# **Drone Volt**

Aerosp. & Defence Equipt. / France

# FY22: Take-off to double turnover

Earnings/sales releases - 11/04/2023

The 2022 earnings were hurt by Drone Volt's troubled US partner, Aquiline. This led Drone Volt to write down of the related activities and its shareholding for a combined €16m and book a whopping €26m loss. The balance sheet nonetheless remains healthy and the outlook for 2023 is encouraging, with a trading type order of €20m with decent margins. Opportunistic 2022 acquisitions and the launch of new products also bode well.

#### Fact

- FY22 sales stood at €13.7m, a 59% increase yoy and 93% increase vs the pre-COVID-19 levels
- The FY22 gross result stood at €2.9m (21% of sales), 5% above the preliminary release in January 23 and a 3% erosion yoy
- FY22 EBIT collapsed to €-22m, vs €-2.7m a year earlier
- The FY22 net result plunged to €-26.3m (mainly due to the 100% provisioning of the various exposures to Aquiline Drones) vs €-1.2m in FY21
- Shareholders' equity stood at €15.8m
- SKYTOOLS, acquired in early 2022 and more focused on training, contributed c.€1.1m to total sales

# Analysis

The final 2022 results published on 15 March posted a disappointing net result at € -26.3m owing to the provisioning of doubtful receivables on royalty income (€15.1m) and 2/3rd of the c.15% of AQUILINE DRONE (€1.7m). AQUILINE DRONE, a US partner seen, back in 2020, as an ambitious start up in the US drone market failed to deliver on its promises. Drone Volt suspended the billing of production licenses to ACQUILINE DRONE and focused instead on the distribution of its HERCULES 20 in the USA, which seems to be more successful with 4 HERCULES 20 having been sold (invoiced and paid in full before delivery). The ambitious partnership mixing IP access and cross shareholding has now been unravelled and transformed, at a limited cash cost, into a de facto commercial agreement.

This aside and despite the Aquiline opportunity cost to the top line, Drone Volt's revenue growth of 59% nevertheless came in above expectations.

Opex significantly increased to -€5.7m versus last year's -€3.8m, due to a rising wage bill (investment in development). However, Opex as a % of sales dropped to 42% from 44% in FY21. We expect costs to rise further, due to the acceleration in future investment, including increased participation to major international trade exhibitions (€400k already in 2022).

With postponed profit expectations, DRONE VOLT wisely wrote off a large part of the tax loss carry-forwards, generating a one-off tax charge of €4.2m.

## **Balance Sheet situation**

Despite the negative net income in FY22, Drone Volt's balance sheet remained healthy enough with €15.8m of shareholders equity and net debt of €3.9m vs a net





#### Mickael DAPONTE

Company Page

aerospacedefence@alphavalue.eu +33 (0) 1 70 61 10 50 corporate.alphavalue.com

This research has been commissioned and paid for by the company and is deemed to constitute an acceptable minor non-monetary benefit as defined in MiFID II

Add	Upside: 27.6%
Target Price (6 months)	€ 0.03
Share Price	€ 0.02
Market Cap. €M	12.6
Price Momentum	GOOD
Extremes 12Months	0.01 • 0.05
Sustainability score	5.8 /10
Credit Risk	Ся
Bloomberg	ALDRV FP Equity
Reuters	ALDRV.PA
(CD)	

0.2 0.2 0.3 0.3 0.3 0.3 0.3 0.3 0.3 0.3	The second second
0.0	
0:0	
0:0	
- O.C	
A A A A	+
My hard has been been been been been been been bee	ļ
Source Bloomberg	
Sep Nov Jan Mar May Jul Sep Nov Jan Mar 21 21 22 22 22 22 22 22 23 23	

**Download Full Analysis** 

PERF	1w	1m	3m	12m
Drone Volt	-6.02%	-27.0%	116%	-57.4%
Aerospace-Defence	1.73%	2.68%	14.2%	29.6%
STOXX 600	0.90%	-0.36%	3.27%	0.65%

Last updated: 05/04/2023	12/21A	12/22E	12/23E	12/24E
Adjusted P/E (x)	ns	-0.72	-4.49	-15.8
Dividend yield (%)	0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)	-86.6	-8.53	-17.1	23.0
Adjusted EPS (€)	0.00	-0.05	0.00	0.00
Growth in EPS (%)	n/a	n/a	n/a	n/a
Dividend (€)	0.00	0.00	0.00	0.00
Sales (€th)	8,617	13,736	29,000	31,516
Other margin (%)	48.9	20.1	16.5	21.2
Attributable net profit (€th)	5,551	- 26,358	-2,511	-794
ROE (after tax) (%)	19.5	-96.7	-16.7	-5.83
Gearing (%)	-6.87	2.98	24.0	22.5

Company Valuation - Company Financials

cash position of c. €3.5m in FY21. In early 2023, through to its equity line contract with Atlas Special Opportunities (which ended in March 2023), Drone Volt raised a further €3m. As 2023 looks to be on a good footing, the group expects to access more traditional (and much less expensive) funding and improve its financial situation.

# FY23 dominated by a large order.

2023 has started well with an order worth over €20m that could be raised to €25m if the first legs are well deployed which seems to be the case. This low-margin (distribution) order will enable Drone Volt to double its revenues and strengthen its financial position. This news has been echoed in the industry which is good to have on the marketing front. Details about the deal include the fact that a 10% deposit was paid and no penalties for delays. DroneVolt foresees no supply bottlenecks, with the parts coming from both China and Europe, and a smooth execution. While the margins are presumably modest (less than 10%), it nonetheless adds to the nominal weight of the group.

In December 2022, Hydro-Québec at last gave the thumbs up for the Linedrone deliveries (3 units) after concluding tests in real-life conditions. This is good news, although a year later than the initial planning. The Linedrone will allow the anticipation of power line disruptions (savings on otherwise missed power sales), cut human exposure to risk and reduce ecological costs (normally a helicopter is needed for this mission).

While Linedrone is a Hydro Quebec specific product, Drone Volt has also deployed a new line of wing-based drones (Heliplane) with long distance surveillance capabilities that may gain traction. Government agency orders are a possibility (not military) but this is unlikely to tip the balance in the near term.

Among the new products expected to attract interest in 2023 is a hydrogen fuel cell-powered drone with a charging station for long flights. This project is the result of the collaboration with Roth2. This drone will be used for agricultural spraying, which is energy hungry and requires several recharges. An H2 recharge only takes a few minutes and flight time will be twice as long. Still H2 driven drones are work in progress as hydrogen tanks are heavy at the expense of the payload.

Drone Volt guides for the following revenues: €500k for Drone as a Service, between €4m-€5m for the Drone Volt Factory and €23m for distribution type sales. Positive surprises on the order front cannot be ruled out.

# Impact

The unexpected €20m+ order is most welcome as it may generate an Ebit of €1m to €1.5m. The guidance from the manufacturing side with margins at c. 62% also gives hope that breakeven is not too far away. Having Drone Volt on a firm footing after so many years of strenuous efforts would open a new era, including on the funding side. We have adjusted our sales expectations and now expect 2023 turnover of €29m, vs c.€13m previously. Regarding net profit in 2023, our forecast remains unchanged at -€2.5m however, in 2024, we expect an improvement and have therefore adjusted our estimate from -€1.9m to -€0.7m.

# Europe (69.1%) France (22.4%) Other (8.5%)

Change in sales       %       47.7       59.4       111         Change in staff costs       %       -9.54       61.1       2.00         EBITDA       €th       -808       -3,023       -1,072         EBITDA(R) margin       %       -9.38       -22.0       -3.76         Depreciation       €th       Underlying operating profit       €th       -3,115       -5,184       -3,344         Operating profit (EBIT)       €th       -2,705       -22,263       -3,130         Net financial expense       €th       172       -108       -201         of which related to pensions       €th       172       -108       -201         for which related to pensions       €th       1,276       -4,174       624         Exceptional items & other       €th       6,630       -201       60.00       0.00         Corporate tax       €th       1,276       -4,174       624       624       624,174       624         Equity associates       €th       1,878       187       198       48       2,258       2,518       18       187       198       49       2,2158       2,2518       2,511       18       187       198       2,511       19<	Consolidated P&L Accounts		12/21A	12/22E	12/23E
Change in staff costs         %         -9.54         61.1         2.00           EBITDA         €th         -808         -3,023         -1,072           EBITDA(R) margin         %         -9.38         -22.0         -3.70           Depreciation         €th         -7.3115         -5.184         -3,344           Operating profit (EBIT)         €th         -2,705         -22,263         -3,136           Operating profit (EBIT)         €th         172         -108         -201           of which related to pensions         €th         172         -108         -201           of which related to pensions         €th         172         -4.174         624           Exceptional items & other         €th         6,630         -4.174         624           Exceptional items & eth         178         187         196           Adjusted attributable net profit         €th         1,079         -22,158         -2,511           NOPAT         €th         -1,079         -22,158         -2,511           Cashflow Statement         Eth         -808         -3,023         -1,072           Change in WCR         €th         -5,747         712         1,038	Sales	€th	8,617	13,736	29,000
EBITDA	Change in sales	%	47.7	59.4	111
EBITDA(R) margin  Depreciation  Eth  Underlying operating profit  Eth  -3,115  -5,184  -3,344  Operating profit (EBIT)  Eth  -2,705  -22,263  -3,130  Net financial expense  Eth  172  -108  -201  of which related to pensions  Eth  Exceptional items & other  Eth  6,630  Corporate tax  Eth  1,276  -4,174  624  Equity associates  Eth  Minority interests  Eth  178  187  196  Adjusted attributable net profit  Eth  -1,079  -22,158  -2,511  NOPAT  Eth  -2,336  -3,888  -2,508  Cashflow Statement  EBITDA  Eth  -808  -3,023  -1,072  Change in WCR  Eth  -763  Other operating cash flows  Eth  Other operating cash flows  Eth  -7,359  -1,359  1,235  Net interest expense  Eth  172  -108  -201  -2	Change in staff costs	%	-9.54	61.1	2.00
Depreciation         €th         -3,115         -5,184         -3,344           Operating profit (EBIT)         €th         -2,705         -22,263         -3,130           Net financial expense         €th         172         -108         -201           of which related to pensions         €th         172         -108         -201           Exceptional items & other         €th         6,630	EBITDA	€th	-808	-3,023	-1,072
Underlying operating profit	EBITDA(R) margin	%	-9.38	-22.0	-3.70
Operating profit (EBIT)         €th         -2,705         -22,263         -3,130           Net financial expense         €th         172         -108         -201           of which related to pensions         €th         0.00         0.00           Exceptional items & other         €th         6,630           Corporate tax         €th         1,276         -4,174         624           Equity associates         €th         178         187         196           Minority interests         €th         -1,079         -22,158         -2,511           NOPAT         €th         -1,079         -22,158         -2,511           NOPAT         €th         -808         -3,023         -1,072           Cashflow Statement         EBITDA         €th         -5,747         712         1,038           Change in WCR         €th         -5,747         712         1,038           Actual div. received from equity holdi         €th         0.00         0.00         0.00           Paid taxes         €th         1,532         -4,174         624           Exceptional items         €th         -763         100         100           Other operating cash flows         €t	Depreciation	€th			
Net financial expense         €th         172         -108         -201           of which related to pensions         €th         0.00         0.00           Exceptional items & other         €th         6,630           Corporate tax         €th         1,276         -4,174         624           Equity associates         €th         178         187         196           Minority interests         €th         178         187         196           Adjusted attributable net profit         €th         -1,079         -22,158         -2,511           NOPAT         €th         -2,336         -3,888         -2,508           Cashflow Statement         EBITDA         €th         -808         -3,023         -1,072           Cashflow Statement         Eth         -5,747         712         1,038           Actual div. received from equity holdi         €th         -5,747         712         1,038           Actual div. received from equity holdi         €th         -0.00         0.00         0.00           Paid taxes         €th         1,532         -4,174         624           Exceptional items         €th         1,532         -4,174         624           Ex	Underlying operating profit	€th	-3,115	-5,184	-3,344
of which related to pensions         €th         0.00         0.00           Exceptional items & other         €th         6,630           Corporate tax         €th         1,276         -4,174         624           Equity associates         €th         178         187         196           Minority interests         €th         1,779         -22,158         -2,511           NOPAT         €th         -1,079         -22,158         -2,508           Cashflow Statement         EBITDA         €th         -2,336         -3,888         -2,508           Change in WCR         €th         -5,747         712         1,033           Actual div. received from equity holdi         €th         0.00         0.00         0.00           Paid taxes         €th         1,532         -4,174         624           Exceptional items         €th         1,532         -4,174         624           Exceptional items         €th         -5,786         -6,385         69           Other operating cash flows         €th         -763         100         100           Total operating cash flows         €th         -3,067         -3,159         -2,527           Total investment flows<	Operating profit (EBIT)	€th	-2,705	-22,263	-3,130
Exceptional items & other  Corporate tax  Equity associates  Equity associates  Eth  Minority interests  Eth  Adjusted attributable net profit  Eth  Cashflow Statement  EBITDA  Change in WCR  Actual div. received from equity holdi  Exceptional items  Eth  Capital expenditure  Eth  Capital expenditure  Eth  Capital expense  Eth  Change in cash position  Eth  Capital financial flows  Eth  Change in cash position  Eth  Change in conshares net of treas. stock (year  Eth  Change in cash positor  Eth  Change in cash plane  Eth  Change in WCR  Eth  Change in Change in WCR  Eth  Change in Change in Change  Eth  Change  Eth  Change  Eth  Change  Eth  Change  Eth  Change  Cha	Net financial expense	€th	172	-108	-201
Corporate tax         €th         1,276         -4,174         624           Equity associates         €th         ————————————————————————————————————	of which related to pensions	€th		0.00	0.00
Equity associates  Minority interests  €th  Adjusted attributable net profit  €th  -1,079  -22,158  -2,511  NOPAT  €th  -2,336  -3,888  -2,508  Cashflow Statement  EBITDA  €th  -808  -3,023  -1,072  Change in WCR  €th  -5,747  712  1,038  Actual div. received from equity holdi  €th  0.00  0.00  0.00  0.00  Paid taxes  €th  1,532  -4,174  624  Exceptional items  €th  Cther operating cash flows  €th  -763  100  100  100  Total operating cash flows  €th  -5,786  -6,385  691  Capital expenditure  €th  -3,067  -3,159  -2,527  Total investment flows  Net interest expense  €th  172  -108  -201  Dividends (parent company)  €th  Dividends (parent company)  €th  Dividends to minorities interests  €th  13,206  0.00  0.00  100  100  100  100  100	Exceptional items & other	€th	6,630		
Minority interests         €th         178         187         196           Adjusted attributable net profit         €th         -1,079         -22,158         -2,511           NOPAT         €th         -2,336         -3,888         -2,508           Cashflow Statement           EBITDA         €th         -808         -3,023         -1,072           Change in WCR         €th         -5,747         712         1,038           Actual div. received from equity holdi         €th         0.00         0.00         0.00           Paid taxes         €th         1,532         -4,174         624           Exceptional items         €th         -763         100         100           Other operating cash flows         €th         -763         100         100           Total operating cash flows         €th         -5,786         -6,385         69           Capital expenditure         €th         -3,067         -3,159         -2,527           Total investment flows         €th         -7,359         -1,359         1,223           Net interest expense         €th         172         -108         -201           Dividends (parent company)         €th         <	Corporate tax	€th	1,276	-4,174	624
Adjusted attributable net profit         €th         -1,079         -22,158         -2,514           NOPAT         €th         -2,336         -3,888         -2,508           Cashflow Statement         €th         -808         -3,023         -1,072           EBITDA         €th         -5,747         712         1,038           Actual div. received from equity holdi         €th         0.00         0.00         0.00           Paid taxes         €th         1,532         -4,174         624           Exceptional items         €th         -763         100         100           Other operating cash flows         €th         -5,786         -6,385         691           Capital expenditure         €th         -3,067         -3,159         -2,527           Total investment flows         €th         -7,359         -1,359         1,223           Net interest expense         €th         172         -108         -201           Dividends (parent company)         €th         172         -108         -201           New shareholders' equity         €th         13,206         0.00         0.00           Change in cash position         €th         13,311         856         198<	Equity associates	€th			
Cashflow Statement           EBITDA         €th         -808         -3,023         -1,072           Change in WCR         €th         -5,747         712         1,038           Actual div. received from equity holdi         €th         0.00         0.00         0.00           Paid taxes         €th         1,532         -4,174         624           Exceptional items         €th         -763         100         100           Other operating cash flows         €th         -5,786         -6,385         691           Capital expenditure         €th         -3,067         -3,159         -2,527           Total investment flows         €th         -7,359         -1,359         1,223           Net interest expense         €th         172         -108         -201           Dividends (parent company)         €th         172         -108         -201           Dividends to minorities interests         €th         0.00         0.00         0.00           New shareholders' equity         €th         13,206         0.00         0.00           Total financial flows         €th         13,311         856         198           Change in cash position         €th<	Minority interests	€th	178	187	196
Cashflow Statement         EBITDA       €th       -808       -3,023       -1,072         Change in WCR       €th       -5,747       712       1,038         Actual div. received from equity holdi       €th       0.00       0.00       0.00         Paid taxes       €th       1,532       -4,174       624         Exceptional items       €th       -763       100       100         Other operating cash flows       €th       -763       100       100         Total operating cash flows       €th       -5,786       -6,385       691         Capital expenditure       €th       -3,067       -3,159       -2,527         Total investment flows       €th       -7,359       -1,359       1,223         Net interest expense       €th       172       -108       -201         Dividends (parent company)       €th       0.00       0.00       0.00         New shareholders' equity       €th       13,206       0.00       0.00         New shareholders' equity       €th       13,311       856       198         Change in cash position       €th       13,311       856       198         Change in cash position <t< td=""><td>Adjusted attributable net profit</td><td>€th</td><td>-1,079</td><td>-22,158</td><td>-2,511</td></t<>	Adjusted attributable net profit	€th	-1,079	-22,158	-2,511
EBITDA	NOPAT	€th	-2,336	-3,888	-2,508
Change in WCR         €th         -5,747         712         1,038           Actual div. received from equity holdi         €th         0.00         0.00         0.00           Paid taxes         €th         1,532         -4,174         624           Exceptional items         €th         -763         100         100           Other operating cash flows         €th         -763         100         100           Total operating cash flows         €th         -5,786         -6,385         691           Capital expenditure         €th         -3,067         -3,159         -2,527           Total investment flows         €th         -7,359         -1,359         1,223           Net interest expense         €th         172         -108         -201           Dividends (parent company)         €th         0.00         0.00         0.00           New shareholders' equity         €th         13,206         0.00         0.00           New shareholders' equity         €th         13,311         856         198           Change in cash position         €th         13,311         856         198           Change in cash position         €th         -8,681         -9,652	Cashflow Statement				
Actual div. received from equity holdi €th 0.00 0.00 0.00 0.00 Paid taxes €th 1,532 -4,174 624 Exceptional items €th   Other operating cash flows €th -763 100 100 100 100 100 100 100 100 100 10	EBITDA	€th	-808	-3,023	-1,072
Paid taxes         €th         1,532         -4,174         624           Exceptional items         €th         -763         100         100           Other operating cash flows         €th         -763         100         100           Total operating cash flows         €th         -5,786         -6,385         691           Capital expenditure         €th         -3,067         -3,159         -2,527           Total investment flows         €th         -7,359         -1,359         1,223           Net interest expense         €th         172         -108         -201           Dividends (parent company)         €th         0.00         0.00         0.00           New shareholders' equity         €th         13,206         0.00         0.00           New shareholders' equity         €th         13,311         856         198           Change in cash position         €th         13,311         856         198           Change in cash position         €th         -8,681         -9,652         -2,038           Per Share Data           No. of shares net of treas. stock (year         Th         365,758         491,308         616,468           Number of diluted	Change in WCR	€th	-5,747	712	1,039
Exceptional items         €th           Other operating cash flows         €th         -763         100         100           Total operating cash flows         €th         -5,786         -6,385         694           Capital expenditure         €th         -3,067         -3,159         -2,527           Total investment flows         €th         -7,359         -1,359         1,223           Net interest expense         €th         172         -108         -204           Dividends (parent company)         €th         0.00         0.00         0.00           New shareholders' equity         €th         13,206         0.00         0.00           New shareholders' equity         €th         13,311         856         198           Change in cash position         €th         167         -6,888         2,112           Free cash flow (pre div.)         €th         -8,681         -9,652         -2,038           Per Share Data           No. of shares net of treas. stock (year         Th         365,758         491,308         616,468           Number of diluted shares (average)         Th         283,258         429,650         555,004           Benchmark EPS         €         0.00	Actual div. received from equity holdi	€th	0.00	0.00	0.00
Other operating cash flows         €th         -763         100         100           Total operating cash flows         €th         -5,786         -6,385         691           Capital expenditure         €th         -3,067         -3,159         -2,527           Total investment flows         €th         -7,359         -1,359         1,223           Net interest expense         €th         172         -108         -201           Dividends (parent company)         €th         0.00         0.00         0.00           New shareholders' equity         €th         13,206         0.00         0.00           Total financial flows         €th         13,311         856         198           Change in cash position         €th         167         -6,888         2,112           Free cash flow (pre div.)         €th         -8,681         -9,652         -2,038           Per Share Data           No. of shares net of treas. stock (year         Th         365,758         491,308         616,468           Number of diluted shares (average)         Th         283,258         429,650         555,004           Benchmark EPS         €         0.00         -0.05         0.00	Paid taxes	€th	1,532	-4,174	624
Total operating cash flows         €th         -5,786         -6,385         691           Capital expenditure         €th         -3,067         -3,159         -2,527           Total investment flows         €th         -7,359         -1,359         1,223           Net interest expense         €th         172         -108         -201           Dividends (parent company)         €th         0.00         0.00         0.00           New shareholders' equity         €th         13,206         0.00         0.00           Total financial flows         €th         13,311         856         198           Change in cash position         €th         167         -6,888         2,112           Free cash flow (pre div.)         €th         -8,681         -9,652         -2,038           Per Share Data           No. of shares net of treas. stock (year         Th         365,758         491,308         616,468           Number of diluted shares (average)         Th         283,258         429,650         555,004           Benchmark EPS         €         0.00         -0.05         0.00	Exceptional items	€th			
Capital expenditure         €th         -3,067         -3,159         -2,527           Total investment flows         €th         -7,359         -1,359         1,223           Net interest expense         €th         172         -108         -201           Dividends (parent company)         €th         0.00         0.00         0.00           New shareholders' equity         €th         13,206         0.00         0.00           New shareholders' equity         €th         13,311         856         195           Change in cash position         €th         167         -6,888         2,112           Free cash flow (pre div.)         €th         -8,681         -9,652         -2,038           Per Share Data           No. of shares net of treas. stock (year         Th         365,758         491,308         616,468           Number of diluted shares (average)         Th         283,258         429,650         555,004           Benchmark EPS         €         0.00         -0.05         0.00           Restated NAV per share         €         0.00         -0.05         0.00	Other operating cash flows	€th	-763	100	100
Total investment flows         €th         -7,359         -1,359         1,223           Net interest expense         €th         172         -108         -201           Dividends (parent company)         €th         0.00         0.00         0.00           New shareholders' equity         €th         13,206         0.00         0.00           Total financial flows         €th         13,311         856         198           Change in cash position         €th         167         -6,888         2,112           Free cash flow (pre div.)         €th         -8,681         -9,652         -2,038           Per Share Data           No. of shares net of treas. stock (year         Th         365,758         491,308         616,468           Number of diluted shares (average)         Th         283,258         429,650         555,004           Benchmark EPS         €         0.00         -0.05         0.00           Restated NAV per share         €         0.00         -0.05         0.00	Total operating cash flows	€th	-5,786	-6,385	691
Net interest expense         €th         172         -108         -201           Dividends (parent company)         €th         0.00         0.00         0.00           Dividends to minorities interests         €th         0.00         0.00         0.00           New shareholders' equity         €th         13,206         0.00         0.00           Total financial flows         €th         13,311         856         198           Change in cash position         €th         167         -6,888         2,112           Free cash flow (pre div.)         €th         -8,681         -9,652         -2,038           Per Share Data           No. of shares net of treas. stock (year         Th         365,758         491,308         616,468           Number of diluted shares (average)         Th         283,258         429,650         555,004           Benchmark EPS         €         0.00         -0.05         0.00           Restated NAV per share         €	Capital expenditure	€th	-3,067	-3,159	-2,527
Dividends (parent company)         €th           Dividends to minorities interests         €th         0.00         0.00         0.00           New shareholders' equity         €th         13,206         0.00         0.00           Total financial flows         €th         13,311         856         199           Change in cash position         €th         167         -6,888         2,112           Free cash flow (pre div.)         €th         -8,681         -9,652         -2,038           Per Share Data           No. of shares net of treas. stock (year         Th         365,758         491,308         616,468           Number of diluted shares (average)         Th         283,258         429,650         555,004           Benchmark EPS         €         0.00         -0.05         0.00           Restated NAV per share         €         0.00         -0.05         0.00	Total investment flows	€th	-7,359	-1,359	1,223
Dividends to minorities interests         €th         0.00         0.00         0.00           New shareholders' equity         €th         13,206         0.00         0.00           Total financial flows         €th         13,311         856         198           Change in cash position         €th         167         -6,888         2,112           Free cash flow (pre div.)         €th         -8,681         -9,652         -2,038           Per Share Data           No. of shares net of treas. stock (year         Th         365,758         491,308         616,468           Number of diluted shares (average)         Th         283,258         429,650         555,004           Benchmark EPS         €         0.00         -0.05         0.00           Restated NAV per share         €         0.00         -0.05         0.00	Net interest expense	€th	172	-108	-201
New shareholders' equity         €th         13,206         0.00         0.00           Total financial flows         €th         13,311         856         198           Change in cash position         €th         167         -6,888         2,112           Free cash flow (pre div.)         €th         -8,681         -9,652         -2,038           Per Share Data           No. of shares net of treas. stock (year         Th         365,758         491,308         616,468           Number of diluted shares (average)         Th         283,258         429,650         555,004           Benchmark EPS         €         0.00         -0.05         0.00           Restated NAV per share         €         -0.05         0.00	Dividends (parent company)	€th			
Total financial flows         €th         13,311         856         199           Change in cash position         €th         167         -6,888         2,112           Free cash flow (pre div.)         €th         -8,681         -9,652         -2,038           Per Share Data           No. of shares net of treas. stock (year         Th         365,758         491,308         616,465           Number of diluted shares (average)         Th         283,258         429,650         555,004           Benchmark EPS         €         0.00         -0.05         0.00           Restated NAV per share         €         0.00         -0.05         0.00	Dividends to minorities interests	€th	0.00	0.00	0.00
Change in cash position       €th       167       -6,888       2,112         Free cash flow (pre div.)       €th       -8,681       -9,652       -2,038         Per Share Data         No. of shares net of treas. stock (year       Th       365,758       491,308       616,466         Number of diluted shares (average)       Th       283,258       429,650       555,004         Benchmark EPS       €       0.00       -0.05       0.00         Restated NAV per share       €	New shareholders' equity	€th	13,206	0.00	0.00
Free cash flow (pre div.)         €th         -8,681         -9,652         -2,038           Per Share Data           No. of shares net of treas. stock (year         Th         365,758         491,308         616,468           Number of diluted shares (average)         Th         283,258         429,650         555,004           Benchmark EPS         €         0.00         -0.05         0.00           Restated NAV per share         €         -0.05         -0.00	Total financial flows	€th	13,311	856	199
Per Share Data         No. of shares net of treas. stock (year       Th       365,758       491,308       616,465         Number of diluted shares (average)       Th       283,258       429,650       555,004         Benchmark EPS       €       0.00       -0.05       0.00         Restated NAV per share       €       -0.05       -0.05       0.00	Change in cash position	€th	167	-6,888	2,112
No. of shares net of treas. stock (year       Th       365,758       491,308       616,466         Number of diluted shares (average)       Th       283,258       429,650       555,004         Benchmark EPS       €       0.00       -0.05       0.00         Restated NAV per share       €	Free cash flow (pre div.)	€th	-8,681	-9,652	-2,038
Number of diluted shares (average)         Th         283,258         429,650         555,004           Benchmark EPS         €         0.00         -0.05         0.00           Restated NAV per share         €         -0.05         0.00	Per Share Data				
Benchmark EPS         €         0.00         -0.05         0.00           Restated NAV per share         €         • </td <td>No. of shares net of treas. stock (year</td> <td>Th</td> <td>365,758</td> <td>491,308</td> <td>616,465</td>	No. of shares net of treas. stock (year	Th	365,758	491,308	616,465
Restated NAV per share €	Number of diluted shares (average)	Th	283,258	429,650	555,004
	Benchmark EPS	€	0.00	-0.05	0.00
Net dividend per share € 0.00 0.00 0.00	Restated NAV per share	€			
	Net dividend per share	€	0.00	0.00	0.00

# **Valuation Summary**

Benchmarks	Value	Weight
DCF	€ 0.03	35%
NAV/SOTP per share	€ 0.07	20%
EV/Ebitda	€ 0.00	20%
P/E	€ 0.01	10%
Dividend Yield	€ 0.00	10%
P/Book	€ 0.04	5%
TARGET PRICE	€ 0.03	100%

enchmarks	Value	Weight
CF .	€ 0.03	35%
AV/SOTP per share	€ 0.07	20%
//Ebitda	€ 0.00	20%
<b>=</b>	€ 0.01	10%
vidend Yield	€ 0.00	10%
Book	€ 0.04	5%
RGET PRICE	€ 0.03	100%
	NAV/SOTP C	alculation

Balance Sheet		12/21A	12/22E	12/23E
Goodwill	€th	152	166	164
Total intangible	€th	6,371	6,913	7,143
Tangible fixed assets	€th	923	1,006	1,036
Financial fixed assets	€th			
WCR	€th	4,085	3,373	2,334
Other assets	€th	7,850	2,497	2,572
Total assets (net of short term liab.)	€th	35,751	20,621	18,427
Ordinary shareholders' equity	€th	39,151	15,375	14,676
Quasi Equity & Preferred	€th			
Minority interests	€th	-1,155	-1,143	-1,132
Provisions for pensions	€th		0.00	0.00
Other provisions for risks and liabilities	€th	101	105	121
Total provisions for risks and liabilities	€th	101	105	121
Tax liabilities	€th	0.00	0.00	0.00
Other liabilities	€th	1,122	1,900	2,090
Net debt (cash)	€th	-3,468	4,384	2,672
Total liab. and shareholders' equity	€th	35,751	20,621	18,427
Capital Employed				
Capital employed after depreciation	€th	11,379	11,292	10,513
<b>Profits &amp; Risks Ratios</b>				
ROE (after tax)	%	19.5	-96.7	-16.7
ROCE	%	-20.5	-34.4	-23.9
Gearing (at book value)	%	-6.87	2.98	24.0
Adj. Net debt/EBITDA(R)	X	4.29	-1.45	-2.49
Interest cover (x)	Х	18.1	-48.0	-16.6
Valuation Ratios				
Reference P/E (benchmark)	x	ns	-0.72	-4.49
Free cash flow yield	%	-12.4	-52.7	-16.3
P/Book	X	1.79	1.19	0.85
Dividend yield	%	0.00	0.00	0.00
EV Calculation				
Market cap	€th	70,109	18,306	12,514
+ Provisions	€th	101	105	121
+ Unrecognised acturial losses/(gains)	€th	0.00	0.00	0.00
+ Net debt at year end	€th	-3,659	4,183	2,461
+ Leases debt equivalent	€th	0.00	0.00	0.00
- Financial fixed assets (fair value)	€th	44.0	242	208
+ Minority interests (fair value)	€th	3,465	3,430	3,430
= EV	€th	69,972	25,783	18,318
EV/EBITDA(R)	x	-86.6	-8.53	-17.1
EV/Sales	Х	8.12	1.88	0.63

Analyst: Mickael Daponte, Changes to Forecasts: 05/04/2023.