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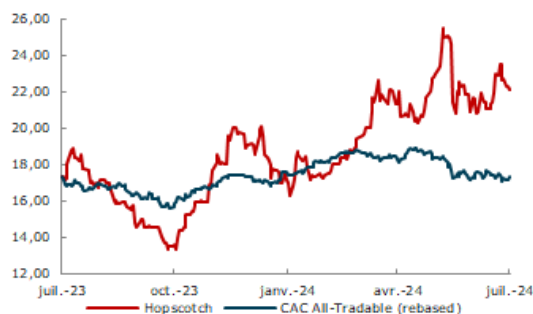
Opinion **1. Strong Buy**
Closing price on 31st of July 2024 € 22.1
Price objective € 31.5 (+42.6 %)

Market data

Bloomberg Ticker	HOP:FP
Market capitalisation (€m)	66.4
Enterprise value (€m)	78.3
Free Float (€m)	20.78 (31.30 %)
Number of shares	3 003 722
Daily volume	€ 9 770
Capital turnover rate (1 year)	1.9%
High (52 weeks)	€ 25.5
Low (52 weeks)	€ 13.3

Performances

Absolute perf.	1 month	6 months	12 months
	+6%	+29%	+28%



Ownership

Founders : 27,60% ; Reworld Media : 26.41 % ;
Flottant : 31.30 %

Agenda

Sept 25th, 2024 : H1 2024 results (after market)

Key figures

	2022	2023	2024E	2025E	2026E
Gross Margin (€m)	86,4	93,0	104,5	109,4	111,6
Change (%)	28,8%	7,6%	12,4%	4,6%	2,0%
EBITDA (€m)	13,8	10,5	17,0	18,0	18,3
EBIT (€m)	9,0	9,4	12,2	13,2	13,5
Ebit margin (%)	10,5%	10,1%	11,6%	12,0%	12,1%
Net profit (€m)	6,1	5,2	8,5	9,3	9,7
Net margin (%)	7,0%	5,6%	8,1%	8,5%	8,6%
EPS	2,12	1,74	2,68	3,10	3,21

Ratios

	2022	2023	2024E	2025E	2026E
EV / GM	0,6	0,8	0,8	0,7	0,6
EV / EBITDA	3,7	7,5	4,9	4,1	3,6
EV / EBIT	na	8,4	6,8	5,6	4,9
P / E	na	12,8	7,8	7,1	6,9
Gearing (%)	-25%	29%	32%	10%	-6%
Net debt/EBITDA	-50%	87%	78%	27%	-20%
ROCE (%)	22%	16%	20%	18%	16%

Hopscotch

Sequential acceleration of Q2 GM organic growth

Gross Margin, group's key indicator, maintained a solid pace of growth at +16% YoY, after +19.1% in Q1 YoY. However, on a like-for-like basis, GM accelerated and increased by +9%, a sequential acceleration after the healthy +4.1% organic in Q1. All group's activities are growing, but Events particularly stand out in H1, driven by the Olympics, in our opinion. Furthermore, we factor in the buyout of Sopexa's minority interests (finalized at the beginning of May 2024) in our projections, with an increase in our EPS of c.+9% over 3 years. The group remains on the path of acquisitions, with a solid balance sheet and strong cash-flow generation. **We reiterate Strong Buy and raise our TP from € 30.8 to € 31.5.** The valuation is attractive at 4.5x NTM EV/EBITDA and 8.5x NTM PE.

Q2 2024 gross margin up +16% YoY of which +9% organic

Group published Q2 2024 sales up +3.5% to €74.4 M (after +8.3% YoY to €55.2 M in Q1). However, gross margin, key indicator of activity, was up stronger by +16% to €27.5 M (after +19.1% YoY in Q1 to €21.8 M). Additionally, we calculate that organic gross margin growth accelerated to +9% in Q2, after +4% in Q1. In H1, gross margin grew by +7% organically (Hopscotch Interface Tourism contributed €4.3 M). All group's activities are growing, but Events particularly stood out in H1.

2024 benefits from Paris Olympic Games

The biggest impact of Paris Olympic Games should be on FY2024. Activity should also be supported by the Paris Motor Show, among other major events.

We factor in Sopexa's minorities buyout : EPS c.+9%

We've factored in the accretive impact of Sopexa's minority interests' buyout. We estimate a € 6M cost financed by debt with a c.9% average positive impact on our EPS estimates. Balance sheet remains solid despite the latest acquisitions (Interface Tourism and Sopexa's minorities) with a gearing of 32% and strong visible and regular cash-flow generation.

PO raised to € 31.5 – Strong Buy reiterated

We project +23% CAGR of net profit over the next 3 years. **We increase our PO from € 30.8 to € 31.5.** The stock trades on 4.5x 12M-forward EV/EBITDA and 8.5x 12M-forward PE, attractive levels given the group's dynamics, particularly this year with the Olympics, and the achieved level of turnover significantly higher than in the past (2023 sales at € 272 M vs. average turnover 2015-2019 at € 159 M) while the rate of EBIT/GM doubled (10.5% in 2022 vs. 4.8% on average over 2015-2019). In addition, the group remains on the path of acquisitions, with solid balance sheet and cash-flow generation. **We reiterate Strong Buy.**

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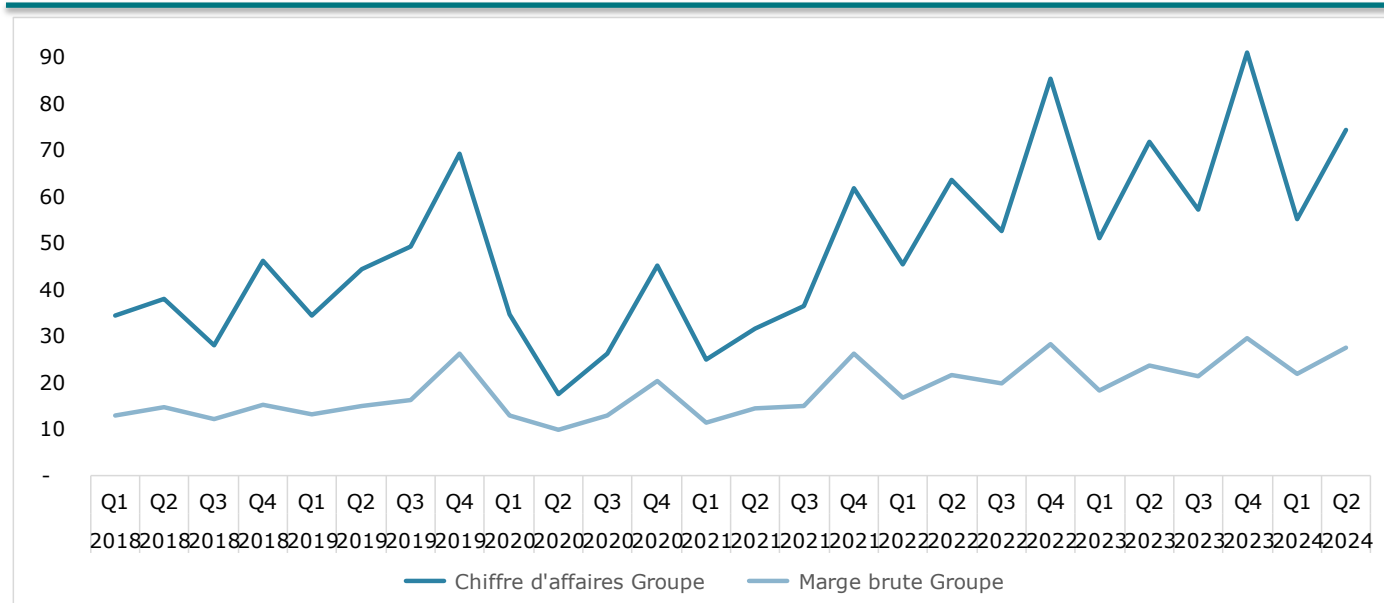
In H1, gross margin grew by +7% organically (Hopscotch Interface Tourism contributed €4.3 M). All of the group's activities are growing, but Events particularly stood out in H1.

H1 2024 gross margin growth components

Variation YoY % - MB			
	Q1	Q2	H1
Marge Brute Groupe	19,1%	16,2%	17,5%
Croissance organique	4%	9%	7%
Croissance externe	15% ▲	7%	10%

Source: Company and IE Finance estimates
External growth is due to Hopscotch Interface Tourism

Group sales and Gross Margin – by quarter



Source : Historique Société et IE Finance

2024 outlook

The group has not updated its guidance. However, we recall that 2024 is rich in major activities, of which the Paris Olympic Games.

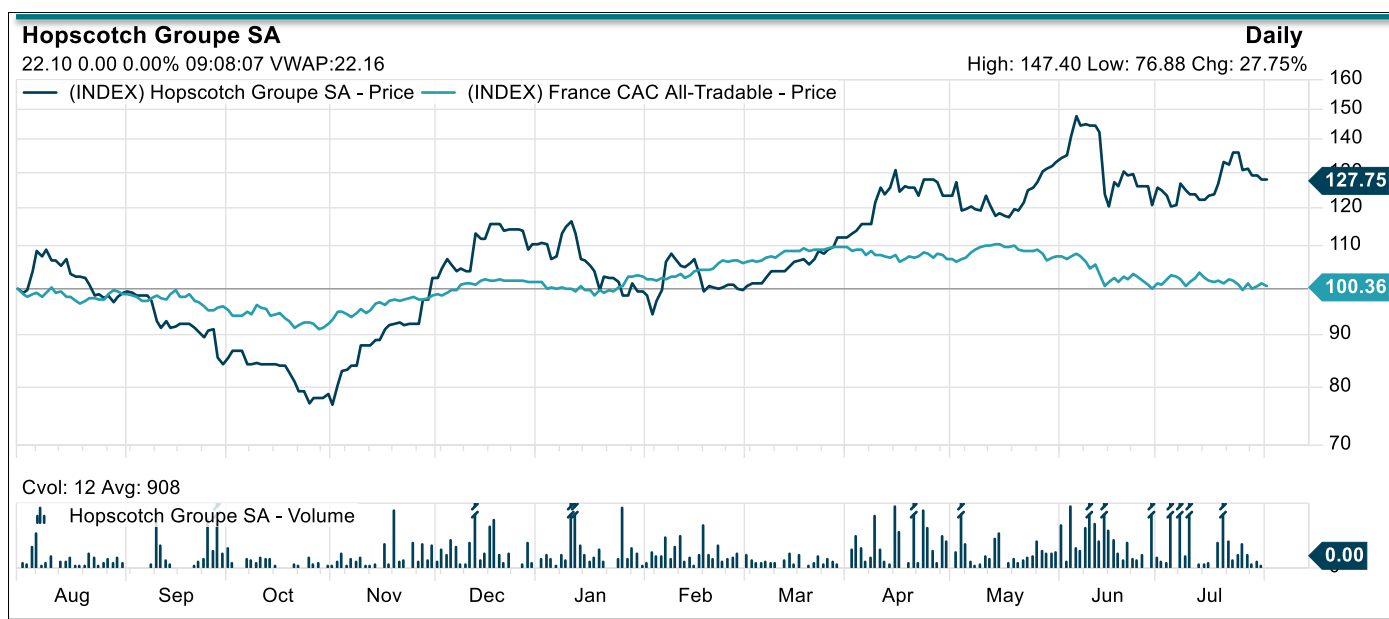
Guidance : no update

2023	Event	Change	Details
04/05/2023	Q1 sales/GM		The approach of the 2024 Olympics will lead to a progressive dynamic in the group's activities.
03/08/2023	Q2 sales/GM	X	
27/09/2023	H1 results	H2 2023 prospects	Momentum will continue in H2 The group aims to maintain the same level of operating margin as last year 2024 will be rich in major activities, in sports and with the Paris Motor Show among others.
		2024 prospects	
02/11/2023	Q3 sales/GM	2023 prospects	Hopscotch expects to benefit from the same momentum over the full year The group's participation in the sporting events during the summer of 2024 will begin contributing to this momentum in H2 2023, but the main focus will remain on the FY2024.
06/02/2024	Q4 sales/GM	X	
02/04/2024	FY2023 results	2024 prospects	By consolidating the Tourism division in 2024, group's GM will exceed € 100 M and operating result should improve
02/05/2024	Q1 sales/GM	X	
01/08/2024	Q2 sales/GM	X	

Source : Company history & IE Finance

Share price performance

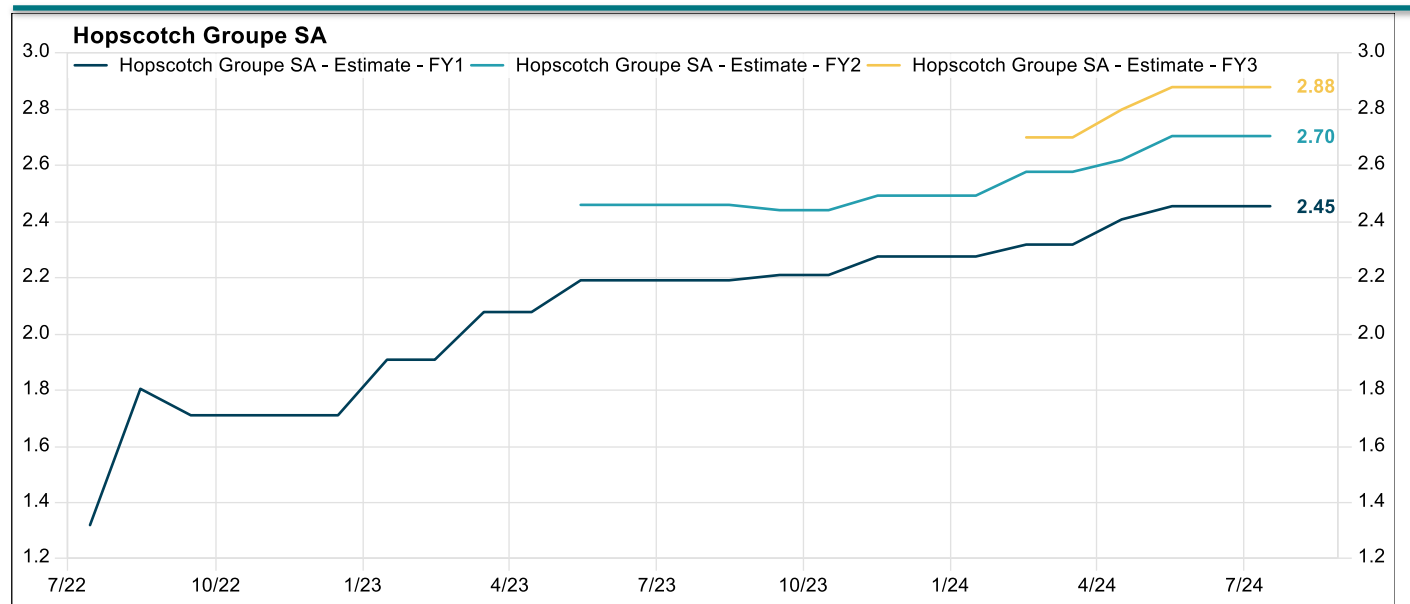
Share price performance – 12 month-rolling



Source : Factset & IE Finance

EPS expectations illustrate Hopscotch's significant growth prospects

EPS revisions (€)

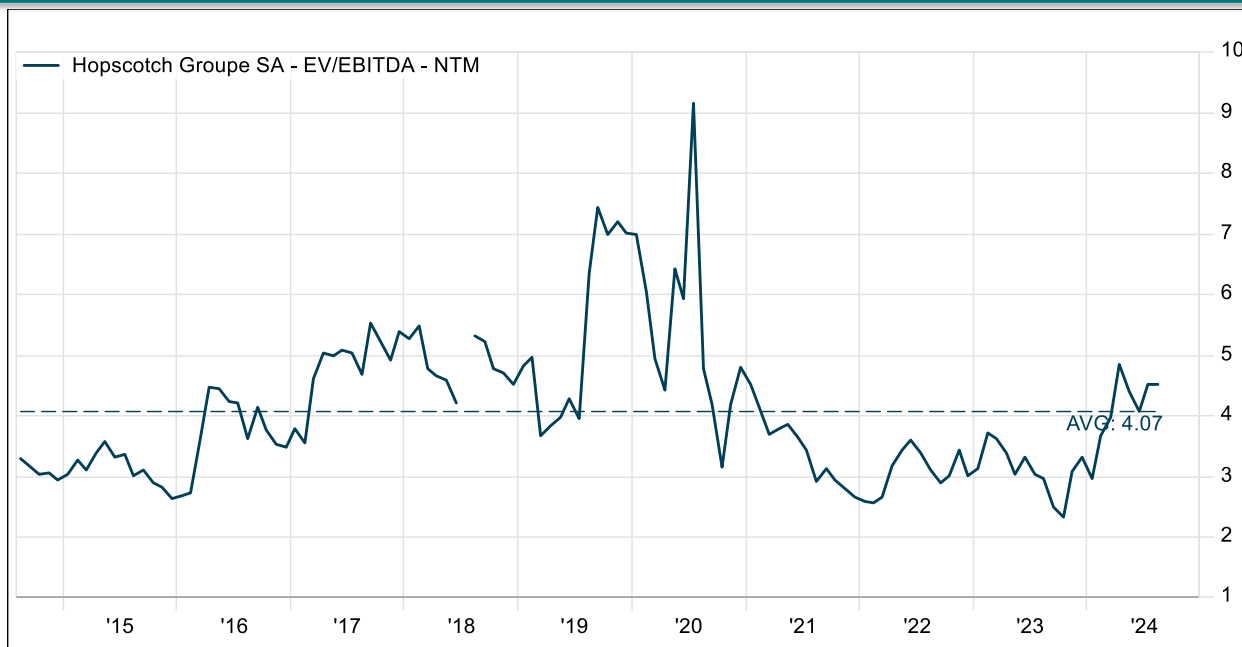


Source : Factset & IE Finance

Still attractive valuation levels

Shares trade on still attractive levels: at about 4.5x EV/EBITDA NTM (12-month rolling) and 8.5x PE.

EV/EBITDA NTM (x)



PE NTM (x)



Source : Factset & IE Finance

Important disclosures

In Extenso Finance ratings and target prices definition

In Extenso Finance stock market recommendations reflect the absolute change expected in the share price from a six to twelve-months perspective (in local currencies).

1. Strong Buy	The absolute share price performance is expected to be at least +25 %
2. Buy	The absolute share price performance is expected to be comprised between +10 % and +25 %
3. Neutral	The absolute share price performance is expected to be comprised between +10 % and -10 %
4. Sell	The absolute share price performance is expected to be comprised between -10 % and -25 %
5. Strong Sell	The absolute share price performance is expected to be at least -25 %

Details of valuation methods used by In Extenso Finance in target price calculations are available at https://finance.inextenso.fr/wp-content/uploads/2022/11/Methodologie_Valo_Analyse_Fin_IEFM.pdf

Detection of potential conflicts of interest

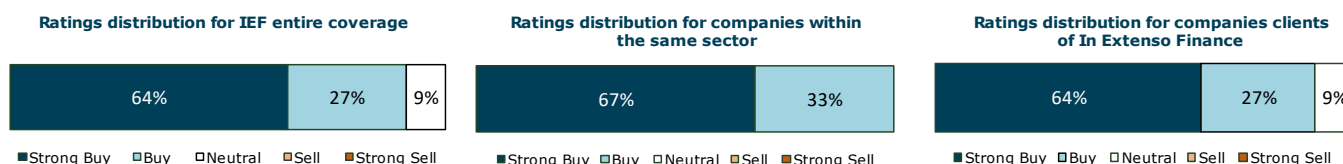
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No	No	No	No	Yes	No	No

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Rating and target price evolution throughout the last 12 months

Date	Rating	Target price
August 2 nd 2024	Equity Flash Strong Buy	€ 31.50
May 3 rd 2024	Equity Flash Strong Buy	€ 30.80
April 3 rd 2024	Annual Study Strong Buy	€ 30.80
February 7 th 2024	Equity Flash Strong Buy	€ 29.80
November 7 th 2023	Coverage Initiation Strong Buy	€ 29.10

Ratings distribution



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