



Dolfines

Engineering-Heavy Constr. / France

Expanding services into wind

27/08/2021

Change in EPS

2021 : € -0.05 vs -0.07	ns
2022 : € -0.03 vs -0.05	ns

We have updated our model following the acquisition of 8.2 France. EPS 2021 and 2022 are up on the consolidation of 8.2 France in the accounts. We expect turnover of €2.43m in FY21 and €2.67m in FY22 from 8.2 France, and an EBITDA margin of c. 19%.

Change in NAV

€ 1.23 vs 1.36	-9.52%
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The NAV is down as we have added higher working capital (€0.2m) and the dilution of €1.2m of convertible debt into 2.4m shares. This is partly offset by the integration of 8.2 France (at €1m).



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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 : 49.1%

Target Price (6 months)	€ 0.69
Share Price	€ 0.46
Market Cap. €M	8.80
Price Momentum	UNFAVORABLE
Extremes 12Months	0.38 ▶ 1.55
Bloomberg	ALDOL FP Equity
Reuters	ALDOL.PA

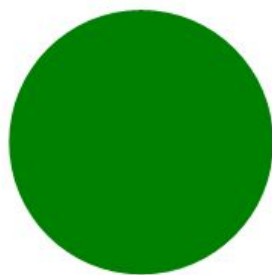

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PERF	1w	1m	3m	12m
Dolfines	-2.52%	-0.20%	-24.4%	-24.0%
Capital Goods	0.92%	4.38%	9.08%	34.2%
SXXR Index	0.68%	2.75%	6.11%	28.7%

Last updated: 27/08/2021	12/20A	12/21E	12/22E	12/23E
Adjusted P/E (x)	-3.44	-8.80	-14.7	-14.3
Dividend yield (%)	0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)	-5.76	-13.5	-33.1	-35.0
Adjusted EPS (€)	-0.15	-0.05	-0.03	-0.03
Growth in EPS (%)	n/a	n/a	n/a	n/a
Dividend (€)	0.00	0.00	0.00	0.00
Sales (€th)	2,525	5,480	6,873	8,307
EBIT margin (%)	-67.5	-15.8	-6.50	-4.93
Attributable net profit (€th)	-2,323	-1,117	-764	-793
ROE (after tax) (%)	-121	-38.7	-20.4	-21.5
Gearing (%)	79.4	15.6	-7.40	-7.47

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Sales by Geography



Other (100.0%)

Consolidated P&L Accounts

		12/20A	12/21E	12/22E
Sales	€th	2,525	5,480	6,873
Change in sales	%	-58.1	117	25.4
Change in staff costs	%	-49.6	116	12.9
EBITDA	€th	-1,827	-657	-289
EBITDA(R) margin	%	-72.4	-12.0	-4.20
Depreciation	€th			
Underlying operating profit	€th	-1,934	-928	-575
Operating profit (EBIT)	€th	-1,934	-928	-575
Net financial expense	€th	-71.6	-189	-189
of which related to pensions	€th		-2.85	-3.51
Exceptional items & other	€th	-306	0.00	0.00
Corporate tax	€th	-11.8	0.00	0.00
Equity associates	€th			
Minority interests	€th			
Adjusted attributable net profit	€th	-2,323	-1,117	-764
NOPAT	€th	-1,354	-647	-400

Cashflow Statement

EBITDA	€th	-1,827	-657	-289
Change in WCR	€th	0.00	-200	0.00
Actual div. received from equity holdi...	€th	0.00	0.00	0.00
Paid taxes	€th		0.00	0.00
Exceptional items	€th			
Other operating cash flows	€th			
Total operating cash flows	€th	-1,827	-857	-289
Capital expenditure	€th	-300	-300	-300
Total investment flows	€th	-300	-1,300	-300
Net interest expense	€th	-71.6	-189	-189
Dividends (parent company)	€th			
Dividends to minorities interests	€th	0.00	0.00	0.00
New shareholders' equity	€th	3,200	3,330	1,450
Total financial flows	€th	3,128	4,257	575
Change in cash position	€th	1,001	2,101	-14.1
Free cash flow (pre div.)	€th	-2,199	-1,346	-778

Per Share Data

No. of shares net of treas. stock (year...	Th	18,546	18,846	21,786
Number of diluted shares (average)	Th	15,637	21,366	24,436
Benchmark EPS	€	-0.15	-0.05	-0.03
Restated NAV per share	€			
Net dividend per share	€	0.00	0.00	0.00

Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 1.15	35%	● Nordex SE
NAV/SOTP per share	€ 1.23	20%	● TechnipFMC
EV/Ebitda	€ 0.00	20%	● Saipem
P/E	€ 0.23	10%	● Elecnor
Dividend Yield	€ 0.00	10%	
P/Book	€ 0.24	5%	
TARGET PRICE	€ 0.69	100%	

NAV/SOTP Calculation

Balance Sheet

		12/20A	12/21E	12/22E
Goodwill	€th			
Total intangible	€th	3,009	3,038	3,052
Tangible fixed assets	€th	10.3	10.3	10.3
Financial fixed assets	€th			
WCR	€th	821	1,021	1,021
Other assets	€th	82.7	57.1	57.1
Total assets (net of short term liab.)	€th	4,204	4,407	4,421
Ordinary shareholders' equity	€th	2,374	3,401	4,089
Quasi Equity & Preferred	€th			
Minority interests	€th	0.00	0.00	0.00
Provisions for pensions	€th		164	166
Other provisions for risks and liabilities	€th	25.5	25.5	25.5
Total provisions for risks and liabilities	€th	25.5	189	192
Tax liabilities	€th	781	781	781
Other liabilities	€th	0.00	0.00	0.00
Net debt (cash)	€th	1,023	35.4	-640
Total liab. and shareholders' equity	€th	4,204	4,407	4,421

Capital Employed

Capital employed after depreciation	€th	3,840	4,069	4,083
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Profits & Risks Ratios

ROE (after tax)	%	-121	-38.7	-20.4
ROCE	%	-35.2	-15.9	-9.79
Gearing (at book value)	%	79.4	15.6	-7.40
Adj. Net debt/EBITDA(R)	x	-0.56	-0.05	2.22
Interest cover (x)	x	-27.0	-4.98	-3.10

Valuation Ratios

Reference P/E (benchmark)	x	-3.44	-8.80	-14.7
Free cash flow yield	%	-23.2	-15.5	-7.76
P/Book	x	3.99	2.55	2.45
Dividend yield	%	0.00	0.00	0.00

EV Calculation

Market cap	€th	9,473	8,663	10,015
+ Provisions	€th	25.5	189	192
+ Unrecognised actuarial losses/(gains)	€th	0.00	0.00	0.00
+ Net debt at year end	€th	1,023	35.4	-640
+ Leases debt equivalent	€th	0.00	0.00	0.00
- Financial fixed assets (fair value)	€th			
+ Minority interests (fair value)	€th			
= EV	€th	10,521	8,888	9,566
EV/EBITDA(R)	x	-5.76	-13.5	-33.1
EV/Sales	x	4.17	1.62	1.39

Analyst : Kevin Vo, Changes to Forecasts : 27/08/2021.