# **Dolfines**

Engineering-Heavy Constr. / France

# H1: Growth in both segments

Earnings/sales releases - 28/07/2022

Revenue stood at €4.3m in H1, confirming the positive momentum communicated in Q1. The Oil & Gas activities recovered sharply with the high oil price, while the strong growth continued at 8.2 France. The prospects also look good for H2, with drilling activity remaining elevated and with the workforce growing in Renewable energies. Overall, a positive update, which will help to support the stock price.

#### Fact

H1 (comparison including 8.2 France): Group revenue: €4.3m (+34% yoy)

• Oil & Gas: €2.6m (+63% yoy)

• Renewable energies: €1.6m (+33% yoy)

Engineering & Technologies: €0.1m (-75% yoy)

### Analysis

In **Oil & Gas**, the Audit & Inspection activities were up 67% to €1.5m, leading the division's gains. Projects were executed in active regions/countries such as Brazil and the Middle East. The revenue for Technical Assistance stood at €1.1m, a 47% yoy increase, with contracts that had been halted during the pandemic now restarting.

In **Renewables**, 8.2 France is now consolidated. The company recorded yoy growth in offshore activity, specifically on the Banc de Guérande project (Saint-Nazaire), with 80 wind turbines. 8.2 France had 8 people for the manufacturing (inspection), installation and commissioning phases of the project.

## Impact

No change to our recommendation



Kevin VO

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Company Page

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

Buy	<b>Upside: 299%</b>
Target Price (6 months)	€ 0.41
Share Price	€ 0.10
Market Cap. €M	1.97
Price Momentum	NEGATIVE
Extremes 12Months	0.09 • 0.64
Sustainability score	5.5 /10
Credit Risk	DDD 🤧
Bloomberg	ALDOL FP Equity
Reuters	ALDOL.PA

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— Stoxx 600 (net return) — Dolfines

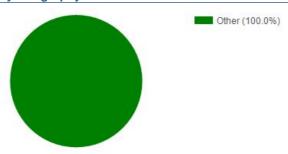
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PERF	1w	1m	3m	12m
Dolfines	-52.5%	-70.5%	-79.8%	-77.6%
Capital Goods	-0.35%	3.16%	-5.48%	-22.2%
STOXX 600	1.33%	3.14%	-3.64%	-6.66%

Last updated: 10/05/2022	12/21A	12/22E	12/23E	12/24E
Adjusted P/E (x)	-7.65	-4.19	-3.83	12.9
Dividend yield (%)	0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)	-11.2	-23.6	-10.6	4.54
Adjusted EPS (€)	-0.08	-0.02	-0.03	0.01
Growth in EPS (%)	n/a	n/a	n/a	n/a
Dividend (€)	0.00	0.00	0.00	0.00
Sales (€th)	4,392	7,340	8,062	9,937
EBIT margin (%)	-29.5	-4.46	-7.06	8.83
Attributable net profit (€th)	-1,558	-634	-900	275
ROE (after tax) (%)	-81.8	-20.4	-18.6	5.46
Gearing (%)	168	49.4	20.5	20.4

Company Valuation - Company Financials

#### Sales by Geography



Change in sales	Consolidated P&L Accounts		12/21A	12/22E	12/23E
Change in staff costs         %         39.5         94.1         10           EBITDA         €th         -1,423         -181         -4           EBITDA(R) margin         %         -32.4         -2.47         -5.           Depreciation         €th         -1,486         -497         -7.           Underlying operating profit         €th         -1,486         -497         -7.           Operating profit (EBIT)         €th         -1,482         -497         -7.           Net financial expense         €th         -136         -136         -13         -136	Sales	€th	4,392	7,340	8,062
EBITDA	Change in sales	%	73.9	67.1	9.84
EBITDA(R) margin	Change in staff costs	%	39.5	94.1	10.7
Depreciation	EBITDA	€th	-1,423	-181	-417
Underlying operating profit         €th         -1,486         -497         -77           Operating profit (EBIT)         €th         -1,492         -497         -77           Net financial expense         €th         -136	EBITDA(R) margin	%	-32.4	-2.47	-5.18
Operating profit (EBIT)         €th         -1,492         -497         -7.           Net financial expense         €th         -136         -136         -13           of which related to pensions         €th         0.00         0.0           Exceptional items & other         €th         70.9         0.00         0.0           Corporate tax         €th         -0.15         0.00         0.0           Equity associates         €th         -0.15         0.00         0.0           Minority interests         €th         -1,552         -634         -96           Minority interests         €th         -1,040         -348         -53           Cashflow Statement         €th         -1,040         -348         -53           Cashflow Statement         €th         -1,423         -181         -4           Change in WCR         €th         0.00         -200         0.0           Actual div. received from equity holdi         €th         0.00         0.00         0.0           Exceptional items         €th         0.00         0.00         0.0         0.0           Other operating cash flows         €th         -1,423         -381         -4	Depreciation	€th			
Net financial expense         €th         -136	Underlying operating profit	€th	-1,486	-497	-763
of which related to pensions	Operating profit (EBIT)	€th	-1,492	-497	-763
Exceptional items & other	Net financial expense	€th	-136	-136	-136
Corporate tax         €th         -0.15         0.00         0.0           Equity associates         €th         ————————————————————————————————————	of which related to pensions	€th		0.00	0.00
Equity associates	Exceptional items & other	€th	70.9	0.00	0.00
Minority interests         €th           Adjusted attributable net profit         €th         -1,552         -634         -96           NOPAT         €th         -1,040         -348         -53           Cashflow Statement           EBITDA         €th         -1,423         -181         -4           Change in WCR         €th         0.00         -200         0.0           Actual div. received from equity holdi         €th         0.00         0.00         0.0           Paid taxes         €th         0.00         0.00         0.0         0.0           Exceptional items         €th         0.00         0.00         0.0 </td <td>Corporate tax</td> <td>€th</td> <td>-0.15</td> <td>0.00</td> <td>0.00</td>	Corporate tax	€th	-0.15	0.00	0.00
Adjusted attributable net profit	Equity associates	€th			
NOPAT         €th         -1,040         -348         -53           Cashflow Statement           EBITDA         €th         -1,423         -181         -4           Change in WCR         €th         0.00         -200         0.0           Actual div. received from equity holdi         €th         0.00         0.00         0.0           Paid taxes         €th         0.00         0.00         0.0           Exceptional items         €th         0.00         0.00         0.0           Cher operating cash flows         €th         -1,423         -381         -4           Capital expenditure         €th         -600         -600         -60           Total investment flows         €th         -1,600         -600         -60           Net interest expense         €th         0.00         0.0         0.0           New shareholders' equity         €th         600         4,000         1,0	Minority interests	€th			
Cashflow Statement           EBITDA         €th         -1,423         -181         -4           Change in WCR         €th         0.00         -200         0.0           Actual div. received from equity holdi         €th         0.00         0.0           Paid taxes         €th         0.00         0.0           Exceptional items         €th         -1         -0           Cher operating cash flows         €th         -1,423         -381         -4           Capital expenditure         €th         -600         -600         -6           Total investment flows         €th         -1,600         -600         -6           Net interest expense         €th         -136         -13         -13           Dividends (parent company)         €th         -136         -13         -13           Dividends (parent company)         €th         524         3,121         80           New shareholders' equity         €th         660         4,000         1,00           Total financial flows         €th         524         3,121         80           Change in cash position         €th         -2,500         2,140         -11           Free ca	Adjusted attributable net profit	€th	-1,552	-634	-900
EBITDA	NOPAT	€th	-1,040	-348	-534
Change in WCR         €th         0.00         -200         0.0           Actual div. received from equity holdi         €th         0.00         0.00         0.0           Paid taxes         €th         0.00         0.0         0.0           Exceptional items         €th         0.00         0.0           Other operating cash flows         €th         -1,423         -381         -4           Capital expenditure         €th         -600         -600         -60           Capital expenditure         €th         -1,600         -600         -60           Net interest expense         €th         -136         -13         -13           Dividends (parent company)         €th         -136         -13         -13           Dividends (parent company)         €th         0.00         0.00         0.0           New shareholders' equity         €th         660         4,000         1,00           New shareholders' equity         €th         524         3,121         8t           Change in cash position         €th         -2,500         2,140         -15           Free cash flow (pre div.)         €th         -2,160         -1,118         -1,119 <td< td=""><td>Cashflow Statement</td><td></td><td>,</td><td></td><td></td></td<>	Cashflow Statement		,		
Actual div. received from equity holdi €th 0.00 0.00 0.00  Paid taxes €th 0.00 0.00 0.00  Exceptional items €th  Other operating cash flows €th  Total operating cash flows €th -1,423 -381 -4  Capital expenditure €th -600 -600 -60  Total investment flows €th -1,600 -600 -60  Net interest expense €th -136 -136 -13  Dividends (parent company) €th  Dividends to minorities interests €th 0.00 0.00 0.00  New shareholders' equity €th 660 4,000 1,00  Total financial flows €th 524 3,121 80  Change in cash position €th -2,500 2,140 -19  Free cash flow (pre div.) €th -2,160 -1,118 -1,19  Per Share Data  No. of shares net of treas. stock (year Th 19,146 32,479 32,41  Number of diluted shares (average) Th 18,846 25,812 33,41  Benchmark EPS € -0.08 -0.02 -0.00	EBITDA	€th	-1,423	-181	-417
Paid taxes         €th         0.00         0.0           Exceptional items         €th         0.00         0.0           Other operating cash flows         €th         -1,423         -381         -4           Capital expenditure         €th         -600         -600         -60           Total investment flows         €th         -1,600         -600         -6           Net interest expense         €th         -136         -13         -13           Dividends (parent company)         €th         0.00         0.00         0.0           New shareholders' equity         €th         660         4,000         1,00           Total financial flows         €th         524         3,121         80           Change in cash position         €th         -2,500         2,140         -1           Free cash flow (pre div.)         €th         -2,160         -1,118         -1,11           Per Share Data         No. of shares net of treas. stock (year         Th         19,146         32,479         32,47           Number of diluted shares (average)         Th         18,846         25,812         33,47           Benchmark EPS         €         -0.08         -0.02         -0.08	Change in WCR	€th	0.00	-200	0.00
Exceptional items  Other operating cash flows  Eth  Other operating cash flows  Eth  Total operating cash flows  Eth  Capital expenditure  Eth  -600 -600 -60  Total investment flows  Eth  -1,600 -600 -60  Net interest expense  Eth  -136 -136 -13  Dividends (parent company)  Eth  Dividends to minorities interests  Eth  0.00 0.00 0.00  New shareholders' equity  Eth  660 4,000 1,00  Total financial flows  Eth  524 3,121 80  Change in cash position  Eth  -2,500 2,140 -11  Free cash flow (pre div.)  Per Share Data  No. of shares net of treas. stock (year  Number of diluted shares (average)  Th  18,846 25,812 33,4*  Benchmark EPS  € -0.08 -0.02 -0.08	Actual div. received from equity holdi	€th	0.00	0.00	0.00
Other operating cash flows         €th           Total operating cash flows         €th         -1,423         -381         -4           Capital expenditure         €th         -600         -600         -6           Total investment flows         €th         -1,600         -600         -6           Net interest expense         €th         -136         -13         -13           Dividends (parent company)         €th         -136         -13	Paid taxes	€th		0.00	0.00
Total operating cash flows         €th         -1,423         -381         -4           Capital expenditure         €th         -600         -600         -66           Total investment flows         €th         -1,600         -600         -66           Net interest expense         €th         -136         -13         -13           Dividends (parent company)         €th         -136         -13         -13           Dividends (parent company)         €th         -000         0.00         0.0	Exceptional items	€th			
Capital expenditure         €th         -600         -600         -60           Total investment flows         €th         -1,600         -600         -60           Net interest expense         €th         -136         -136         -13           Dividends (parent company)         €th         -100         0.00         0.00         0.00           New shareholders' equity         €th         660         4,000         1,00           Total financial flows         €th         524         3,121         8t           Change in cash position         €th         -2,500         2,140         -15           Free cash flow (pre div.)         €th         -2,160         -1,118         -1,118           Per Share Data           No. of shares net of treas. stock (year         Th         19,146         32,479         32,47           Number of diluted shares (average)         Th         18,846         25,812         33,47           Benchmark EPS         €         -0.08         -0.02         -0.08           Restated NAV per share         €         -0.08         -0.02         -0.08	Other operating cash flows	€th			
Total investment flows         €th         -1,600         -600         -60           Net interest expense         €th         -136         -13           Dividends (parent company)         €th         -136         -13           Dividends to minorities interests         €th         0.00         0.00         0.0           New shareholders' equity         €th         660         4,000         1,00           Total financial flows         €th         524         3,121         80           Change in cash position         €th         -2,500         2,140         -11           Free cash flow (pre div.)         €th         -2,160         -1,118         -1,11           Per Share Data           No. of shares net of treas. stock (year         Th         19,146         32,479         32,47           Number of diluted shares (average)         Th         18,846         25,812         33,47           Benchmark EPS         €         -0.08         -0.02         -0.08           Restated NAV per share         €         -0.08         -0.02         -0.08	Total operating cash flows	€th	-1,423	-381	-417
Net interest expense         €th         -136         -136         -13           Dividends (parent company)         €th         0.00         0.00         0.0           Dividends to minorities interests         €th         0.00         0.00         0.0           New shareholders' equity         €th         660         4,000         1,00           Total financial flows         €th         524         3,121         80           Change in cash position         €th         -2,500         2,140         -11           Free cash flow (pre div.)         €th         -2,160         -1,118         -1,11           Per Share Data           No. of shares net of treas. stock (year         Th         19,146         32,479         32,47           Number of diluted shares (average)         Th         18,846         25,812         33,41           Benchmark EPS         €         -0.08         -0.02         -0.08           Restated NAV per share         €         -0.08         -0.02         -0.08	Capital expenditure	€th	-600	-600	-600
Dividends (parent company)         €th           Dividends to minorities interests         €th         0.00         0.00         0.0           New shareholders' equity         €th         660         4,000         1,00           Total financial flows         €th         524         3,121         80           Change in cash position         €th         -2,500         2,140         -1           Free cash flow (pre div.)         €th         -2,160         -1,118         -1,11           Per Share Data           No. of shares net of treas. stock (year         Th         19,146         32,479         32,47           Number of diluted shares (average)         Th         18,846         25,812         33,4*           Benchmark EPS         €         -0.08         -0.02         -0.0           Restated NAV per share         €         -0.08         -0.02         -0.0	Total investment flows	€th	-1,600	-600	-600
Dividends to minorities interests         €th         0.00         0.0         0.0           New shareholders' equity         €th         660         4,000         1,00           Total financial flows         €th         524         3,121         80           Change in cash position         €th         -2,500         2,140         -11           Free cash flow (pre div.)         €th         -2,160         -1,118         -1,119           Per Share Data           No. of shares net of treas. stock (year         Th         19,146         32,479         32,47           Number of diluted shares (average)         Th         18,846         25,812         33,41           Benchmark EPS         €         -0.08         -0.02         -0.08           Restated NAV per share         €         -0.08         -0.02         -0.08	Net interest expense	€th	-136	-136	-136
New shareholders' equity         €th         660         4,000         1,00           Total financial flows         €th         524         3,121         80           Change in cash position         €th         -2,500         2,140         -15           Free cash flow (pre div.)         €th         -2,160         -1,118         -1,118           Per Share Data           No. of shares net of treas. stock (year         Th         19,146         32,479         32,47           Number of diluted shares (average)         Th         18,846         25,812         33,4*           Benchmark EPS         €         -0.08         -0.02         -0.08           Restated NAV per share         €         -0.08         -0.02         -0.08	Dividends (parent company)	€th			
Total financial flows         €th         524         3,121         86           Change in cash position         €th         -2,500         2,140         -18           Free cash flow (pre div.)         €th         -2,160         -1,118         -1,18           Per Share Data           No. of shares net of treas. stock (year         Th         19,146         32,479         32,47           Number of diluted shares (average)         Th         18,846         25,812         33,4           Benchmark EPS         €         -0.08         -0.02         -0.08           Restated NAV per share         €         -0.08         -0.02         -0.08	Dividends to minorities interests	€th	0.00	0.00	0.00
Change in cash position       €th       -2,500       2,140       -1!         Free cash flow (pre div.)       €th       -2,160       -1,118       -1,1!         Per Share Data         No. of shares net of treas. stock (year       Th       19,146       32,479       32,47         Number of diluted shares (average)       Th       18,846       25,812       33,4         Benchmark EPS       €       -0.08       -0.02       -0.0         Restated NAV per share       €	New shareholders' equity	€th	660	4,000	1,000
Free cash flow (pre div.)         €th         -2,160         -1,118         -1,119           Per Share Data           No. of shares net of treas. stock (year         Th         19,146         32,479         32,47           Number of diluted shares (average)         Th         18,846         25,812         33,4°           Benchmark EPS         €         -0.08         -0.02         -0.08           Restated NAV per share         €         -0.02         -0.08	Total financial flows	€th	524	3,121	864
Per Share Data         No. of shares net of treas. stock (year       Th       19,146       32,479       32,4         Number of diluted shares (average)       Th       18,846       25,812       33,4         Benchmark EPS       €       -0.08       -0.02       -0.0         Restated NAV per share       €       -0.08       -0.02       -0.0	Change in cash position	€th	-2,500	2,140	-154
No. of shares net of treas. stock (year       Th       19,146       32,479       32,47         Number of diluted shares (average)       Th       18,846       25,812       33,4         Benchmark EPS       €       -0.08       -0.02       -0.0         Restated NAV per share       €       -0.08       -0.02       -0.0	Free cash flow (pre div.)	€th	-2,160	-1,118	-1,154
Number of diluted shares (average)         Th         18,846         25,812         33,4           Benchmark EPS         €         -0.08         -0.02         -0.0           Restated NAV per share         €         -0.02         -0.0	Per Share Data				
Benchmark EPS         €         -0.08         -0.02         -0.0           Restated NAV per share         €	No. of shares net of treas. stock (year	Th	19,146	32,479	32,479
Restated NAV per share €	Number of diluted shares (average)	Th	18,846	25,812	33,479
1.0.00	Benchmark EPS	€	-0.08	-0.02	-0.03
Net dividend per share € 0.00 0.00 0.0	Restated NAV per share	€			
	Net dividend per share	€	0.00	0.00	0.00

#### **Valuation Summary**

Benchmarks	Value	Weight
DCF	€ 0.66	35%
NAV/SOTP per share	€ 0.83	20%
EV/Ebitda	€ 0.00	20%
P/E	€ 0.05	10%
Dividend Yield	€ 0.00	10%
P/Book	€ 0.17	5%
TARGET PRICE	€ 0.41	100%

## NAV/SOTP Calculation

#### Largest comparables

- Nordex SE
- Saipem
- Elecnor

Balance Sheet		12/21A	12/22E	12/23E
Goodwill	€th	12/2 IA	12/22	12/230
Total intangible	€th	3,576	3,860	4,114
Tangible fixed assets	€th	24.3	24.3	24.3
Financial fixed assets	€th	21.0	21.0	21.0
WCR	€th	1,277	1,477	1,477
Other assets	€th	70.4	67.1	67.1
Total assets (net of short term liab.)	€th	6,215	6,696	6,950
Ordinary shareholders' equity	€th	1,434	4,792	4,892
Quasi Equity & Preferred	€th			
Minority interests	€th	0.00	0.00	0.00
Provisions for pensions	€th		0.00	0.00
Other provisions for risks and liabilities	€th	3.34	3.34	3.34
Total provisions for risks and liabilities	€th	3.34	3.34	3.34
Tax liabilities	€th	936	936	936
Other liabilities	€th	40.0	40.0	40.0
Net debt (cash)	€th	3,807	925	1,078
Total liab. and shareholders' equity	€th	6,220	6,696	6,950
Capital Employed				
Capital employed after depreciation	€th	4,878	5,362	5,616
Profits & Risks Ratios				
ROE (after tax)	%	-81.8	-20.4	-18.6
ROCE	%	-21.3	-6.49	-9.51
Gearing (at book value)	%	168	49.4	20.5
Adj. Net debt/EBITDA(R)	Х	-2.67	-5.10	-2.58
Interest cover (x)	X	-10.9	-3.65	-5.59
Valuation Ratios				
Reference P/E (benchmark)	x	-7.65	-4.19	-3.83
Free cash flow yield	%	-17.9	-33.4	-34.5
P/Book	Х	8.41	0.70	0.68
Dividend yield	%	0.00	0.00	0.00
EV Calculation				
Market cap	€th	12,061	3,345	3,345
+ Provisions	€th	3.34	3.34	3.34
+ Unrecognised acturial losses/(gains)	€th	0.00	0.00	0.00
+ Net debt at year end	€th	3,807	925	1,078
+ Leases debt equivalent	€th	0.00	0.00	0.00
- Financial fixed assets (fair value)	€th			
+ Minority interests (fair value)	€th			
= EV	€th	15,871	4,273	4,427
EV/EBITDA(R)	x	-11.2	-23.6	-10.6
EV/Sales	Х	3.61	0.58	0.55

Analyst: Kevin Vo, Changes to Forecasts: 10/05/2022.