 | 42.7 |
| Relative* | 11.9 | 8.3 | 46.0 |

\* % Relative to local index

**Analyst**

Natalya Davies

## 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 long-term contract renewals with key newspaper and magazine publishers 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 89p per share.

**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 shortfall. These characteristics are likely to persist into the future, but Smiths is developing new revenue streams to offset these pressures.

| Y/E Aug | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 1109.6       | 44.9        | 31.9     | 10.83        | 4.5     | 2.7      |
| 2022    | 1089.3       | 42.9        | 32.3     | 11.03        | 4.5     | 2.7      |
| 2023e   | 1056.6       | 43.2        | 33.1     | 10.53        | 4.7     | 2.7      |
| 2024e   | 1024.9       | 42.9        | 33.5     | 10.28        | 4.8     | 2.7      |

**Sector: Financials**

Price: 86.0p  
 Market cap: £1069m  
 Market: LSE

**Share price graph (p)**



**Company description**

Supermarket Income REIT (SUPR), 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    | (5.7) | (15.7) | (33.3) |
| Relative* | 0.3   | (15.4) | (31.8) |

\* % Relative to local index

**Analyst**

Martyn King

## Supermarket Income REIT (SUPR)

**INVESTMENT SUMMARY**

End-H123 annualised passing rent increased 36% to £95.5m, reflecting acquisitions and indexed rent uplifts. With acquisitions set to contribute fully in H2, and all debt fixed/hedged, we expect adjusted EPS to accelerate (H1: 2.9p) to fully cover expected FY23 DPS of 6.0p. With the market adjusting to higher capital costs, the portfolio value reduced by c 13% on a like-for-like basis during H2, with the topped up net initial yield increasing from 4.6% to 5.5%. EPRA NTA per share was 92p (end-FY22: 115p). Since end-H123, the sale of SUPR's highly successful JV interest has completed, generating total gross proceeds of £431m by the end of July. The first tranche (£279m) has been partly used to repay debt and the full proceeds would reduce pro forma LTV to less than 30%. The company is considering the best use of its capital flexibility, including potential acquisitions (with acquisition yields now increased) and share repurchases in addition to debt reduction.

**INDUSTRY OUTLOOK**

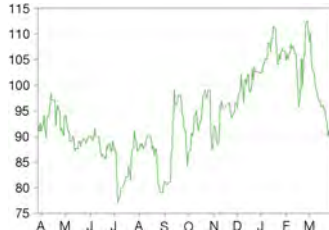
Across all sectors, UK commercial property values are negatively repricing to increased risk-free yields. Supermarket property is not immune but visible income, from long-leases (for SUPR rents are mostly indexed), a strong occupier covenant, and the non-cyclical nature of grocery retailing should mitigate the impacts.

| Y/E Jun | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|---------|---------|----------|
| 2021    | 46.2         | 38.7        | 36.8     | 5.6     | 15.4    | 13.1     |
| 2022    | 69.7         | 58.2        | 57.4     | 5.9     | 14.6    | 13.3     |
| 2023e   | 94.5         | 80.9        | 71.7     | 5.8     | 14.8    | 13.5     |
| 2024e   | 100.3        | 86.4        | 70.9     | 5.7     | 15.1    | 12.7     |

**Sector: Mining**

Price: 89.0p  
 Market cap: £237m  
 Market: LSE AIM

**Share price graph (p)**



**Company description**

Sylvania Platinum focuses on the re-treatment and recovery of platinum group metals (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    | (19.1) | (13.2) | (5.5) |
| Relative* | (13.9) | (12.9) | (3.3) |

\* % Relative to local index

**Analyst**

Rene Hochreiter

## Sylvania Platinum (SLP)

**INVESTMENT SUMMARY**

Sylvania Platinum's Q223 results did not reflect the strong Q1 due to lower prices, cost and fx moves. We have lowered our near-term PGM price forecasts for palladium and rhodium due to high stock levels, but these should strengthen from FY26 as car sales recover to pre-pandemic levels. Our valuation of Sylvania's producing assets is 186.9p/share. Exploration assets could add a further 73p/share.

**INDUSTRY OUTLOOK**

PGM prices, especially platinum, iridium and ruthenium will likely benefit from their use in the future hydrogen economy in the medium term. We think PGM prices will rise in contrast as battery materials shortages emerge in the second half of this decade as higher than generally expected internal combustion engine car sales push up PGM prices. Lower production from South African PGM producers due to power cuts, and in Russia due to equipment spares shortages, and steady Chinese demand may support prices in the medium term.

| 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        | 20.4         | 5.3     | 3.2      |
| 2023e   | 158.0           | 87.0           | 86.0        | 22.4         | 4.8     | 3.3      |
| 2024e   | 173.0           | 86.0           | 81.0        | 21.3         | 5.1     | 3.5      |

## Sector: Property

Price: 66.7p  
Market cap: £414m  
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    | (15.5) | (16.4) | (40.2) |
| Relative* | (10.1) | (16.2) | (38.9) |

\* % Relative to local index

### Analyst

Martyn King

# Target Healthcare REIT (THRL)

## INVESTMENT SUMMARY

H123 results were in line with the Q223 release. Recurring earnings were driven by inflation-linked rental growth and improving rent collection, protected by fixed/hedged borrowing cost to maturity. Yield widening across the broad property sector affected the portfolio's property valuations (-5% like-for-like versus c 13% for the broad market), while the impact on NAV, down 8% to 103p was softened by moderate gearing (25.1%). In response to changed market conditions the board has decided to accelerate the path to DPS cover and the potential for DPS growth by rebasing the target to 5.6p (from 6.74p), a 5.4% yield on NAV but much higher on the share price. We will review our forecasts.

## INDUSTRY OUTLOOK

The care home sector is driven by demographics rather than the economy generating a positive demand outlook for new, ESG compliant, purpose-built homes with flexible layouts and high-quality residential facilities. With its unwavering focus on asset and tenant quality, these are the homes in which Target invests. 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) |
|---------|--------------|-------------|----------|---------|---------|----------|
| 2021    | 50.0         | N/A         | 26.0     | 5.46    | 12.2    | 12.7     |
| 2022    | 63.9         | N/A         | 30.2     | 5.05    | 13.2    | 13.1     |
| 2023e   | 68.1         | N/A         | 36.3     | 5.85    | 11.4    | 14.5     |
| 2024e   | 73.1         | N/A         | 37.7     | 6.08    | 11.0    | 10.8     |

## Sector: Mining

Price: US\$0.80  
Market cap: US\$221m  
Market: Nasdaq

### Share price graph (US\$)



### Company description

The Metals Company (TMC) is focused on the collection, processing and refining of polymetallic nodules, containing nickel, copper and cobalt, found on the seafloor in the international waters of the Clarion Clipperton Zone, 1,300 nautical miles off the coast of Southern California.

### Price performance

| %         | 1m     | 3m   | 12m    |
|-----------|--------|------|--------|
| Actual    | (13.0) | 31.8 | (48.4) |
| Relative* | (12.9) | 26.9 | (41.0) |

\* % Relative to local index

### Analyst

David Larkam

# The Metals Company (TMC)

## INVESTMENT SUMMARY

TMC has been exploring the Clarion Clipperton Zone, a deep seabed off the coast of Western California. 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, which is due in July 2023. TMC is looking to be awarded the first commercial deep-sea exploitation licence to mine the nodules and commence commercial operations in Q424.

## INDUSTRY OUTLOOK

The decarbonisation of the automotive sector is gathering pace with sales of electric vehicles (EVs) increasing 59% in 2022 to nearly 15% 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 EVs. We estimate TMC's total nickel resources could electrify 230m cars.

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|--------------|---------|----------|
| 2021    | 0.0             | (115.7)        | (107.9)     | (46.93)      | N/A     | N/A      |
| 2022    | 0.0             | (157.0)        | (153.8)     | (58.04)      | N/A     | N/A      |
| 2023e   | 0.0             | (50.0)         | (50.0)      | (13.60)      | N/A     | N/A      |
| 2024e   | 71.7            | (59.4)         | (59.4)      | (11.33)      | N/A     | N/A      |

**Sector: Media**

Price: 117.0p  
 Market cap: £196m  
 Market: LSE

**Share price graph (p)**

**Company description**

The Pebble Group provides digital commerce, products and related services to the global promotional products industry through two focused, complementary and differentiated businesses: Facilisgroup and Brand Addition.

**Price performance**

| %         | 1m   | 3m   | 12m  |
|-----------|------|------|------|
| Actual    | 7.8  | 42.7 | 14.7 |
| Relative* | 14.7 | 43.1 | 17.4 |

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## The Pebble Group (PEBB)

**INVESTMENT SUMMARY**

The Pebble Group's FY22 results showed strong progress on revenue (+16% on FY21) and adjusted EBITDA, +17%. Facilisgroup, its North American SaaS business, is making particularly good progress with revenues up 31%. It is still early days but the opportunity is substantial. This inevitably requires investment to take full advantage, restraining short-term earnings growth, but should drive recurring revenues and build value, in our view. The more established part of the group, Brand Addition, lifted revenues 15% on the prior year to £117.4m, well ahead of market growth (ASI: +11%), building its base with major global brands. Pebble's good share price performance has narrowed the valuation gap with peers, but momentum remains good, and we see further upside potential.

**INDUSTRY OUTLOOK**

Pebble operates within the global promotional products market, estimated by management at \$50bn. It is a highly competitive landscape, but distributor participants are predominantly small and locally active. The best statistics are available for the North American market, estimated by industry body PPAI to be worth over \$25bn in FY22 (+13% y-o-y), with the aggregate size of the European market a little smaller. The industry has bounced back well post lockdowns and is broadly resilient because of its utility as an advertising medium.

| Y/E Dec | Revenue (£m) | EBITDA (£m) | PBT (£m) | EPS (fd) (p) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 115.1        | 15.4        | 10.9     | 5.12         | 22.9    | 12.7     |
| 2022    | 134.0        | 18.0        | 12.4     | 5.77         | 20.3    | 10.8     |
| 2023e   | 143.0        | 19.3        | 12.9     | 5.77         | 20.3    | 10.2     |
| 2024e   | 148.0        | 20.4        | 14.0     | 6.23         | 18.8    | 9.6      |

**Sector: General industrials**

Price: €4.02  
 Market cap: €176m  
 Market: Athens Stock Exchange

**Share price graph (€)**

**Company description**

Thrace Plastics is an established international producer of technical fabrics 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    | (7.4) | (0.6)  | (20.1) |
| Relative* | (0.4) | (11.4) | (34.9) |

\* % Relative to local index

**Analyst**

Natalya Davies

## Thrace Plastics (PLAT)

**INVESTMENT SUMMARY**

Thrace reported 9M22 revenue of €316.1m, 7.5% lower than the same period in 2021 due to significantly reduced demand for higher margin pandemic-related PPE products. For that reason, PBT fell to €32.2m from €81.0m. However, traditional core products accounted for €22.3m of total PBT, representing growth of 89% compared to pre-pandemic 9M19, despite higher input costs. Thrace boasts a strong balance sheet, ending the period with net debt of €25.6m (leverage ratio of 0.6x). This is a significant improvement from the historical high FY19 net debt, which exceeded €80m. The current investment phase of €102m between 2020 and 2022 should see €42m invested in FY22 in increased capacity to drive future growth. Our forecasts are under review.

**INDUSTRY OUTLOOK**

Thrace manufactures a wide range of products that are used in a variety of sectors, ranging from construction/infrastructure to 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    | 4.3     | 2.1      |
| 2021    | 428.4        | 103.8       | 83.9     | 207.0   | 1.9     | 2.0      |
| 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: Media**

Price: €20.04  
 Market cap: €946m  
 Market Milan SE/Borsa Italiana

**Share price graph (€)**

**Company description**

Tinexta has three divisions: Digital Trust, solutions to increase trust in digital transactions; Innovation & Marketing Services, services to help clients develop their businesses; and Cyber Security, services to help digital transformation.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (16.1) | (7.9)  | (24.2) |
| Relative* | (12.0) | (15.9) | (28.3) |

\* % Relative to local index

**Analyst**

Russell Pointon

## Tinexta (TNXT)

**INVESTMENT SUMMARY**

Tinexta's FY22 results demonstrated strong growth but were just shy of our expectations, mainly due to lower growth than expected from the Cyber Security division. Management's new guidance suggests greater profit growth in FY23 than was delivered in FY22, before any contributions from recently announced and likely further mergers and acquisitions are considered. The growth plan continues to focus on strengthening Tinexta's position in its reference markets, M&A, internationalisation of the divisions and cross-selling opportunities. We downgraded our FY23 and FY24 EBITDA estimates by 7–8% to reflect the new guidance.

**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<br>(€m) | EBITDA<br>(€m) | PBT<br>(€m) | EPS (fd)<br>(c) | P/E<br>(x) | P/CF<br>(x) |
|---------|-----------------|----------------|-------------|-----------------|------------|-------------|
| 2021    | 301.5           | 76.5           | 57.8        | 82.8            | 24.2       | 13.0        |
| 2022    | 357.2           | 94.8           | 71.0        | 107.5           | 18.6       | 12.9        |
| 2023e   | 410.4           | 104.1          | 80.0        | 103.8           | 19.3       | 11.5        |
| 2024e   | 456.7           | 119.7          | 94.2        | 118.7           | 16.9       | 10.4        |

**Sector: Food & drink**

Price: 601.0p  
 Market cap: £362m  
 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    | 9.9  | 0.8 | (45.9) |
| Relative* | 16.9 | 1.2 | (44.6) |

\* % Relative to local index

**Analyst**

Sara Welford

## Treatt (TET)

**INVESTMENT SUMMARY**

Treatt's AGM trading update suggested a more normal and steady pattern of trading had resumed, following the setbacks that caused the profit warning last August. Management has clearly taken rapid steps to address the issues that were identified, and indeed this was already evident in October's FY22 pre-close trading update. 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. Management remains optimistic despite the dampened macroeconomic environment, as the market for natural and healthy products remains resilient. H123 results are due on 9 May.

**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<br>(£m) | EBITDA<br>(£m) | PBT<br>(£m) | EPS<br>(p) | P/E<br>(x) | P/CF<br>(x) |
|---------|-----------------|----------------|-------------|------------|------------|-------------|
| 2021    | 124.3           | 24.9           | 22.7        | 30.1       | 20.0       | 26.9        |
| 2022    | 140.2           | 19.5           | 16.5        | 21.9       | 27.4       | N/A         |
| 2023e   | 148.6           | 24.0           | 17.9        | 23.4       | 25.7       | 12.1        |
| 2024e   | 157.5           | 25.8           | 20.3        | 26.2       | 22.9       | 17.4        |



**Sector: Property**

Price: 43.0p  
 Market cap: £173m  
 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    | (18.6) | (31.5) | (53.3) |
| Relative* | (13.4) | (31.3) | (52.2) |

\* % Relative to local index

**Analyst**

Martyn King

## Triple Point Social Housing REIT (SOHO)

**INVESTMENT SUMMARY**

FY22 rental income grew c 6%, driven by acquisitions and indexed rental growth, broadly offsetting higher borrowing costs and expected credit losses. The DPS target of 5.46p was met and the FY23 target will be announced with the Q123 update. Property valuations were robust compared with the broader commercial property sector, resulting from long, indexed leases. NAV total return was 5.7%. SOHO is focused on specialised social housing, for which demand remains high. It provides care and support to vulnerable individuals, in highly adapted properties operated by regulated lessees and independent, regulated care providers. SOHO has set out its path to restoring rent collection from two (of 27) lessees (c 17% of rent roll in aggregate) in arrears and is well advanced with a new risk-sharing clause into leases aimed at supporting lessees to better address issues identified by the regulator.

**INDUSTRY OUTLOOK**

Specialised social housing/care-based social housing is widely recognised to improve lives in a cost-effective manner compared with the alternatives of residential care or hospitals. Most providers/lessees are responding positively to regulatory activity by enhancing operational performance, financial strength and governance structures, all positive for sector sustainability.

| 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     | 4.6          | 9.3     | 6.3      |
| 2021    | 33.1         | 26.2        | 19.4     | 4.8          | 9.0     | 7.0      |
| 2022e   | 37.2         | 29.0        | 18.6     | 4.6          | 9.3     | 5.8      |
| 2023e   | 39.1         | 31.1        | 22.7     | 5.6          | 7.7     | 5.6      |

**Sector: Pharma & healthcare**

Price: NOK113.80  
 Market cap: NOK3914m  
 Market: Oslo SE

**Share price graph (NOK)**

**Company description**

Ultimovacs is developing novel immunotherapies against cancer. Its lead product candidate, UV1, is a peptide-based vaccine against the universal cancer antigen telomerase (hTERT), which is expressed in c 85% of all cancer types. UV1 therefore has a broad potential in a variety of different settings and combinations.

**Price performance**

| %         | 1m    | 3m   | 12m  |
|-----------|-------|------|------|
| Actual    | (1.6) | 5.8  | 36.8 |
| Relative* | 5.3   | 11.1 | 54.4 |

\* % Relative to local index

**Analyst**

Soo Romanoff

## Ultimovacs (ULTI)

**INVESTMENT SUMMARY**

Ultimovacs is a biotechnology company focused on developing a next generation cancer vaccine with virtually universal potential. Lead asset, UV1, activates the immune system to recognise cancer cells that express hTERT, which is present in c 85% of all cancer types. For this reason, UV1 has broad potential in a variety of cancers and in combination with other treatments. The company's R&D strategy is to combine UV1 with checkpoint inhibitors due to an expected treatment synergy. The broad R&D programme includes five Phase II trials in different solid tumours, which will enrol more than 600 patients in total. Readouts are expected over 2023–25. The most near-term catalysts for the share price are top-line readouts from the Phase II INITIUM trial in malignant melanoma and the Phase II NIPU study in pleural mesothelioma expected in H123.

**INDUSTRY OUTLOOK**

Novel drug projects in oncology comprise the lion's share of total R&D investments in the industry. Around 85% of all cancer types express high levels of hTERT, which means that UV1 has a broad potential in a variety of different settings, including combinations with other cancer treatments.

| Y/E Dec | Revenue (NOKm) | EBITDA (NOKm) | PBT (NOKm) | EPS (fd) (öre) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|----------------|---------|----------|
| 2021    | 0.0            | (161.1)       | (164.7)    | (508.83)       | N/A     | N/A      |
| 2022    | 0.0            | (181.0)       | (167.8)    | (489.06)       | N/A     | N/A      |
| 2023e   | 0.0            | (222.7)       | (217.1)    | (631.10)       | N/A     | N/A      |
| 2024e   | 0.0            | (274.0)       | (279.3)    | (812.13)       | N/A     | N/A      |

**Sector: Technology**

Price: €0.21  
 Market cap: €74m  
 Market: Euronext Paris

**Share price graph (€)**



**Company description**

Vantiva consists of two businesses: Connected Home, a leading global supplier of strategic customer-premises equipment solutions, and Vantiva Supply Chain Services (SCS), a global leader in the production of discs and associated logistical fulfilment.

**Price performance**

| %         | 1m     | 3m   | 12m    |
|-----------|--------|------|--------|
| Actual    | (13.4) | 10.3 | (81.6) |
| Relative* | (10.4) | 2.7  | (82.7) |

\* % Relative to local index

**Analyst**

Fiona Orford-Williams

## Vantiva (VANTI)

**INVESTMENT SUMMARY**

Vantiva's first standalone results show it to be on a much more stable financial footing from both an income and balance sheet perspective. Its two divisions, Connected Home and SCS, have leadership positions in their respective markets, with blue-chip client rosters. Revenues were up 11% like-for-like, with Connected Home up 33% and SCS retrenching 14%, with the increasing proportion of the former in the mix diluting the EBITDA margin. Management has confirmed FY23 guidance, for EBITDA of over €140m and free cash flow before interest and tax of over €50m.

**INDUSTRY OUTLOOK**

The global supply chain situation has improved and component shortages eased, but there remains caution on the macroeconomic backdrop, which informs decisions around inventory for Vantiva's key network service provider customers. Both divisions have adjacent market opportunities to diversify the revenue base. For Connected Home, the goal is to establish a strong position in internet of things solutions and adding new services for existing clients. FY23 should see technology advancements in DOCSIS 4.0, 10G Fibre, 5G with Wi-Fi 7, providing a step up in what is possible within the home. SCS's ambition is broader, building on its expertise in precision manufacturing and complex logistical fulfilment.

| Y/E Dec | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2020    | 0.0          | 0.0         | 0.0      | 0.0          | N/A     | N/A      |
| 2021    | 2250.0       | 141.0       | (186.0)  | (77.0)       | N/A     | N/A      |
| 2022e   | 2700.0       | 143.0       | (123.0)  | (42.0)       | N/A     | N/A      |
| 2023e   | 2840.0       | 144.0       | (50.0)   | (17.0)       | N/A     | 0.7      |

**Sector: Technology**

Price: A\$0.04  
 Market cap: A\$50m  
 Market: ASX

**Share price graph (A\$)**



**Company description**

Vection Technologies (VR1), an Australia-based software company, operates in the field of extended reality (XR), which encompasses immersive technologies such as augmented reality, virtual reality and mixed reality.

**Price performance**

| %         | 1m     | 3m     | 12m    |
|-----------|--------|--------|--------|
| Actual    | (13.7) | (18.5) | (58.1) |
| Relative* | (10.4) | (16.9) | (54.9) |

\* % Relative to local index

**Analyst**

Max Hayes

## Vection Technologies (VR1)

**INVESTMENT SUMMARY**

While commercial delays have affected VR1's H123 financial performance, lead indicators are encouraging, underpinning management's reiterated guidance of FY23 IntegratedXR revenue growth of 45% to a range of A\$24–26m. According to the company, the majority of these commercial delays have now been resolved, supporting the 50% q-o-q uplift in total contract value in Q3 (to 22 March). Also in Q3, the company started several pilot projects, most notably a A\$1m pilot in the defence sector that could extend to a A\$30m tender, where management expects to deliver a substantial portion before year-end if it wins the tender.

**INDUSTRY OUTLOOK**

VR1's prospects are boosted by the two fast-growing markets it operates in. First is the rapidly evolving metaverse, which is swiftly adding users and potential customers for VR1's products (Gartner predicts that by 2026, 25% of people will spend at least one hour per day in the metaverse). Second is the XR market, which is expected by various studies to grow by 46–58% in 2022–27, driven by the increased use of virtual reality in education, first-person gaming, the adoption of XR tech in healthcare and the growing use of artificial intelligence in XR apps.

| Y/E Dec | Revenue (A\$m) | EBITDA (A\$m) | PBT (A\$m) | EPS (c) | P/E (x) | P/CF (x) |
|---------|----------------|---------------|------------|---------|---------|----------|
| 2021    | 3.5            | (0.4)         | (2.5)      | (0.27)  | N/A     | N/A      |
| 2022    | 18.9           | 0.9           | (7.0)      | (0.67)  | N/A     | N/A      |
| 2023e   | 26.1           | 3.7           | (6.4)      | (0.59)  | N/A     | N/A      |
| 2024e   | N/A            | N/A           | N/A        | N/A     | N/A     | N/A      |

**Sector: Technology**

Price: 1310.0p  
 Market cap: £880m  
 Market: LSE 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    | 3.0 | 49.7 | 317.9 |
| Relative* | 9.6 | 50.2 | 327.5 |

\* % Relative to local index

**Analyst**

Kenneth Mestemacher

## WANDisco (WAND)

**INVESTMENT SUMMARY**

**INDUSTRY OUTLOOK**

We have withdrawn our estimates following WANDisco's announcement that management investigations have discovered potentially fraudulent irregularities with regards to received purchase orders and related revenue and bookings. These irregularities give rise to a potential material mis-statement of the company's financial position and may significantly impact the company's cash position and lead to going-concern issues. The board warns that FY22 revenue could be as low as US\$9m versus at least US\$24m anticipated in the January trading update. Due to the nature of the ongoing investigations we have not been able to speak to the company since the announcement.

| 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   | 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: C\$64.17  
 Market cap: C\$29025m  
 Market: Toronto SE

**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    | 14.7 | 17.5 | 6.7  |
| Relative* | 18.5 | 16.8 | 19.6 |

\* % Relative to local index

**Analyst**

Lord Ashbourne

## Wheaton Precious Metals (WPM)

**INVESTMENT SUMMARY**

Wheaton's Q4 adjusted EPS was 5.1% above our prior expectation, while its FY22 adjusted EPS was 1.0% above. Given Wheaton's production guidance of 600–660koz AuE, FY23 seems likely to be year of investment and steady output for the company (we estimate 623.7koz gold equivalent production in FY23 cf 638.1koz in FY22). However, we expect growth in production to pick up smartly thereafter, reaching 852koz AuE by FY27.

**INDUSTRY OUTLOOK**

Assuming no purchases of additional streams in the foreseeable future (which we think unlikely), we calculate a value per share for Wheaton of US\$54.47, or C\$74.85 or £44.83 in FY26, based on a 30.4x historical multiple of contemporary earnings. In the meantime, Wheaton's shares are trading on near-term financial ratios that are lower than those of its peers on 63% of common valuation measures which otherwise imply a share price of US\$45.94, or C\$63.13, or £37.81 in FY23 rising to US\$47.42, or C\$65.15, or £39.03 in FY24 (based on Edison forecasts).

| Y/E Dec | Revenue (US\$m) | EBITDA (US\$m) | PBT (US\$m) | EPS (fd) (c) | P/E (x) | P/CF (x) |
|---------|-----------------|----------------|-------------|--------------|---------|----------|
| 2021    | 1201.7          | 852.7          | 592.1       | 131.0        | 35.8    | 24.8     |
| 2022    | 1065.1          | 735.2          | 497.7       | 112.0        | 41.8    | 28.2     |
| 2023e   | 1084.2          | 756.0          | 505.3       | 115.0        | 40.7    | 26.9     |
| 2024e   | 1357.8          | 971.6          | 630.4       | 139.0        | 33.7    | 21.8     |

**Sector: Technology**

Price: 2035.0p  
 Market cap: £402m  
 Market: LSE

**Share price graph (p)**



**Company description**

XP Power (XP) 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    | (16.9) | (0.3) | (41.2) |
| Relative* | (11.6) | 0.1   | (39.8) |

\* % Relative to local index

**Analyst**

Katherine Thompson

# XP Power (XPP)

**INVESTMENT SUMMARY**

XP battled through FY22 to meet strong customer demand despite numerous supply chain challenges. H2 performance was significantly better than H1 as supply chain pressures started to ease, and XP enters FY23 with a record £308m order book. The company is targeting 10% organic revenue growth across the cycle and a return to historic profitability levels; we expect XP to make progress towards these targets in FY23 and FY24 while reducing gearing.

**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) |
|---------|--------------|-------------|----------|--------------|---------|----------|
| 2021    | 240.3        | 55.5        | 43.8     | 176.3        | 11.5    | 7.2      |
| 2022    | 290.4        | 56.4        | 38.0     | 160.1        | 12.7    | 7.1      |
| 2023e   | 309.5        | 65.3        | 37.3     | 152.3        | 13.4    | 6.1      |
| 2024e   | 316.8        | 71.8        | 43.3     | 174.6        | 11.7    | 5.6      |

## Edison dividend list

| Company name                     | FY0 period end | Currency | DPS FY0 | DPS FY1 | DPS FY2 |
|----------------------------------|----------------|----------|---------|---------|---------|
| 4imprint Group                   | 2022/12        | USD      | 160.00  | 165.00  | 190.00  |
| AFT Pharmaceuticals              | 2022/03        | NZD      | 0.00    | 2.57    | 4.22    |
| Canacol Energy                   | 2021/12        | USD      | 0.21    | 0.22    | 0.22    |
| Cenkos Securities                | 2022/12        | GBP      | 1.50    |         |         |
| discoverIE Group                 | 2022/03        | GBP      | 10.80   | 11.45   | 12.00   |
| Endeavour Mining                 | 2022/12        | USD      | 81.00   | 75.00   | 88.00   |
| Esker                            | 2022/12        | EUR      | 65.00   | 70.00   | 75.00   |
| Games Workshop Group             | 2022/05        | GBP      | 235.00  | 415.00  | 320.00  |
| Greggs                           | 2022/12        | GBP      | 59.00   | 59.60   | 65.90   |
| 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    |
| LXi REIT                         | 2022/03        | GBP      | 6.00    | 6.30    | 6.60    |
| Numis Corporation                | 2022/09        | GBP      | 13.50   | 13.50   |         |
| Ocean Wilsons Holdings           | 2021/12        | USD      | 70.00   | 70.00   | 70.00   |
| Pan African Resources            | 2022/06        | USD      | 1.04    | 1.00    | 1.00    |
| Phoenix Spree Deutschland        | 2021/12        | EUR      | 7.50    | 7.50    | 7.50    |
| ProCredit Holding                | 2021/12        | EUR      | 0.00    | 0.00    | 48.20   |
| Record                           | 2022/03        | GBP      | 3.60    | 4.10    | 4.20    |
| S&U                              | 2023/01        | GBP      | 133.00  | 133.00  |         |
| Secure Trust Bank                | 2021/12        | GBP      | 61.10   | 41.60   | 40.40   |
| Supermarket Income REIT          | 2022/06        | GBP      | 5.94    | 6.00    | 6.00    |
| Sylvania Platinum                | 2022/06        | USD      | 8.00    | 7.10    | 7.10    |
| Target Healthcare REIT           | 2022/06        | GBP      | 6.76    | 6.76    | 6.76    |
| Thrace Plastics                  | 2021/12        | EUR      | 4.60    |         |         |
| Treatt                           | 2022/09        | GBP      | 7.90    | 8.50    | 9.50    |
| Triple Point Social Housing REIT | 2021/12        | GBP      | 5.20    | 5.46    | 5.62    |
| Wheaton Precious Metals          | 2022/12        | USD      | 60.00   | 60.00   | 61.00   |



| Company                                     | Sector                      | Most recent note          | Date published |
|---|-----------------------------|---------------------------|----------------|
| 1Spatial                                    | Software & comp services    | Update                    | 06/03/23       |
| 4iG   | IT services                 | Flash                     | 22/03/23       |
| 4imprint Group                              | Media                       | Update                    | 15/03/23       |
| AAC Clyde Space                             | Aerospace & defence         | Update                    | 06/03/23       |
| Aberdeen New Thai Investment Trust          | Investment companies        | Investment company review | 29/01/21       |
| abrdn Asian Income Fund                     | Investment companies        | Investment company update | 09/03/23       |
| abrdn Latin American Income Fund            | Investment companies        | Investment company update | 31/08/22       |
| abrdn Private Equity Opportunities Trust    | Investment companies        | Investment company review | 20/02/23       |
| abrdn UK Smaller Cos Growth Trust           | Investment companies        | Investment company review | 25/10/22       |
| Accsys Technologies                         | General industrials         | Update                    | 08/02/23       |
| Actinogen Medical                           | Healthcare                  | Update                    | 15/03/23       |
| AFT Pharmaceuticals                         | Healthcare                  | Flash                     | 28/03/23       |
| Agronomics                                  | Investment companies        | Investment company update | 09/03/23       |
| Alkane Resources                            | Metals & mining             | Flash                     | 28/02/23       |
| Alphamin Resources                          | Metals & mining             | Update                    | 13/04/22       |
| Amoéba                                      | Industrial engineering      | Initiation                | 13/03/23       |
| ArborGen                                    | Basic materials             | Update                    | 07/12/22       |
| Atlantis Japan Growth Fund                  | Investment companies        | Investment company update | 29/03/23       |
| Auriant Mining                              | Metals & mining             | Update                    | 16/12/21       |
| Axiom European Financial Debt Fund          | Investment companies        | Investment company update | 07/11/22       |
| Baillie Gifford China Growth Trust          | Investment companies        | Investment company review | 01/12/22       |
| Baillie Gifford US Growth Trust             | Investment companies        | Investment company update | 30/09/22       |
| Baker Steel Resources Trust                 | Investment companies        | Investment company update | 18/01/23       |
| Basilea Pharmaceutica                       | Healthcare                  | Flash                     | 23/03/23       |
| BayWa                                       | Consumer staples            | Update                    | 19/01/21       |
| BB Biotech                                  | Investment companies        | Investment company review | 03/03/23       |
| bet-at-home                                 | Travel & leisure            | Update                    | 12/12/22       |
| BioPharma Credit                            | Investment companies        | Investment company review | 03/11/22       |
| Biotech Growth Trust (The)                  | Investment companies        | Investment company review | 15/03/23       |
| BlackRock Greater Europe Inv. Trust         | Investment companies        | Investment company update | 13/12/22       |
| BlackRock Latin American Inv. Trust         | Investment companies        | Investment company review | 03/03/22       |
| BlackRock Sustainable American Income Trust | Investment companies        | Investment company review | 11/11/22       |
| Bloc Ventures                               | Venture capital             | Update                    | 26/07/22       |
| Boku  | Software & comp services    | Outlook                   | 22/03/23       |
| Borussia Dortmund                           | Travel & leisure            | Update                    | 01/03/23       |
| Braemar Shipping Services                   | Industrial support services | Update                    | 24/11/22       |
| Brunner Investment Trust (The)              | Investment companies        | Investment company update | 30/11/22       |
| Canacol Energy                              | Oil & gas                   | Update                    | 06/09/22       |
| Canadian General Investments                | Investment companies        | Investment company update | 15/11/22       |
| Cantargia                                   | Healthcare                  | Flash                     | 14/03/23       |
| Carmat                                      | Healthcare                  | Update                    | 20/09/21       |
| Carr's Group                                | Food & drink                | Update                    | 27/03/23       |
| Cenkos Securities                           | Financial services          | Update                    | 15/03/23       |
| Centaur Media                               | Media                       | Update                    | 15/03/23       |
| CentralNic Group                            | Software & comp services    | Outlook                   | 09/03/23       |
| Channel Islands Property Fund               | Investment companies        | Initiation                | 04/11/21       |
| Checkit                                     | Software & comp services    | Update                    | 16/02/23       |
| Chimeric Therapeutics                       | Healthcare                  | Update                    | 06/12/21       |
| CI Games                                    | Video games                 | Update                    | 24/11/22       |
| Civitas Social Housing                      | Real estate                 | Update                    | 27/05/22       |
| Claranova                                   | Software & comp services    | Update                    | 14/02/23       |
| CLIQ Digital                                | Media                       | Update                    | 27/02/23       |
| Cohort                                      | Aerospace & defence         | Outlook                   | 15/12/22       |
| CoinShares International                    | Financials                  | Outlook                   | 20/03/23       |
| Context Therapeutics                        | Healthcare                  | Flash                     | 23/03/23       |
| Coro Energy                                 | Oil & gas                   | Flash                     | 03/04/20       |
| Creo Medical                                | Healthcare                  | Flash                     | 21/02/23       |
| Custodian Property Income REIT              | Property                    | Update                    | 23/02/23       |

| Company                               | Sector                    | Most recent note          | Date published |
|---------------------------------------|---------------------------|---------------------------|----------------|
| Datatec                               | IT services               | Flash                     | 27/03/23       |
| Dentsu Group                          | Media                     | Flash                     | 14/02/23       |
| Deutsche Beteiligungs                 | Investment companies      | Investment company update | 15/02/23       |
| discoverIE Group                      | Electronics & electrical  | Update                    | 26/01/23       |
| Diverse Income Trust (The)            | Investment companies      | Investment company update | 02/03/23       |
| Doctor Care Anywhere Group            | Healthcare equipment &    | Update                    | 25/04/22       |
| Ebiquity                              | Media                     | Update                    | 07/02/23       |
| EMIS Group                            | Software & comp services  | Flash                     | 17/03/23       |
| EML Payments                          | Software & comp services  | Update                    | 09/12/22       |
| Endeavour Mining                      | Metals & mining           | Update                    | 17/03/23       |
| Ensurge Micropower                    | Tech hardware & equipment | Update                    | 07/03/23       |
| Epwin Group                           | Industrials               | Update                    | 22/11/22       |
| EQS Group                             | Media                     | Update                    | 15/02/23       |
| Ergomed                               | Healthcare                | Update                    | 21/12/22       |
| Esker                                 | Technology                | Update                    | 28/03/23       |
| European Assets Trust                 | Investment companies      | Investment company update | 09/03/23       |
| European Opportunities Trust          | Investment companies      | Investment company update | 07/03/23       |
| Expert.ai                             | Technology                | Update                    | 05/10/21       |
| Fidelity Emerging Markets             | Investment companies      | Investment company review | 15/02/23       |
| Filtronc                              | Tech hardware & equipment | Update                    | 07/02/23       |
| Finsbury Growth & Income Trust        | Investment companies      | Investment company review | 27/01/23       |
| Foresight Solar Fund                  | Investment companies      | Investment company review | 22/08/22       |
| Foxtons Group                         | Financial services        | Update                    | 15/03/23       |
| Games Workshop Group                  | Consumer goods            | Update                    | 24/03/23       |
| Georgia Capital                       | Investment companies      | Investment company review | 08/03/23       |
| Greggs                                | Food & drink              | Outlook                   | 29/03/23       |
| Gresham House Energy Storage Fund     | Investment companies      | Investment company flash  | 14/03/23       |
| 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 | 22/03/23       |
| Helios Underwriting                   | Insurance                 | Update                    | 13/02/23       |
| HELLENiQ Energy                       | Oil & gas                 | Flash                     | 11/11/22       |
| Henderson EuroTrust                   | Investment companies      | Initiation                | 25/01/23       |
| Henderson Far East Income             | Investment companies      | Investment company update | 23/11/22       |
| Henderson International Income Trust  | Investment trusts         | Investment company review | 01/12/22       |
| Henderson Opportunities Trust         | Investment trusts         | Investment company update | 15/09/22       |
| Henderson Smaller Companies Inv Trust | Investment trusts         | Investment company update | 08/11/22       |
| HgCapital Trust                       | Investment companies      | Investment company update | 16/03/23       |
| Hostmore                              | Travel & leisure          | Update                    | 14/07/22       |
| Immix Biopharma                       | Healthcare                | Flash                     | 24/03/23       |
| Impact Healthcare REIT                | Real estate               | Update                    | 03/03/23       |
| Incannex Healthcare                   | Healthcare                | Flash                     | 15/03/23       |
| Invesco Asia Trust                    | Investment companies      | Investment company update | 28/03/23       |
| IP Group                              | Listed venture capital    | Flash                     | 08/03/23       |
| IRLAB Therapeutics                    | Healthcare                | Update                    | 02/03/23       |
| JDC Group                             | Diversified financials    | Flash                     | 10/03/23       |
| 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 update | 06/02/23       |
| Jupiter UK Growth Investment Trust    | Investment trusts         | Investment company review | 13/05/19       |
| Kazia Therapeutics                    | Healthcare                | ADR flash                 | 01/02/23       |
| KEFI Gold and Copper                  | Metals & mining           | Flash                     | 10/01/23       |
| Kendrion                              | Industrial engineering    | Update                    | 02/03/23       |
| Kinarus Therapeutics                  | Healthcare                | Flash                     | 07/12/23       |
| Lepidico                              | Metals & mining           | Update                    | 14/02/23       |
| Light Science Technologies Holdings   | Tech hardware & equipment | Update                    | 06/02/23       |
| Lithium Power International           | Metals & mining           | Update                    | 08/02/23       |

| Company                                | Sector                      | Most recent note          | Date published |
|--|-----------------------------|---------------------------|----------------|
| Lowland Investment Company             | Investment companies        | Investment company update | 09/01/23       |
| LXi REIT                               | Real estate                 | Outlook                   | 16/03/23       |
| MagForce                               | Healthcare                  | Flash                     | 10/11/21       |
| Manx Financial Group                   | Banking                     | Update                    | 01/11/22       |
| Martin Currie Global Portfolio Trust   | Investment companies        | Investment company review | 02/02/23       |
| Media and Games Invest                 | Media                       | Update                    | 07/03/23       |
| Medlab Clinical                        | Healthcare                  | Outlook                   | 23/01/23       |
| Melrose Industries                     | Industrials                 | Update                    | 02/03/23       |
| Mendus                                 | Healthcare                  | Update                    | 24/02/23       |
| Merchants Trust (The)                  | Investment companies        | Investment company review | 20/12/22       |
| Midatech Pharma                        | Healthcare                  | Flash                     | 28/03/23       |
| Molecure                               | Healthcare                  | Flash                     | 10/03/23       |
| Molten Ventures                        | Listed venture capital      | Update                    | 21/02/23       |
| MotorK                                 | Software & comp services    | Update                    | 01/03/23       |
| Murray Income Trust                    | Investment companies        | Investment company update | 30/11/22       |
| Murray International Trust             | Investment companies        | Investment company review | 16/03/23       |
| musicMagpie                            | Retail                      | Update                    | 09/03/23       |
| Mytilineos                             | General industrials         | Update                    | 21/03/23       |
| Nanoco Group                           | Tech hardware & equipment   | Update                    | 30/03/23       |
| Nano Dimension                         | Tech hardware & equipment   | Flash                     | 15/03/23       |
| NB Private Equity Partners             | Investment companies        | Investment company update | 24/10/22       |
| Newmont Corporation                    | Metals & mining             | Update                    | 14/03/23       |
| Newron Pharmaceuticals                 | Healthcare                  | Flash                     | 20/03/23       |
| Nicox                                  | Healthcare                  | Update                    | 27/03/23       |
| Norcros                                | Construction & materials    | Update                    | 06/12/22       |
| Numis Corporation                      | Financial services          | Update                    | 07/02/23       |
| Ocean Wilsons Holdings                 | Investment companies        | Flash                     | 21/11/22       |
| OPAP                                   | Travel & leisure            | Update                    | 27/03/23       |
| OpGen                                  | Healthcare                  | Flash                     | 19/01/23       |
| OPG Power Ventures                     | Utilities                   | Update                    | 05/04/22       |
| Oryzon Genomics                        | Healthcare                  | Flash                     | 16/03/23       |
| OSE Immunotherapeutics                 | Healthcare                  | Flash                     | 01/03/23       |
| OTC Markets Group                      | Financial services          | Update                    | 30/05/22       |
| Pan African Resources                  | Metals & mining             | Flash                     | 17/03/23       |
| Pan American Silver                    | Metals & mining             | Flash                     | 27/03/23       |
| Paradigm Biopharma                     | Healthcare                  | Update                    | 02/03/23       |
| paragon                                | General industrials         | Flash                     | 10/03/23       |
| PB Holding                             | Automobiles & parts         | Flash                     | 31/08/22       |
| Pharnext                               | Healthcare                  | Update                    | 06/03/23       |
| Phoenix Spree Deutschland              | Real estate                 | Update                    | 20/02/23       |
| Picton Property Income                 | Property                    | Update                    | 03/02/23       |
| Pixium Vision                          | Healthcare                  | Flash                     | 15/02/23       |
| Portobello                             | Retail                      | Flash                     | 23/03/23       |
| Premier Miton Global Renewables Trust  | Investment companies        | Investment company review | 15/03/23       |
| Princess Private Equity Holding        | Investment companies        | Investment company update | 03/03/23       |
| ProCredit Holding                      | Banks                       | Update                    | 18/11/22       |
| Provaris Energy                        | Industrial support services | Flash                     | 09/02/23       |
| Quadrise Fuels International           | Alternative energy          | Update                    | 28/11/22       |
| Quantum Genomics                       | Healthcare                  | Flash                     | 28/10/22       |
| Rank Group                             | Travel & leisure            | Update                    | 28/02/23       |
| Raven Property Group                   | Property                    | Outlook                   | 09/09/21       |
| Recce Pharmaceuticals                  | Healthcare                  | Initiation                | 08/03/23       |
| Record                                 | Financials                  | Update                    | 02/03/23       |
| Regional REIT                          | Real estate                 | Update                    | 27/02/23       |
| ReNeuron Group                         | Healthcare                  | Flash                     | 09/12/23       |
| Renewi                                 | Industrial support services | Flash                     | 06/03/23       |
| Respiri                                | Healthcare                  | Flash                     | 29/03/23       |
| Riverstone Credit Opportunities Income | Investment companies        | Investment company update | 03/10/22       |

| Company                              | Sector                      | Most recent note          | Date published |
|--------------------------------------|-----------------------------|---------------------------|----------------|
| Round Hill Music Royalty Fund        | Investment companies        | Investment company review | 23/01/23       |
| RTW Venture Fund                     | Investment companies        | Investment company flash  | 12/12/22       |
| S&U                                  | Financials                  | Update                    | 10/02/23       |
| Sareum Holdings                      | Healthcare                  | Update                    | 23/03/23       |
| Scandion Oncology                    | Healthcare                  | Flash                     | 29/03/23       |
| Secure Trust Bank                    | Financials                  | Flash                     | 19/01/23       |
| SenSen Networks                      | Software & comp services    | Update                    | 30/01/23       |
| Sequana Medical                      | Healthcare                  | Flash                     | 01/03/23       |
| Seraphim Space Investment Trust      | Investment companies        | Investment company update | 16/12/22       |
| Severfield                           | Construction & materials    | Update                    | 12/12/22       |
| Shield Therapeutics                  | Healthcare                  | Flash                     | 10/02/23       |
| SIGA Technologies                    | Healthcare                  | Update                    | 14/03/23       |
| Smiths News                          | Industrial support services | Update                    | 24/11/22       |
| Supermarket Income REIT              | Property                    | Update                    | 28/02/23       |
| Sylvania Platinum                    | Metals & mining             | Outlook                   | 14/02/23       |
| SynBiotic                            | Consumer                    | Update                    | 06/12/21       |
| Target Healthcare REIT               | Property                    | Update                    | 15/02/23       |
| Templeton Emerging Markets Inv Trust | Investment companies        | Investment company update | 24/02/23       |
| Tetragon Financial Group             | Investment companies        | Investment company update | 23/11/22       |
| The Bankers Investment Trust         | Investment trusts           | Investment company update | 29/11/22       |
| The European Smaller Companies Trust | Investment companies        | Investment company update | 17/10/22       |
| The Law Debenture Corporation        | Investment trusts           | Investment company review | 28/02/23       |
| The Metals Company                   | Metals & mining             | Update                    | 29/03/23       |
| The MISSION Group                    | Media                       | Update                    | 20/01/21       |
| The Pebble Group                     | Media                       | Update                    | 21/03/23       |
| Thrace Plastics                      | General industrials         | Update                    | 06/12/21       |
| TIE Kinetix                          | Software & comp services    | Update                    | 18/05/22       |
| Tinexta                              | Professional services       | Update                    | 20/03/23       |
| Treatt                               | Basic industries            | Update                    | 30/01/23       |
| Triple Point Social Housing REIT     | Real estate                 | Update                    | 14/02/23       |
| UIL                                  | Investment companies        | Investment company update | 09/03/23       |
| Ultimovacs                           | Healthcare                  | Update                    | 21/02/23       |
| Unbound Group                        | Retail                      | Flash                     | 01/07/22       |
| Utilico Emerging Markets Trust       | Investment companies        | Investment company review | 16/08/22       |
| Vantiva                              | Media                       | Outlook                   | 08/12/22       |
| Vection Technologies                 | Software & comp services    | Update                    | 27/03/23       |
| Vietnam Enterprise Investments       | Investment companies        | Investment company update | 28/09/22       |
| VietNam Holding                      | Investment companies        | Investment company update | 27/03/23       |
| VinaCapital Vietnam Opportunity Fund | Investment companies        | Investment company review | 16/12/22       |
| VivoPower International              | General industrials         | Update                    | 28/02/22       |
| VolitionRx                           | Healthcare                  | Update                    | 17/01/23       |
| WANdisco                             | Technology                  | Flash                     | 24/01/23       |
| Wheaton Precious Metals              | Metals & mining             | Update                    | 14/03/23       |
| Witan Investment Trust               | Investment companies        | Investment company update | 20/03/23       |
| Worldwide Healthcare Trust           | Investment companies        | Investment company review | 11/01/23       |
| XP Power                             | Electronic & electrical     | Outlook                   | 28/02/23       |

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