

EQUITY RESEARCH

CASTA DIVA GROUP S.P.A
 NEWS

BUY

TP 2.70€ (vs 2.30€)
 Up/Downside: 35%

Casta Diva kicks off the year on a strong note

Casta Diva Group has acquired Prodea Group's Events division for €3 million, strengthening its presence in the live communication sector and integrating a highly valuable team. The deal, executed at attractive multiples, is accretive and supports expected earnings growth. The market welcomed the news, with the stock rising +4.5% in yesterday's session.

On January 5, 2026, Casta Diva Group finalized the acquisition of Prodea Group S.p.A.'s Events division, strengthening its position in the live communication and events market, with a particularly positive impact on its subsidiary G2 Eventi. The transaction, authorized by the Turin Court, involves the healthiest part of Prodea (currently in bankruptcy proceedings), which generated €11.9m in revenue and €2.2m EBITDA in 2024 (18.4% margin).

The acquired scope includes goodwill, active commercial contracts, ongoing orders, and personnel, while excluding prior debts and liabilities except for TFR. The purchase price of €3m (EV of €3.35m net of TFR) was paid in full at closing in cash, corresponding to an EV/EBITDA 2024 multiple of 1.53x. Even assuming a 50% EBITDA reduction to €1.1m in 2025 due to potential reputational impact, the acquisition multiple would remain attractive at 3.35x EV/EBITDA, confirming the accretive nature of the deal and Casta Diva's ability to seize opportunities on favorable terms.

This acquisition expands the group's geographic footprint, notably in Turin, and integrates valuable expertise and relationships without significant client portfolio overlap. The integration of Prodea's experienced team, with strong industry connections, is a key asset to enhance territorial coverage.

Financially, the deal is also positive as it begins to unlock value from the €10m bond issued by Casta Diva in 2025. In our model, we apply a 25% discount to 2024 performance for 2026 due to integration and bankruptcy-related effects, while forecasting a full recovery by 2027 given the company's solid track record and proven ability to generate profits, hindered only by Prodea's insolvency in 2025 (from which the Events division remained independent).

This results in EPS growth of +17% in 2026 and +22% in 2027, with an upward revision of our target price to €2.7. Recommendation: BUY.

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	157.3	163.4	EV/Sales	0.4	0.3	0.3
Current Op Inc (m €)	5.2	5.7	10.5	11.6	EV/EBITDA	5.2	3.3	2.6
Current op. Margin (%)	4.2	4.2	6.7	7.1	EV/EBIT	9.4	4.7	3.6
EPS (€)	0.09	0.14	0.32	0.35	PE	14.6	6.3	5.7
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	6.4	8.0				

Key data

Price (€)	2.0
Industry	Advertising/Marketing Services
Ticker	CDG-IT
Shares Out (m)	20.045
Market Cap (m €)	40.1
Average trading volumes (k shares / day)	16.000
Next event	FY 2025 - TBD

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	0.32	0.35
Change vs previous estimates (%)	0.00	19.67	25.47

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	2.6	12.4	5.8
Rel FTSE Italy	1.6	6.4	3.9



Source: FactSet

Consensus FactSet - Analysts:4	12/25e	12/26e	12/27e
Sales	133.0	145.6	152.8
EBIT	7.9	10.3	11.5
Net income	2.9	4.8	5.8

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	157.3	163.4
Changes (%)	182.5	32.8	10.4	9.8	16.3	3.9
Gross profit	13.1	17.4	22.0	23.5	28.9	30.5
% of Sales	15.6	15.6	17.9	17.3	18.3	18.6
EBITDA	6.8	8.6	8.8	10.2	14.9	16.3
% of Sales	8.1	7.7	7.1	7.5	9.4	9.9
Current operating profit	4.4	5.4	5.2	5.7	10.5	11.6
% of Sales	5.3	4.9	4.2	4.2	6.7	7.1
Non-recurring items	-0.6	-0.0	-0.0	0.0	0.0	0.0
EBIT	3.9	5.4	5.2	5.7	10.5	11.6
Net financial result	-0.5	-1.0	-1.5	-1.1	-1.3	-1.3
Income Tax	-1.6	-2.5	-1.8	-1.8	-2.9	-3.2
Net profit, group share	2.1	2.2	1.9	2.7	6.4	7.1
EPS	0.08	0.08	0.09	0.14	0.32	0.35
Financial Statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
Goodwill	7.4	16.2	16.2	16.2	19.6	19.6
Tangible and intangible assets	5.2	4.6	5.5	5.3	6.0	6.5
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	11.9	10.5
Other Assets	2.7	3.1	3.7	3.7	3.7	3.7
Assets	14.1	23.7	39.7	40.2	43.6	42.7
Shareholders equity group	7.8	8.7	10.7	13.4	19.8	26.9
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	16.2	12.9	9.5	1.5
Other liabilities	3.0	4.5	6.4	7.5	7.9	7.9
Liabilities	14.1	23.7	39.7	40.2	43.6	42.7
Net debt excl. IFRS 16	-1.6	5.6	16.2	12.9	9.5	1.5
Gearing net	-0.2	0.6	1.5	0.9	0.5	0.1
Leverage	-0.2	0.7	1.8	1.3	0.6	0.1
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	10.7	11.8
Δ WCR	7.4	-3.7	-4.8	0.4	0.7	1.4
Operating cash flow	11.7	1.5	0.4	7.7	11.4	13.2
Net capex	-6.3	-11.3	-5.6	-4.3	-5.0	-5.2
FCF	5.4	-9.8	-5.3	3.4	6.4	8.0
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	-3.0	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	3.4	8.0
ROA (%)	2.4%	2.4%	2.2%	2.6%	5.5%	5.6%
ROE (%)	17.8%	18.2%	16.2%	19.7%	31.4%	25.9%
ROCE (%)	21.8%	10.9%	8.8%	11.9%	23.0%	26.1%

DISCLAIMER

Analyst certifications

This research report (the “Report”) has been approved by Midcap, a business division of TP ICAP (Europe) SA (“Midcap”), an Investment Services Provider authorised and regulated by the Autorité de Contrôle Prudentiel et de Résolution (“ACPR”). By issuing this Report, each Midcap analyst and associate whose name appears within this Report hereby certifies that (i) the recommendations and opinions expressed in the Report accurately reflect the research analyst’s and associate’s personal views about any and all of the subject securities or issuers discussed herein and (ii) no part of the research analyst's or associate’s compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst or associate in the Report.

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
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
30 May 25 - 08:15:54	Alessio Olmi	€ 2.50	€ 2.30	€ 1.27	Buy	Buy
18 May 25 - 20:15:20	Alessio Olmi	€ 2.50	€ 2.50	€ 1.34	Buy	Buy
16 Apr 25 - 08:24:34	Alessio Olmi	€ 2.50	€ 2.50	€ 1.14	Buy	Buy
19 Feb 25 - 08:05:56	Alessio Olmi	€ 2.50	€ 2.50	€ 1.19	Buy	Buy

Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	76%	72%
Hold	18%	57%
Sell	3%	0%
Under review	3%	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>.

General Disclaimer

This Report is confidential and is for the benefit and internal use of the selected recipients only. No part of it may be reproduced, distributed, or transmitted without the prior written consent of Midcap

This Report is published for information purposes only and does not constitute a solicitation or an offer to buy or sell any of the securities mentioned herein. The information contained in this Report has been obtained from sources believed to be reliable and public, Midcap makes no representation as to its accuracy or completeness. The reference prices used in this Report are closing prices of the day before the publication unless otherwise stated. All opinions expressed in this Report reflect our judgement at the date of the documents and are subject to change without notice. The securities discussed in this Report may not be suitable for all investors and are not intended to recommend specific securities, financial instruments, or strategies to particular clients. Investors should make their own investment decisions based on their financial situation and investment objectives. The value of the income from your investment may vary due to changes in interest rates, changes in the financial and operating conditions of companies and other factors. Investors should be aware that the market price of the securities discussed in this Report may be volatile. Due to the risk and volatility of the industry, the company, and the market in general, at the current price of the securities, our investment rating may not correspond to the stated price target. Additional information regarding the securities mentioned in this Report is available on request.

This Report is not intended for distribution or use by any entity who is a citizen or resident of, or an entity located in any locality, territory, state, country, or other jurisdiction where such distribution, publication, availability, or use would be contrary to or limited by law or regulation. Entity or entities in possession of this Report must inform themselves about and comply with any such restrictions, including MIFID II. This Report is only intended for persons who are Eligible Counterparties or Professional Clients within the meaning of MIFID II regulation. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. The Report is subject to restricted circulation. The research was conducted in accordance with the provisions of the Charter of good practices for sponsored research. Midcap has adopted effective administrative and organizational arrangements, including "information barriers", to prevent and avoid conflicts of interest regarding investment recommendations. The remuneration of financial analysts who participate in the preparation of the recommendation is not linked to the corporate finance activity.