

COMPANY UPDATE

DIGITAL360
EMPOWERING INNOVATION

ADD

Fair value: €2.83 (€1.60)
Price: €1.28
Upside: 121.4%

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Market Data:	
Main Shareholders	
Andrea Rangone	23.70%
Mariano Corso	12.10%
Alessandro Giuseppe Perego	12.10%
Mkt Cap (€ mn)	20.81
EV (€ mn)	25.40
Shares issued (mn)	16.3
Free Float (%)	24.6

Market multiples	2019	2020	2021
EV/EBITDA			
Digital360	8.7x	6.2x	4.7x
Comps median	18.9x	15.4x	18.4x
Digital360 vs Median	-54%	-60%	-74%
P/E			
Digital360	n.m.	12.2x	8.9x
Comps median	23.3x	27.8x	23.2x
Digital360 vs Median	n.m.	-56%	-61%

Stock Data:	
52 Wk High (€)	1.37
52 Wk Low (€)	0.64
Avg. Daily Trading 90d	21,164
Price Change 1w (%)	164.89
Price Change 1m (%)	221.30
Price Change YTD (%)	285.56

Source: Company data, Factset
KT&Partners' estimates,

Smart Propulsion - A COVID19 Story

€ Million	FY 17A	FY 18A	FY 19A	FY 20E	FY 21E	FY 22E	FY 23E	FY 24E
Total Revenues	14.3	22.5	25.2	24.5	31.8	35.6	39.6	42.9
EBITDA	1.6	2.6	2.9	4.1	5.4	6.0	6.7	7.4
margin	11.5%	11.4%	11.5%	16.8%	17.0%	17.0%	17.0%	17.3%
Net Profit Adj.	0.5	0.3	0.3	1.7	2.3	2.6	3.8	4.0
margin	3.7%	1.4%	1.2%	6.9%	7.3%	7.3%	9.5%	9.3%
EPS	0.03	0.02	0.02	0.10	0.14	0.16	0.23	0.25

Source: Company data, KT&Partners' estimates

1H2020 Results. Notwithstanding the COVID19 negative effect on the physical event business, which had a €3.0mn impact on 1H2020 top line, DIG's revenue decreased by only 5% YoY, reaching €12.7mn. To face the COVID19 pandemic, DIG has reshaped its offer by transforming physical events into digital ones and by expanding the digital services offer with new solutions to support the digital transformation journey of Italian corporates. The strong demand for digital services and the take-off of the Digital-As-A-Service offer increased the Company's marginality. EBITDA grew by 92% YoY reaching €2.8mn, and EBITDA margin reached 22%. EBIT was €1.6mn with a margin of 12.2% (vs 2.3% in 1H19). Looking at the bottom line, DIG closed the first part of the year with a net income before minorities of €1.07mn, while the adjusted result recorded €1.46mn. The 1H20 net financial position improved to €3.6mn from €6.3mn at the end of 2019.

New solutions for a different world. Digital-As-A-Service services posted +52% vs FY2019, while new services were launched: 360DigitalSkill (Education); MarTech360 (Marketing); GRC360 (Governance, Risk and Compliance); Empowercare (Healthcare application); Smart Working Emergency Kit; and App 360 Inspection (Compliance).

Start-up investments are starting to pay off. AppQuality, a platform for crowd testing (DIG detain 7.92% on 31/12/2019), closed an investment round of €3.5mn (May 2020). Meanwhile, the disposal of S.A.T.A. Srl stake (6.8%) generated a financial gain of €0.244mn (May 2020).

Estimate update. Taking into consideration factors driving the Company's results for 1H2020, we have left unchanged our forecasts for revenues in 2020 and 2021, while we revised upward our projections focusing on the EBITDA effect. FY20 EBITDA and EBITDA margin were increased by ca. 17% to €4.1mn and 250bps to 16.8%, respectively, on the back of the decreased incidence of service costs recorded in 1H20. We expect that 2020 investments and changed revenue mix will further improve the Company. FY20 EBIT adj. is expected to reach €2.3mn in 2020 and €3.1mn in 2021. We forecast that net income adj. after minorities will grow, amounting to €1.7mn in FY20 and €2.3mn in FY21.

Valuation. Our valuation - based on both DCF and a market multiples model - returns an average equity value of €46.08mn or €2.83ps, showing a potential upside of 121.4% on the current market price (25/09/2020 - €1.28ps).

Relative Performance Chart YTD



Source: Factset

DIG - Key Figures

	Current price (€)	Fair Value (€)	Sector						Free Float (%)
	1.28	2.83	Digital						24.6
Per Share Data	2017A	2018A	2019A	2020E	2021E	2022E	2023E	2024E	
Total shares issued (mn)	16.26	16.26	16.26	16.26	16.26	16.26	16.26	16.26	
Total shares outstanding (mn)	16.26	16.23	16.23	16.22	16.22	16.22	16.22	16.22	
EPS	0.03	0.02	0.02	0.10	0.14	0.16	0.23	0.25	
Dividend per share (ord)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Dividend pay out ratio (%)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Profit and Loss (EUR million)									
Revenues	14.3	22.5	25.2	24.5	31.8	35.6	39.6	42.9	
EBITDA	1.6	2.6	2.9	4.1	5.4	6.0	6.7	7.4	
EBIT Adj.	0.8	1.1	1.2	2.3	3.1	3.5	5.1	5.5	
EBT Adj.	0.5	0.8	0.9	2.4	3.0	3.3	5.0	5.3	
Taxes	(0.0)	(0.2)	(0.2)	(0.5)	(0.6)	(0.7)	(1.2)	(1.3)	
Tax rate	22%	355%	227%	29%	29%	29%	29%	29%	
Net Income Adj.	0.5	0.6	0.7	1.9	2.3	2.6	3.8	4.0	
Net Income attributable to the Group Adj.	0.5	0.3	0.3	1.7	2.3	2.6	3.8	4.0	
Balance Sheet (EUR million)									
Total fixed assets	7.1	10.5	9.9	9.2	9.1	7.7	7.2	6.3	
Net Working Capital (NWC)	4.0	3.7	5.6	5.4	6.4	7.2	8.2	8.8	
Provisions	(0.7)	(1.0)	(1.0)	(1.5)	(2.2)	(2.9)	(3.7)	(4.6)	
Total Net capital employed	10.3	13.2	14.5	13.1	13.4	12.0	11.7	10.6	
Net financial position/(Cash)	2.6	4.6	6.3	3.6	2.3	(0.9)	(4.2)	(8.5)	
Group Shareholder's Equity	7.8	8.2	7.4	8.5	10.1	11.9	14.8	18.1	
Minorities	0.0	0.4	0.8	1.0	1.0	1.0	1.0	1.0	
Total Shareholder's Equity	7.8	8.6	8.1	9.5	11.1	12.9	15.8	19.1	
Cash Flow (EUR million)									
Net operating cash flow	-	2.3	1.9	3.7	4.7	5.2	5.5	6.1	
Change in NWC	-	0.3	(1.9)	0.1	(1.0)	(0.8)	(1.0)	(0.6)	
Capital expenditure	-	(5.6)	(1.9)	(1.9)	(3.0)	(1.9)	(1.9)	(1.9)	
Other cash items/Uses of funds	-	0.3	0.0	0.5	0.7	0.7	0.8	0.9	
Free cash flow	-	(2.6)	(1.9)	2.5	1.4	3.3	3.4	4.4	
Enterprise Value (EUR million)									
Market Cap	20.0	19.3	15.6	20.8	20.8	20.8	20.8	20.8	
Minorities	0.0	0.4	0.8	1.0	1.0	1.0	1.0	1.0	
Net financial position/(Cash)	2.6	4.6	6.3	3.6	2.3	(0.9)	(4.2)	(8.5)	
Enterprise value	22.6	24.3	22.7	25.4	24.1	20.9	17.6	13.3	
Ratios (%)									
EBITDA margin	11.5%	11.4%	11.5%	16.8%	17.0%	17.0%	17.0%	17.3%	
EBIT margin Adj.	5.3%	5.1%	4.9%	9.4%	9.8%	9.8%	12.9%	12.7%	
Gearing - Debt/equity	33.1%	55.7%	85.9%	42.1%	23.2%	-7.5%	-28.1%	-47.1%	
Interest cover on EBIT	28.3%	23.7%	0.0%	6.8%	5.0%	4.4%	3.0%	2.8%	
NFP/EBITDA	156.7%	177.8%	217.7%	87.2%	43.1%	-14.7%	-61.9%	-114.2%	
ROCE	7.3%	8.7%	8.6%	17.6%	23.2%	29.2%	43.9%	51.8%	
ROE	6.8%	3.9%	4.1%	19.9%	23.1%	21.9%	25.3%	22.1%	
EV/Sales	1.70x	1.08x	0.97x	1.04x	0.80x	0.71x	0.64x	0.59x	
EV/EBITDA	15.50x	9.89x	8.73x	6.17x	4.70x	4.21x	3.78x	3.41x	
P/E	39.52x	65.26x	68.41x	12.23x	8.93x	7.98x	5.53x	5.19x	
Free cash flow yield	0	-0.1	-0.1	0.1	0.1	0.2	0.2	0.2	
Growth Rates (%)									
Sales	n.a.	57.2%	12.1%	-3.0%	29.7%	11.9%	11.4%	8.4%	
EBITDA	n.a.	56.6%	13.3%	41.5%	31.3%	11.6%	11.5%	10.7%	
EBIT Adj.	n.a.	50.7%	8.8%	85.1%	35.1%	12.5%	46.5%	6.7%	
Net Income Adj.	n.a.	-39.5%	-4.6%	458.9%	37.0%	11.8%	44.4%	6.5%	

Company Description

Digital360 (DIG) is the main Italian innovation ecosystem which aims to spread digital transformation knowledge, content, and good practice among all the actors in the business environment: corporates, public administrations, tech providers, institutions, and policy makers. DIG operates through two business units: the **Demand Generation unit**, which helps “tech providers” with digital marketing, lead generation and events; and the **Advisory & Coaching unit**, which provides advisory services to “tech buyers”, supporting them in innovating and digitalizing their business.

1H20 Summary Results

During the first part of 2020, DIG360 total revenues reached €12.7mn, posting a slight decrease with respect to the previous year (-5.3% vs 1H2019), as a consequence of the transformation of 2020 physical events to digital due to COVID19, which negatively impacted the Company's top line by €3.0mn. On the other hand, COVID19 boosted the demand for D360 digital services that were particularly suited to the COVID19 environment.

EBITDA experienced an outstanding performance, reaching €2.8mn (+92% vs 1H19) with the EBITDA margin at 22% (11% in 1H19). This was mainly due to the:

- i) Switch from physical events to digital events such as “Diretta FPA”, which was the digital version of the “FORUM PA” event;
- ii) Growth of Digital-As-A-Service services (+52% vs FY2019) for a total annual value of €5.1mn and new services, such as: *360DigitalSkill (Education)*; *MarTech360 (Marketing)*; *GRC360 (Governance, Risk and Compliance)*; *Empowercare (Healthcare application)*; *Smart Working Emergency Kit*; and *App 360 Inspection (Compliance)*;
- iii) Focus of the Digital360 Network on hot topics that are useful for facing the COVID19 situation, which led to 4.5mn unique users in April 2020.

Together, these circumstances generated proportionally lower expenses than live events and led to a more cost-efficient structure, boosting the business's profitability.

EBIT recorded €1.6mn with an EBIT margin of 12.2% (2.3% 1H19). EBIT adjusted stood at €1.9mn with a margin of 14.9%.

On the bottom line, the Company reached €1.07mn, while the net income adjusted was €1.46mn with a margin of 11.5% (2.5% 1H2019). Net income adjusted after minorities came in at €1.2mn.

1H2020 Income Statement

€ millions	1H18	1H19	1H20	YoY %
Demand Generation	7.50	8.30	n.a.	n.a.
Advisory	4.30	5.10	n.a.	n.a.
Sales Revenues	11.8	13.4	12.7	-5.3%
Growth %	80.0%	13.3%	-5.3%	
Other Revenues	0.09	0.04	0.06	43.2%
Total Revenues	11.89	13.41	12.7	-5.1%
Growth %		12.8%	-5.1%	
Products and Raw materials	(0.0)	(0.0)	(0.0)	52.1%
Gross Profit	11.87	13.40	12.7	-5.1%
Growth %	72.0%	12.8%	-5.1%	
Cost of Services	(6.46)	(7.58)	(5.89)	-22.3%
Rental Costs	(0.35)	(0.36)	(0.39)	10.4%
Personnel Expenses	(3.35)	(3.85)	(3.41)	-11.5%
Other Operating Expenses	(0.22)	(0.14)	(0.20)	39.6%
EBITDA	1.50	1.47	2.8	91.8%
EBITDA margin	12.6%	11.0%	22.2%	
D&A and Provisions	(1.04)	(1.17)	(1.27)	9.2%
EBIT	0.46	0.31	1.6	407.2%
EBIT margin	3.9%	2.3%	12.2%	
EBIT Adj	0.90	0.70	1.9	171.4%
EBIT margin	7.6%	5.2%	14.9%	
Financial Income and Expenses	(0.13)	(0.14)	0.07	-150.9%
Extraordinary items				
EBT	0.33	0.17	1.6	876.4%
Taxes	(0.29)	(0.22)	(0.55)	144.2%
Tax Rate	87%	135%	34%	
Net Income	0.04	(0.06)	1.07	n.m.
Net margin	0.4%	-0.4%	8.4%	
Net Income Adj	0.42	0.33	1.46	342.4%
Net margin	3.5%	2.5%	11.5%	
Minorities	0.21	0.32	0.22	
Net Income attributable to the Group	(0.2)	(0.4)	0.9	n.m.
Net margin	-1.4%	-2.8%	6.7%	
Net Income attributable to the Group Adj.	0.2	0.0	1.2	n.m.
Net margin	1.7%	0.1%	9.8%	

Source: Company data

During the first part of the year, DIG invested €0.9mn, mostly in R&D in order to develop new services and innovate the existing solutions. NFP went from €6.3mn in FY19 to €3.6mn in 1H20.

Estimates Revision

We revised upward our projections on profitability in the light of the 1H2020 results, factoring in:

- i) The take-off of D360, the digital services offer;
- ii) The improved marginality also related to the Digital-As-A-Service offer that enjoys higher scalability and therefore higher margins; and
- iii) The boost to digital transformation and digital services created by the COVID19 pandemic.

Revenues remained unchanged at €24.5mn and €31.8mn for 2020 and 2021, respectively. We revised upward FY20 EBITDA and EBITDA margin by ca. 17% and 250bps, respectively, factoring in the higher marginality reached in 1H2020 due to an increasing incidence of the Digital-As-A-Service business. We consider 2020 as a turning-point in the D360 equity story with a substantial increase in digital service adoption by Italian corporates and particularly by the SMEs segment, which is the national laggard in terms of digital investments. For this reason, we increased our expectation of DIG margin from FY20E onwards. The higher marginality should also have a beneficial effect on the business cash flow generation, reducing the Company's net debt.

The key points of our forecast are as follows:

- FY20E revenues at €24.5mn, reaching €31.8mn in FY21E (12.2% CAGR19A-21E);
- FY20E EBITDA at €4.1mn, reaching €5.4mn in FY21E (36.3% CAGR19A-21E);
- FY20E Group net income at €1.1mn, reaching €1.5mn in FY21E.

DIG360 Estimates Revisions

€ mn	2019	2020E	2020E	Change	2021E	2021E	Change	CAGR
	Actual	Old	New		Old	New		2019-20
Revenues	25.2	24.5	24.5	0.0%	31.8	31.8	0.0%	12.2%
YoY Change (%)	12.1%	-3.0%	-3.0%		29.7%	29.7%		
EBITDA	2.9	3.5	4.1	17.2%	4.6	5.4	16.9%	36.3%
YoY Change (%)	13.3%	20.7%	41.5%		12.3%	31.3%		
EBITDA Margin	11.5%	14.3%	16.8%		14.5%	17.0%		
EBIT	0.5	0.9	1.5	65.9%	1.5	2.3	50.7%	124.8%
YoY Change (%)	18.2%	98.9%	229.9%		1.7%	53.2%		
Net Income	- 0.1	0.5	1.1	111.5%	1.0	1.5	56.4%	n.m.
YoY Change (%)	-41.8%	-627.9%	-1216.4%		-13.6%	35.1%		
NFP	6.3	5.5	3.6	-34.7%	6.0	2.3	-61.4%	
YoY Change (%)	38.7%	-13.30%	-43.3%		10%	-35.1%		

Source: Company data, KT&Partners' elaborations

Valuation

Following the projections of DIG's future financials, we carried out the valuations of the Company by applying the DCF and market multiples methods:

1. EV/EBITDA and P/E multiples which returns a value of €3.12ps;
2. DCF analysis based on WACC of 10.7% and 2% perpetual growth, returns a value of €2.55ps.

The average of the two methods yields a fair value of €2.83ps or an equity value of €46.08mn.

Market Multiples Valuation

Following the comparables analysis, we proceeded with the definition of market multiples of the peer group, focusing on 2019, 2020 and 2021 data.

Peers Comparison - Market Multiples 2019-21

Company Name	Exchange	Market Cap	EV/SALES			EV/EBITDA			EV/EBIT			P/E		
			2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Booz Allen Hamilton Holding Corporation Class A	NYSE	10,062	1.7x	1.7x	1.6x	16.9x	16.6x	15.2x	19.0x	18.5x	16.9x	25.2x	23.3x	20.5x
Gartner, Inc.	NYSE	9,650	3.1x	3.5x	3.2x	19.6x	21.5x	19.9x	35.0x	39.8x	32.1x	47.2x	39.6x	35.9x
HubSpot, Inc.	NYSE	11,530	18.6x	15.7x	13.0x	n.m								
ServiceNow, Inc.	NYSE	79,231	25.3x	20.6x	16.5x	n.m								
TechTarget, Inc.	NASDAQ	1,002	8.4x	8.5x	7.7x	n.m	26.5x	22.6x	n.m	n.m	36.8x	n.m	41.6x	34.6x
RELX PLC	London	36,607	5.0x	5.5x	5.1x	13.9x	15.9x	14.1x	18.4x	18.8x	16.4x	21.5x	21.1x	18.2x
Wolters Kluwer NV	Euronext Amsterdam	19,979	5.2x	4.7x	4.6x	23.0x	15.8x	15.4x	n.m	21.0x	20.4x	29.6x	24.8x	23.8x
Future plc	London	2,036	7.9x	5.5x	4.2x	n.m	18.9x	15.4x	n.m	21.9x	18.0x	n.m	27.8x	23.2x
Informa Plc	London	5,913	2.5x	4.5x	3.6x	7.1x	21.6x	11.7x	11.7x	30.0x	13.9x	19.2x	35.9x	14.5x
Techedge S.p.A	Milan	139	0.7x	n.a.	n.a.	7.2x	n.a.	n.a.	10.7x	n.a.	n.a.	13.0x	n.a.	n.a.
Average peer group		17,615	7.8x	7.8x	6.6x	14.6x	19.5x	16.3x	19.0x	25.0x	22.1x	25.9x	30.6x	24.4x
Median peer group		9,856	5.1x	5.5x	4.6x	15.4x	18.9x	15.4x	18.4x	21.4x	18.0x	23.3x	27.8x	23.2x
Digital360	Milan	21	1.0x	1.0x	0.8x	8.7x	6.1x	4.7x	54.7x	16.6x	10.8x	68.4x	12.2x	8.9x

Source: Company data, FactSet, KT&Partners' estimates

We based our valuation upon a size/liquidity discount of 25%, and our estimates of DIG's EBITDA and net income adjusted for 2020 and 2021.

Valuation - EV/EBITDA

Multiple Valuation (€mn)	2020E	2021E
EV/EBITDA Comps	19.5x	16.3x
Digital360 EBITDA	4.12	5.40
Enterprise value	80.5	88.3
1H20 NFP	3.6	3.6
Equity Value	76.9	84.7
Average Equity Value	80.8	
Liquidity Discount	25%	
Equity Value Post-Discount	60.6	
Number of shares (thousand)	16.3	
Value per Share €	3.7	

Source: Company data, FactSet, KT&Partners' estimates

Valuation - P/E

Multiple Valuation (€mn)	2020E	2021E
P/E Comps	30.6x	24.4x
Digital360 Net Income Adj.	1.70	2.33
Equity Value	51.9	56.7
Average Equity Value	54.3	
Liquidity Discount	25%	
Equity Value Post-Discount	40.7	
Number of shares (thousand)	16.3	
Value per Share €	2.5	

DCF Model

We have also conducted our valuation using a five-year DCF model, based on 12.7% cost of equity, 5.5% cost of debt and a target capital structure of 77% equity and 23% debt. The cost of equity is a function of the risk-free rate of 0.89% (Italian 10y BTP), 5.81% equity risk premium (Damodaran for the mature market) and a premium for size and liquidity of 6.27%. We, therefore, obtained 10.7% WACC.

We discounted 2019E-24E annual cash flows and considered a terminal growth rate of 2%; then we carried out a sensitivity analysis on the terminal growth rate (+/- 0.25%) and on WACC (+/- 0.25%).

Valuation - DCF Model

€ millions	2020E	2021E	2022E	2023E	2024E
EBIT	1.52	2.33	2.72	4.34	4.69
Taxes	(0.44)	(0.67)	(0.79)	(1.26)	(1.36)
D&A	2.60	3.08	3.32	2.38	2.76
Change in Net Working Capital	0.14	(1.00)	(0.77)	(1.01)	(0.63)
Change in Funds	0.51	0.66	0.74	0.82	0.88
Net Operating Cash Flow	4.32	4.39	5.21	5.28	6.33
Capex	(1.87)	(3.02)	(1.89)	(1.89)	(1.89)
FCFO	2.45	1.37	3.33	3.39	4.45
g	2.0%				
Wacc	10.7%				
FCFO (discounted)	2.39	1.20	2.64	2.43	2.88
Discounted Cumulated FCFO	11.54				
TV	51.86				
TV (discounted)	33.56				
Enterprise Value	45.10				
1H20 NFP	3.60				
Equity Value	41.50				
Current number of shares (k)	16.3				
Value per share (€)	2.55				

Source: KT&Partners' estimates

Sensitivity Analysis - on Growth Rate and WACC

€ millions	Terminal growth Rate	WACC				
		11.2%	11.0%	10.7%	10.5%	10.2%
	1.5%	37.2	38.3	39.5	40.8	42.1
	1.8%	38.1	39.2	40.5	41.8	43.2
	2.0%	39.0	40.2	41.5	42.9	44.4
	2.3%	39.9	41.2	42.6	44.0	45.6
	2.5%	40.9	42.3	43.7	45.3	46.9

Source: KT&Partners' estimates

Appendix

Peer Comparison

We carried out an in-depth analysis of potential public companies that could be considered as peers of DIG, taking into account its two business units together with its growth profile and the profitability structure.

We built a 10-company sample, which includes:

- **Booz Allen Hamilton Holding Corporation Class A (BAH-US):** listed on NYSE with a market capitalization of €10bn. BAH-US engages in the provision of management and technology consulting services. It offers analytics, digital solutions, engineering, and cyber expertise. In FY18, BAH-US reached €5.8bn of revenues.
- **Gartner, Inc. (IT-US):** listed on NYSE with a market capitalization of €9.6bn. IT-US Gartner, Inc. is a research and advisory company, which delivers technology-related insights to its clients to help them with decision-making. It operates through the following segments: Research, Consulting and Conferences. The Research segment gives advice on the mission-critical priorities of leaders. The Consulting segment offers customized solutions to unique client needs through on-site, day-to-day support, and proprietary tools for measuring and improving IT performance. The Conferences segment involves business professionals across the organization. In FY19, IT-US reached €3.8bn of revenues.
- **HubSpot, Inc. (HUBS-US):** listed on NYSE with a market capitalization of €11.5bn. It provides a cloud-based marketing and sales software platform that enables businesses to deliver an inbound experience. In FY19, HUBS-US reached €0.6bn of revenues.
- **ServiceNow, Inc. (NOW-US):** listed on NYSE with a market capitalization of €79bn. NOW-US engages in the provision of enterprise cloud computing solutions. It offers customer and facilities service management, orchestration core, service mapping, cloud and portfolio management, edge encryption, performance analytics, service portal design, visual task boards, and configuration management databases. In FY19, NOW-US reached €3.1bn of revenues.
- **TechTarget, Inc. (TTGT-US):** listed on NASDAQ with a market capitalization of €1bn. TTGT-US engages in the provision of online content for buyers of enterprise information technology products and services. It also offers purchase-intent marketing and sales services for enterprise technology vendors. Its product portfolio includes demand generation, brand consideration, sales enablement, and marketing intelligence. In FY19, TTGT-US reached €0.1bn of revenues.
- **RELX PLC (REL-GB):** listed on the London Stock Exchange with a market capitalization of €37bn. REL-GB engages in provision of information and analytics solutions for professional and business customers across industries. It operates through the following business segments: Scientific, Technical & Medical; Risk & Business

Analytics; Legal; and Exhibitions. In FY19, REL-GB reached €8.9bn of revenues.

- **Wolters Kluwer NV (WKL-NL):** listed on the Euronext Stock Exchange with a market capitalization of €20bn. WKL-NL engages in the provision of information, software solutions, and services for professionals in the health, tax and accounting, finance, risk and compliance, and legal sectors. It operates through the following segments: Health; Tax and Accounting; Governance, Risk and Compliance; and Legal and Regulatory. In FY19, WKL-NL reached €4.1bn of revenues.
- **Future plc (FUTR-GB):** listed on the London Stock Exchange, with a market capitalization of ca. €2bn. FUTR-GB engages in the publishing of special-interest consumer magazines and websites and the operation of events in the areas of technology; games and entertainment; music; knowledge; creative and photography; field sports; and home interest. It operates through the UK and US segments. In FY19, FUTR-GB's revenues reached €251mn.
- **Informa Plc (INF-GB):** listed on the London Stock Exchange, with a market capitalization of ca. 6bn. INF-GB is a holding company, which engages in the provision of international business-to-business events, academic publishing, and information services. It operates through the following segments: Global Exhibitions, Academic Publishing, Business Intelligence, and Knowledge and Networking. In FY19, INF-GB's revenues reached €3.3bn.
- **Techedge SpA (EDGE-IT):** listed on the Milan Stock Exchange, with a market capitalization of ca. €139mn. EDGE-IT provides business solutions and services worldwide which help companies exploit digital technologies to improve their business. The company serves the automotive, consumer goods, energy and utilities, services, and manufacturing industries. In FY19, EDGE-IT's revenues reached €200mn.

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IN THIS STUDY DCF AND MULTIPLE VALUATION MODELS HAVE BEEN USED. RECOMMENDATIONS FOLLOW THE FOLLOWING RULES:

- ADD - FOR A FAIR VALUE > 15% ON CURRENT PRICE
- HOLD - FOR A FAIR VALUE <15% o >-15% ON CURRENT PRICE
- REDUCE - FOR A FAIR VALUE < -15% ON CURRENT PRICE

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