



Drone Volt

Aerosp. & Defence Equipt. / France

COVID-19 delays profit and growth

Expansion in the Americas to increase profit - 19/04/2021

Change in EPS

2021 : € 0.00 vs 0.01	-62.7%
2022 : € 0.01 vs 0.03	-78.2%

Dilution of shares has caused a slight decrease in absolute terms in the EPS in the years to come. In addition, the 2020 results came in below our previous expectations.

Change in NAV

€ 0.36 vs 0.32	+15.0%
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The NAV has been augmented due to a better net cash forecast in the coming years. This is linked to the Aquiline Drones contract which we believe will generate more income than previously expected.

Change in DCF

€ 0.44 vs 0.38	+15.8%
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Once again, the increase in our Aquiline Drones contract expectations has increased the bottom line directly, generating additional cash. The impact of this contract should boost the EBITDA growth for the coming years, and we have raised the EBITDA future growth rate from 5.5% to 7.5%. We believe this will offset the problems linked to the training activities, which were heavily impacted by the pandemic.



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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 : 33.5%

Target Price (6 months) € 0.34

Share Price € 0.26

Market Cap. €M 53.2

Price Momentum **NEGATIVE**

Extremes 12Months 0.07 ▶ 0.39

Bloomberg ALDRV FP Equity

Reuters ALDRV.PA

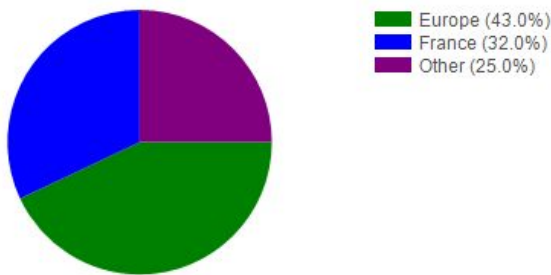

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PERF	1w	1m	3m	12m
Drone Volt	-1.91%	-8.94%	-3.46%	219%
Aerospace-Defence	1.58%	-0.20%	8.29%	54.7%
SXXR Index	1.26%	4.46%	9.16%	39.1%

Last updated: 19/04/2021	12/20A	12/21E	12/22E	12/23E
Adjusted P/E (x)	-3.05	59.2	42.5	12.1
Dividend yield (%)	0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)	-11.4	13.8	9.02	4.06
Adjusted EPS (€)	-0.05	0.00	0.01	0.02
Growth in EPS (%)	n/a	n/a	39.1	252
Dividend (€)	0.00	0.00	0.00	0.00
Sales (€th)	5,836	12,214	13,961	19,879
Other margin (%)	29.3	60.8	63.1	69.8
Attributable net profit (€th)	-6,591	875	1,228	4,323
ROE (after tax) (%)	-48.2	3.96	4.52	14.5
Gearing (%)	2.20	-31.9	-47.5	-50.5

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

Sales by Geography



Consolidated P&L Accounts

		12/20A	12/21E	12/22E
Sales	€th	5,836	12,214	13,961
Change in sales	%	-17.9	109	14.3
Change in staff costs	%	-5.12	5.40	17.0
EBITDA	€th	-2,065	2,527	2,981
EBITDA(R) margin	%	-35.4	20.7	21.4
Depreciation	€th			
Underlying operating profit	€th	-4,189	1,472	1,946
Operating profit (EBIT)	€th	-8,181	1,172	1,641
Net financial expense	€th	-673	-367	-378
of which related to pensions	€th		0.00	0.00
Exceptional items & other	€th			
Corporate tax	€th	2,011	-183	-287
Equity associates	€th			
Minority interests	€th	252	252	252
Adjusted attributable net profit	€th	-6,591	875	1,228
NOPAT	€th	-2,932	1,031	1,362

Cashflow Statement

		12/20A	12/21E	12/22E
EBITDA	€th	-2,065	2,527	2,981
Change in WCR	€th	913	7.80	-142
Actual div. received from equity holdi...	€th	0.00	0.00	0.00
Paid taxes	€th	2,011	-183	-287
Exceptional items	€th			
Other operating cash flows	€th	-347	-286	-225
Total operating cash flows	€th	512	2,066	2,327
Capital expenditure	€th	-2,036	-1,995	-1,955
Total investment flows	€th	-2,036	4,005	-1,955
Net interest expense	€th	-673	-367	-378
Dividends (parent company)	€th			
Dividends to minorities interests	€th	0.00	0.00	0.00
New shareholders' equity	€th	13,613	2,430	1,944
Total financial flows	€th	15,770	2,063	1,565
Change in cash position	€th	14,246	8,134	1,938
Free cash flow (pre div.)	€th	-2,197	-296	-5.93

Per Share Data

		12/20A	12/21E	12/22E
No. of shares net of treas. stock (year...	Th	198,523	202,300	202,300
Number of diluted shares (average)	Th	131,321	201,529	203,417
Benchmark EPS	€	-0.05	0.00	0.01
Restated NAV per share	€			
Net dividend per share	€	0.00	0.00	0.00

Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 0.44	35%	● KUKA
NAV/SOTP per share	€ 0.36	20%	
EV/Ebitda	€ 0.38	20%	
P/E	€ 0.15	10%	
Dividend Yield	€ 0.00	10%	
P/Book	€ 0.51	5%	
TARGET PRICE	€ 0.34	100%	

NAV/SOTP Calculation

Balance Sheet

		12/20A	12/21E	12/22E
Goodwill	€th	149	148	147
Total intangible	€th	7,321	7,639	8,033
Tangible fixed assets	€th	1,004	1,145	1,283
Financial fixed assets	€th			
WCR	€th	2,150	2,142	2,284
Other assets	€th	5,303	4,932	4,587
Total assets (net of short term liab.)	€th	16,332	16,440	16,797
Ordinary shareholders' equity	€th	18,103	26,122	28,177
Quasi Equity & Preferred	€th			
Minority interests	€th	-296	-355	-426
Provisions for pensions	€th		0.00	0.00
Other provisions for risks and liabilities	€th	50.0	57.5	66.1
Total provisions for risks and liabilities	€th	50.0	57.5	66.1
Tax liabilities	€th	0.00	0.00	0.00
Other liabilities	€th	2,747	3,022	3,324
Net debt (cash)	€th	-4,272	-12,406	-14,344
Total liab. and shareholders' equity	€th	16,332	16,440	16,797

Capital Employed

		12/20A	12/21E	12/22E
Capital employed after depreciation	€th	10,475	10,927	11,600

Profits & Risks Ratios

		12/20A	12/21E	12/22E
ROE (after tax)	%	-48.2	3.96	4.52
ROCE	%	-28.0	9.43	11.7
Gearing (at book value)	%	2.20	-31.9	-47.5
Adj. Net debt/EBITDA(R)	x	2.07	-4.91	-4.81
Interest cover (x)	x	-6.22	4.01	5.15

Valuation Ratios

		12/20A	12/21E	12/22E
Reference P/E (benchmark)	x	-3.05	59.2	42.5
Free cash flow yield	%	-7.23	-0.57	-0.01
P/Book	x	1.68	1.99	1.84
Dividend yield	%	0.00	0.00	0.00

EV Calculation

		12/20A	12/21E	12/22E
Market cap	€th	30,389	51,951	51,951
+ Provisions	€th	50.0	57.5	66.1
+ Unrecognised actuarial losses/(gains)	€th	0.00	0.00	0.00
+ Net debt at year end	€th	-4,656	-12,809	-14,767
+ Leases debt equivalent	€th	0.00	0.00	0.00
- Financial fixed assets (fair value)	€th	3,205	5,289	11,636
+ Minority interests (fair value)	€th	887	1,065	1,278
= EV	€th	23,464	34,975	26,892
EV/EBITDA(R)	x	-11.4	13.8	9.02
EV/Sales	x	4.02	2.86	1.93

Analyst : Romain Pierredon, Changes to Forecasts : 19/04/2021.