

SPONSORED RESEARCH / COMPANY SNAPSHOT

18 September 2020

ECOSLOPS

Other Energies / France

ALPHAVALUE
CORPORATE SERVICES

The cleantech making oil residues green

Pros

- Ecoslops makes intelligent, green and above all profitable use of wasted oil products (slops) through its proprietary pocket-size refinery technology
- Successful first Portuguese unit is a significant FCF generator two years after launch and supports the case for more similar units (two in progress in Marseille and Antwerp)
- Pint-size slops treatment unit (in a TEU container) to be prototyped this year opens extra market potential

Cons

- Ecoslops is still a young firm and will need fresh equity even if it hopes to rely on project financing ultimately
- Business model for extra small units has yet to be ascertained
- Green credentials are obvious but difficult to encapsulate in usual carbon metrics

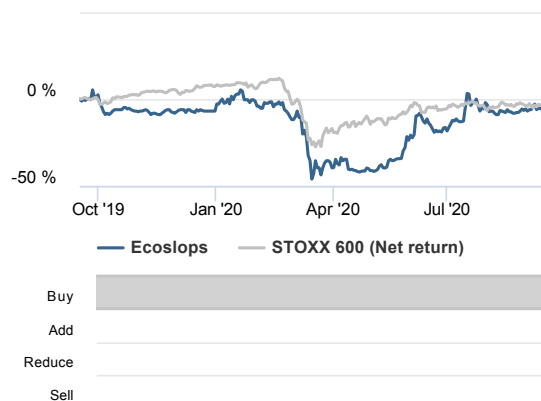
Key Figures	12/17A	12/18A	12/19E	12/20E	12/21E
Adjusted P/E (x)	-43.0	-35.7	ns	-26.4	23.5
Dividend yield (%)	0.00	0.00	0.00	0.00	1.87
EV/EBITDA(R) (x)	ns	ns	ns	41.0	13.1
Adjusted EPS (€)	-0.34	-0.35	-0.21	-0.41	0.45
Growth in EPS (%)	n/a	n/a	n/a	n/a	n/a
Dividend (€)	0.00	0.00	0.00	0.00	0.20
Sales (€th)	6,080	7,449	10,454	15,745	35,308
EBITDA/R margin (%)	-5.43	-5.10	2.66	11.0	21.0
Attributable net profit (€th)	-1,350	-1,548	-940	-1,785	2,006
ROE (after tax) (%)	-8.00	-7.06	-4.28	-7.49	7.41
Gearing (%)	29.0	9.81	47.9	79.4	106

Buy

Upside : 125%

Price (€)	10.7
Target Price (€)	24.0
Momentum	+ +
Market Cap (€M)	47.2
Enterprise Value (€th)	71,160
High/Low (12M)	€ 6.60/12.9
BBG : ALESA FP	RIC : ALESA.PA
Credit Risk & outlook	C ↗
Fundamental Strength	0 /10
Governance score	4.8 /10

Price relative to index & historical opinion



Performances (%)	1m	3m	12m
Absolute	-5.73%	1.42%	-12.7%

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Conflicts of interest

Corporate broking	No
Trading in corporate shares	No
Analyst ownership	No
Advice to corporate	No
Research paid for by corporate	Yes
Corporate access	No
Brokerage activity at AlphaValue	No
Client of AlphaValue Research	No