



genOway

Biomedical-Genetics / France

FY18 : CA en ligne.

Earnings/sales releases - 23/01/2019

Fact

genOway a publié son CA pour l'exercice 2018, qui s'établit à €10.8m (+10%).

Analysis

Le CA est en ligne avec nos prévisions (€10.8m, +10%) soit €10.1m hors Axenis (consolidé rétroactivement au 1er janvier 2018). Ce CA confirme la reprise de la croissance en S218, comme indiqué par le management (rappelons que la croissance était nulle en S1). En outre, les nouvelles initiatives (modèles « catalogue », en particulier dans les domaines de l'immuno-oncologie, acquisition d'Axenis, alliance avec Merck sur la technologie CRISPR/Cas9) confortent les perspectives du groupe. L'activité de vente des modèles catalogues en immuno-oncologie a notamment dépassé les €1m, compensant la faiblesse relative des ventes de modèles à faon sur S217-S118. La société maintient par ailleurs bien évidemment ses objectifs rendus publics l'été dernier, à savoir un CA de €30m et une marge d'EBITDA de 15% à l'horizon 2022.

Impact

Nous confirmerons/affinerons nos chiffres à l'occasion des résultats annuels 2018, publiés le 28 mars prochain.


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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.

Buy Upside: 37.7%

Target Price (6 months)	€ 3.20
Share Price	€ 2.32
Market Cap. €M	13.9
Price Momentum	STRONG
Extremes 12Months	1.62 ▶ 2.68
Bloomberg	ALGEN FP Equity
Reuters	ALGEN.PA

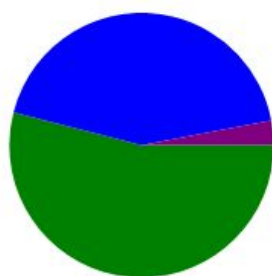

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PERF	1w	1m	3m	12m
genOway	-5.31%	4.98%	19.6%	9.43%
Pharma	0.27%	2.63%	-0.98%	3.27%
STOXX 600	1.83%	5.47%	-1.29%	-11.7%

Last updated: 05/12/2018	12/17A	12/18E	12/19E	12/20E
Adjusted P/E (x)	6.31	9.66	10.1	7.48
Dividend yield (%)	0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)	9.47	6.82	6.75	4.82
Adjusted EPS (€)	0.32	0.19	0.23	0.31
Growth in EPS (%)	232	-39.8	18.2	35.0
Dividend (€)	0.00	0.00	0.00	0.00
Sales (€M)	12.7	14.3	16.0	17.3
EBIT margin (%)	5.94	9.17	9.56	11.6
Attributable net profit (€M)	1.93	1.16	1.38	1.86
ROE (after tax) (%)	31.0	13.3	12.1	13.6
Gearing (%)	-19.7	2.91	2.68	-5.36

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

Sales by Geography



■ Americas (54.0%)
■ Europe (43.0%)
■ Other (3.0%)

Consolidated P&L Accounts

		12/17A	12/18E	12/19E
Sales	€M	12.7	14.3	16.0
Change in sales	%	4.51	12.9	11.4
Change in staff costs	%	9.11	1.94	5.43
EBITDA	€M	1.31	1.76	2.04
EBITDA(R) margin	%	10.3	12.3	12.8
Depreciation	€M	-0.62	-0.95	-1.01
Underlying operating profit	€M	0.75	1.31	1.53
Operating profit (EBIT)	€M	0.75	1.31	1.53
Net financial expense	€M	-0.15	-0.15	-0.15
of which related to pensions	€M		0.00	0.00
Exceptional items & other	€M	1.33	0.00	0.00
Corporate tax	€M	0.00	0.00	0.00
Equity associates	€M			
Minority interests	€M			
Adjusted attributable net profit	€M	1.93	1.16	1.38
NOPAT	€M	0.53	0.92	1.07

Cashflow Statement

		12/17A	12/18E	12/19E
EBITDA	€M	1.31	1.76	2.04
Change in WCR	€M	1.20	-0.12	-0.50
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	0.40		
Total operating cash flows	€M	2.91	1.65	1.53
Capital expenditure	€M	-5.08	-2.50	-0.45
Total investment flows	€M	-5.08	-2.50	-0.45
Net interest expense	€M	-0.15	-0.15	-0.15
Dividends (parent company)	€M	0.00	0.00	0.00
Dividends to minorities interests	€M	0.00	0.00	0.00
New shareholders' equity	€M			
Total financial flows	€M	5.40	-0.59	-0.17
Change in cash position	€M	3.23	-1.44	0.91
Free cash flow (pre div.)	€M	-2.32	-1.00	0.93

Per Share Data

		12/17A	12/18E	12/19E
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
Benchmark EPS	€	0.32	0.19	0.23
Restated NAV per share	€			
Net dividend per share	€	0.00	0.00	0.00

Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 3.48	35%	■ bioMerieux
NAV/SOTP per share	€ 3.46	20%	■ Carl Zeiss Meditec
EV/Ebitda	€ 3.22	20%	■ Grifols
P/E	€ 4.28	10%	■ Fresenius Medical ...
Dividend Yield	€ 0.00	10%	
P/Book	€ 4.29	5%	
TARGET PRICE	€ 3.20	100%	

NAV/SOTP Calculation

Balance Sheet

		12/17A	12/18E	12/19E
Goodwill	€M	0.00	0.00	0.00
Total intangible	€M	0.61	3.04	3.00
Tangible fixed assets	€M	5.63	6.14	6.13
Financial fixed assets	€M	0.00	0.00	0.00
WCR	€M	-2.78	-2.67	-2.17
Other assets	€M	3.72	4.32	5.06
Total assets (net of short term liab.)	€M	7.40	11.1	12.2
Ordinary shareholders' equity	€M	7.19	10.3	12.4
Quasi Equity & Preferred	€M			
Minority interests	€M			
Provisions for pensions	€M	0.00	0.00	0.00
Other provisions for risks and liabilities	€M	0.42		
Total provisions for risks and liabilities	€M	0.42	0.00	0.00
Tax liabilities	€M			
Other liabilities	€M	0.00	0.00	
Net debt (cash)	€M	-0.20	0.80	-0.14
Total liab. and shareholders' equity	€M	7.40	11.1	12.2

Capital Employed

		12/17A	12/18E	12/19E
Capital employed after depreciation	€M	3.45	6.52	6.96

Profits & Risks Ratios

		12/17A	12/18E	12/19E
ROE (after tax)	%	31.0	13.3	12.1
ROCE	%	15.3	14.1	15.3
Gearing (at book value)	%	-19.7	2.91	2.68
Adj. Net debt/EBITDA(R)	x	-0.15	0.45	-0.07
Interest cover (x)	x	4.90	8.76	10.2

Valuation Ratios

		12/17A	12/18E	12/19E
Reference P/E (benchmark)	x	6.31	9.66	10.1
Free cash flow yield	%	-19.1	-8.91	6.73
P/Book	x	1.69	1.09	1.12
Dividend yield	%	0.00	0.00	0.00

EV Calculation

		12/17A	12/18E	12/19E
Market cap	€M	12.2	11.2	13.9
+ Provisions	€M	0.42	0.00	0.00
+ Unrecognised actuarial losses/(gains)	€M	0.00	0.00	0.00
+ Net debt at year end	€M	-0.20	0.80	-0.14
+ Leases debt equivalent	€M	0.00	0.00	0.00
- Financial fixed assets (fair value)	€M			
+ Minority interests (fair value)	€M			
= EV	€M	12.4	12.0	13.7
EV/EBITDA(R)	x	9.47	6.82	6.75
EV/Sales	x	0.98	0.84	0.86

Analyst : Fabrice Farigoule, Changes to Forecasts : 05/12/2018.