Ecoslops

Other Energies / France

Integrating the capital increase

The path to a green solution to slops - 30/10/2017

Change in EPS

2017 : € -0.22 vs -0.28	ns
2018 : € 0.05 vs 0.09	-47.8%

Ecoslops issued new equity to fund its development: \leq 4.98m at \leq 13.0 per share (a 21.2% discount vs. the closing price of the day before the capital increase was announced). This resulted in 383,178 new shares. The capital increase received strong demand (213% subscription rate).

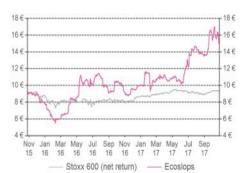


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AlphaValue is contracted by Ecoslops to provide equity research on Ecoslops , using AlphaValue's unique and transparent methods and procedures. Target price and opinion are thus exclusively determined by those methods and procedures.

Buy	Upside : 35.6%
Target Price (6 months)	€ 20.4
Share Price	€ 15.1
Market Cap. €M	65.9
Price Momentum	GOOD
Extremes 12Months	8.75 🕨 17.0
Bloomberg	ALESA FP Equity
Reuters	ALESA.PA

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PERF	1 w	1m	. :	3m	12m
Ecoslops	-8.18%	-7.88	% 2.	51%	60.6%
Oils	1.45%	4.04	% 1′	1.7%	15.1%
SXXR Index	0.86%	2.12	% 3.	34%	18.2%
Last updated: 30)/10/2017	12/15A	12/16A	12/17E	12/18E
Adjusted P/E (x)		-6.02	-8.85	ns	ns
Dividend yield (%)		0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)		-10.4	-14.5	93.9	32.7
Adjusted EPS (€)		-2.13	-1.02	-0.22	0.05
Growth in EPS (%)	n/a	n/a	n/a	n/a
Dividend (€)		0.00	0.00	0.00	0.00
Sales (€th)		2,296	4,366	7,060	10,140
EBITDA/R margin	(%)	ns	-65.9	1.16	17.9
Attributable net pr	ofit (€th)	-5,837	-3,420	-873	211
ROE (after tax) (%	6)	-67.2	-26.1	-6.15	1.34
Gearing (%)		83.3	79.1	56.3	107
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Company Valuation - Company Financials



Portugal (100.0%)

Consolidated P&L Accounts		12/16A	12/17E	12/18E
Sales	€th	4,366	7,060	10,140
Change in sales	%	90.2	61.7	43.6
Change in staff costs	%	-13.9	2.94	42.9
EBITDA	€th	-2,875	778	2,811
EBITDA(R) margin	%	-65.9	11.0	27.7
Depreciation	€th	-1,114	-1,334	-1,454
Underlying operating profit	€th	-4,023	-555	1,357
Operating profit (EBIT)	€th	-4,023	-555	1,357
Net financial expense	€th	-319	-318	-752
of which related to pensions	€th		0.00	0.00
Exceptional items & other	€th	-3.68	0.00	0.00
Corporate tax	€th	926	-0.44	-394
Equity associates	€th	0.00	0.00	0.00
Minority interests	€th	0.00	0.00	0.00
Adjusted attributable net profit	€th	-3,420	-873	211
NOPAT	€th	-2,816	-389	950
Cashflow Statement				
EBITDA	€th	-2,875	778	2,811
Change in WCR	€th	609	-1,095	-290
Actual div. received from equity holdi	€th	0.00	0.00	0.00
Paid taxes	€th	0.00	-0.44	-394
Exceptional items	€th	0.00	0.00	0.0
Other operating cash flows	€th	-637	-215	-1,000
Total operating cash flows	€th	-2,904	-532	1,12
Capital expenditure	€th	-374	-249	-19,200
Total investment flows	€th	-374	-249	-19,200
Net interest expense	€th	-319	-318	-752
Dividends (parent company)	€th	0.00	0.00	0.0
Dividends to minorities interests	€th	0.00	0.00	0.00
New shareholders' equity	€th	1,915	4,980	51.3
Total financial flows	€th	5,965	-1.19	17,498
Change in cash position	€th	2,687	-783	-575
Free cash flow (pre div.)	€th	-3,596	-1,099	-18,82
Per Share Data				
No. of shares net of treas. stock (year	Th	3,372	4,382	4,382
Number of diluted shares (average)	Th	3,340	3,946	4,453
Benchmark EPS	€	-1.02	-0.22	0.0
Restated NAV per share	€			
Net dividend per share	€	0.00	0.00	0.00

Valuation Summary

Benchmarks	Value	Weight
DCF	€29.1	40%
NAV/SOTP per share	€20.1	40%
P/E	€ 7.53	5%
EV/Ebitda	€ 0.00	5%
P/Book	€ 7.53	5%
Dividend Yield	€ 0.00	5%
TARGET PRICE	€20.4	100%

Largest comparables

- Neste
- Galp Energia
 Saras
 Hellenic Petroleum
- Acciona

NAV/SOTP Calculation

Balance Sheet		12/16A	12/17E	12/18E
Goodwill	€th	0.00	0.00	0.00
Total intangible	€th	542	492	492
Tangible fixed assets	€th	17,689	16,660	34,406
Financial fixed assets	€th	19.1	19.1	19.1
WCR	€th	164	1,259	1,549
Other assets	€th	3,380	3,386	3,386
Total assets (net of short term liab.)	€th	23,907	23,967	42,003
Ordinary shareholders' equity	€th	12,297	16,129	15,392
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	0.00
Other provisions for risks and liabilities	€th	33.8	0.00	0.00
Total provisions for risks and liabilities	€th	33.8	0.00	0.00
Tax liabilities	€th	0.00	0.00	0.00
Other liabilities	€th	564	705	705
Net debt (cash)	€th	11,014	7,133	25,907
Total liab. and shareholders' equity	€th	23,908	23,967	42,003
Capital Employed				
Capital employed after depreciation	€th	18,415	18,430	36,466
Profits & Risks Ratios				
ROE (after tax)	%	-26.1	-6.15	1.34
ROCE	%	-15.3	-2.11	2.60
Gearing (at book value)	0/	79.1	56.3	107
ocaning (at book value)	%			
Adj. Net debt/EBITDA(R)	% X	-3.83	9.16	9.22
		-3.83 -12.6	9.16 -1.75	9.22 1.80
Adj. Net debt/EBITDA(R)	x			
Adj. Net debt/EBITDA(R) Interest cover (x)	x			
Adj. Net debt/EBITDA(R) Interest cover (x) Valuation Ratios	X X	-12.6	-1.75	1.80
Adj. Net debt/EBITDA(R) Interest cover (x) Valuation Ratios Reference P/E (benchmark)	x x x	-12.6 - 8.85	-1.75 ns	1.80 ns
Adj. Net debt/EBITDA(R) Interest cover (x) Valuation Ratios Reference P/E (benchmark) Free cash flow yield	x x x %	-12.6 -8.85 -11.8	-1.75 ns -1.67	1.80 ns -28.5
Adj. Net debt/EBITDA(R) Interest cover (x) Valuation Ratios Reference P/E (benchmark) Free cash flow yield P/Book	x x x % x	-12.6 -8.85 -11.8 2.48	-1.75 ns -1.67 4.09	1.80 ns -28.5 4.28
Adj. Net debt/EBITDA(R) Interest cover (x) Valuation Ratios Reference P/E (benchmark) Free cash flow yield P/Book Dividend yield	x x x % x	-12.6 -8.85 -11.8 2.48	-1.75 ns -1.67 4.09	1.80 ns -28.5 4.28
Adj. Net debt/EBITDA(R) Interest cover (x) Valuation Ratios Reference P/E (benchmark) Free cash flow yield P/Book Dividend yield EV Calculation	x x % x %	-12.6 -8.85 -11.8 2.48 0.00	-1.75 ns -1.67 4.09 0.00	1.80 ns -28.5 4.28 0.00
Adj. Net debt/EBITDA(R) Interest cover (x) Valuation Ratios Reference P/E (benchmark) Free cash flow yield P/Book Dividend yield EV Calculation Market cap	x x % x % %	-12.6 -8.85 -11.8 2.48 0.00 30,546	-1.75 ns -1.67 4.09 0.00 65,943	1.80 ns -28.5 4.28 0.00 65,943
Adj. Net debt/EBITDA(R) Interest cover (x) Valuation Ratios Reference P/E (benchmark) Free cash flow yield P/Book Dividend yield EV Calculation Market cap + Provisions	x x x % x % % €th €th	-12.6 -8.85 -11.8 2.48 0.00 30,546 33.8	-1.75 ns -1.67 4.09 0.00 65,943 0.00	1.80 ns -28.5 4.28 0.00 65,943 0.00
Adj. Net debt/EBITDA(R) Interest cover (x) Valuation Ratios Reference P/E (benchmark) Free cash flow yield P/Book Dividend yield EV Calculation Market cap + Provisions + Unrecognised acturial losses/(gains)	x x % x % x % €th €th	-12.6 -8.85 -11.8 2.48 0.00 30,546 33.8 0.00	-1.75 ns -1.67 4.09 0.00 65,943 0.00 0.00	1.80 ns -28.5 4.28 0.00 65,943 0.00 0.00
Adj. Net debt/EBITDA(R) Interest cover (x) Valuation Ratios Reference P/E (benchmark) Free cash flow yield P/Book Dividend yield EV Calculation Market cap + Provisions + Unrecognised acturial losses/(gains) + Net debt at year end	x x % x % x % €th €th €th	-12.6 -8.85 -11.8 2.48 0.00 30,546 33.8 0.00 111,014	-1.75 ns -1.67 4.09 0.00 65,943 0.00 0.00 7,133	1.80 ns -28.5 4.28 0.00 65,943 0.00 0.00 25,907
Adj. Net debt/EBITDA(R) Interest cover (x) Valuation Ratios Reference P/E (benchmark) Free cash flow yield P/Book Dividend yield EV Calculation Market cap + Provisions + Unrecognised acturial losses/(gains) + Net debt at year end + Leases debt equivalent	x x % x % x % % €th €th €th €th	-12.6 -8.85 -11.8 2.48 0.00 30,546 33.8 0.00 111,014	-1.75 ns -1.67 4.09 0.00 65,943 0.00 0.00 7,133	1.80 ns -28.5 4.28 0.00 65,943 0.00 0.00 25,907
Adj. Net debt/EBITDA(R) Interest cover (x) Valuation Ratios Reference P/E (benchmark) Free cash flow yield P/Book Dividend yield EV Calculation Market cap + Provisions + Unrecognised acturial losses/(gains) + Net debt at year end + Leases debt equivalent - Financial fixed assets (fair value)	x x % x % £th €th €th €th €th	-12.6 -8.85 -11.8 2.48 0.00 30,546 33.8 0.00 111,014	-1.75 ns -1.67 4.09 0.00 65,943 0.00 0.00 7,133	1.80 ns -28.5 4.28 0.00 65,943 0.00 0.00 25,907
Adj. Net debt/EBITDA(R) Interest cover (x) Valuation Ratios Reference P/E (benchmark) Free cash flow yield P/Book Dividend yield EV Calculation Market cap + Provisions + Unrecognised acturial losses/(gains) + Net debt at year end + Leases debt equivalent - Financial fixed assets (fair value) + Minority interests (fair value)	x x % x % €th €th €th €th €th €th €th	-12.6 -8.85 -11.8 2.48 0.00 30,546 33.8 0.00 11,014 0.00	-1.75 ns -1.67 4.09 0.00 65,943 0.00 0.00 7,133 0.00	1.80 ns -28.5 4.28 0.00 65,943 0.00 0.00 25,907 0.00

Analyst : Marzio Foa, Changes to Forecasts : 30/10/2017.

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