

## EQUITY RESEARCH

CASTA DIVA GROUP S.P.A  
RESULTS REVIEW

HOLD

TP 3.00€  
Up/Downside: 2%

## Solid organic growth in 2025, but profitability remains flat

Casta Diva Group delivered FY 2025 largely in line with 2024, supported by strong volume growth, yet without any uplift in reported profitability.

Beyond the already communicated revenue growth, adjusted EBITDA reached €12.0m (+15.4%), with a margin of 9.0% (vs. 8.5% in 2024). However, this improvement is not reflected in reported figures: EBITDA came in at €8.7m (€3.3m of non-recurring adjustments related to bonuses, non-renewed contracts, and advisory fees), broadly stable vs. €8.8m in FY2024 and below our estimates (€10.2m), with an unchanged margin of c.6.5%. Likewise, EBIT stood at €5.1m (vs. €5.2m), below expectations (€5.9m), with margin declining to 3.7% (vs. 4.2%), confirming still limited operating leverage despite revenue growth.

Net income amounted to €0.7m, down from €0.9m in 2024 and below our estimates (€2.6m), reflecting a still significant level of financial charges.

Reported net financial debt reached €8.7m at end-2025, better than our estimates (€11.4m) but increasing vs. the company's historical profile, including at the holding level. This dynamic is mainly explained by financing needs related to M&A activity, which management indicates could materialize over the coming months.

We believe the key issue remains the group's ability to translate growth into margin expansion and cash generation. In the absence of tangible signals in this direction, we maintain a cautious stance and lower our EBITDA estimates by c.10% for 2026 and 2027. An improvement could nevertheless start to materialize as early as H1, notably driven by the contribution of Prodea, whose profitability is expected to be significantly higher than the group average. We reiterate our HOLD rating, with an unchanged TP.

## Key data

Price (€)	2.9
Industry	Advertising/Marketing Services
Ticker	CDG-IT
Shares Out (m)	20.045
Market Cap (m €)	58.9
Average trading volumes (k shares / day)	56.000
Next event	rev H1 2026 - 15/07/2026

Source: FactSet

## Ownership (%)

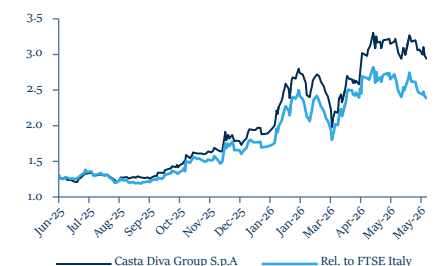
Reload S.p.A.	47.2
Alkemia	9.8
Alberto Previtali	5.8
Free float	37.3

Source: TPICAP Midcap estimates

EPS (€)	12/26e	12/27e	12/28e
Estimates	0.22	0.29	0.32
Change vs previous estimates (%)	-23.67	-12.93	-11.52

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	-2.0	-8.7	55.6
Rel FTSE Italy	-1.4	-11.4	41.3



Source: FactSet

TP ICAP Midcap Estimates	12/25	12/26e	12/27e	12/28e	Valuation Ratio	12/26e	12/27e	12/28e
Sales (m €)	132.9	154.0	160.0	165.6	EV/Sales	0.4	0.4	0.3
Current Op Inc (m €)	5.1	8.6	10.1	11.0	EV/EBITDA	5.3	4.2	3.4
Current op. Margin (%)	3.8	5.6	6.3	6.6	EV/EBIT	8.0	6.1	4.8
EPS (€)	0.03	0.22	0.29	0.32	PE	13.6	10.2	9.1
DPS (€)	0.00	0.00	0.00	0.00				
Yield (%)	0.0	0.0	0.0	0.0				
FCF (m €)	0.9	9.7	7.1	8.7				

Source: TPICAP Midcap

Consensus FactSet - Analysts:4	12/26e	12/27e	12/28e
Sales	153.7	160.8	172.2
EBIT	10.2	11.5	13.6
Net income	5.0	6.0	6.3

Analyst

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## FINANCIAL DATA

<b>Income Statement</b>	<b>12/23</b>	<b>12/24</b>	<b>12/25</b>	<b>12/26e</b>	<b>12/27e</b>	<b>12/28e</b>
Sales	111.5	121.9	132.9	154.0	160.0	165.6
Changes (%)	33.3	9.3	9.0	15.8	3.9	3.5
Gross profit	19.1	20.8	20.8	28.6	29.8	32.6
% of Sales	17.1	17.1	15.7	18.6	18.6	19.7
<b>EBITDA</b>	<b>10.3</b>	<b>7.6</b>	<b>8.7</b>	<b>12.9</b>	<b>14.6</b>	<b>15.6</b>
% of Sales	9.2	6.2	6.5	8.3	9.1	9.4
<b>Current operating profit</b>	<b>7.1</b>	<b>3.9</b>	<b>5.1</b>	<b>8.6</b>	<b>10.1</b>	<b>11.0</b>
% of Sales	6.4	3.2	3.8	5.6	6.3	6.6
Non-recurring items	-0.0	-0.0	0.0	0.0	0.0	0.0
EBIT	7.1	3.9	5.1	8.6	10.1	11.0
Net financial result	-1.0	-1.5	-2.1	-2.2	-1.4	-1.3
Income Tax	-2.5	-2.7	-2.3	-2.0	-2.7	-3.0
<b>Net profit, group share</b>	<b>3.9</b>	<b>-0.2</b>	<b>0.7</b>	<b>4.5</b>	<b>5.9</b>	<b>6.6</b>
EPS	0.08	0.05	0.03	0.22	0.29	0.32
<b>Financial Statement</b>	<b>12/23</b>	<b>12/24</b>	<b>12/25</b>	<b>12/26e</b>	<b>12/27e</b>	<b>12/28e</b>
Goodwill	16.2	16.2	16.5	19.8	19.8	19.8
Tangible and intangible assets	4.6	5.5	10.6	9.8	10.0	9.5
Right of Use	0.0	0.0	-0.0	-0.0	-0.0	-0.0
Financial assets	0.4	2.4	0.4	0.4	0.4	0.4
Working capital	-0.6	11.9	10.9	6.5	5.0	3.5
Other Assets	3.1	3.7	1.3	1.3	1.3	1.3
<b>Assets</b>	<b>23.7</b>	<b>39.7</b>	<b>39.7</b>	<b>37.8</b>	<b>36.6</b>	<b>34.5</b>
Shareholders equity group	8.7	9.8	11.1	15.5	21.5	28.1
Minorities	0.4	0.5	0.4	0.4	0.4	0.4
LT & ST provisions and others	0.0	0.4	1.4	1.4	1.4	1.4
Net debt	5.6	16.2	16.4	9.7	2.6	-6.2
Other liabilities	4.5	7.2	4.5	4.9	4.9	4.9
<b>Liabilities</b>	<b>23.7</b>	<b>39.7</b>	<b>39.7</b>	<b>37.8</b>	<b>36.6</b>	<b>34.5</b>
Net debt excl. IFRS 16	5.6	16.2	16.4	9.7	2.6	-6.2
Gearing net	0.6	1.6	1.4	0.6	0.1	-0.2
Leverage	0.5	2.1	1.9	0.8	0.2	-0.4
<b>Cash flow statement</b>	<b>12/23</b>	<b>12/24</b>	<b>12/25</b>	<b>12/26e</b>	<b>12/27e</b>	<b>12/28e</b>
CF after elimination of net borrowing costs and taxes	5.2	5.1	6.3	8.7	10.5	11.3
$\Delta$ WCR	-3.7	-4.8	0.1	4.4	1.4	1.5
Operating cash flow	1.5	0.4	6.4	13.1	11.9	12.9
Net capex	-11.3	-5.6	-5.4	-3.4	-4.8	-4.1
FCF	-9.8	-5.3	0.9	9.7	7.1	8.7
Acquisitions/Disposals of subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
Other investments	-0.7	-0.2	0.1	-3.0	0.0	0.0
Change in borrowings	2.7	9.1	6.3	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Equity Transaction	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.6	0.1	0.6	0.0	0.0	0.0
Change in net cash over the year	-6.8	3.3	8.3	6.7	7.1	8.7
ROA (%)	2.4%	1.1%	0.7%	3.9%	4.9%	5.1%
ROE (%)	18.1%	9.1%	6.2%	27.9%	27.2%	23.3%
ROCE (%)	10.8%	4.7%	9.6%	18.8%	22.9%	26.7%

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### Methodology

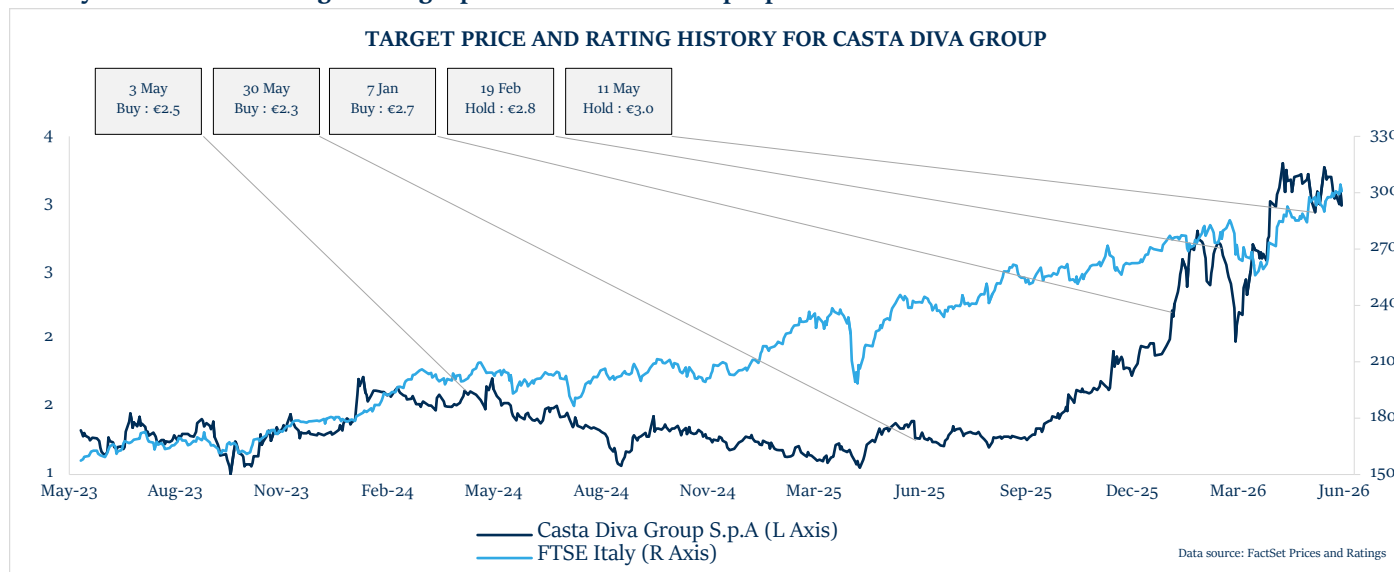
This Report may mention evaluation methods defined as follows:

1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

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G. Midcap and the Issuer have agreed to the provision by the former to the latter of a service for the production and distribution of the investment recommendation on the said Issuer: Casta Diva Group S.p.A

## History of investment rating and target price – Casta Diva Group S.p.A



## Historical recommendations and target price (-1Y)

Date	Analyst	Old Target Price	New Target Price	Closing Price	Old Recommendation	New Recommendation
10 May 26 - 10:54:32	Alessio Olmi	€ 2.80	€ 3.00	€ 3.02	Hold	Hold
16 Apr 26 - 08:20:24	Alessio Olmi	€ 2.80	€ 2.80	€ 3.09	Hold	Hold
19 Feb 26 - 08:14:18	Alessio Olmi	NA	€ 2.80	€ 2.70	NA	Hold
06 Jan 26 - 18:09:25	Alessio Olmi	€ 2.30	€ 2.70	€ 2.00	Buy	Buy
20 Nov 25 - 08:22:00	Alessio Olmi	€ 2.30	€ 2.30	€ 1.79	Buy	Buy
16 Oct 25 - 08:18:40	Alessio Olmi	€ 2.30	€ 2.30	€ 1.59	Buy	Buy
01 Oct 25 - 08:11:57	Alessio Olmi	€ 2.30	€ 2.30	€ 1.45	Buy	Buy
17 Jul 25 - 08:02:40	Alessio Olmi	€ 2.30	€ 2.30	€ 1.32	Buy	Buy
16 Jul 25 - 08:07:25	Alessio Olmi	€ 2.30	€ 2.30	€ 1.31	Buy	Buy
30 Jun 25 - 08:25:15	Alessio Olmi	€ 2.30	€ 2.30	€ 1.29	Buy	Buy

## Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	70%	72%
Hold	21%	59%
Sell	4%	33%
Under review	5%	78%

Midcap employs a rating system based on the following:

**Buy:** Expected to outperform the markets by 10% or more over a 6 to 12 months horizon.

**Hold:** expected performance between -10% and +10% compared to the market over a 6 to 12 months horizon.

**Sell:** Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

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