

ENERGICA MOTOR COMPANY

FY20 Results and successful capital increase

FY20 sharp increase in sales (+91%) and improved profitability. Energica Motor Company, innovative SME and global leader in the high-performing electric motorcycles niche market, closed FY20 with revenues of Euro 6.0 m, +91% vs. prior year and overperforming our estimates of Euro 5.7m. Growth was driven by the signing of several new commercial agreements boosting the sales network to a number of 72 dealers worldwide (53 in FY19) of which 51 in EU, 13 in USA and 8 in other geographies (Asia, Middle East and Africa), and the increased visibility from the FIM Enel MotoE World Cup. After the lockdown, during which the Company was forced to halt production for one month, EMC managed to increase the pace of its production to align to the order backlog which continued to grow as electric motorcycle industry showed to be COVID-19 resilient with no significant cancellation of orders, only a delay in production and delivery which was fully recovered in 2H20. Revenues (VoP) stood at Euro 6.7 m, +18% yoy growth (vs Euro 5.7 m in FY19). As already discussed in our earlier reports, the commercial start-up phase of the Company is still ongoing and although FY20 showed a significant improvement, at current volumes revenues are not yet sufficient to cover fixed costs, hence EBITDA was negative of Euro 4.4 m, however recording an improvement vs. Euro 4.9 m in FY19, thanks to the increased sales volumes which allows a more efficient and industrialized production and operational efficiency. After D&As of Euro 1.8 m (Euro 2.8 in FY19), EBIT stood at Euro -6.2 m (negative for Euro 7.6 m in FY19). Net Result was negative for Euro 6.3 m, compared to a loss of Euro 7.7 m during FY19, and Euro 6.1 as of our estimates.

Successful Euro 15 m capital increase, entrance of new strategic shareholder. Following the net loss, FY20 closed with negative Net Equity (for Euro 0.5 m) and a Net debt of Euro 1.6 m (Euro 0.3 m in FY19). However, in March the Company successfully concluded a Euro 14.9 m capital increase with the entrance of Ideanomics Inc, a Nasdaq listed global company focused on facilitating the adoption of commercial electric vehicles and developing next generation financial services and Fintech products, as shareholder (64% of total capital increase and a total stake of 20% in EMC). The share capital increase, which was 100% underwritten at a price of Euro 1.78 p.s. will guarantee the financial resources necessary to realize the industrial plan and create a privileged entry into the US market. Management confirmed its well-defined strategy to unlock the next phase of growth by focusing on sales network (focus on Asia and markets in the US and Europe not yet covered), operations, R&D and Ecosystem.

Cautious optimism for FY21, Q1 backlog at 60% of FY20 revenues FY22 break-even target confirmed. The growth trend has continued in the first months of FY21, and the order book at the end of Q121 stood at Euro 3.6 m, (60% FY20 total sales). Management stated that higher volumes, coupled with improved management of the supply chain should allow for a continuous improvement in profitability and confirmed the target to reach break-even in FY22. The new investment plan focusing on cost savings, (total investments of Euro 2.2 m (of which 1.9 in R&D)) which should allow for a reduction in production costs of 8% in FY21 and 20% in FY22. Management however also highlighted that the shortage of electric components in the automotive industry is currently coping with, could cause a delay in FY21.

Outlook and Estimates Revision. Given all the above, our outlook for the Company remains positive as we believe that efforts to increase brand awareness and strengthen commercial network coupled with the new financial equilibrium lay a good ground for the Company to continue to strengthen its leadership in the high-performance e-motorcycle market while progressively improving financials. We adjusted our FY21 revenue growth target to factor in a delay related to the shortage of electric components, now assuming Euro 14.8 m whereas we updated our revenue target in FY22 (Euro 38.3 m), when we expect break-even. We also revised our expectations in terms of profitability, now considering a more cautious EBITDA margin for FY22 (6% vs 9% previously) that is expected to gradually improve as the Company benefits from a larger scale operation. Furthermore, we adjusted financials to include the new capital structure, which should lead to a Net Cash position of Euro 4.5 m in FY23 after Capex for Euro 8.7 m in the FY21-23 window.

Valuation. Given the FY20 positive results, strong order backlog and the recent capital increase EMC has significantly improved financial equilibrium and showed that it is on the right track to scale up. However, EMC is still in a start-up phase and the uncertainties regarding when the results will allow for a near time valuation on financials would be implied in any value assessment. We hence suggest giving some more time for the Company to continue its path and let the ongoing improvements feed through the numbers, before expressing a target price.

Sector: Manufacturing

Market Price (Euro)	2.60
Market Cap (Euro m)	79.7
EV (Euro m)	81.3

As of May 12th, 2021

Share Data

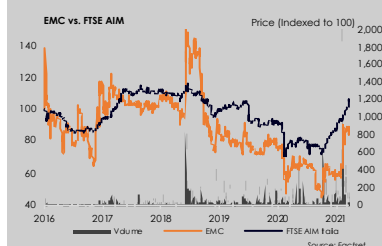
Market	AIM Italia
Reuters/Bloomberg	EMC IM
ISIN	IT0005143547
N. of Shares	30,640,982
Free Float	36.25%
Main Shareholder	CRP Meccanica (33.40%)
CEO	Livia Cevolini

Financials

	2020A	2021E	2022E	2023E
Sales	6.0	12.0	28.4	39.8
YoY %	+91%	+98%	+137%	+40%
Revenues	6.7	14.8	38.3	50.5
YoY %	+18%	+121%	+158%	+32%
EBITDA	(4.4)	(3.8)	2.2	5.0
EBITDA %	n.m.	n.m.	6%	10%
EBIT	(6.2)	(5.0)	0.4	2.9
EBIT %	n.m.	n.m.	1%	6%
Net Income	(6.3)	(5.1)	0.4	2.1
Net Debt (Cash)	1.6	(7.5)	(4.3)	(4.5)

Performance

	1M	3M	6M
Absolute	+2%	+41%	+47%
Relative (FTSE AIM Italia)	-2%	+23%	+4%
52-week High/Low (Eu)	2.98		1.33



IR TOP RESEARCH

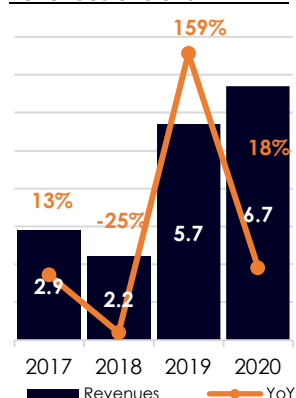
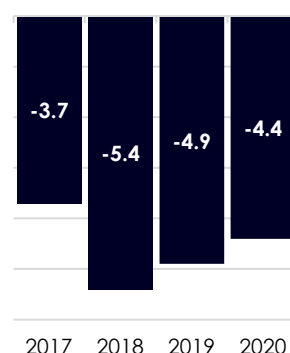
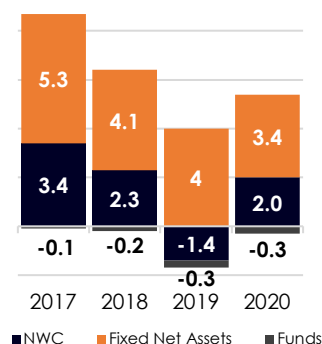
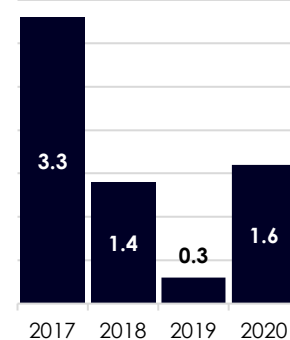
Luisa Primi – l.primi@irtop.com

Luca De Nuzzo – l.denuzzo@irtop.com

T +39 02 89056957

KEY FINANCIALS

	2017A	2018A	2019A	2020A	2021E	2022E	2023E
Profit&Loss Statement							
Revenues	2.9	2.3	5.7	6.7	14.8	38.3	50.5
EBITDA	(3.7)	(5.4)	(4.9)	(4.4)	(3.8)	2.2	5.0
EBIT	(5.5)	(7.3)	(7.6)	(6.2)	(5.0)	0.4	2.9
Financial Income (charges)	(0.1)	(0.0)	(0.1)	(0.2)	(0.0)	(0.0)	(0.0)
Pre-tax profit (loss)	(5.8)	(7.3)	(7.7)	(6.3)	(5.1)	0.4	2.9
Taxes	0.0	0.0	0.0	0.0	0.0	(0.0)	(0.7)
Net profit (loss)	(5.8)	(7.3)	(7.7)	(6.3)	(5.1)	0.4	2.1
Balance Sheet							
Net working capital (NWC)	3.4	2.3	(1.4)	(1.9)	(3.0)	(1.0)	0.6
Net fixed assets	5.3	4.1	4.0	3.4	4.9	6.5	6.9
M/L Funds	(0.1)	(0.2)	(0.3)	(0.3)	(0.4)	(0.5)	(0.5)
Net Capital Employed	8.5	6.2	2.3	1.2	1.5	5.0	7.0
Net Debt	3.3	1.4	0.3	1.6	(7.5)	(4.3)	(4.5)
Equity	5.2	4.8	2.1	(0.5)	8.9	9.3	11.5
Cash Flow							
EBIT	(5.5)	(7.3)	(7.6)	(6.2)	(5.0)	0.4	2.9
D&A	1.8	1.9	2.8	1.8	1.3	1.8	2.2
Tax	0.0	0.0	0.0	0.0	0.0	(0.0)	(0.7)
Change in M/L Funds	0.0	0.1	0.0	0.1	0.1	0.1	0.0
Gross Cash Flow	(3.7)	(5.3)	(4.8)	(4.3)	(3.7)	2.3	4.4
Change in NWC	(2.4)	1.1	3.6	0.6	1.1	(2.0)	(1.6)
Operating Cash Flow	(6.0)	(4.1)	(1.2)	(3.8)	(2.6)	0.3	2.7
Capex	(0.7)	(0.8)	(2.6)	(1.3)	(2.7)	(3.4)	(2.6)
Change in other non-current asset	(0.2)	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0
Financial Income (charges)	(0.1)	(0.0)	(0.1)	(0.2)	(0.0)	(0.0)	(0.0)
Free Cash Flow	(7.0)	(4.9)	(3.9)	(5.2)	(5.3)	(3.1)	0.2
Dividend	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in Equity	6.6	6.8	5.0	3.8	14.5	0.0	0.0
Change in Net debt	(0.4)	1.9	1.1	(1.4)	9.1	(3.1)	0.2
Per Share Data							
Current Price	2.60						
Total shares (mn)	30.6						
EPS	(0.33)	(0.40)	(0.42)	(0.3)	(0.17)	0.01	0.07
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF	(0.4)	(0.3)	(0.2)	(0.3)	(0.2)	(0.1)	0.0
Pay out ratio	0%	0%	0%	0%	0%	0%	0%
Ratios							
EBITDA margin	n.m.	n.m.	n.m.	n.m.	n.m.	5.8%	10.0%
EBIT margin	n.m.	n.m.	n.m.	n.m.	n.m.	1.1%	5.7%
Net Debt/Equity	63.2%	29.5%	12.9%	-345.2%	-83.7%	-46.5%	-39.1%
Net Debt/(Net Debt + Equity)	38.7%	22.8%	11.4%	140.8%	-512.9%	-86.8%	-64.3%
Net Debt/EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	-1.95	-0.89
Interest cover EBIT	n.m.	n.m.	n.m.	n.m.	n.m.	29.32	191.30
ROE	-111.8%	-152.4%	-373.6%	1330.3%	-56.6%	4.4%	18.6%
ROCE	-65.1%	-117.6%	-327.2%	-528.6%	-346.0%	9.1%	51.3%
Free Cash Flow Yield	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	0.3%
Growth Rates							
Revenues	13%	-20%	150%	18%	121%	158%	32%
EBITDA	-5%	-44%	9%	10%	14%	159%	126%
EBIT	-9%	-31%	-5%	19%	18%	109%	552%
Net Profit	-45%	-25%	-6%	18%	20%	108%	425%

Revenues evolution

EBITDA evolution

Assets evolution

Net Debt evolution


Source: Consolidated Group data for FY 2017-2020, IR TOP Research estimates for FY 2021-2023

ENERGICA MOTOR COMPANY

Energica Motor Company is an innovative SME and market leader in the production and commercialization of Made in Italy high-performance electric motorcycles. EMC was officially founded in 2014 as a spin-off of CRP Group (an Italian group with over 50 years of experience in the world of F1 and more than 20 years of experience in Additive Manufacturing and computer numerical control machining), which started the project in 2010 with the aim of creating the first high-powered electric motorcycles. Today the Company is the single supplier of motorcycles for the FIM Enel MotoE World Cup and is present in the market with 3 fully electric and high-performing motorcycles:

- **EGO+**: the first Italian high-performing electric sport bike, with a power of 107 kW, maximum speed of up to 240 km/h, torque of 215 Nm, fast charge on board and reaching 0-100 km/h in 2.6 seconds (in its RS version)
- **EVA Ribelle**: the streetfighter model, with a power of 107 kW, maximum speed of up to 200 km/h, torque of 215 Nm and fast charge capabilities, reaching 0-100 km/h in 2.6 seconds (in its RS version)
- **EVA EsseEsse9+**: the "old-school" electric motorcycle awarded Best Electric Bike of the Year in 2018 by Motor Cycle News UK, with a power of 80 kW, maximum speed of up to 200 km/h, torque of 200 Nm, fast charge and reaching 0-100 km/h in 2.8 seconds (in its RS version)

All models are equipped with Fast Charge facilities (0-80% in 40 min), eABS systems allowing to limit the maximum regenerative torque in case of slippery conditions, and other highly technological parts designed by internal R&D department and protected by international patents. Energica's bikes are fully homologated and approved by authorities for both Europe and the US. In December 2019, the Company introduced new MY2020 models, which have significantly driven FY20 revenues and led to a positive impact on EMC's order book. Renewed models for MY2021, including the "RS" and "Kit Corsa Clienti" versions, have been announced at the Moto.it Festival in November 2020.

The Company has been very active in searching partnerships to develop innovative technological projects and this led to new agreements with:

- **Dell'Orto**: the two companies are developing E-Power, an innovative power unit for urban electric mobility capable to cover power ranges from 2.5 to a peak of 15 kW, with performances that equal a range from 50 to 125cc of traditional engines
- **Cellularline-Alascom**: collaboration for an innovative AI project aimed at developing a communication protocol between the Energica riders and Cellularline-Interphone products through the Alascom app
- **Total Lubrifiants**: international partnership, according to which Total becomes industrial partner and official sponsor of Energica, providing lubricants and related products for all of Energica's motorcycles. In May 2021, the two companies inaugurated eleven 22kW charging stations (the first to be installed by Total in Italy), at the Energica headquarter, further affirming their commitment toward the transition to electric-powered vehicles

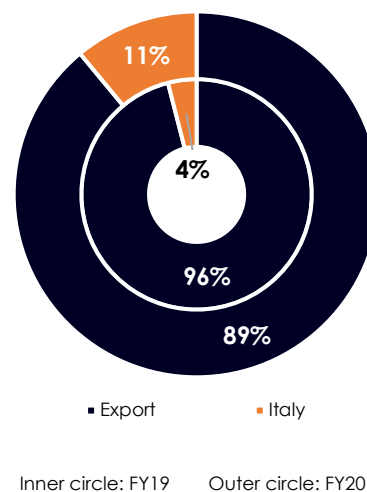
Finally, during 2020 Energica strengthened its production line by developing a new area for the in-house assembly of batteries. This project, sponsored by Sonic Equipment, makes EMC one of the very few companies which covers the entire battery design and production process.

EMC is headquartered in the Italian "Motor Valley", near Modena and operates in a 32,000 square foot factory. At the end of FY20, EMC counted 58 employees, a sales network of 72 dealers distributed across the globe, two service centres and a new showroom in Munich, Germany.

LISTING ON AIM ITALIA AND CAPITAL RAISED

EMC listed on the AIM Italia market in January 2016 by raising Euro 5.3 m aimed at starting production lines. Since the Company has successfully collected an additional Euro 36.9 m through the placement of convertible bonds, conversion of shareholders' loans and capital increases. The most recent concluded in Q121, for a total amount of Euro 14.9 m raised through the issuance of no. 8,374,325 new shares at a price of Euro 1.78 p.s. Of the total capital increase, Euro 10.9 m was the result of the signing of an investment agreement with Ideanomics, a company listed on Nasdaq and specialized in facilitating the adoption of commercial electric vehicles and development of next generation Fintech products, which obtained a 20% stake of the Company's shares. In our view, on the one hand this confirms the attractiveness for international investors of the Company's technologies and products, and on the other should allow the Company to benefit from Ideanomics' global network of companies focused on emerging sustainable tech to further boast growth. The remaining part of the capital was provided through the conversion of reserves by the founding shareholders for Euro 1.5 m and for Euro 2.5 by other investors.

Sales breakdown by geography



GROWTH STRATEGIES

EMC's Management has outlined a clear strategy to unlock the next phase of growth:

<p style="text-align: center; background-color: #e67e22; color: white; padding: 5px; margin-bottom: 10px;">SALES NETWORK</p> <ul style="list-style-type: none"> Selective extension of sales network Financial schemes to support dealers and distributors E-commerce 	<p style="text-align: center; background-color: #e67e22; color: white; padding: 5px; margin-bottom: 10px;">OPERATIONS</p> <ul style="list-style-type: none"> Automation of production lines to support sales and drive cost efficiency for battery assembly, also to be sold to third parties IT and tooling investments for logistics and supply chain to reduce BOM and grow margin New warehouse Investment plan for a total of Euro 2.2 m (of which Euro 1.9 m in R&D) to optimise production, technology and performance of vehicles
<p style="text-align: center; background-color: #e67e22; color: white; padding: 5px; margin-bottom: 10px;">R&D</p> <ul style="list-style-type: none"> Competitive advantage through R&D on core technology to keep leading the way across various market MotoE as driver for product innovation Continuous improvement of manufacturing technology to decrease bill of materials cost and grow margins 	<p style="text-align: center; background-color: #e67e22; color: white; padding: 5px; margin-bottom: 10px;">ECOSYSTEM</p> <ul style="list-style-type: none"> CRM, customers engagement, social media Strategic partnerships with companies engaged in the development of smart and green technology for electric vehicles

ESG – SUSTAINABLE CORE BUSINESS

The Company presented its first sustainability report in March 2019. The report highlights the Company's sustainable mission aiming at innovation. Report snapshots:

Innovation, technology, R&D	
Number of patents	3
Quality and safety	
Incidents of non-compliance concerning impacts on the safety of products and services	None
Cases of non-compliance regarding marketing communications	None
Supply chain and relationships with local territory	
Made in Italy components – incidence on total components used	80%
Italian suppliers situated at less than 100 km from Energica's headquarter	42%
Environment	
Energy consumption (GJ)	2,057
Special waste (Kg) – 98% of which regenerative	1,239
Human Capital	
Number of employees	46
Number of female employees	17
Number of employees with age below 30	17
Major on-the-job accidents	None

INNOVATION

EMC continues to invest in R&D in order to maintain and improve its competitive edge, and has already registered 3 international patents on its technology:

- Vehicle Control Unit (VCU): Energica's battery, inverter, charger and ABS are constantly monitored and managed by the internally developed and designed VCU. Energica registered a patent for this technology, which has recently been approved also in China
- Supply Unit. EMC, in order to avoid the overheating of batteries, has developed an innovative battery case designed to avoid overheating, and which includes a cooling plate made of aluminium provided with several through holes that communicate outside and cross the cooling plate.
- eABS: The eABS mounted on the Energica motorcycle verifies the presence of friction conditions and, in case of slippery conditions, limits the maximum regeneration torque.

OPPORTUNITIES **MAIN RISKS**

- Exclusive manufacturer for MotoE World Cup to create brand awareness and visibility
 - Leading position in growing market
 - High entry barriers due to high R&D requirements
 - Strong Know How and Innovation
 - Sustainable core business to benefit from greater attention to climate change
- Competitiveness risk: if EMC does not fully exploit its competitive advantage, the Company may incur in the risk of market entry by big players of the motorbikes industry, with new products that could take advantage of a stronger commercial network, quickly diluting EMC's market share
 - Execution risk of the industrial plan and further delays in the development of infrastructure of charging points

BOARD OF DIRECTORS

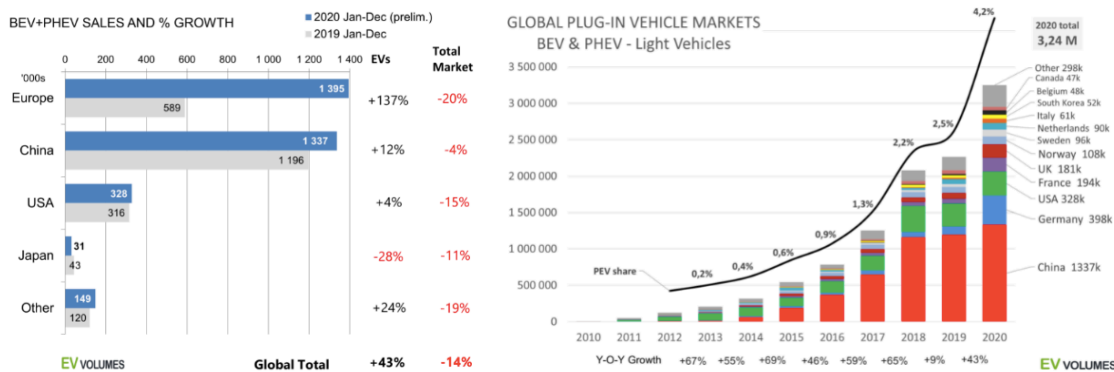
- **Franco Cevolini** - Chairman
- **Livia Cevolini** - CEO
- **Andrea Vezzani** - CFO
- **Giampiero Testoni** – CTO
- **Gian Carlo Minardi** – Independent Director

REFERENCE MARKET

Energica Motor Company is the market leader in the production and commercialization of high-performance electric motorcycles. The reference market of the Company is the **niche of Electric Motorcycles** in the **Electric Vehicles market**.

Despite being characterize by an unprecedented economic downturn during the first COVID-19 wave, 2020 has been a turnaround year for the Electric Vehicles (EV) market. New attractive models, incentive boosts by green recovery funds, regulations promoting the shift towards a more sustainable mobility model and an intense promotional activity of EVs led to an impressive boost in sales across the globe. According to EV-volumes.com, global combined sales for Battery Electric Vehicles (BEVs) and Plug-In Hybrid Electric Vehicles (PHEVs) should reach 3.24 m units, compared to 2.26 m units in 2019.

Global BEV & PHEV Market Overview



Source: EV-volumes.com

Europe showed the highest level of growth, with nearly 1.4 m BEVs and PHEVs registered during 2020, 137% more than in 2019 despite a vehicle market that was down by 20% yoy. This also led to an increase in terms of EVs market share for Europe, which went up from 3.3% in 2019 to 10.2% in 2020 (including EFTA countries and UK).

Growth outside Europe was slower, but still significant, with sales going up by 12% in the Chinese market, by 4% in the US and varying widely in the rest of the world. The only significant slowdown has been registered in Japan (-28% yoy), with minor declines in Canada and Australia as well.

Expectations about Energica's reference market segment are quite positive: according to Technavio (*High-performance Electric Motorcycle Market by Type and Geography - Forecast and Analysis 2021-2025*), the High-Performance Electric Motorcycle Market has the potential to grow by 23,600 units in the 2021-2025 period, boosting a CAGR of +28% during the period with a 43% contribution attributable to Europe. In 2021 alone, this segment is estimated to grow by +15%.

Sales breakdown – Euro m

	FY20	%	FY19	%	Δ %
Italy	0.6	11%	0.1	4%	424%
Export	5.4	89%	3.0	96%	78%
Total sales	6.0	100%	3.2	100%	91%

Source: IR Top elaboration on Group data

Key Financials – Euro m

Income Statement	20A	19A	Δ %	Balance Sheet	20A	19A	Δ %
Sales	6.0	3.2	+91%	Net Working Capital	(1.9)	(1.4)	+36%
Revenues	6.7	5.7	+18%	Fixed Net Assets	3.4	4.0	-15%
EBITDA	(4.4)	(4.9)	-10%	Funds	(0.3)	(0.3)	0%
EBIT	(6.2)	(7.6)	-19%	Net Capital Employed	1.2	2.3	-48%
Pre-tax Profit	(6.3)	(7.7)	-18%	Net Debt (Cash)	1.6	0.3	+433%
Net Profit	(6.3)	(7.7)	-18%	Equity	(0.5)	2.1	-124%
				Sources	1.2	2.3	-48%

Source: Consolidated Group Data

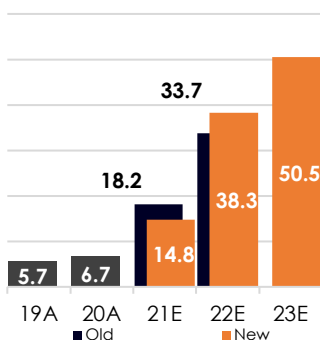
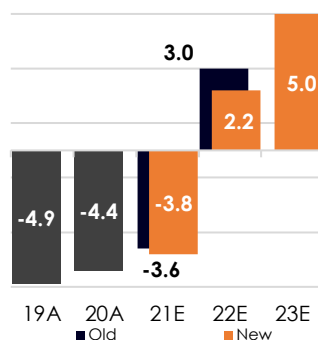
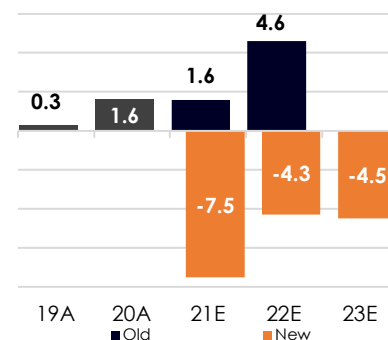
Estimates Revision – Euro m

We adjusted our FY21 revenue growth target to factor in a Covid-19 related delay in the general economic recovery, now assuming Euro 14.8 m. We also adjusted financials to include the new capital structure. In line with Management guidance, we expect break-even in FY22. We also added FY23 to our explicit time horizon. Other assumptions to our estimates:

- FY20-23 revenue CAGR of +96%,
- Break even in FY22 with an EBITDA margin of c. 6%, and approx. 1,250 units sold. Progressive increase in profitability in FY23 as the Company can leverage on higher sales volumes.
- NWC improvement as the Company will be able to shift from a negative value for Euro 1.9 m in FY20 to a value of Euro 0.6 m in FY23

Income Statement	20A	21E Old	21E New	Δ %	22E Old	22E New	Δ %	23E New	
Sales	6.0	14.2	12.0	-15%	29.8	28.4	-5%	39.8	
	yoy	+91%	+150%	+98%	-	+110%	+137%	-	+40%
Revenues	6.7	18.2	14.8	-19%	33.7	38.3	14%	50.5	
	yoy	+18%	+161%	+121%	-	+85%	+158%	-	+32%
EBITDA	(4.4)	(3.6)	(3.8)	6%	3.0	2.2	-27%	5.0	
	margin	n.m.	n.m.	n.m.	-	9%	6%	-	10%
EBIT	(6.2)	(5.3)	(5.0)	-6%	1.8	0.4	-78%	2.9	
	margin	n.m.	n.m.	n.m.	-	5%	1%	-	6%
Pre-tax Profit	(6.3)	(5.3)	(5.1)	-4%	1.8	0.4	-78%	2.9	
Net Profit	(6.3)	(5.3)	(5.1)	-4%	1.7	0.4	-76%	2.1	

Balance Sheet	20A	21E Old	21E New	Δ %	22E Old	22E New	Δ %	23E New
Net Working Capital (NWC)	(1.9)	0.2	(3.0)	n.m.	0.9	(1.0)	n.m.	0.6
Fixed net assets	3.4	2.6	4.9	88%	4.8	6.5	35%	6.9
Funds	(0.3)	(0.2)	(0.4)	100%	(0.3)	(0.5)	67%	(0.5)
Net Capital Employed	1.2	2.5	1.5	-40%	5.4	5.0	-7%	7.0
Net Debt (Cash)	1.6	1.6	(7.5)	n.m.	4.6	(4.3)	n.m.	(4.5)
Equity	(0.5)	0.9	8.9	889%	0.8	9.3	1063%	11.5
Sources	1.2	2.5	1.5	-40%	5.4	5.0	-7%	7.0

Revenues Revision – Euro m

EBITDA Revision – Euro m

Net Debt Revision – Euro m


Source: Consolidated Group data for FY 2020, IR TOP Research estimates for FY 2021-2023

INDUSTRY COMPARISON

Electric Vehicles Manufacturers: average data for six companies involved in the development and production of Electric Vehicles: Tesla, Polaris, Li Auto, Nikola, BYD, Askoll EVA.

Motorcycle Manufacturers: average data for six companies involved in the production of motorcycles: Piaggio, Harley, Honda, Suzuki, Yamaha, Pieper Mobility.

	EMC	Electric Vehicles Manufacturers	Motorcycle Manufacturers
Sales	6.0	8,810.3	23,296.8
<i>Yoy growth</i>	+91%	+506%	-18%
EBITDA	(4.4)	1,374.3	1,980.4
<i>EBITDA %</i>	<i>n.m.</i>	15%	11%
EBIT	(6.2)	450.7	1,103.4
<i>EBIT %</i>	<i>n.m.</i>	5%	6%
Earnings	(6.3)	141.2	919.7
<i>Earnings %</i>	<i>n.m.</i>	2%	3%
Net Debt/EBITDA	n.m.	12.9x	4.3x
Market Cap	79.7	90,754	12,730
EV/Sales 22E	2.1x	6.2x	1.0x
EV/EBITDA 22E	37.0x	33.4x	6.5x
P/E 22E	199.3x	79.2x	13.0x
Stock performance 1M	+2%	-9%	-1%
3M	+41%	-26%	+6%
6M	+47%	-1%	+23%
YTD	+40%	+204%	+16%
1Y	+30%	+94%	+76%

Source: Company filings for FY20. IR TOP Research est. for EMC's FY22 fundamentals. Factset for Market/Industry data as of May 12th, 2021

ENERGICA MOTOR COMPANY ON AIM
IPO

Date: January 29th, 2016
 Capital raised: Euro 5.3 m
 Price: Euro 3.20
 Capitalisation: Euro 37.3 m

SHARES (as of May 12th, 2021)

Listing Market: AIM Italia
 Code: EMC
 Bloomberg: EMC IM
 Reuters: EMCC.MI
 ISIN: IT0005143547
 Ordinary Shares: 30,640,982
 Price: Euro 2.60
 Performance from IPO: -19%
 Capitalisation: Euro 79.7 m
 Free Float: 36.25%
 Nomad e Specialist: Banca Finnat Euramerica SpA

BOND (as of May 12th, 2021)

Name	Max Size (Euro m)	Subscribed (Euro m)	Convert (Euro m)	Outstanding (Euro m)	Expiry	Rate
BOND 2020 Conv. cum warrant	7.0					
First Tranche		0.5	0.5	-	12 months	-
Second Tranche		0.5	0.5	-	12 months	-
Third Tranche		0.5	0.5	-	12 months	-
Fourth Tranche		0.5	0.5	-	12 months	-
Fifth Tranche		0.5	0.5	-	12 months	-
Sixth Tranche		-	-	-	12 months	-
Seventh Tranche		-	-	-	12 months	-
Eighth Tranche		-	-	-	12 months	-
Ninth Tranche		-	-	-	12 months	-
Tenth Tranche		-	-	-	12 months	-
Eleventh Tranche		-	-	-	12 months	-
Twelfth Tranche		-	-	-	12 months	-
Thirteenth Tranche		-	-	-	12 months	-
Fourteenth Tranche		-	-	-	12 months	-

WARRANT Energica Motor Company 2016-2021 (as of May 12th, 2021)

Code: WEMC21
 ISIN: IT0005152183
 Issued Warrants: 1,128,250
 Exercise ratio: 1:1 (shares:warrants)

Period	from	to	Strike Price (Euro)	Converted (n. of Warrant)
First	10/03/2016	10/17/2016	3.52	-
Second	10/02/2017	10/16/2017	3.87	-
Third	07/02/2018	07/16/2018	3.15	88,750
Fourth	10/01/2018	10/15/2018	3.50	2,100
Fifth	06/17/2019	07/01/2019	4.20	-
Sixth	10/01/2019	10/15/2019	4.60	-
Seventh	06/15/2020	06/30/2020	6.00	-
Eighth	10/01/2020	10/15/2020	6.60	-
Ninth	06/15/2021	06/30/2021	8.00	-
Tenth	10/01/2021	10/15/2021	9.00	-

As of May 12th, 2021 outstanding warrant: n. 1,037,400

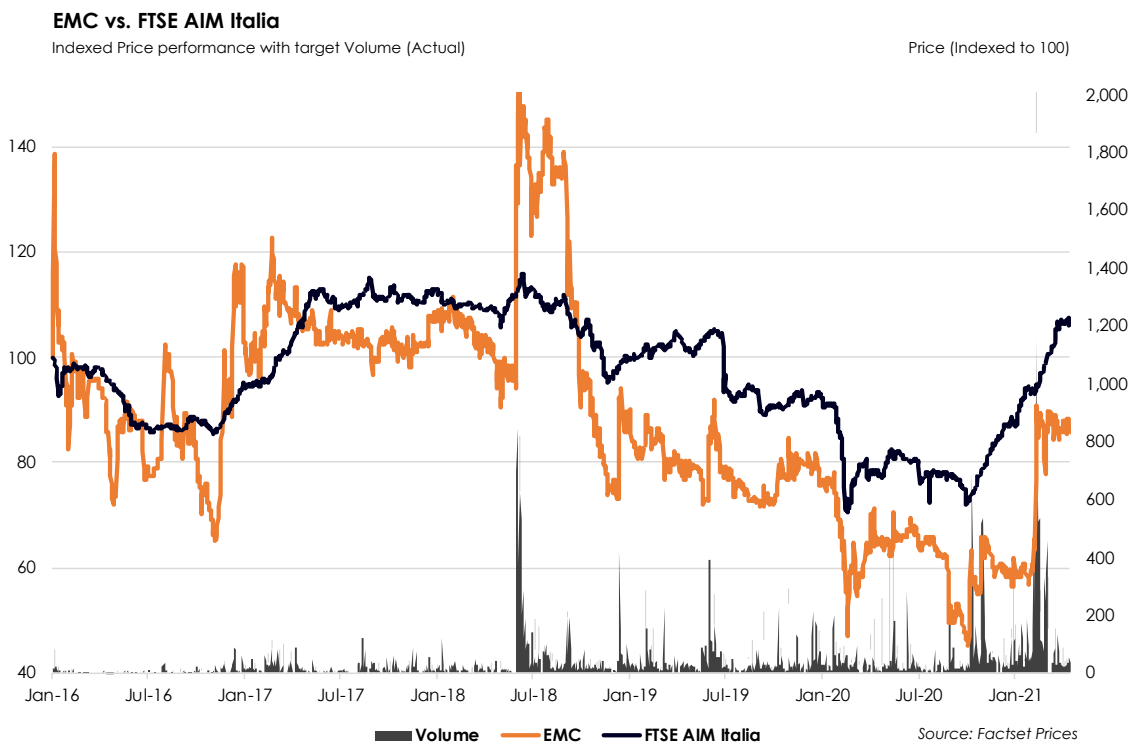
Ownership

The main shareholder of EMC is CRP Meccanica which holds overall 33.40% of outstanding shares. The share capital subscribed and paid up is Euro 306,409.82 made up by n. 30,640,982 ordinary shares. Free float is 36.25%.

Shareholder	n. of shares	%
CRP Meccanica	10.232.834	33,40%
Market	11.107.505	36,25%
Ideanomics Inc	6.128.703	20,00%
Maison Sa	880.000	2,87%
CRP Technology	2.091.940	6,83%
Testoni Giampiero	100.000	0,33%
Vezzani Andrea	100.000	0,33%
Total	30,640,982	100%

Source: Group data

Stock Performance



DISCLAIMER

UPDATES: This Research is an update coverage made by IR Top Consulting S.r.l. (IR Top) on Energica Motor Company (the "Company"). Update frequency might depend on circumstances considered to be important (corporate events and changes of recommendation, etc.) or on further advisory commitment. Last Research on the same Company was released on October 19th, 2020. Opinions and estimates of this Research are as the date of this material and are subject to change. Information and opinions have been obtained from sources public and believed to be reliable, but no warranty is made as to their accuracy or correctness. Past performances of the Company are not guarantee of future results.

During the last 12 months, the following indications have been disseminated:

	Target Price	Market Price	Validity Time
May 13 th , 2021	U.R.	2.60	12 months
October 19 th , 2020	U.R.	1.55	12 months
September 2 nd , 2020	U.R.	1.93	12 months
January 28 th , 2020	U.R.	2.30	12 months

VALUATION METHODOLOGY (HORIZON: 12M): IR Top obtained a fair value using different valuation methodologies including Discounted Cash Flow method and Multiple-based models. Detailed information about the valuation or methodology and the underlying assumptions and information about the proprietary model used is accessible at IR Top premises.

RESEARCH TEAM:

Luisa Primi, (Senior Analyst, AIAF Associated)
Luca De Nuzzo, (Analyst)
Chiara Cardelli, (Researcher)

No other people or companies participated or anyhow contributed to the Research. Neither the members of the research team, nor any person closely associated with them have any relationships or are involved in circumstances that may reasonably be expected to impair the objectivity of the Research, including interests or conflicts of interest, on their part or on the part of any natural or legal person working for them, who was involved in producing the Research.

INTERESTS INVOLVED AND CONFLICTS: This document has been prepared by IR Top, *Partner Equity Markets* of Italian Stock Exchange, part of LSE Group, on behalf of the Company according to a contract, under which IR Top undertook to prepare this report expressing only independent, fair and balanced views on the Company. The fees agreed for this Research do not depend on the results of the Research.

This Research has been disclosed to the issuer to which the Research, directly or indirectly, relates before its release. It is incumbent on the Company to provide timely and constructive feedback on draft Research prior to publication. It is IR Top's sole discretion as to whether comment and feedback from the Company is incorporated into the Research prior to publication and where it is, a further iteration to the draft will be sent to the Company for comment.

IR Top is also engaged in investor relations services in the interest of the Company and might occasionally be involved in other consulting activities intended to increase the value of the Company. In any case, Chinese Walls and other information barriers are in place to avoid the exchange of confidential information between the Equity Research Department and other services areas; employees and advisors involved in such services have restrictions preventing them from the access to confidential information that cannot be published. IR Top restricts research analysts from performing roles, which could prejudice the independence of their research. In particular:

- they are permitted to attend and speak at widely attended conferences or other widely attended events at which IR Top colleagues and clients, among others, may also be present, provided that their independence may not be affected. These widely-attended conferences/events may include some investor presentations by clients of investor relations services.

- Analysts are also permitted to attend and speak at conference calls or meetings between analysts and bankers, investors or customers in which are discussed Research reports already published or general view on specific sectors. In such cases, at the start of that meeting, bankers, investors or customers need to be clarified that the discussion cannot involve the communication of privileged information to the analyst as the analyst would be prohibited from producing new research report on the companies whose privileged information has been disclosed.

Members of the Research Team do not receive salaries, commissions, bonuses or any other form of compensation based upon specific investment banking transactions or securities' performances.

IR Top and the members of the Research Team do not have any further interest or conflict of interest directly or indirectly related with the Research, the Company or the securities, that may reasonably be expected to impair the objectivity of the Research.

There are no other interests or conflicts of interest of any person belonging to the same group of IR Top that are: (a) known, or reasonably expected to be known, to the persons involved in the production of the recommendation; or (b) known to persons who, although not involved in the production of the recommendation, have or could reasonably be expected to have, access to the recommendation prior to its completion.

In any case, as a general Policy, nobody of the Research Team nor IR Top is allowed to have a financial interest in the securities of the client company or serve as an officer, director or advisory board member of the client company.

Analysts must not undertake personal transactions on financial instruments that are object of the investment research or that relate to the same industry. Exceptions may be made with the prior approval of IR Top's CEO in special circumstances such as for disposal of (a) positions already held before the employment or before the implementation of the company policy, or when initiating coverage and (b) positions obtained as a result of the issuer extraordinary activities. By the way, when analysts hold instruments to which Equity Research relates, they are required to disclose their interests in Research reports. Any trades that analysts make must be in line with their recommendation(s), contained in the last published Research. An analyst is prohibited from producing a Research on an issuer if the analyst carries out activities for which he receives compensation from the issuer. If an analyst's household member / relative / relative in-law (within the second degree) serves in such a high capacity for the issuer (i.e. manager or director), the analyst has to inform IR Top's CEO and the analyst will cease covering the issuer.

POLICY: IR Top has in place a "Joint conflict management policy" in order to effectively manage any conflicts of interest, and an "Equity Research Policy", in order to rule research activities in compliance with Parliament Regulation (EU) no.596/2014 and Commission Delegated Regulation (EU) no. 958/2016 on Market Abuse.

IR Top has adopted the "Joint conflict management policy" in accordance with best practice regarding "information barriers" to restrict the flow of information to prevent the misuse of information and/or prevent any conflicts of interest arising from other activities of IR Top. A copy of these policies is available to the recipient of this Research upon making a request to IR Top by e-mail.

DISCLAIMER: This report has been prepared solely for information purpose and is not intended as an offer or solicitation with respect to the purchase or sale of any financial products. It should not be regarded as a substitute for the exercise of the recipient's own judgment. IR Top does not accept any liability for any direct, consequential or indirect loss arising from any use of material contained in this report. This document may only be reproduced or published together with the name of IR Top. Opinions and estimates in this Research are as of the date of release and are subject to change without notice to the recipient. Information and opinions have been obtained from sources believed to be reliable, but no representation or warranty is made as to their accuracy or correctness. Past performance is not a guarantee of future results. The investments and strategies discussed in this Research may not be suitable for all investors. In any case, you should consult your investment advisor.

This document is intended for distribution only to E.U. "qualified investors" and to "qualified counterparties" resident in Italy, within the meaning of article 2(1)(e) of the prospectus directive (directive 2003/71/EC) and Consob Reg. 16190, as subsequently amended and supplemented; its distribution in USA, Canada, Australia, Japan is not allowed.

In Italy, this document is being distributed only to, and is directed at qualified investors within the meaning of article 100 of legislative decree no. 58 of 24 February 1998, as amended, and article 34-ter, paragraph 1, letter b), of Consob regulation on issuers no. 11971 of May 14, 1999, provided that such qualified investors will act in their capacity and not as depositaries or nominees for other shareholders, such as persons authorized and regulated to operate in financial markets, both Italian and foreign.

DISTRIBUTION: In the United Kingdom, this document is not for distribution to persons that would be defined as private customers under rules of the FSA; it is for distribution only to persons who: (i) have professional experience in matters relating to investments falling within article 19(5) of the financial services and markets act 2000 (financial promotion) order 2005 (as amended, the "financial promotion order"), (ii) are persons falling within article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the financial promotion order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FINANCIAL SERVICES AND MARKETS ACT 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons").

This document is not addressed to any member of the general public and under no circumstances should this document circulate among, or be distributed to (i) a member of the general public, (ii) individuals or entities falling outside the definition of "qualified investors" as specified above or (iii) distribution channels through which information is or is likely to become available to a large number of persons.

IR TOP CONSULTING SPECIFIC DISCLOSURES: We disclose that IR Top acts as Investor Relations and Financial Communication advisor for the Company.

PMI Z-SCORE: The PMI Z-Score does not constitute a rating according to Article 2, paragraph 2, point b) of the EC Regulation no. 1060/2009 of the European Parliament and Council as of 16 September 2009, relating to credit rating agencies. Wisefunding Italia S.r.l. ("Wisefunding") is the Italian subsidiary of Wisefunding Ltd that using its proprietary know-how has developed a statistical models to evaluate the risk profile of small and medium sized enterprises (SMEs). This model has been licensed to Wisefunding together with the PMI Z-Score brand. Wisefunding does not guarantee the accuracy, timeliness, completeness, performance or fitness of the data used to calculate the score. No responsibility is accepted by or on behalf of Wisefunding for any errors, omissions, or inaccurate information in this document arising from any errors, omissions or inaccurate data. This document may be updated or changed without notice at any time. The publication of this document does not represent solicitation by Wisefunding of public saving and does not constitute any opinion or recommendation by Wisefunding as to the suitability of the investment, if any, herein described or the creditworthiness of the investment. No action should be taken or omitted to be taken in reliance upon information in this document. Wisefunding will not, in any way, be liable for the consequences arising from any action taken (or not) on the basis of the information referred to in this document.