

EQUITY RESEARCH

CASTA DIVA GROUP S.P.A

RESULTS REVIEW

BUY

TP 2.30€

Up/Downside: 62%

A slightly growing H1, with M&A in the pipeline

Casta Diva released yesterday its H1 2025 results, showing a broadly stable performance compared to 2024 (+2% YoY), with net EBITDA improving to €4m (+10% vs 2024) and adjusted EBITDA increasing to €5.6m (+16% YoY), after a €1.6m adjustment related to recurring costs. Net income came in at €2.1m, with no tax impact in the semester. The stock reacted positively to the release, with significant trading volumes and a closing up by +2.10%.

Casta Diva published its H1 2025 results, confirming slight growth in a still selective environment. Value of Production reached €59.4m (+2% YoY), driven by the Digital & Live Communication division (+4% to €44.4m), while Video Content Production remained stable at €15m. Profitability shows signs of improvement: adjusted EBITDA stood at €5.6m (+10%), with a 9.4% margin, benefiting from the advanced integration of acquisitions and control of non-recurring costs (which still weighed €1.6m). We also note growth excluding these items, with net EBITDA at €4.0m (vs €3.6m in 2024). Pre-tax income, which we estimate to be subject to an effective tax rate of around 40% for the full year due to Covid-related tax deferrals, increased by 6% to €2.1m.

Visibility for the coming quarters remains solid, and the integration of the companies acquired in 2024 – notably First Class, expected to contribute significantly to revenues – is progressing at a good pace. At the same time, the group is strengthening its international presence with the creation of a holding in Bahrain and the opening of structures in the United Arab Emirates and Saudi Arabia, markets with high potential and limited competition. The company also confirms having several M&A opportunities in the pipeline in the B2C events sector and continues to pursue the adoption of innovative solutions, including AI applied to content production.

For the full year, we confirm our revenue forecast of c. €135m, while slightly revising down our expectations for unadjusted EBITDA to €10.2m (7.5% margin). Nevertheless, we anticipate an acceleration at year-end, traditionally more significant in terms of both revenues and margins. Net income after tax is expected at €2.74m. At its current share price, the stock is trading on a 2025E EV/EBITDA multiple of c. 4.7x, showing a significant discount versus European peers (6.5–7.0x).

We reiterate our BUY recommendation, with a target price of €2.3.

Key data

Price (€)	1.4
Industry	Advertising/Marketing Services
Ticker	CDG-IT
Shares Out (m)	20.045
Market Cap (m €)	28.5
Average trading volumes (k shares / day)	82.830
Next event	9M 2025 - 15.10.2025

Source: FactSet

Ownership (%)

Reload S.p.A.	47.2
Greenbone S.r.l.	5.7
Andrea De Micheli	5.1
Free float	42.0

Source: TPICAP Midcap estimates

EPS (€)	12/25e	12/26e	12/27e
Estimates	0.14	0.27	0.28
Change vs previous estimates (%)	-2.96	0.00	0.00

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	0.0	12.3	13.6
Rel FTSE Italy	0.3	11.5	-8.9



Source: FactSet

TP ICAP Midcap Estimates	12/24	12/25e	12/26e	12/27e	Valuation Ratio	12/25e	12/26e	12/27e
Sales (m €)	123.1	135.2	148.3	154.1	EV/Sales	0.3	0.2	0.2
Current Op Inc (m €)	5.2	5.7	8.9	9.4	EV/EBITDA	3.7	2.7	2.0
Current op. Margin (%)	4.2	4.2	6.0	6.1	EV/EBIT	6.8	4.0	3.0
EPS (€)	0.09	0.14	0.27	0.28	PE	10.4	5.3	5.0
DPS (€)	0.00	0.00	0.00	0.00	Source: TPICAP Midcap			
Yield (%)	0.0	0.0	0.0	0.0				
FCF (m €)	-5.3	3.4	5.9	6.8				

Consensus FactSet - Analysts:3	12/25e	12/26e	12/27e
Sales	135.7	150.8	156.7
EBIT	9.1	11.7	12.8
Net income	4.3	6.1	6.8

Analyst

Alessio Olmi

alessio.olmi@tpicap.com

+33149241801





FINANCIAL DATA

Income Statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
Sales	84.0	111.5	123.1	135.2	148.3	154.1
Changes (%)	182.5	32.8	10.4	9.8	9.6	3.9
Gross profit	13.1	17.4	22.0	23.5	26.5	27.5
% of Sales	15.6	15.6	17.9	17.3	17.8	17.8
EBITDA	6.8	8.6	8.8	10.2	13.3	14.1
% of Sales	8.1	7.7	7.1	7.5	8.9	9.1
Current operating profit	4.4	5.4	5.2	5.7	8.9	9.4
% of Sales	5.3	4.9	4.2	4.2	6.0	6.1
Non-recurring items	-0.6	-0.0	-0.0	0.0	0.0	0.0
EBIT	3.9	5.4	5.2	5.7	8.9	9.4
Net financial result	-0.5	-1.0	-1.5	-1.1	-1.2	-1.2
Income Tax	-1.6	-2.5	-1.8	-1.8	-2.4	-2.5
Net profit, group share	2.1	2.2	1.9	2.7	5.3	5.6
EPS	0.08	0.08	0.09	0.14	0.27	0.28
Financial Statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
Goodwill	7.4	16.2	16.2	16.2	16.2	16.2
Tangible and intangible assets	5.2	4.6	5.5	5.3	5.7	6.0
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.8	0.4	2.4	2.4	2.4	2.4
Working capital	-2.1	-0.6	11.9	12.6	11.7	10.3
Other Assets	2.7	3.1	3.7	3.7	3.7	3.7
Assets	14.1	23.7	39.7	40.2	39.7	38.5
Shareholders equity group	7.8	8.7	10.7	13.4	18.8	24.4
Minorities	0.7	0.4	0.5	0.5	0.5	0.5
LT & ST provisions and others	0.4	0.0	0.4	0.4	0.4	0.4
Net debt	-1.6	5.6	9.5	9.7	7.0	0.2
Other liabilities	3.0	4.5	14.0	11.5	8.4	8.4
Liabilities	14.1	23.7	40.6	41.1	40.5	39.4
Net debt excl. IFRS 16	-1.6	5.6	9.5	9.7	7.0	0.2
Gearing net	-0.2	0.6	0.9	0.7	0.4	0.0
Leverage	-0.2	0.7	1.1	1.0	0.5	0.0
Cash flow statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
CF after elimination of net borrowing costs and taxes	4.3	5.2	5.1	7.3	9.7	10.3
ΔWCR	7.4	-3.7	-4.8	0.4	0.9	1.4
Operating cash flow	11.7	1.5	0.4	7.7	10.6	11.7
Net capex	-6.3	-11.3	-5.6	-4.3	-4.7	-4.9
FCF	5.4	-9.8	-5.3	3.4	5.9	6.8
Acquisitions/Disposals of subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
Other investments	-0.1	-0.7	-0.2	0.0	0.0	0.0
Change in borrowings	8.9	2.7	9.1	15.0	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	0.1	0.6	0.1	0.0	0.0	0.0
Change in net cash over the year	14.4	-6.8	3.3	18.4	5.9	6.8
ROA (%)	2.4%	2.4%	2.2%	2.6%	4.7%	4.7%
ROE (%)	17.8%	18.2%	16.2%	19.7%	27.7%	22.7%
ROCE (%)	21.8%	10.9%	8.8%	11.9%	22.0%	24.2%

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Analyst certifications

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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.

Conflict of Interests between TP ICAP Midcap and the Issuer

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
17 Jul 25 - 08:02:40	Alessio Olmi	€ 2.30	€ 2.30	€ 1.32	Achat	Buy
16 Jul 25 - 08:07:25	Alessio Olmi	€ 2.30	€ 2.30	€ 1.31	Achat	Buy
30 Jun 25 - 08:25:15	Alessio Olmi	€ 2.30	€ 2.30	€ 1.29	Achat	Buy
30 May 25 - 08:15:54	Alessio Olmi	€ 2.50	€ 2.30	€ 1.27	Achat	Buy
18 May 25 - 20:15:20	Alessio Olmi	€ 2.50	€ 2.50	€ 1.34	Achat	Buy
16 Apr 25 - 08:24:34	Alessio Olmi	€ 2.50	€ 2.50	€ 1.14	Achat	Buy
19 Feb 25 - 08:05:56	Alessio Olmi	€ 2.50	€ 2.50	€ 1.19	Achat	Buy
16 Oct 24 - 08:57:30	Filippo Migliorisi	€ 2.50	€ 2.50	€ 1.32	Achat	Buy
01 Oct 24 - 08:52:54	Filippo Migliorisi	€ 2.50	€ 2.50	€ 1.25	Achat	Buy
16 Jul 24 - 09:07:22	Filippo Migliorisi	€ 2.50	€ 2.50	€ 1.50	Achat	Buy
27 Jun 24 - 20:24:44	Filippo Migliorisi	€ 2.50	€ 2.50	€ 1.44	Achat	Buy
27 May 24 - 08:35:55	Filippo Migliorisi	€ 2.50	€ 2.50	€ 1.62	Achat	Buy
03 May 24 - 09:01:58	Filippo Migliorisi	NA	€ 2.50	€ 1.58	NA	Buy

Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	78%	69%
Hold	18%	56%
Sell	3%	40%
Under review	1%	100%

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.

The history of ratings and target prices for the Issuers covered in this report are available on request at <https://researchtpicap.midcapp.com/en/disclaimer>.

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