



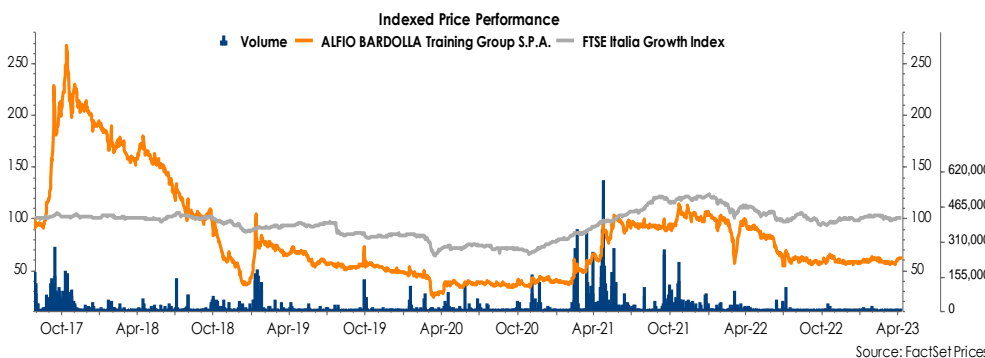
**Great results from March's "Wake-Up Call" event, the second in hybrid mode**

**Sector: Commercial Services**

**FY22 sales at Euro 15.0 m, consistently in line with expectations.** Alfio Bardolla Training Group, Italian leader in financial and business training, posted a positive set of FY22 results largely in line with our estimates. Total revenues amounted to Euro 15.8 m vs. Euro 14.1 m registered in previous year; the Group is continuing with the process of structuring itself to a gradual evolution of organizing events in hybrid mode, after the "Wake-Up Call" in October 2022 and the last in March 2023 that have been disbursed for the first time in both livestream and presence mode. Generally speaking, for the parent company it is planned, in particular, to return to physical events, while also maintaining the online ones, to move to the new headquarters, capable of accommodating the growing number of resources as well as having a dedicated course venue, and to conduct the "Wake-Up Call" in hybrid mode. Revenues of the Parent Company and ABTG Espana accounted for over 80% of the Group's revenues and amounted to Euro 12.8 m, up 9% YoY, while revenues of the subsidiary AGL, exceeding Euro 2.2 m and accounting for 14% of the total, grew by 4.5% compared to 2021. Particular noteworthy is the significant growth from the subsidiary SBL, with revenues of approximately Euro 1 m, up more than 600% compared to 2021 (Euro 0.137 m). Consolidated EBITDA amounted to Euro 2.5 m and expressed a margin of 16%, recording a decrease of Euro 1.3 m compared to the end of 2021, due to the increase in costs required to develop the business and the change in accounting for lead generation expenses. It should also be noted that, compared to 2021, the subsidiary SBL was fully consolidated, as its acquisition took place in June 2021. EBIT is negative for approximately Euro 0.5 m, compared to Euro 1.4 m as of 31 December 2021, mainly as a result of depreciation and amortization of Euro 2.4 m, up 20% YoY with respect to 2021, and related to the Parent Company and the Spanish subsidiary. As already mentioned, the year just ended was also characterized by the corporate reorganisation necessary to cope with the Group's growth in size and volume of business as well as to consolidate the new organisational structure. On the balance sheet side, we see a slightly increase in Net Financial Position that it is quantified in Euro 0.8 m (cash positive) vs. Euro 0.1 m at the end of 2021; Net working capital, which due to the business' nature is negative, stood at Euro -1.2 m whereas Net Equity was of Euro 4.1 m (vs. Euro 4.8 m in FY21).

**Positive outlook despite international turmoil.** On 31 January 2023, the Company's Board of Directors approved the 2023 budget, which envisages consolidated revenue of Euro 18.7 m and EBITDA of Euro 3.7 m, with an EBITDA margin of around 20%. The development strategy during 2023 includes growth across all Group companies, with further strengthening and consolidation of the digital strategy; for the Spanish subsidiary, ABTG Espana, the opening of the operational office in Valencia, the recruitment of a local figure in Valencia to move the commercial activity and the launch of training for entrepreneurs are planned. In addition, the free tour in Spanish cities and the return to the Wake Up Call in physical and online form are expected. For AGL, an increase in revenues is expected with the strengthening of the core business, related to affiliations and monthly fees, and the launch of new services with further digital developments and greater integration and remuneration of affiliates. Finally, for SBL, once the re-organisation phase after the acquisition is over, significant growth is expected in 2023, with the start of synergies with the parent company and IT developments.

**Estimate revision and valuation.** Given the above we finetuned our revenue forecast now assuming Euro 18.7 m in FY23 (previously Euro 18.3 m) and slightly decrease our EBITDA margin (now 20% in FY23 and 21% in FY24 vs 26% and 28% previously). Based on peers' multiple re-rating (c. +5% since our last report), we updated our target price to Euro 8.35 p.s. (8.27 pr.) providing for an upside on current stock price of +294%. The stock is currently trading at FY23E/24E EV/EBITDA multiples of 2.68x and 2.39x at an average discount of 20% to peers. At our target price the stock would be trading at 11.2x and 10.0x respectively.



**Target Price 8.35 (8.27 pr.)**

Price (€ m) **2.1**  
Market Cap (€ m) **10.8**  
EV (€ m) **10.0**

**As of April 19<sup>th</sup>, 2023**

**Share Data**

Market	Euronext Growth Milan
Reuters/Bloomberg	ABTG.MI/ABTG:IM
ISIN	IT0005244030
N. of Shares	5,095,554
Free Float	52.5%
CEO	Alfio Bardolla

**Financials**

	2022A	2023E	2024E	2025E
<b>Sales</b>	<b>15.0</b>	<b>18.0</b>	<b>19.8</b>	<b>21.4</b>
YoY %	+12%	+20%	+10%	+9%
<b>EBITDA</b>	<b>2.5</b>	<b>3.7</b>	<b>4.3</b>	<b>4.6</b>
EBITDA %	16%	20%	21%	21%
<b>EBIT</b>	<b>(0.6)</b>	<b>1.8</b>	<b>2.1</b>	<b>2.2</b>
EBIT %	(3%)	10%	10%	9%
<b>Net Income</b>	<b>(0.6)</b>	<b>1.1</b>	<b>1.4</b>	<b>1.4</b>
<b>Net Debt</b>	<b>(0.8)</b>	<b>(2.0)</b>	<b>(3.5)</b>	<b>(5.3)</b>

**Performance**

	1M	3M	6M
Absolute %	3.4	1.0	-6.6
Relative (FTSE Italia Growth)	2.5	3.8	-10.0
52-week High/Low (Eu)	3.5	/	1.9

**Sustainability**

ESG Profile available

Research Department of

**IRTOP CONSULTING**

Edoardo Fumagalli  
[e.fumagalli@irtop.com](mailto:e.fumagalli@irtop.com)