# **Dolfines**

Engineering-Heavy Constr. / France

## Capital increase to invest in renewables

09/05/2022

#### ■ Change in EPS

2022 : € -0.02 vs -0.02 ns 2023 : € -0.03 vs -0.03 ns

We have updated our model with the integration of the FY21 results and net loss of €1.55m. Estimates for FY22/FY23 are unchanged.

#### Change in NAV

Following the FY21 results, we have added a €4m capital increase, at a subscription price of €0.30 per share, leading to the creation of 13.3m shares. This represents a c. 30% discount on the 29/04/2022 closing price (day of the announcement). Note that this is temporary and will be updated as the split between the conversion of NEGMA's OCABSA and fresh equity capital remain unknown at this stage.

#### Change in DCF

€ 0.67 vs 0.90 -25.2%

€ 0.83 vs 1.01

In line with the NAV, the DCF is impacted by the creation of 13.3m shares following a €4m capital increase.



Kevin VO

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

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                     | Upside: 43.1%   |
|-------------------------|-----------------|
| Target Price (6 months) | € 0.43          |
| Share Price             | € 0.30          |
| Market Cap. €M          | 5.74            |
| Price Momentum          | GOOD            |
| Extremes 12Months       | 0.27 > 0.71     |
| Bloomberg               | ALDOL FP Equity |
| Reuters                 | ALDOL.PA        |
|                         |                 |

|     |        |      |     | N       |      |     |     |  |      |            |               | 1.6    |
|-----|--------|------|-----|---------|------|-----|-----|--|------|------------|---------------|--------|
| 4€  |        |      |     |         |      |     |     |  |      |            |               | 1.4    |
| 2€- |        |      |     |         |      |     |     |  |      |            |               | 1.2    |
| 1€+ |        |      |     |         | A    |     |     |  |      |            |               | 1€     |
| 8€- |        |      |     | <u></u> | 1 TH | 4   |     | D===================================== |      | gaption of | 100           | 0.8    |
| 6€  |        | Laha | -0  | -       | ~~   | Ta  | 1   |  |      |            | J.            | 0.6    |
| 1   |        | 1    | M   |         |      | γ.  |     | 100                                    | m    |            | Total Control | 1      |
| 4€- | april- |      |     |         |      |     | +   |  | Soul | e BI       | oombe         | rg 0.4 |
|     | Jul    | Sep  | Nov | Jan     | Mar  | May | Jul | Sep                                    | Nov  | Jan        | Mar           |        |
|     |        |      |     | 21      | 21   | 21  | 21  | 21                                     | 21   | 00         | 22            | 00     |

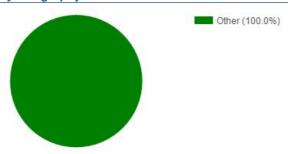
**Download Full Analysis** 

| PERF          | 1w     | 1 m    | 3m     | 12m    |
|---------------|--------|--------|--------|--------|
| Dolfines      | -29.8% | -47.1% | -23.3% | -45.1% |
| Capital Goods | -5.40% | -7.80% | -13.6% | -17.8% |
| SXXR Index    | -4.33% | -5.06% | -5.83% | -0.14% |

| Last updated: 09/05/2022      | 12/21A | 12/22E | 12/23E | 12/24E |
|-------------------------------|--------|--------|--------|--------|
| Adjusted P/E (x)              | -7.65  | -12.2  | -11.2  | 37.6   |
| Dividend yield (%)            | 0.00   | 0.00   | 0.00   | 0.00   |
| EV/EBITDA(R) (x)              | -11.2  | -58.8  | -25.9  | 11.2   |
| 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         0.1           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           Charce operating cash flows         €th         -1,423         -381         -4           Cohit operating cash flows         €th         -1,423         -381         -4           Capital expenditure         €th         -1,423         -381         -4           Capital expenditure         €th         -1,600         -600         -60           Total investment flows         €th         -1,600         -600         -60           Net interest expense         €th         -136         -13         -13         -13  | 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 -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 32,4'  Number of diluted shares (average) Th 18,846 25,812 33,4'  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                | € 0.67 | 35%    |
| NAV/SOTP per share | € 0.83 | 20%    |
| EV/Ebitda          | € 0.00 | 20%    |
| P/E                | € 0.15 | 10%    |
| Dividend Yield     | € 0.00 | 10%    |
| P/Book             | € 0.23 | 5%     |
| TARGET PRICE       | € 0.43 | 100%   |
|                    |        |        |

### NAV/SOTP Calculation

#### Largest comparables

- Saipem
- Nordex SE
- Elecnor

| Balance Sheet                              |     | 12/21A | 12/22E | 12/23E |
|--|-----|--------|--------|--------|
| Goodwill                                   | €th |        |        |        |
| Total intangible                           | €th | 3,576  | 3,860  | 4,114  |
| Tangible fixed assets                      | €th | 24.3   | 24.3   | 24.3   |
| Financial fixed assets                     | €th |        |        |        |
| 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)                    | X   | -2.67  | -5.10  | -2.58  |
| Interest cover (x)                         | Х   | -10.9  | -3.65  | -5.59  |
| Valuation Ratios                           |     |        |        |        |
| Reference P/E (benchmark)                  | x   | -7.65  | -12.2  | -11.2  |
| Free cash flow yield                       | %   | -17.9  | -11.5  | -11.8  |
| P/Book                                     | Х   | 8.41   | 2.03   | 1.99   |
| Dividend yield                             | %   | 0.00   | 0.00   | 0.00   |
| EV Calculation                             |     |        |        |        |
| Market cap                                 | €th | 12,061 | 9,744  | 9,744  |
| + 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 | 10,672 | 10,825 |
| EV/EBITDA(R)                               | x   | -11.2  | -58.8  | -25.9  |
| EV/Sales                                   | Х   | 3.61   | 1.45   | 1.34   |

Analyst: Kevin Vo, Changes to Forecasts: 09/05/2022.