

Italian Mid/Small Caps Monthly

Positioning on Quality Mid/Small Caps with Appealing Valuations

by Intermonte Research Team

Italian Equity Market

- **Performance (-/+).** The Italian equity market (prices as at 17 September 2026) has posted a negative -2.2% performance in the last month but remains up 15.3% YtD. The FTSE Italy Mid-Cap index (-2.6%) has performed 0.4% worse than the main index in the last month (YtD -12.0% on a relative basis), with the FTSE Italy Small Caps index (+2.8%) performing 5.1% better than the market but -10.3% YtD on a relative basis. Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has declined 1.8% in the last month, performing better than Italian mid-caps but worse than Italian small caps.
- **Estimates (=).** Since the beginning of 2026, we have raised our 2026/2027 EPS estimates by 1.0%/3.5%, but these figures would be -2.7%/+1.1% excluding energy stocks; notably, estimate revisions in the last month have been negligible for large caps (0.0%/+0.1% on 2026/2027 EPS) in presence of limited corporate newsflow. Focusing on our mid/small cap coverage, in the last month we have implemented a -0.3%/-0.2% downward revision to 2026/2027 EPS.
- **Valuations (+).** If we compare performances since the beginning of 2026 to the change in FY26 estimates over the same period, we see that FTSE MIB stocks have recorded a 14.9% re-rating (+16.0% one month ago) while mid-caps have re-rated by 8.9% and small caps by 15.4%. On a P/E basis, our panel is trading at a 13% premium to large caps, below the historical average premium (21%) and below the level one month ago (15%).
- **Liquidity (-).** Looking at official Italian index trends, we note that liquidity for large caps in the last month (measured by multiplying average volumes by average prices in a specific period) is 3.3% lower than in the corresponding period one year ago (it was up 13.0% YoY one month ago) and up 16.1% YtD. The picture has also weakened in the last month, but shows a YtD improvement for mid/small caps: specifically, since 1/1/26, liquidity has increased by 38.5% YoY for mid-caps and 15.3% for small caps.
- **Investment strategy.** Over the coming months, the macro landscape will remain dominated by the early-November US mid-term elections and by a monetary policy stance that has decisively shifted gear: following September's rate hike, the Fed has revised up both its inflation projections and its long-run rate, while the market is pricing in further tightening, more than the central bank itself has signalled. A rising rate scenario is normally a headwind for the mid and small cap segment, which in Italy is a proxy for growth stocks. Current valuations, however, stand at a very attractive point relative to those of large caps and this, together with expectations of solid operating resilience in 3Q26, gives us comfort in reiterating our positive view on the segment. Despite macro and geopolitical headwinds, the Italian economy is showing signs of resilience, with GDP growth expected at around 1% in 2026 and the possibility of exiting the excessive deficit procedure at the end of 2026. While mindful of the potential implications of higher energy costs for consumption and margins, we remain confident that Italian companies will prove able to react, as they have done recently in the face of tariffs and war scenarios. We therefore believe that a number of companies are well placed to meet earnings expectations even in a challenging environment. We continue to identify compelling opportunities within our coverage, favouring names with low debt, strong cash generation, genuine pricing power and exposure to structural global trends: more often than not, Italian mid- and small-caps offer a way to invest in strong global trends at more attractive valuations. On a positive note, we would also flag a decent pipeline of appealing mid- and small-caps ready to consider a possible IPO in the coming months, which would be very positive for the market as a whole. Finally, we flag up the PMI2Change initiative, described at the end of this report, which is meeting with considerable success.

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Performance

In the last month, small caps have outperformed mid and large caps

The Italian equity market (prices as at 17 September 2026) has posted a negative -2.2% performance in the last month but remains up 15.3% YtD. The FTSE Italy Mid-Cap index (-2.6%) has performed 0.4% worse than the main index in the last month (-12.0% YtD on a relative basis), with the FTSE Italy Small Caps index (+2.8%) performing 5.1% better than the market but -10.3% on a relative basis YtD.

Italian Market Indexes – performance analysis (prices as at 17 September 2026)

Index	Price (Eu)	% Change 1 Month	% Change 3 Months	% Change 6 Months	% Change YTD	% Change 1 Year	% Change 2 Years	% Change 3 Years	% Change 5 Years
FTSE Italia Mid Cap	60,783	-2.6%	-6.6%	13.7%	3.3%	7.9%	32.0%	48.1%	23.4%
FTSE Italia Small Cap	38,722	2.8%	6.7%	18.8%	5.0%	7.5%	36.1%	45.6%	30.0%
FTSE Italia Star	49,339	-1.8%	-1.4%	15.7%	-1.3%	1.5%	7.8%	13.4%	-20.5%
FTSE Italia Growth Index	9,348	0.4%	1.9%	12.3%	8.5%	9.0%	16.7%	8.4%	-17.1%
FTSE Italia All-Share	54,968	-2.2%	-0.8%	16.5%	15.3%	23.4%	53.1%	78.3%	94.5%
FTSE MIB	52,386	-2.2%	-0.4%	16.7%	16.6%	24.9%	55.1%	81.3%	103.8%
Relative Performance vs FTSE Italy All Share		% Change 1 Month	% Change 3 Months	% Change 6 Months	% Change YTD	% Change 1 Year	% Change 2 Years	% Change 3 Years	% Change 5 Years
FTSE Italia Mid Cap		-0.4%	-5.9%	-2.8%	-12.0%	-15.5%	-21.2%	-30.2%	-71.1%
FTSE Italia Small Cap		5.1%	7.5%	2.3%	-10.3%	-15.9%	-17.1%	-32.7%	-64.5%
FTSE Italia Star		0.5%	-0.6%	-0.8%	-16.7%	-21.9%	-45.3%	-64.8%	-115.0%

Source: FactSet

Looking at mid/small cap performances across Europe, the MSCI Europe Small Caps index has declined 1.8% in the last month, performing better than Italian mid-caps but worse than Italian small caps.

European Market Indexes – performance analysis

Index	Price	% Change 1 Month	% Change 3 Months	% Change 6 Months	% Change YTD	% Change 1 Year	% Change 2 Years	% Change 3 Years	% Change 5 Years
MSCI Europe	215	-2.2%	0.5%	6.6%	8.7%	16.7%	24.0%	38.3%	40.9%
MSCI Europe Small Cap	521	-1.8%	1.0%	7.3%	7.0%	10.5%	18.0%	33.3%	5.1%

Source: FactSet

For individual stocks, in the following tables we rank the best and worst performers over two periods: the last month and the year to date.

Intermonte Mid & Small Cap Coverage – best and worst performers, 1M

Best Performers	Price (Eu)	Market Cap (Eu mn)	Perf. 1M (%)
SYS-DAT	8.68	272	24%
SECO	4.30	571	24%
TESMEC	0.50	304	24%
IEG	16.90	522	21%
NOTORIOUS PICTURES	0.92	21	19%
ESPRINET	8.29	418	17%
UNIDATA	3.47	107	14%
TECNO	4.42	64	11%
LU-VE	62.70	1,394	10%
GEFRAN	12.30	177	10%
REDELFI	11.66	140	8%
SESA	98.60	1,528	7%
GPI	14.40	416	6%
CY4GATE	10.28	242	6%
WIIT	#Calc	#Calc	5%
SOMECE	22.10	161	5%
FILA	10.74	462	4%
OMER	3.43	99	4%
EL.EN.	16.13	1,298	4%
POWERSOFT	15.40	198	3%
FTSE Italia Mid Cap			-3%
FTSE Italia Small Cap			3%
FTSE MIB			-2%
Worst Performers	Price (Eu)	Market Cap (Eu mn)	Perf. 1M (%)
FINE FOODS	7.10	157	-17%
FERRAGAMO	8.00	1,350	-15%
WEBUILD	1.97	2,020	-12%
MARR	5.61	373	-12%
PHARMANUTRA	73.30	710	-11%
TIP	8.71	1,606	-11%
MEDIA FOR EUROPE	2.38	1,901	-10%
DANIELI	57.90	3,952	-10%
OVS GROUP	5.58	1,423	-9%
INTERCOS	12.80	1,234	-8%
DOVALUE	1.79	340	-7%
IGD	3.68	406	-6%
CEMENTIR	13.83	2,201	-6%
TECHNOGYM	12.65	2,547	-5%
INDEL B	18.60	109	-5%
INTERPUMP	34.88	3,798	-5%
RAI WAY	4.48	1,217	-4%
DHH	25.50	143	-4%
PIRELLI & C	6.40	6,938	-4%
BANCA SISTEMA	1.58	127	-4%

Source: FactSet

Intermonte Mid & Small Cap Coverage – best and worst performers YTD

Best Performers	Price (Eu)	Market Cap (Eu mn)	Perf. YTD (%)
TESMEC	0.50	304	214%
IEG	16.90	522	92%
TXT E-SOLUTIONS	53.60	697	76%
LU-VE	62.70	1,394	59%
SOMEC	22.10	161	49%
WIIT	30.10	793	49%
SECO	4.30	571	47%
SYS-DAT	8.68	272	42%
CREDITO EMILIANO	21.16	7,222	38%
TECNO	4.42	64	35%
NOTORIOUS PICTURES	0.92	21	35%
PHARMANUTRA	73.30	710	35%
ESPRINET	8.29	418	34%
REVO INSURANCE	25.20	739	32%
CY4GATE	10.28	242	26%
UNIDATA	3.47	107	20%
ANIMA	7.08	2,303	17%
EL.EN.	16.13	1,298	16%
INTERCOS	12.80	1,234	16%
GEFRAN	12.30	177	15%
FTSE Italia Mid Cap			3%
FTSE Italia Small Cap			5%
FTSE MIB			17%
Worst Performers	Price (Eu)	Market Cap (Eu mn)	Perf. YTD (%)
THE ITALIAN SEA GROUP	1.30	69	-68%
BFF BANK	3.06	578	-68%
MISITANO & STRACUZZI	0.70	21	-67%
WEBUILD	1.97	2,020	-42%
DOVALUE	1.79	340	-40%
BANCA IFIS	15.21	936	-40%
MARR	5.61	373	-38%
ELICA	1.13	72	-32%
CEMENTIR	13.83	2,201	-26%
FINE FOODS	7.10	157	-26%
INTERPUMP	34.88	3,798	-25%
MEDIA FOR EUROPE	2.38	1,901	-23%
TECHNOGYM	12.65	2,547	-22%
RAI WAY	4.48	1,217	-20%
ARISTON HOLDING	3.69	463	-17%
OMER	3.43	99	-13%
EMAK	0.82	134	-11%
GPI	14.40	416	-10%
INTRED	9.06	145	-9%
POWERSOFT	15.40	198	-8%

Source: FactSet

Earnings Momentum

No meaningful changes in EPS in the last month

Since the beginning of 2026, we have raised our 2026/2027 EPS estimates by 1.0%/3.5%, but these figures would be -2.7%/+1.1% excluding energy stocks; notably, estimate revisions in the last month have been negligible for large caps (0.0%/+0.1% on 2026/2027 EPS) in the presence of limited corporate newsflow. Focusing on our mid/small cap coverage, in the last month we have implemented a -0.3%/-0.2% downward revision to 2026/2027 EPS.

Italian Market – Intermonte changes to 2026 and 2027 estimates

EPS REVISION	Since 01/01/2026		Since 17/8/2026	
	% chg in EPS FY26	% chg in EPS FY27	% chg in EPS FY26	% chg in EPS FY27
Total Market	1.0%	3.5%	0.0%	0.1%
Total Market - Ex Energy	-2.7%	1.1%	0.0%	0.2%
Domestic	7.3%	11.9%	0.0%	0.0%
Non domestic	-13.2%	-11.9%	0.0%	0.5%
Non domestic - Ex Energy	-14.1%	-13.9%	-0.1%	0.8%
FTSE MIB	1.7%	4.3%	0.0%	0.2%
Mid Caps (our coverage)	-5.6%	-4.5%	-0.2%	-0.1%
Small Caps (our coverage)	-10.3%	-5.4%	-1.0%	-0.7%
Intermonte Mid&Small Caps coverage	-6.1%	-4.8%	-0.3%	-0.2%

Source: Intermonte SIM

For individual stocks, the following tables rank the biggest changes to our 2026 adjusted net profit estimates since the beginning of 2026.

Intermonte Mid & Small Cap Coverage - largest changes to 2026 estimates (up/down) since 1/1/26

Stock	Restated Net Profit 26 as of 31/12/25	Restated net profit 26 last estimate	% chg from 31/12/25
Upward Revision			
FERRAGAMO	-3	0	115.1%
SOMECE	9	14	62.7%
CAREL INDUSTRIES	76	97	26.8%
DHH	5	6	21.5%
ENAV	91	105	15.5%
AQUAFIL	10	12	15.1%
PHARMANUTRA	22	25	14.7%
CREDITO EMILIANO	528	588	11.5%
LU-VE	45	50	10.4%
TESMEC	11	13	10.0%
Downward Revision			
CY4GATE	0	-2	-423.9%
MISITANO & STRACUZZI	2	-2	-217.2%
ELICA	2	-1	-179.7%
BANCA IFIS	164	30	-81.8%
DOVALUE	47	17	-64.7%
BANCA SISTEMA	28	12	-58.3%
FINE FOODS	18	9	-53.7%
EMAK	21	10	-50.7%
MARR	42	29	-32.1%

Source: Intermonte SIM

Valuation

Mid/small cap valuation premium down, touching new lows

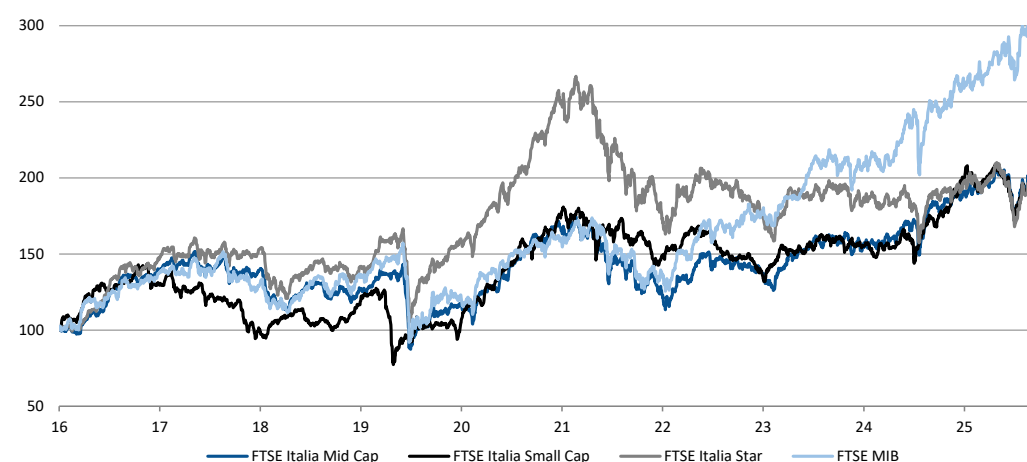
If we compare performances since the beginning of 2026 to the change in FY26 estimates over the same period, we see that FTSE MIB stocks have recorded a 14.9% re-rating (+16.0% one month ago) while mid-caps have re-rated by 8.9% and small caps by 15.4%.

Italian Market – re/de-rating by index since 1/1/2026

Index	% Change since 1/1/2026	on FY26 estimates	
		Chg in estimates	Re/De-rating
FTSE MIB	16.6%	1.7%	14.9%
FTSE Italia Mid Cap	3.3%	-5.6%	8.9%
FTSE Italia Small Cap	5.0%	-10.3%	15.4%

Source: Intermonte SIM and FactSet

Italian Market Indices – Performances in the last 10 years (base 100)

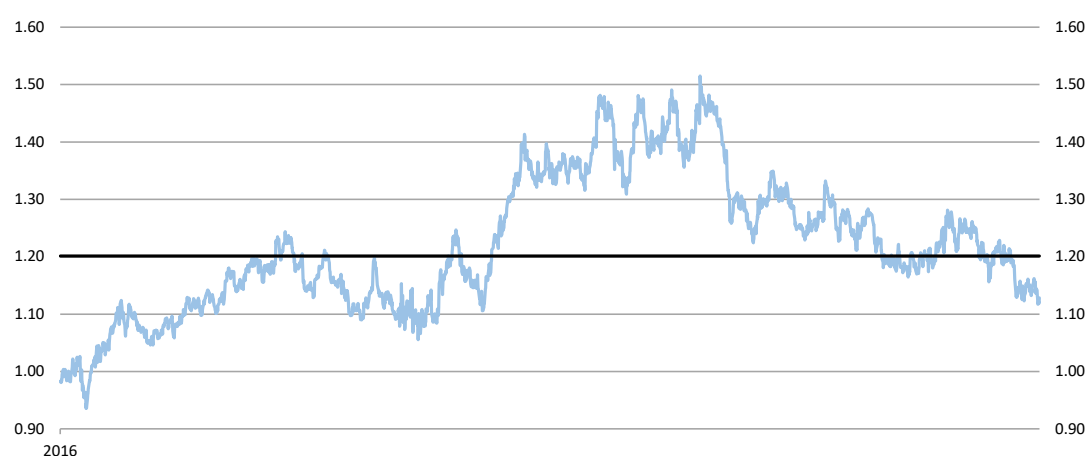


Source: FactSet

In addition to our analysis of the main Italian market indices, we have also compared valuations for our panel of Italian mid/small caps to the main FTSE MIB index.

On a P/E basis, our panel is trading at a 13% premium to large caps, below the historical average premium (21%) and below the level one month ago (15%).

Intermonte Mid & Small Cap Panel – next twelve months' P/E relative to FTSE MIB, last 10 years



Source: Intermonte SIM and FactSet

The table below shows the stocks in our mid/small cap coverage that have posted the largest re-ratings/de-ratings since the beginning of the year, based on 2026 estimates.

European Market – Valuations

	P/E 16	P/E 17	P/E 18	P/E 19	P/E 20	P/E 21	P/E 22	P/E 23	P/E 24	P/E 25	P/E 26	P/E26 vs Italian Equivalent	Last 10Y Median	Premium / Disc. vs Avg
FTSE MIB	19.7 x	16.7 x	n.m.	15.7 x	21.6 x	11.5 x	8.6 x	8.0 x	11.5 x	13.8 x	13.7 x		13.7 x	0.0%
FTSE Italy Mid Cap	20.2 x	16.6 x	18.4 x	19.2 x	60.7 x	18.3 x	15.5 x	12.0 x	13.4 x	11.9 x	15.7 x		16.1 x	-2.9%
FTSE Italy Small Caps	nm	18.9 x	14.5 x	nm	51.5 x	20.2 x	14.9 x	14.0 x	12.3 x	17.0 x	17.8 x		17.0 x	4.8%
Germany DAX (TR)	14.3 x	14.2 x	14.8 x	20.5 x	20.8 x	13.1 x	12.4 x	12.4 x	15.3 x	17.9 x	16.2 x	18.2%	15.1 x	7.6%
Germany MDAX	21.6 x	16.3 x	21.0 x	55.5 x	43.8 x	26.6 x	16.4 x	21.2 x	16.5 x	20.8 x	16.0 x	2.3%	20.9 x	-23.2%
France CAC 40	16.1 x	15.3 x	16.0 x	nm	28.6 x	15.6 x	13.1 x	19.9 x	15.6 x	21.3 x	15.2 x	11.0%	15.6 x	-2.4%
France CAC Mid 60	36.8 x	16.2 x	15.6 x	nm	nm	20.2 x	13.3 x	12.8 x	22.9 x	21.2 x	15.2 x	-2.9%	15.9 x	
France CAC Small	32.9 x	31.0 x	32.6 x	nm	nm	45.0 x	23.8 x	22.0 x	16.0 x	207.4 x	34.1 x	91.6%	31.8 x	7.2%
FTSE 100	14.7 x	13.2 x	12.6 x	21.8 x	21.1 x	13.0 x	10.5 x	11.4 x	12.1 x	15.9 x	12.8 x	-6.5%	12.9 x	-0.6%
FTSE 250	14.6 x	12.7 x	13.4 x	43.1 x	43.8 x	21.2 x	14.3 x	21.8 x	13.9 x	14.3 x	13.8 x	-11.9%	14.3 x	-3.4%
IBEX 35	13.3 x	13.7 x	13.0 x	32.1 x	34.8 x	11.9 x	10.8 x	10.6 x	11.8 x	16.1 x	15.1 x	10.3%	13.4 x	13.1%
IBEX MEDIUM	20.9 x	17.0 x	13.8 x	20.4 x	20.4 x	15.4 x	14.5 x	14.9 x	13.8 x	16.2 x	14.0 x	-10.5%	15.2 x	-7.6%

Source: Intermonte SIM and FactSet

Intermonte Mid & Small Cap Coverage – de-rating/re-rating on 2026 estimates since 1st Jan 2026

Stock	Restated Net Profit 26 as of 31/12/25	Restated net profit 26 last estimate	% Chg in Net Profit 26	Share Price perf. 31/12/25	De-rating(-) Re-rating(+)
IEG	34.2	34.4	1%	92%	92%
TXT E-SOLUTIONS	33.1	34.5	4%	76%	72%
SECO	15.7	13.3	-15%	47%	62%
WIIT	22.1	20.8	-6%	49%	55%
BANCA SISTEMA	28.4	11.8	-58%	-6%	52%
LU-VE	45.3	50.0	10%	59%	49%
BANCA IFIS	163.7	29.8	-82%	-40%	42%
LU-VE	45.3	50.0	10%	59%	49%
BANCA IFIS	163.7	29.8	-82%	-40%	42%
SYS-DAT	9.7	10.0	2%	42%	40%
EMAK	20.7	10.2	-51%	-11%	40%
NOTORIOUS PICTURES	3.6	3.6	0%	35%	35%
REVO INSURANCE	37.8	36.8	-3%	32%	34%
PIAGGIO	54.6	40.8	-25%	9%	34%
INTERCOS	76.7	67.0	-13%	16%	28%
FINE FOODS	18.4	8.5	-54%	-26%	28%
CREDITO EMILIANO	528.0	588.4	11%	38%	27%
ESPRINET	24.9	27.2	9%	34%	25%
DOVALUE	47.1	16.6	-65%	-40%	24%
PHARMANUTRA	21.8	25.0	15%	35%	20%
FNM	67.5	53.1	-21%	-5%	17%
UNIDATA	9.9	10.3	4%	20%	16%
PIRELLI & C	610.0	571.1	-6%	9%	16%
ERG	188.8	167.5	-11%	3%	14%
DE' LONGHI	394.8	374.3	-5%	8%	13%
EL.EN.	58.3	60.2	3%	16%	13%
FILA	46.1	45.2	-2%	10%	12%
ANIMA	267.3	282.5	6%	17%	11%
OMER	9.9	7.7	-22%	-13%	10%
MONDADORI	76.7	68.7	-10%	-2%	9%
IGD	48.5	47.3	-3%	6%	9%
SESA	104.0	106.1	2%	10%	8%
BREMBO	233.0	239.5	3%	10%	7%
OVS GROUP	101.4	109.4	8%	15%	7%
MEDIA FOR EUROPE	360.7	258.4	-28%	-23%	5%
IREN	321.1	306.6	-5%	-2%	2%
REWAY GROUP	32.6	30.6	-6%	-5%	1%
ABITARE IN	7.9	7.9	0%	-1%	(1%)
MAIRE	301.4	300.9	0%	-4%	(4%)
REPLY	257.3	271.0	5%	1%	(4%)
INTRED	9.1	8.6	-5%	-9%	(4%)
MARR	42.0	28.5	-32%	-38%	(6%)
GPI	28.8	27.7	-4%	-10%	(6%)
ACEA	355.5	359.3	1%	-8%	(9%)
DHH	5.0	6.1	21%	12%	(10%)
ENAV	91.0	105.2	16%	5%	(11%)
SOMECC	8.6	14.1	63%	49%	(14%)
TECHNOGYM	132.7	124.6	-6%	-22%	(16%)
INTERPUMP	253.7	230.5	-9%	-25%	(16%)
CEMENTIR	211.8	193.8	-8%	-26%	(18%)
AQUAFIL	10.4	12.0	15%	-4%	(19%)
CAREL INDUSTRIES	76.2	96.7	27%	6%	(20%)
RAI WAY	87.9	89.9	2%	-20%	(22%)
WEBUILD	402.1	402.1	0%	-42%	(42%)
BFF BANK	198.4	156.3	-21%	-68%	(47%)
THE ITALIAN SEA GROUP	27.0	27.0	0%	-68%	(68%)
FERRAGAMO	-2.6	0.4	115%	-3%	(118%)

Source: Intermonte SIM

Liquidity

Mid/small cap liquidity up in the last month

Looking at official Italian index trends, we note that liquidity for large caps in the last month (measured by multiplying average volumes by average prices in a specific period) is 3.3% lower than in the corresponding period one year ago (it was up 13.0% YoY one month ago) and up 16.1% YtD. The picture has also weakened in the last month but is showing a YtD improvement for mid/small caps: specifically, since 1/1/26, liquidity has increased by 38.5% YoY for mid-caps and 15.3% for small caps.

Italian Market – liquidity analysis

	Avg Daily Volume * Avg Price (Eu mn) 2026			Avg Daily Volume * Avg Price (Eu mn) 2025			% Changes (YoY)		
	1M to 17/09	3M to 17/09	YTD to 17/09	1M to 17/09	3M to 17/09	YTD to 17/09	1M to 17/09	3M to 17/09	YTD to 17/09
FTSE MIB									
All stocks	66.74	78.40	90.82	69.00	68.42	78.19	(3.3%)	14.6%	16.1%
Top 20% by market cap	178.92	207.81	226.26	146.70	153.98	188.32	22.0%	35.0%	20.1%
FTSE Italia Mid Cap									
All stocks	2.58	3.47	3.89	2.77	2.57	2.81	(7.0%)	34.8%	38.5%
Top 20% by market cap	6.31	9.25	9.63	6.63	5.95	6.54	(4.8%)	55.5%	47.3%
FTSE Italia Small Cap									
All stocks	0.33	0.34	0.37	0.36	0.33	0.32	(7.7%)	0.9%	15.3%
Top 20% by market cap	0.89	0.86	0.94	0.90	0.88	0.80	(0.8%)	(2.4%)	16.4%

Source: FactSet

For individual stocks, the following table ranks liquidity of our mid/small cap coverage.

Intermonte Mid & Small Cap Coverage – most liquid stocks

Stock	Market Cap (Eu mn)	6M Avg Volume * Avg Price (Eu)
PIRELLI & C	6,938	19,560,960
BFF BANK	578	17,456,424
REPLY	4,347	13,679,766
MAIRE	4,131	9,477,556
WEBUILD	2,020	9,338,412
BANCA IFIS	936	8,889,457
INTERPUMP	3,798	7,811,055
MEDIA FOR EUROPE	1,901	6,961,403
DE' LONGHI	5,976	6,225,427
ERG	3,391	5,920,073
ACEA	4,353	5,725,397
TECHNOGYM	2,547	5,558,766
BREMBO	3,466	5,147,631
FERRAGAMO	1,350	4,337,438
IREN	3,258	3,845,669
CAREL INDUSTRIES	2,936	3,827,306
DANIELI	3,952	3,454,771
ENAV	2,676	2,919,659
SESA	1,528	2,867,421
CREDITO EMILIANO	7,222	2,816,119
TESMEC	304	2,627,641
CEMENTIR	2,201	2,552,739
RAI WAY	1,217	2,267,302
DOVALUE	340	2,250,728
OVS GROUP	1,423	2,186,797
ANIMA	2,303	2,040,041
TXT E-SOLUTIONS	697	1,984,003
FILA	462	1,805,868
ESPRINET	418	1,709,508

Source: FactSet

Criteria for investing in mid/small caps

Italian Mid & Small Cap Coverage - geographical breakdown of sales (FY25)

Stock	Italy	Europe (incl. Russia, UK, Turkey)	North America (incl. Mexico)	South America	Asia (incl. China, India, South East Asia)	RoW (Africa, Middle East, Australia, Japan)
Intermonte Coverage	42%	27%	12%	3%	10%	6%

Source: Company data and Intermonte SIM (financial companies excluded from the sample)

A ranking of stocks with the highest expected earnings growth for 2026 vs. 2025, and the highest 2026 dividend yields, can be found in the following tables.

Intermonte Mid & Small Cap Coverage – 2026 dividend yield

Stock	Price (Eu)	Mkt Cap (Eu mn)	EPS 26	DPS 26	Yield 26 %	PayOut 26 %	Net Debt/EBITDA 26
BFF BANK	3.1	578	0.827	0.827	27.0%	100%	
MEDIA FOR EUROPE	2.4	1,901	0.369	0.200	8.4%	54%	2.0
MONDADORI	2.1	544	0.263	0.169	8.1%	64%	1.4
MARR	5.6	373	0.429	0.433	7.7%	101%	1.8
RAI WAY	4.5	1,217	0.330	0.325	7.3%	98%	0.9
FILA	10.7	462	0.886	0.770	7.2%	87%	1.4
ANIMA	7.1	2,303	0.869	0.500	7.1%	58%	
ENAV	4.9	2,676	0.194	0.300	6.1%	155%	0.0
IREN	2.5	3,258	0.236	0.150	6.0%	63%	3.1
ACEA	20.4	4,353	1.687	1.200	5.9%	71%	3.5
MAIRE	12.6	4,131	0.916	0.675	5.4%	74%	(0.5)
FNM	0.4	195	0.122	0.024	5.3%	20%	3.8
POWERSOFT	15.4	198	1.168	0.785	5.1%	67%	1.1
IGD	3.7	406	0.429	0.180	4.9%	42%	7.8
ESPRINET	8.3	418	0.550	0.385	4.6%	70%	0.4
ERG	22.6	3,391	1.114	1.000	4.4%	90%	3.9
NOTORIOUS PICTURES	0.9	21	0.161	0.040	4.3%	25%	1.4
WEBUILD	2.0	2,020	0.395	0.081	4.1%	21%	(0.3)
PIAGGIO	2.0	697	0.115	0.080	4.0%	69%	1.9
PIRELLI & C	6.4	6,938	0.526	0.244	3.8%	46%	0.9
DE' LONGHI	39.5	5,976	2.478	1.506	3.8%	61%	(1.3)
CREDITO EMILIANO	21.2	7,222	1.724	0.800	3.8%	46%	
GEFRAN	12.3	177	0.691	0.435	3.5%	63%	(0.8)
GPI	14.4	416	0.904	0.500	3.5%	55%	3.1
INDEL B	18.6	109	1.927	0.601	3.2%	31%	0.4
TECHNOGYM	12.7	2,547	0.619	0.396	3.1%	64%	(0.7)
AEROPORTO DI BOLOGNA	9.7	349	0.592	0.300	3.1%	51%	1.4
OVS GROUP	5.6	1,423	0.429	0.171	3.1%	40%	0.5

Source: Intermonte SIM and FactSet

Intermonte Mid & Small Cap Coverage – EPS growth, 2026 vs. 2025

Stock	Price (Eu)	Mkt Cap (Eu mn)	P/E 25	P/E 26	EPS Growth
AQUAFIL	1.3	98	21.8	9.8	123%
GPI	14.4	416	27.3	15.9	71%
REDELFI	11.7	140	26.2	17.2	52%
TECNO	4.4	64	24.1	16.1	50%
CAREL INDUSTRIES	26.1	2,936	45.1	30.4	48%
FILA	10.7	462	16.6	12.1	37%
EL.EN.	16.1	1,298	29.3	21.5	37%
WEBUILD	2.0	2,020	6.7	5.0	35%
ESPRINET	8.3	418	20.2	15.1	34%
SECO	4.3	571	57.6	43.0	34%
WIIT	30.1	793	51.2	38.2	34%
DHH	25.5	143	31.2	23.5	33%
SOMECE	22.1	161	15.1	11.4	32%
DANIELI	57.9	3,952	19.0	14.6	30%
REVO INSURANCE	25.2	739	25.9	20.1	29%
PHARMANUTRA	73.3	710	35.5	28.4	25%
OVS GROUP	5.6	1,423	15.9	13.0	22%
REWAY GROUP	10.2	310	15.7	13.0	21%
PIAGGIO	2.0	697	20.6	17.2	20%
UNIDATA	3.5	107	12.4	10.4	19%
DE' LONGHI	39.5	5,976	18.9	15.9	18%
THE ITALIAN SEA GROUP	1.3	69	3.0	2.6	18%
INTERCOS	12.8	1,234	21.5	18.4	17%
POWERSOFT	15.4	198	15.4	13.2	17%
MAIRE	12.6	4,131	15.9	13.7	16%
CEMENTIR	13.8	2,201	13.1	11.4	15%
IGD	3.7	406	9.9	8.6	15%
SYS-DAT	8.7	272	31.2	27.2	15%
BREMBO	10.4	3,466	15.7	13.7	14%
IEG	16.9	522	17.2	15.2	13%
ENAV	4.9	2,676	28.7	25.4	13%
ARISTON HOLDING	3.7	463	12.2	10.8	13%
SESA	98.6	1,528	15.9	14.3	12%
TXT E-SOLUTIONS	53.6	697	22.0	19.7	12%
INTERPUMP	34.9	3,798	18.2	16.5	11%
LU-VE	62.7	1,394	30.5	27.9	9%
REPLY	116.2	4,347	17.3	16.0	8%
ERG	22.6	3,391	21.9	20.2	8%

Source: Intermonte SIM and FactSet

PMI2Change: Banca Generali and Intermonte unlock the value of Italian listed SMEs

Context

In Italy, listed companies with a market cap below €1bn account for c.80% of the total number of listed names but only 3% of total market capitalisation, pointing to significant untapped potential in the domestic equity market.

The response: PMI2Change

Launched on 1 July 2026 at Palazzo Mezzanotte (Borsa Italiana), PMI2Change is the new strategic initiative through which Banca Generali, together with its subsidiary Intermonte (part of the Group since early 2025), aims to support the growth and competitiveness of Italian entrepreneurs. In its first phase, the project addresses the limited liquidity and undervaluation of listed SMEs, contributing to more efficient matching of capital and companies.

The initiative is built on two concrete pillars:

- The "Intermonte Valore Italia" Index – a rigorous selection of 100 Italian listed SMEs with market cap below €1bn (and not part of the FTSE MIB), designed to represent the best of the country's real economy.
- The first PIR-compliant active ETF on this universe (ticker WITA IM, listed on ETFPlus), issued by Investlinx Investment Management Limited with Intermonte as investment manager. Banca Generali has indicated a medium-term target of €500mn – equivalent to over 5% of the index float and c.€1-2mn of new flows per day.

Selection criteria

Companies are chosen not on size but on the quality of fundamentals. Key requirements include a market cap ≤€1bn, free float ≥29.5% and market float ≥€5mn, at least one independent board member, active research coverage (at least one piece in the last 18 months), and leverage ≤5x. Banks, distressed names, and stocks suspended from trading or subject to takeover bids are excluded. No single stock can weigh more than 3% at inclusion, with semi-annual rebalancing.

An investable snapshot of the real economy

The 100 constituents aggregate a market cap of c.€20bn and a market float of c.€8.7bn, employ c.120,000 people and span key sectors of the Italian economy – Industrials, Consumer and Healthcare account for 73% of the index, versus a FTSE MIB dominated by Finance, Utilities and Energy (70%). They are expected to grow revenues by +5% YoY and EBITDA by +12% YoY in FY26, with low leverage at around 1x net debt/EBITDA. Valuations look attractive: c.5.6x EV/EBITDA and 13.4x P/E on 2026 estimates, a c.40% discount on EV/EBITDA and 25% on P/E to Italian names above €1bn, and a c.27% discount to the main European small cap indices on P/E.

Expectations and next steps

PMI2Change is designed to trigger a virtuous circle. For entrepreneurs, it means visibility, credibility and a concrete alternative to delisting; for investors, it means access to a curated basket guided by the leading specialist in Italian mid/small caps. Alongside the ETF, the initiative envisages an autumn roadshow across Italy, in partnership with Borsa Italiana and PwC Italia, to accompany the wide universe of unlisted SMEs (an estimated 5,000–10,000 already potentially eligible for listing) toward the capital markets. Semi-annual index rebalancings¹ and dedicated research will be published on Intermonte's Websim platform.

Disclaimer: this paragraph is intended for informational and promotional purposes only and does not constitute investment research, an investment recommendation, or an offer or solicitation to the public to invest. Before making any investment decision, investors are advised to carefully read the Key Information Document (KID) and the prospectus available on the issuer's website. Intermonte SIM S.p.A. acts as Investment Manager of the ETF described herein and may also provide research, brokerage and investment banking services to the issuers included in the index; any potential conflicts of interest are managed in accordance with Intermonte SIM S.p.A.'s Conflict of Interest Policy.

Intermonte PIR Mid Caps Coverage - Trading Multiples (Ranked by Stock Name)

Company	P/E 2026	P/E 2027	EV/ EBITDA 2026	EV/ EBITDA 2027	Div. Yield 2026	Div. Yield 2027	FCF Yield 2026	FCF Yield 2027	NETDEBT/ EBITDA 2026	NETDEBT/ EBITDA 2027
ACEA	12.1	12.2	7.4	7.1	5.9%	5.4%	-0.8%	3.5%	3.5x	3.4x
ANIMA	8.2	8.7			7.1%	7.1%				
BANCA IFIS	31.5	7.5			1.6%	8.2%				
BFF BANK	3.7	3.5			27.0%	28.8%				
BREMBO	13.7	12.1	6.1	5.5	2.9%	3.3%	5.0%	6.2%	1.0x	0.8x
CAREL INDUSTRIES	30.4	26.7	18.0	16.1	0.9%	1.0%	1.6%	2.9%	-0.2x	-0.2x
CEMENTIR	11.4	10.7	4.2	3.7	2.2%	2.3%	8.5%	8.7%	-1.1x	-1.3x
CREDITO EMILIANO	12.3	12.2			3.8%	4.0%				
DANIELI	14.6	12.9	6.3	5.4	0.6%	0.7%			-4.8x	-4.7x
DE' LONGHI	15.9	14.4	7.4	6.7	3.8%	4.2%	6.3%	6.9%	-1.3x	-1.4x
DIASORIN	19.2	17.7	12.0	10.9	1.8%	1.8%	5.4%	5.8%	1.7x	1.2x
EL.EN.	21.5	20.0	10.8	9.8	1.7%	1.9%	5.2%	4.2%	-2.2x	-2.3x
ENAV	25.4	22.9	9.9	9.1	6.1%	6.1%	8.9%	9.2%	0.0x	-0.3x
ERG	20.2	22.7	9.8	10.0	4.4%	4.4%	0.8%	6.0%	3.9x	3.9x
FERRAGAMO	nm	91.3	6.7	6.0	0.0%	0.6%	-1.4%	-1.0%	2.5x	2.2x
INTERCOS	18.4	16.0	8.2	7.4	1.3%	1.6%	3.2%	4.6%	0.7x	0.4x
INTERPUMP	16.5	14.7	8.3	7.3	1.0%	1.1%	6.6%	6.8%	0.5x	0.1x
IREN	10.6	10.1	6.4	6.1	6.0%	6.5%	2.3%	2.3%	3.1x	3.0x
LU-VE	27.9	21.2	14.3	11.8	0.8%	0.9%	2.1%	3.1%	0.5x	0.2x
MAIRE	13.7	12.3	6.8	5.9	5.4%	6.0%	4.6%	7.1%	-0.5x	-0.6x
MEDIA FOR EUROPE	6.4	5.3	3.4	3.2	8.4%	10.1%	9.0%	10.5%	2.0x	1.8x
MONDADORI	7.9	7.7	4.6	4.4	8.1%	8.9%	11.1%	12.5%	1.4x	1.2x
OVS GROUP	13.0	11.8	6.6	5.8	3.1%	3.4%	5.6%	6.5%	0.5x	0.3x
PHARMANUTRA	28.4	22.6	16.7	13.7	1.9%	2.2%	2.5%	3.9%	-0.4x	-0.6x
PIAGGIO	17.2	10.8	4.6	4.0	4.0%	4.6%	14.5%	11.1%	1.9x	1.6x
PIRELLI & c	12.1	11.3	5.2	4.9	3.8%	4.1%	7.1%	7.9%	0.9x	0.6x
RAI WAY	13.5	12.8	7.2	7.1	7.3%	7.8%	10.1%	10.3%	0.9x	1.1x
REPLY	16.0	14.3	7.9	6.8	1.2%	1.3%	6.4%	6.9%	-1.0x	-1.4x
SESA	14.3	12.9	5.2	5.6	1.3%	1.6%	10.7%	7.0%	0.1x	0.0x
TECHNOGYM	20.4	17.9	10.4	9.4	3.1%	3.6%	3.3%	4.8%	-0.7x	-0.8x
TIP										
TXT E-SOLUTIONS	19.7	16.3	11.5	9.5	0.4%	0.9%	4.0%	5.0%	1.9x	1.2x
WEBUILD	5.0	4.7	1.3	1.1	4.1%	4.1%	-0.3%	16.1%	-0.3x	-0.5x
WIIT	38.2	26.0	14.0	12.2	1.3%	1.9%	3.4%	4.5%	3.1x	2.4x

Source: Intermonte SIM

Intermonte PIR Small Caps Coverage - Trading Multiples (Ranked by Stock Name)

Company	P/E 2026	P/E 2027	EV/ EBITDA 2026	EV/ EBITDA 2027	Div. Yield 2026	Div. Yield 2027	FCF Yield 2026	FCF Yield 2027	NETDEBT/ EBITDA 2026	NETDEBT/ EBITDA 2027
ABITARE IN	9.3	4.0	9.9	5.5	0.0%	0.0%	29.0%	27.0%	6.3x	3.3x
AEROPORTO DI BOLOGNA	16.3	25.4	8.2	9.8	3.1%	3.1%	-10.1%	-9.5%	1.4x	2.4x
AQUAFIL	9.8	6.6	3.8	3.3	0.0%	0.0%	18.3%	18.2%	2.5x	2.1x
ARISTON HOLDING	10.8	9.4	6.5	5.8	3.1%	3.5%	7.2%	9.2%	2.5x	2.2x
BANCA SISTEMA	17.4	6.9			0.0%	0.0%				
CY4GATE	nm	nm	10.9	9.2	0.0%	0.0%	2.6%	3.4%	0.3x	-0.1x
DHH	23.5	19.5	8.2	6.8	0.0%	0.0%	5.1%	6.7%	-0.3x	-0.7x
DOVALUE	20.5	7.1	3.7	3.3	2.7%	7.1%	17.8%	29.9%	2.7x	2.3x
ELICA	nm	46.0	5.1	4.4	0.9%	2.2%	6.5%	8.5%	2.7x	2.0x
EMAK	13.2	9.1	5.7	5.1	3.0%	4.4%	8.4%	12.1%	3.3x	2.8x
ESPRINET	15.1	13.4	5.6	5.2	4.6%	5.2%	9.8%	9.7%	0.4x	0.2x
FILA	12.1	11.8	4.9	4.7	7.2%	3.0%	11.3%	11.0%	1.4x	1.0x
FINE FOODS	21.3	17.6	7.9	7.2	1.2%	1.2%	-3.3%	-4.6%	2.8x	2.7x
FNM	3.7	3.9	4.1	4.4	5.3%	5.5%	-232.0%	-246.2%	3.8x	4.1x
GEFRAN	17.8	17.2	7.2	6.7	3.5%	3.6%	-4.4%	3.2%	-0.8x	-0.7x
GPI	15.9	13.9	6.4	6.0	3.5%	3.6%	7.5%	10.0%	3.1x	2.8x
IEG	15.2	15.4	7.1	6.8	1.4%	1.5%	2.3%	6.2%	1.0x	0.7x
IGD	8.6	7.9	11.9	12.1	4.9%	5.3%	9.6%	10.4%	7.8x	7.8x
INDEL B	9.7	8.4	4.4	3.8	3.2%	3.6%	12.3%	12.8%	0.4x	0.0x
INTRED	16.7	14.7	6.4	6.3	1.3%	1.4%	6.7%	-5.1%	1.3x	1.5x
MARR	13.1	10.6	5.2	4.7	7.7%	9.6%	11.1%	6.6%	1.8x	1.6x
MISITANO & STRACUZZI	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NOTORIOUS PICTURES	5.7	4.2	2.0	2.1	4.3%	5.4%	24.0%	38.6%	1.4x	1.4x
OMER	12.7	12.2	5.1	4.2	0.0%	0.0%	11.0%	10.2%	-2.3x	-3.0x
POWERSOFT	13.2	11.6	8.1	7.1	5.1%	5.4%	7.5%	7.8%	1.1x	0.9x
REVO INSURANCE	20.1	17.4			1.3%	1.4%				
REDELFI	17.2	11.9	9.8	7.9	0.0%	0.0%	-8.3%	12.0%	1.2x	-0.1x
REWAY GROUP	13.0	11.3	8.0	6.8	0.0%	0.0%	3.7%	4.7%	0.9x	0.5x
SECO	43.0	26.2	14.3	11.0	0.0%	0.0%	0.4%	1.8%	1.1x	0.6x
SOMEK	11.4	10.0	5.0	4.1	0.0%	0.0%	8.7%	14.5%	0.6x	0.1x
SYS-DAT	27.2	23.6	12.8	10.7	0.5%	0.6%	3.9%	4.5%	-0.8x	-1.1x
TECNO	16.1	12.3	8.9	6.8	0.6%	1.0%	1.2%	2.6%	0.2x	0.1x
TESMEC	23.9	14.5	7.8	6.2	0.0%	0.0%	4.9%	5.1%	2.1x	1.5x
THE ITALIAN SEA GROUP	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
UNIDATA	10.4	9.2	4.9	4.7	0.2%	0.4%	6.2%	8.6%	1.3x	1.2x

Source: Intermonte SIM

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GUIDE TO FUNDAMENTAL RESEARCH

The main methods used to evaluate financial instruments and set a target price for 12 months after the investment recommendation are as follows:

- Discounted cash flow (DCF) model or similar methods such as a dividend discount model (DDM)
- Comparison with market peers, using the most appropriate methods for the individual company analysed: among the main ratios used for industrial sectors are price/ earnings (P/E), EV/EBITDA, EV/EBIT, price /sales
- Return on capital and multiples of adjusted net book value are the main methods used for banking sector stocks, while for insurance sector stocks return on allocated capital and multiples on net book value and embedded portfolio value are used
- For the utilities sector comparisons are made between expected returns and the return on the regulatory asset base (RAB)

Some of the parameters used in evaluations, such as the risk-free rate and risk premium, are the same for all companies covered, and are updated to reflect market conditions. Currently a risk-free rate of 4.0% and a risk premium of 5.5% are being used.

Frequency of research: quarterly.

Reports on all companies listed on the FTSEMIB40 Index, most of those on the MIDEX Index and the main small caps (regular coverage) are published at least once per quarter to comment on results and important newsflow.

A draft copy of each report may be sent to the subject company for its information (without target price and/or recommendations), but unless expressly stated in the text of the report, no changes are made before it is published.

Explanation of our ratings system:

BUY: stock expected to outperform the market by over 25% over a 12 month period;

OUTPERFORM: stock expected to outperform the market by between 10% and 25% over a 12 month period;

NEUTRAL: stock performance expected at between +10% and - 10% compared to the market over a 12 month period;

UNDERPERFORM: stock expected to underperform the market by between -10% and -25% over a 12 month period;

SELL: stock expected to underperform the market by over 25% over a 12 month period.

Prices: The prices reported in the research refer to the price at the close of the previous day of trading

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