

June 12th 2023

## algoWatt

Euronext Milan | Technology - GreenTech | Italy

## SAS Hackaton - Global Tech

Rating  
BUYTarget Price  
€ 1,50ALW IM Price  
€ 0,59

## Stock Data

Price	€ 0,59
Target price	€ 1,50
Upside/(Downside) potential	153,0%
Ticker	ALW IM
Market Cap (€/mln)	€ 27,47
EV (€/mln)	€ 40,22
Free Float	55,66%
Share Outstanding	46.322.455
52-week high	€ 0,97
52-week low	€ 0,48
Average daily volumes (3 months)	189.693

## Stocks performance relative to FTSE Italia Growth

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## SAS Hackaton - Global Technology

Nel comunicato stampa del 5 giugno 2023, algoWatt, GreenTech company quotata sul segmento Euronext Milan di Borsa Italiana, ha annunciato di essersi aggiudicata il premio SAS Hackaton 2023 nella categoria Global Technology “Forecasting”, in collaborazione con l’Università di Genova e l’Università di Oakland.

SAS Hackaton è la challenge globale organizzata da SAS, leader negli *analytics*, intelligenza artificiale e alla trasformazione dei dati in conoscenza e informazioni accessibili; le tecnologie SAS e gli strumenti *open source* permettono a sviluppatori, studenti, startup e altri soggetti di implementare soluzioni innovative nei crescenti ambiti della *digital energy* e del nuovo paradigma CER, in cui appunto algoWatt risulta leader in Italia.

Dopo il successo dell’edizione del 2022, quest’anno l’evento ha visto più di 1.400 persone da 75 Paesi candidate alla partecipazione, con più di 100 squadre in rappresentanza di 140 organizzazioni che comprendevano *data scientist*, esperti quantitativi, analisti aziendali, esperti di marketing e vari professionisti del settore.

La competizione è quindi divisa in quattro macrocategorie: Industry, Technology, Specialty, Regional, ognuna delle quali a sua volta suddivisa in diversi ambiti. Tra questi, come anticipato, la sezione “Forecasting” della categoria Technology ha visto il gruppo algoWatt emergere vincitore, grazie ad un progetto relativo ad un innovativo strumento di supporto alle decisioni per la pianificazione, il dimensionamento e il funzionamento delle Comunità Energetiche Rinnovabili (CER).

La recente notizia si aggiunge alle diverse iniziative portate avanti da algoWatt negli ultimi mesi. Nel comunicato stampa del 31 maggio, infatti, la Società aveva comunicato la conclusione delle attività tecniche del progetto EFFICACITY per l’ottimizzazione intelligente ed efficiente del processo di raccolta e riuso dei rifiuti ingombranti in ambito urbano, dal valore complessivo di circa € 2,00 mln finanziati tra gli altri da AMIU (Azienda Multiservizi e d’Igiene Urbana) Genova. Le attività riguardavano in questo caso lo studio e l’applicazione di tecnologie digitali per ottimizzare il riciclo e il riuso dei rifiuti ingombranti nell’area metropolitana di Genova, sempre in ottica di economia circolare.

Questi progetti denotano i grandi progressi di algoWatt in ambito GreenTech e confermano la nostra view positiva sull’andamento delle attività della Società. In attesa di valutare i risultati economici dell’esercizio 2022, la cui pubblicazione è prevista nel mese di giugno, confermiamo la nostra raccomandazione: **target price € 1,50, rating BUY e risk MEDIUM.**

# Economics & Financials

TABLE 1 – ECONOMICS & FINANCIALS

INCOME STATEMENT (€/mln)	FY21A	FY22A	FY23E	FY24E	FY25E
Revenues	16,49	16,58	23,00	28,90	30,75
Other Revenues	2,78	6,37	10,00	2,40	2,50
<b>Value of Production</b>	<b>19,27</b>	<b>22,95</b>	<b>33,00</b>	<b>31,30</b>	<b>33,25</b>
COGS	0,40	0,51	0,50	0,65	0,70
Services	5,67	5,97	6,80	7,85	8,25
Employees	13,08	12,54	13,00	16,25	17,25
Other Operating Expenses	0,97	0,60	0,70	0,75	0,80
<b>EBITDA</b>	<b>(0,86)</b>	<b>3,32</b>	<b>12,00</b>	<b>5,80</b>	<b>6,25</b>
<i>EBITDA Margin</i>	-4,5%	14,5%	36,4%	18,5%	18,8%
D&A	1,98	7,07	3,65	3,75	3,80
<b>EBIT</b>	<b>(2,84)</b>	<b>(3,75)</b>	<b>8,35</b>	<b>2,05</b>	<b>2,45</b>
<i>EBIT Margin</i>	-14,7%	-16,4%	25,3%	6,5%	7,4%
Financial Management	(2,54)	12,34	(0,50)	(0,50)	(0,50)
<b>EBT</b>	<b>(5,38)</b>	<b>8,59</b>	<b>7,85</b>	<b>1,55</b>	<b>1,95</b>
Taxes	0,23	0,11	2,00	0,50	0,60
Discontinued Operations	(0,41)	(1,91)	0,00	0,00	0,00
<b>Net Income</b>	<b>(6,03)</b>	<b>6,57</b>	<b>5,85</b>	<b>1,05</b>	<b>1,35</b>
Minorities Net Income	(0,03)	(0,04)	0,00	0,00	0,00
<b>BALANCE SHEET (€/mln)</b>	<b>FY21A</b>	<b>FY22A</b>	<b>FY23E</b>	<b>FY24E</b>	<b>FY25E</b>
<b>Fixed Asset</b>	<b>47,35</b>	<b>42,32</b>	<b>41,00</b>	<b>39,80</b>	<b>38,80</b>
Account receivable	19,61	22,98	23,00	29,00	30,00
Inventories	6,79	7,99	10,00	11,20	11,50
Account payable	26,52	29,88	24,00	36,00	37,00
<b>Operating Working Capital</b>	<b>(0,12)</b>	<b>1,09</b>	<b>9,00</b>	<b>4,20</b>	<b>4,50</b>
Other Receivable	58,54	10,28	11,20	11,80	12,10
Other Payable	56,60	23,44	25,00	26,00	27,00
<b>Net Working Capital</b>	<b>1,83</b>	<b>(12,08)</b>	<b>(4,80)</b>	<b>(10,00)</b>	<b>(10,40)</b>
Severance Indemnities & Provision	5,33	5,39	6,00	6,20	6,40
<b>NET INVESTED CAPITAL</b>	<b>43,84</b>	<b>24,86</b>	<b>30,20</b>	<b>23,60</b>	<b>22,00</b>
Share Capital	12,28	12,28	12,28	12,28	12,28
Reserves and Retained Profits	(27,91)	(5,92)	0,69	6,54	7,59
Net Profit	(6,01)	6,61	5,85	1,05	1,35
<b>Equity</b>	<b>(21,64)</b>	<b>12,97</b>	<b>18,82</b>	<b>19,87</b>	<b>21,22</b>
<b>Minorities Equity</b>	<b>(0,03)</b>	<b>(0,86)</b>	<b>(1,00)</b>	<b>(1,00)</b>	<b>(1,00)</b>
Cash and Cash Equivalent	1,97	2,62	1,72	8,47	10,02
Short-Term Financial debt	66,75	3,02	2,60	2,20	1,80
ML Term Financial Debt	<b>0,72</b>	<b>12,34</b>	<b>11,50</b>	<b>11,00</b>	<b>10,00</b>
<b>Net Financial Position</b>	<b>65,51</b>	<b>12,75</b>	<b>12,38</b>	<b>4,73</b>	<b>1,78</b>
<b>SOURCES</b>	<b>43,84</b>	<b>24,86</b>	<b>30,20</b>	<b>23,60</b>	<b>22,00</b>

CASH FLOW (€/mln)	FY21A	FY22A	FY23E	FY24E	FY25E
EBIT	(2,84)	(3,75)	8,35	2,05	2,45
Discontinued Operations	(0,41)	(1,91)	0,00	0,00	0,00
Taxes	0,23	0,11	2,00	0,50	0,60
<b>NOPAT</b>	<b>(3,49)</b>	<b>(5,77)</b>	<b>6,35</b>	<b>1,55</b>	<b>1,85</b>
D&A	1,98	7,07	3,65	3,75	3,80
Change in receivable	(0,93)	(3,37)	(0,02)	(6,00)	(1,00)
Change in Inventories	0,51	(1,20)	(2,01)	(1,20)	(0,30)
Change in payable	(1,15)	3,36	(5,88)	12,00	1,00
Other Changes	(1,75)	15,11	0,63	0,40	0,70
Change in NWC	(3,33)	13,91	(7,28)	5,20	0,40
Change in Provision	(0,62)	0,05	0,61	0,20	0,20
<b>OPERATING CASH FLOW</b>	<b>(5,45)</b>	<b>15,26</b>	<b>3,33</b>	<b>10,70</b>	<b>6,25</b>
Investments	1,6	(2,1)	(2,3)	(2,6)	(2,8)
<b>FREE CASH FLOW</b>	<b>(3,85)</b>	<b>13,21</b>	<b>1,01</b>	<b>8,15</b>	<b>3,45</b>
Financial Management	(2,54)	12,34	(0,50)	(0,50)	(0,50)
Change in Payable to Banks	1,11	(52,10)	(1,27)	(0,90)	(1,40)
Change in Equity	4,07	27,21	(0,14)	0,00	0,00
<b>FREE CASH FLOW TO EQUITY (FCFE)</b>	<b>(1,22)</b>	<b>0,66</b>	<b>(0,90)</b>	<b>6,75</b>	<b>1,55</b>

Source: algoWatt, Integrae SIM estimates

\*stime come da ultimo report del 8/9/22

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08/02/2023	0,67	Buy	1,50	Medium	Breaking News
10/02/2023	0,69	Buy	1,50	Medium	Breaking News
10/05/2023	0,60	Buy	1,50	Medium	Breaking News
29/05/2023	0,58	Buy	1,50	Medium	Breaking News

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#### Equity Total Return (ETR) for different risk categories

Rating	Low Risk	Medium Risk	High Risk
BUY	ETR >= 7.5%	ETR >= 10%	ETR >= 15%
HOLD	-5% < ETR < 7.5%	-5% < ETR < 10%	0% < ETR < 15%
SELL	ETR <= -5%	ETR <= -5%	ETR <= 0%
U.R.	Rating e/o target price Under Review		
N.R.	Stock Not Rated		

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Production date: 09/06/2023 h. 18:00

Pubblication date: 12/06/2023 h. 8:00