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## CA 2016: en ligne et en fait un peu meilleur qu'attendu

Significant news - 17/01/2017

### Fact

genOway a publié au titre de l'exercice 2016 un CA de €9m, soit +12% par rapport aux €8.1m réalisés en FY15.

### Analysis

Le CA du groupe en 2016 est en ligne, et en fait supérieur à nos attentes (€8.7m), grâce aux six contrats-cadres avec des sociétés pharmaceutiques et à l'offre de lignées cellulaires. Ce chiffre confirme que la croissance à deux chiffres est de retour, ce qui constitue une excellente nouvelle. Les résultats 2016 seront rendus publics le 30 mars.

### Impact

Aucune modification de nos prévisions avant la publication des résultats. Cela dit, le niveau de croissance atteint en 2016 confirme notre opinion et notre objectif de cours.

AlphaValue is contracted by genOway to provide equity research on genOway, using AlphaValue's unique and transparent methods and procedures. Target price and opinion are thus exclusively determined by those methods and procedures.

<b>Buy</b>	<b>Upside : 59.7%</b>
Target Price (6 months)	€ 3.27
Share Price	€ 2.05
Market Capitalisation €M	12.3
Price Momentum	<b>STRONG</b>
Extremes 12Months	1.37 ▶ 2.12
Newsflow	Positive
Bloomberg	ALGEN FP Equity
Reuters	ALGEN.PA

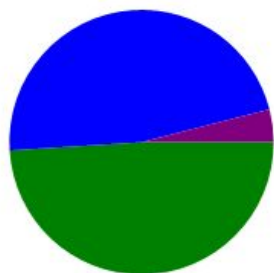
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PERF	1w	1m	3m	12m
genOway	-2.38%	19.2%	20.6%	34.0%
Pharma	-1.94%	1.81%	0.38%	1.87%
STOXX 600	-0.19%	0.82%	6.77%	10.0%

Last updated: 14/09/2016	12/14A	12/15A	12/16E	12/17E
Adjusted P/E (x)	ns	ns	19.8	13.9
Dividend yield (%)	0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)	12.0	9.33	4.45	3.94
Adjusted EPS (€)	0.00	0.01	0.08	0.15
Growth in EPS (%)	-89.9	43.5	1,162	81.7
Dividend (€)	0.00	0.00	0.00	0.00
Sales (€M)	9.86	10.4	10.6	11.6
EBIT margin (%)	2.55	3.67	4.56	7.57
Attributable net profit (€M)	0.03	0.04	0.48	0.88
ROE (after tax) (%)	0.58	0.82	9.48	14.3
Gearing (%)	-87.9	-79.0	-77.5	-82.7

[Company Valuation](#) - [Company Financials](#)

## Sales by Geography



■ Europe (49.0%)  
■ Americas (47.0%)  
■ Other (4.0%)

## Consolidated P&L Accounts

		12/15A	12/16E	12/17E
Sales	€M	10.4	10.6	11.6
Change in sales	%	5.64	2.10	9.43
Change in staff costs	%	3.43	2.97	5.60
EBITDA	€M	0.96	1.07	1.48
<b>EBITDA(R) margin</b>	<b>%</b>	<b>9.21</b>	<b>10.1</b>	<b>12.7</b>
Depreciation	€M	-0.58	-0.59	-0.60
Underlying operating profit	€M	0.38	0.48	0.88
<b>Operating profit (EBIT)</b>	<b>€M</b>	<b>0.38</b>	<b>0.48</b>	<b>0.88</b>
Net financial expense	€M	-0.19	0.00	0.00
of which related to pensions	€M		0.00	0.00
Exceptional items & other	€M	-0.18	0.00	0.00
Corporate tax	€M	0.02	0.00	0.00
Equity associates	€M			
Minority interests	€M			
<b>Adjusted attributable net profit</b>	<b>€M</b>	<b>0.04</b>	<b>0.48</b>	<b>0.88</b>
NOPAT	€M	0.27	0.34	0.62

## Cashflow Statement

		12/15A	12/16E	12/17E
EBITDA	€M	0.96	1.07	1.48
Change in WCR	€M	-0.06	0.26	0.44
Actual div. received from equity holdi...	€M	0.00	0.00	0.00
Paid taxes	€M		0.00	0.00
Exceptional items	€M			
Other operating cash flows	€M	-0.31		
Total operating cash flows	€M	0.59	1.34	1.92
Capital expenditure	€M	-0.18	-0.30	-0.30
Total investment flows	€M	-0.18	-0.30	-0.30
Net interest expense	€M	-0.19	0.00	0.00
Dividends (parent company)	€M			
Dividends to minorities interests	€M	0.00	0.00	0.00
New shareholders' equity	€M	0.00		
Total financial flows	€M	-0.51	0.00	0.00
Change in cash position	€M	-0.10	1.04	1.62
<b>Free cash flow (pre div.)</b>	<b>€M</b>	<b>0.22</b>	<b>1.04</b>	<b>1.62</b>

## Per Share Data

		12/15A	12/16E	12/17E
No. of shares net of treas. stock (year...	Mio	5.98	5.98	5.98
Number of diluted shares (average)	Mio	5.98	5.98	5.98
<b>Benchmark EPS</b>	<b>€</b>	<b>0.01</b>	<b>0.08</b>	<b>0.15</b>
Restated NAV per share	€			
<b>Net dividend per share</b>	<b>€</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 4.40	35%	● bioMerieux
NAV/SOTP per share	€ 3.56	20%	● Carl Zeiss Meditec
EV/Ebitda	€ 3.23	20%	● Grifols
P/E	€ 2.45	10%	● Fresenius Medical ...
Dividend Yield	€ 0.00	10%	
P/Book	€ 2.63	5%	
TARGET PRICE	€ 3.27	100%	

### NAV/SOTP Calculation

## Balance Sheet

		12/15A	12/16E	12/17E
Goodwill	€M	0.00	0.00	0.00
Total intangible	€M	0.93	0.71	0.49
Tangible fixed assets	€M	0.41	0.34	0.26
Financial fixed assets	€M	0.00	0.00	0.00
WCR	€M	-2.93	-3.20	-3.63
Other assets	€M	2.43	2.66	3.04
Total assets (net of short term liab.)	€M	1.05	0.73	0.37
<b>Ordinary shareholders' equity</b>	<b>€M</b>	<b>4.68</b>	<b>5.54</b>	<b>6.80</b>
Quasi Equity & Preferred	€M			
Minority interests	€M			
Provisions for pensions	€M	0.00	0.00	0.00
Other provisions for risks and liabilities	€M	0.15		
Total provisions for risks and liabilities	€M	0.15	0.00	0.00
Tax liabilities	€M			
Other liabilities	€M	0.00	0.00	0.00
<b>Net debt (cash)</b>	<b>€M</b>	<b>-3.78</b>	<b>-4.81</b>	<b>-6.43</b>
Total liab. and shareholders' equity	€M	1.05	0.73	0.37

## Capital Employed

		12/15A	12/16E	12/17E
Capital employed after depreciation	€M	-1.59	-2.14	-2.88

## Profits & Risks Ratios

		12/15A	12/16E	12/17E
<b>ROE (after tax)</b>	<b>%</b>	<b>0.82</b>	<b>9.48</b>	<b>14.3</b>
ROCE	%	-16.8	-15.8	-21.4
<b>Gearing (at book value)</b>	<b>%</b>	<b>-79.0</b>	<b>-77.5</b>	<b>-82.7</b>
Adj. Net debt/EBITDA(R)	x	-3.94	-4.49	-4.34
Interest cover (x)	x	2.04	161,445	293,380

## Valuation Ratios

		12/15A	12/16E	12/17E
<b>Reference P/E (benchmark)</b>	<b>x</b>	<b>ns</b>	<b>19.8</b>	<b>13.9</b>
Free cash flow yield	%	1.78	10.8	13.2
P/Book	x	2.69	1.73	1.80
<b>Dividend yield</b>	<b>%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## EV Calculation

		12/15A	12/16E	12/17E
Market cap	€M	12.6	9.57	12.3
+ Provisions	€M	0.15	0.00	0.00
+ Unrecognised actuarial losses/(gains)	€M	0.00	0.00	0.00
+ Net debt at year end	€M	-3.78	-4.81	-6.43
+ Leases debt equivalent	€M	0.00	0.00	0.00
- Financial fixed assets (fair value)	€M			
+ Minority interests (fair value)	€M			
= EV	€M	8.94	4.76	5.83
<b>EV/EBITDA(R)</b>	<b>x</b>	<b>9.33</b>	<b>4.45</b>	<b>3.94</b>
EV/Sales	x	0.86	0.45	0.50

Analyst : Fabrice Farigoule, Changes to Forecasts : 14/09/2016.