



Ecoslops

Other Energies / France

Marginal changes to our DCF following the H1 19 release

The cleantech making oil residues green - 26/09/2019

Change in EPS

2019 : € -0.21 vs -0.19	ns
2020 : € -0.41 vs -0.36	ns

Minor adjustments to our estimates to: 1/ account for the reduced ASP/t during the first half due to lower € Brent prices, and 2/ push back the expected entry into operation of the Marseille refining unit from H1 20 to H2 20. The changes have a limited impact on our EPS estimates and thus a marginal change in our target price.



Jorge VELANDIA
oils@alphavalue.eu
+33 (0) 1 70 61 10 50
cs.alphavalue.com

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

Buy	Upside : 92.0%
Target Price (6 months)	€ 23.4
Share Price	€ 12.2
Market Cap. €M	53.7
Price Momentum	UNFAVORABLE
Extremes 12Months	9.90 ▶ 14.6
Bloomberg	ALESA FP Equity
Reuters	ALESA.PA

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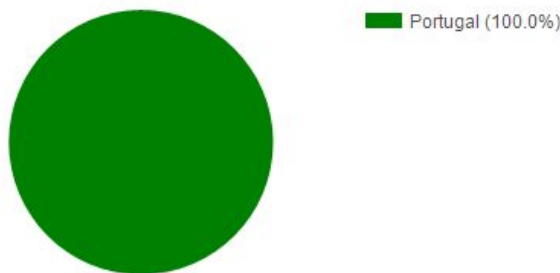


PERF	1w	1m	3m	12m
Ecoslops	0.83%	1.67%	-6.15%	-12.9%
Oils	-0.90%	6.09%	-3.73%	-9.34%
SXXR Index	-0.45%	4.48%	1.57%	3.98%

Last updated: 26/09/2019	12/18A	12/19E	12/20E	12/21E
Adjusted P/E (x)	-35.7	ns	-30.1	26.8
Dividend yield (%)	0.00	0.00	0.00	1.64
EV/EBITDA(R) (x)	ns	ns	44.8	14.0
Adjusted EPS (€)	-0.35	-0.21	-0.41	0.45
Growth in EPS (%)	n/a	n/a	n/a	n/a
Dividend (€)	0.00	0.00	0.00	0.20
Sales (€th)	7,449	10,454	15,745	35,308
EBITDA/R margin (%)	-5.10	2.66	11.0	21.0
Attributable net profit (€th)	-1,548	-940	-1,785	2,006
ROE (after tax) (%)	-7.06	-4.28	-7.49	7.41
Gearing (%)	9.81	47.9	79.4	106

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

Sales by Geography



Consolidated P&L Accounts

		12/18A	12/19E	12/20E
Sales	€th	7,449	10,454	15,745
Change in sales	%	22.5	40.3	50.6
Change in staff costs	%	-4.42	4.08	49.0
EBITDA	€th	-380	278	1,736
EBITDA(R) margin	%	-5.10	2.66	11.0
Depreciation	€th	-1,205	-1,249	-2,956
Underlying operating profit	€th	-1,623	-972	-1,220
Operating profit (EBIT)	€th	-1,623	-972	-1,220
Net financial expense	€th	-290	-637	-1,234
of which related to pensions	€th		0.00	0.00
Exceptional items & other	€th	36.0	0.00	0.00
Corporate tax	€th	330	668	668
Equity associates	€th	0.00	0.00	0.00
Minority interests	€th	0.00	0.00	0.00
Adjusted attributable net profit	€th	-1,548	-940	-1,785
NOPAT	€th	-1,136	-680	-854

Cashflow Statement

		12/18A	12/19E	12/20E
EBITDA	€th	-380	278	1,736
Change in WCR	€th	-906	-226	-1,256
Actual div. received from equity holdi...	€th	0.00	0.00	0.00
Paid taxes	€th	0.00	668	668
Exceptional items	€th	0.00	0.00	0.00
Other operating cash flows	€th	8.07	106	0.00
Total operating cash flows	€th	-1,278	827	1,149
Capital expenditure	€th	-2,672	-14,922	-12,372
Total investment flows	€th	-2,672	-14,922	-12,372
Net interest expense	€th	-290	-637	-1,234
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	176	35.1	6,335
Total financial flows	€th	340	9,113	25,467
Change in cash position	€th	-3,609	-4,982	14,244
Free cash flow (pre div.)	€th	-4,240	-14,732	-12,456

Per Share Data

		12/18A	12/19E	12/20E
No. of shares net of treas. stock (year...	Th	4,400	4,403	4,409
Number of diluted shares (average)	Th	4,426	4,402	4,406
Benchmark EPS	€	-0.35	-0.21	-0.41
Restated NAV per share	€			
Net dividend per share	€	0.00	0.00	0.00

Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 19.6	40%	<ul style="list-style-type: none"> ■ Neste ■ Galp Energia ■ Saras ■ Hellenic Petroleum ■ Acciona
NAV/SOTP per share	€ 36.5	40%	
P/E	€ 6.10	5%	
EV/Ebitda	€ 0.00	5%	
P/Book	€ 13.2	5%	
Dividend Yield	€ 0.00	5%	
TARGET PRICE	€ 23.4	100%	

NAV/SOTP Calculation

Balance Sheet

		12/18A	12/19E	12/20E
Goodwill	€th	0.00	0.00	0.00
Total intangible	€th	372	372	372
Tangible fixed assets	€th	18,479	32,207	41,623
Financial fixed assets	€th	0.00	0.00	0.00
WCR	€th	1,371	1,597	2,853
Other assets	€th	3,701	3,701	3,701
Total assets (net of short term liab.)	€th	26,176	40,129	50,801
Ordinary shareholders' equity	€th	22,418	21,561	26,111
Quasi Equity & Preferred	€th	0.00	0.00	0.00
Minority interests	€th	0.00	0.00	0.00
Provisions for pensions	€th		0.00	0.00
Other provisions for risks and liabilities	€th	135	187	187
Total provisions for risks and liabilities	€th	135	187	187
Tax liabilities	€th	0.00	0.00	0.00
Other liabilities	€th	643	705	705
Net debt (cash)	€th	2,980	17,677	23,798
Total liab. and shareholders' equity	€th	26,176	40,129	50,801

Capital Employed

		12/18A	12/19E	12/20E
Capital employed after depreciation	€th	20,223	34,176	44,847

Profits & Risks Ratios

		12/18A	12/19E	12/20E
ROE (after tax)	%	-7.06	-4.28	-7.49
ROCE	%	-5.62	-1.99	-1.90
Gearing (at book value)	%	9.81	47.9	79.4
Adj. Net debt/EBITDA(R)	x	-7.84	63.6	13.7
Interest cover (x)	x	-5.59	-1.53	-0.99

Valuation Ratios

		12/18A	12/19E	12/20E
Reference P/E (benchmark)	x	-35.7	ns	-30.1
Free cash flow yield	%	-7.72	-27.4	-23.2
P/Book	x	2.45	2.49	2.06
Dividend yield	%	0.00	0.00	0.00

EV Calculation

		12/18A	12/19E	12/20E
Market cap	€th	54,928	53,714	53,788
+ Provisions	€th	135	187	187
+ Unrecognised actuarial losses/(gains)	€th	0.00	0.00	0.00
+ Net debt at year end	€th	2,980	17,677	23,798
+ Leases debt equivalent	€th	0.00	0.00	0.00
- Financial fixed assets (fair value)	€th			
+ Minority interests (fair value)	€th			
= EV	€th	58,042	71,577	77,773
EV/EBITDA(R)	x	ns	ns	44.8
EV/Sales	x	7.79	6.85	4.94

Analyst : Jorge Velandia, Changes to Forecasts : 26/09/2019.