



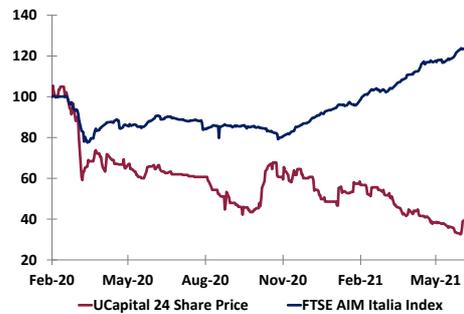
## Standby in 2020, launch delayed to 2021

### UNDER REVIEW

**Current Share Price (€): 1.17**

**Target Price (€): n.a.**

#### UCapital24 – 16M Performance



Source: S&P Capital IQ - Note: 03/02/2020=100

#### Company data

ISIN number	IT0005380461
Bloomberg code	U24 IM
Reuters code	U24.MI
Industry	FinTech
Stock market	AIM Italia
Share Price (€)	1.17
Date of Price	10/06/2021
Shares Outstanding (m)	4.2
Market Cap (€m)	5.0
Market Float (%)	17.2%
Daily Volume	2,800
Avg Daily Volume YTD	10,216
Target Price (€)	n.a.
Upside (%)	n.a.
Recommendation	UNDER REVIEW

#### Share price performance

	1M	3M	1Y
UCapital24 - Absolute (%)	-0.8%	-25.5%	-43.8%
FTSE AIM Italia (%)	4.7%	18.8%	36.7%
1Y Range H/L (€)		2.12	1.02
YTD Change (€) / %		-0.35	-23.0%

Source: S&P Capital IQ

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#### FY 2020 facts: Alphiewealth reverse merger and operating delays

We recall that, in September 2020, UCapital24 merged with Alphiewealth (formerly Selfiewealth), a robo-advisory company which has developed a proprietary artificial intelligence algorithm and financial platform. In January 2021 the deal was completed by transferring the remaining 10% Alphiewealth stake to UCapital24.

2020 consolidated revenues, including Alphiewealth results for Q4, were €251k vs. €62k in 2019 (UCapital24 2020 standalone at €196k). EBITDA was €(1.3)m, vs. €(1.1)m in FY19. Net loss of €(2.4)m vs. €(1.8)m in FY19. Active users over 79,000.

Net cash was €0.1m vs. €0.9m in FY19; Shareholders Equity was €6.6m vs. €9.0 as of year-end 2019. 2020 UCapital24 pro-forma consolidated revenues, including Alphiewealth full consolidation, would be €454k (primarily related to B2B fintech services) vs. €532k for FY19.

#### Capital increase to cope with cash needs

UCapital24 management has made a liquidity need assessment, resulted in €1.1m over the 12 months following April 2021. In order to cover the cash outflow, the Company entered into an agreement with Atlas Capital Markets, a professional investor, for the subscription of newly issued shares worth a maximum of €3m. Atlas Capital will also receive free warrants corresponding to 20% of the number of issued shares. Moreover, in May, the main shareholder UCapital LTD, committed to a capital increase of maximum €0.8m (€1.26 per share plus 1 warrant).

#### Business update

- Launch of UCapital24 mobile app, delayed due to Covid-19, now expected in June 2021. At the same time, it will be also made available a new version of the social network, including the new service UCapital Prime, premium evolution of the existing trading suite.
- Introduction of complementary integrated services in UCapital24's social network such as live streaming events, webinars, major financial news TVs and road show presentations.
- Upcoming strategic marketing campaigns
- Focus on institutional customers both in Italy, starting with Borsa Italiana, and abroad. In the first months of 2021 UCapital entered into partnerships both in Europe and Middle East

#### Low visibility on the development plan: Under Review Rating

UCapital24 has continued to experience delays on platform development and marketing activities. We recall that there is no availability of management guidelines and that updated revenue and operation records do not yet support revenue projections and cost estimates on reliable trends. Therefore, we are not able to assign a rating on the stock. Accordingly, we maintain our Under Review rating.

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Date	Recommendation	Target Price (€)	Share Price (€)
04/06/2020	NOT RATED	n.a.	2.02
20/10/2020	UNDER REVIEW	n.a.	2.11
10/06/2021	UNDER REVIEW	n.a.	1.17

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