



Ikonisys

Med Tech / France

Factoring in the revised commercialisation plans

Update - 22/10/2021

Change in EPS

2021 : € -0.02 vs -0.03	ns
2022 : € -0.30 vs -0.40	ns

Given the delayed equipment sales and associated recurring sales stream, coupled with higher R&D expenses, our assumption of medium-term losses has been maintained.

Change in NAV

€ 16.1 vs 18.5	-13.0%
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While the multiples for the respective divisions remain unchanged, the NAV downgrade is largely a function of commercialisation delays. Although the NAV remains the most-attractive metric reflecting the firm's long-term potential, assuming that business plans are gradually back on track.

Change in DCF

€ 8.23 vs 9.77	-15.7%
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Factoring in the medium-term business challenges, the DCF resets lower. This metric's higher sensitivity (vis-à-vis NAV) is also due to cash flows in the medium term. Hence, the plans hinge on easy access to capital markets, at least while reasonable-to-healthy earnings/cash flows haven't been restored. Nevertheless, the healthy out-year growth estimates have been maintained, given the focus on the market's potential and Ikonisys' valued differentiation.



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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

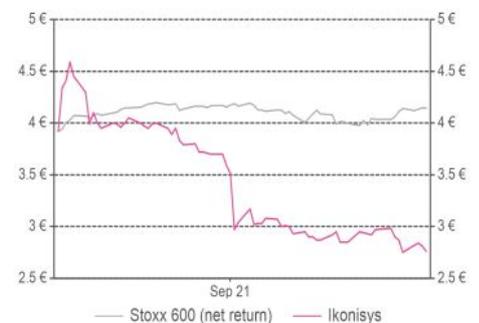
Buy

Upside : 262%

Target Price (6 months)	€ 10.00
Share Price	€ 2.76
Market Cap. €M	26.2

Price Momentum

Extremes 12Months	2.75 ▶ 4.59
Bloomberg	ALIKO FP Equity
Reuters	ALIKO.PA

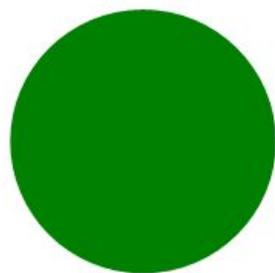

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PERF	1w	1m	3m	12m
Ikonisys	-3.83%	-4.83%	-37.4%	n/a
Health	4.18%	-3.61%	4.88%	28.5%
SXXR Index	0.84%	2.53%	3.91%	33.1%

Last updated: 22/10/2021	12/20A	12/21E	12/22E	12/23E
Adjusted P/E (x)	-15.4	ns	-9.25	-48.9
Dividend yield (%)	0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)	ns	ns	-9.96	-79.0
Adjusted EPS (€)	-0.18	-0.02	-0.30	-0.06
Growth in EPS (%)	n/a	n/a	n/a	n/a
Dividend (€)	0.00	0.00	0.00	0.00
Sales (€M)	0.39	0.35	4.14	7.99
Other margin (%)	97.9	75.0	47.1	57.3
Attributable net profit (€M)	-1.57	-0.18	-2.83	-0.54
ROE (after tax) (%)	-27.7	-2.40	-36.3	-8.76
Gearing (%)	16.1	-2.75	2.17	44.1

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Sales by Geography



North America (100.0%)

Consolidated P&L Accounts

		12/20A	12/21E	12/22E
Sales	€M	0.39	0.35	4.14
Change in sales	%	-37.6	-8.52	1,074
Change in staff costs	%	1.01	50.0	90.0
EBITDA	€M	0.17	-0.23	-2.81
EBITDA(R) margin	%	44.9	-65.0	-67.9
Depreciation	€M	-0.07	0.00	0.00
Underlying operating profit	€M	0.10	-0.23	-2.81
Operating profit (EBIT)	€M	0.20	-0.13	-2.81
Net financial expense	€M	-1.77	-0.04	-0.01
of which related to pensions	€M	0.00	0.00	0.00
Exceptional items & other	€M			
Corporate tax	€M	-0.01	0.00	-0.01
Equity associates	€M			
Minority interests	€M			
Adjusted attributable net profit	€M	-1.57	-0.18	-2.83
NOPAT	€M	0.07	-0.16	-1.97

Cashflow Statement

EBITDA	€M	0.17	-0.23	-2.81
Change in WCR	€M	0.15	-1.09	-0.62
Actual div. received from equity holdi...	€M	0.00	0.00	0.00
Paid taxes	€M	-0.01	0.00	-0.01
Exceptional items	€M			
Other operating cash flows	€M	-2.62	0.10	0.00
Total operating cash flows	€M	-2.31	-1.22	-3.45
Capital expenditure	€M	0.00	-0.01	-0.06
Total investment flows	€M	0.00	-0.01	-0.06
Net interest expense	€M	-1.77	-0.04	-0.01
Dividends (parent company)	€M			
Dividends to minorities interests	€M	0.00	0.00	0.00
New shareholders' equity	€M	0.09	4.00	0.00
Total financial flows	€M	2.03	3.01	3.69
Change in cash position	€M	-0.14	1.79	0.19
Free cash flow (pre div.)	€M	-4.08	-1.27	-3.51

Per Share Data

No. of shares net of treas. stock (year...	Mio	8.78	9.48	9.48
Number of diluted shares (average)	Mio	8.78	9.13	9.48
Benchmark EPS	€	-0.18	-0.02	-0.30
Restated NAV per share	€			
Net dividend per share	€	0.00	0.00	0.00

Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 8.23	40%	● Qiagen
NAV/SOTP per share	€ 16.1	40%	
P/E	€ 1.38	5%	
EV/Ebitda	€ 0.00	5%	
P/Book	€ 3.79	5%	
Dividend Yield	€ 0.00	5%	
TARGET PRICE	€ 10.00	100%	

NAV/SOTP Calculation

Balance Sheet

		12/20A	12/21E	12/22E
Goodwill	€M	4.42	4.42	4.42
Total intangible	€M	7.92	7.92	7.92
Tangible fixed assets	€M	0.00	0.01	0.07
Financial fixed assets	€M			
WCR	€M	-1.03	0.05	0.68
Other assets	€M	0.03	0.03	0.03
Total assets (net of short term liab.)	€M	7.01	8.10	8.79
Ordinary shareholders' equity	€M	5.39	9.21	6.38
Quasi Equity & Preferred	€M	0.27	0.27	0.27
Minority interests	€M			
Provisions for pensions	€M	0.00	0.00	0.00
Other provisions for risks and liabilities	€M			
Total provisions for risks and liabilities	€M	0.00	0.00	0.00
Tax liabilities	€M			
Other liabilities	€M	0.23	0.23	0.23
Net debt (cash)	€M	1.11	-1.62	1.90
Total liab. and shareholders' equity	€M	7.01	8.10	8.79

Capital Employed

Capital employed after depreciation	€M	6.89	7.98	8.67
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Profits & Risks Ratios

ROE (after tax)	%	-27.7	-2.40	-36.3
ROCE	%	1.07	-2.02	-22.7
Gearing (at book value)	%	16.1	-2.75	2.17
Adj. Net debt/EBITDA(R)	x	6.43	7.06	-0.68
Interest cover (x)	x	0.06	-5.17	-4.14

Valuation Ratios

Reference P/E (benchmark)	x	-15.4	ns	-9.25
Free cash flow yield	%	-16.8	-4.85	-13.4
P/Book	x	4.50	2.84	4.10
Dividend yield	%	0.00	0.00	0.00

EV Calculation

Market cap	€M	24.2	26.2	26.2
+ Provisions	€M	0.00	0.00	0.00
+ Unrecognised actuarial losses/(gains)	€M	0.00	0.00	0.00
+ Net debt at year end	€M	1.04	-1.70	1.82
+ Leases debt equivalent	€M	0.00	0.00	0.00
- Financial fixed assets (fair value)	€M	0.01	0.01	0.01
+ Minority interests (fair value)	€M			
= EV	€M	25.3	24.5	28.0
EV/EBITDA(R)	x	ns	ns	-9.96
EV/Sales	x	65.6	69.4	6.76

Analyst : Anas Patel, Changes to Forecasts : 22/10/2021.