



Drone Volt

Aerosp. & Defence Equipt. / France

Integrating the FY24 trading update

Banking on services and European-made drones - 17/01/2025

**Alexandre DESPREZ**

aerospacedefence@alphavalue.eu

+33 (0) 1 70 61 10 50

corporate.alphavalue.com

Change in EPS

2024 : € -0.30 vs -0.26	ns
2025 : € -0.11 vs -0.10	ns

We have integrated the sales and gross margin figures for the FY24 that came in slightly under our expectations due to a sudden slump in sales from the distribution side, resulting in a €6.9m shortfall in sales to €28.3m in distribution, partially mitigated by higher sales on the Drone Volt Factory, Academy and services side (c.€200k to €4.4m). Although the global gross margin rate was above expectations at 12.3%, the slump in distribution sales resulted in c.€800k lower gross margin to €4m, which has had a knock-on effect on the EPS for this year.

We have also slashed our 2025 sales estimate to take into account the much more rapid strategic change reflected in the deceleration in distribution. We now expect a 75% decline yoy to €8.5m compared to a 3% growth rate to €36.2m, resulting in a €2m lower gross margin from this division to €850k due to the lower volume, despite an increase to our gross margin rate to 10% (from 6%). However, the positive surprise on the Factory, Academy and Services side has led us to increase our sales forecast for 2025 from c.€8.2m to €9.4m as the refocusing is benefitting the division, resulting in a €600k higher gross result at €5.8m. Combined with the €400k cost-cutting program, there has been a slightly positive effect on the bottom line which partially offsets the 50% increase in the number of shares to 38.4m coming from the €2.7m capital raising and the 50%-odd conversion of the €2m bonds.

Change in NAV

€ 0.89 vs 1.53	-41.6%
----------------	--------

Our NAV is similarly affected by the 50% increase in the number of shares as well as by the lower sales figures expected for 2025. The impact on the gross asset valuation is c.€2.4m, taking the figure to €40.3m.

Change in DCF

€ 1.43 vs 2.07	-30.6%
----------------	--------

Our DCF is mainly impacted by the 50% increase in the number of shares (to c.8.8m) induced by the €2.7m capital raising and the potential conversion of the €2m bonds into 4m shares (c.50% conversion rate as the bonds could just act as a bridge loan, we assign a 50% probability to this event). We thus assume 38.4m shares compared to 25m previously at end-25.

This research has been commissioned and paid for by the company and does therefore not constitute an inducement caught by the prohibition under MiFID II

Buy Upside : 122%

Target Price (6 months)	€ 0.78
Share Price	€ 0.35
Market Cap. €M	13.4
Price Momentum	UNFAVORABLE
Extremes 12 Months	0.33 ▶ 1.01
Bloomberg	ALDRV FP Equity
Reuters	ALDRV.PA

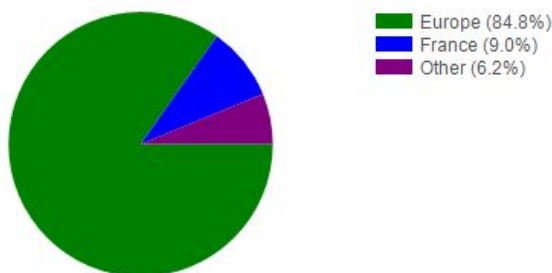
[Download Full Analysis](#)[Company Page](#)

PERF	1w	1m	3m	12m
Drone Volt	-29.8%	1.98%	-16.7%	-65.5%
Aerospace-Defence	1.44%	3.16%	9.27%	30.1%
SXXR Index	0.84%	1.31%	0.39%	12.9%

Last updated: 17/01/2025	12/23A	12/24E	12/25E	12/26E
Adjusted P/E (x)	-2.48	-2.17	-3.25	5.10
Dividend yield (%)	0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)	-11.8	-10.5	ns	3.68
Adjusted EPS (€)	-0.53	-0.30	-0.11	0.07
Growth in EPS (%)	n/a	n/a	n/a	n/a
Dividend (€)	0.00	0.00	0.00	0.00
Sales (€th)	23,993	32,681	17,915	25,569
Other margin (%)	15.3	12.3	37.0	48.3
Attributable net profit (€th)	-5,329	-6,087	-3,434	2,633
ROE (after tax) (%)	-26.3	-26.6	-15.0	10.8
Gearing (%)	16.1	21.3	27.2	19.2

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

Sales by Geography



Consolidated P&L Accounts

		12/23A	12/24E	12/25E
Sales	€th	23,993	32,681	17,915
Change in sales	%	74.7	36.2	-45.2
Change in staff costs	%	29.6	18.0	7.10
EBITDA	€th	-2,245	-2,440	25.9
EBITDA(R) margin	%	-9.36	-7.47	0.14
Depreciation	€th			
Underlying operating profit	€th	-4,816	-5,218	-2,661
Operating profit (EBIT)	€th	-5,286	-6,018	-3,496
Net financial expense	€th	-211	-201	-343
of which related to pensions	€th		0.00	0.00
Exceptional items & other	€th			
Corporate tax	€th	-544	-615	-380
Equity associates	€th			
Minority interests	€th	712	748	785
Adjusted attributable net profit	€th	-5,329	-6,087	-3,434
NOPAT	€th	-3,612	-3,914	-1,996

Cashflow Statement

		12/23A	12/24E	12/25E
EBITDA	€th	-2,245	-2,440	25.9
Change in WCR	€th	-1,792	-1,931	668
Actual div. received from equity holdi...	€th	0.00	0.00	0.00
Paid taxes	€th	534	-615	-380
Exceptional items	€th			
Other operating cash flows	€th	-844	100	100
Total operating cash flows	€th	-4,347	-4,887	414
Capital expenditure	€th	-4,351	-3,916	-3,524
Total investment flows	€th	-5,088	-3,916	-3,524
Net interest expense	€th	-211	-201	-343
Dividends (parent company)	€th			
Dividends to minorities interests	€th	0.00	0.00	0.00
New shareholders' equity	€th	5,889	6,625	3,200
Total financial flows	€th	8,629	8,782	3,857
Change in cash position	€th	-806	-20.4	747
Free cash flow (pre div.)	€th	-8,909	-9,004	-3,453

Per Share Data

		12/23A	12/24E	12/25E
No. of shares net of treas. stock (year...	Th	15,017	25,519	38,355
Number of diluted shares (average)	Th	9,993	20,268	31,937
Benchmark EPS	€	-0.53	-0.30	-0.11
Restated NAV per share	€			
Net dividend per share	€	0.00	0.00	0.00

Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 1.43	35%	
NAV/SOTP per share	€ 0.89	20%	
EV/Ebitda	€ 0.23	20%	
P/E	€ 0.18	10%	
Dividend Yield	€ 0.00	10%	
P/Book	€ 0.70	5%	
TARGET PRICE	€ 0.78	100%	

NAV/SOTP Calculation

Balance Sheet

		12/23A	12/24E	12/25E
Goodwill	€th	685	706	727
Total intangible	€th	9,918	10,453	11,017
Tangible fixed assets	€th	1,342	1,382	1,424
Financial fixed assets	€th			
WCR	€th	1,736	3,667	2,999
Other assets	€th	5,403	5,565	5,732
Total assets (net of short term liab.)	€th	24,106	26,834	26,999
Ordinary shareholders' equity	€th	22,706	23,043	22,875
Quasi Equity & Preferred	€th			
Minority interests	€th	-2,704	-2,677	-2,650
Provisions for pensions	€th	63.0	0.00	0.00
Other provisions for risks and liabilities	€th	292	336	386
Total provisions for risks and liabilities	€th	355	336	386
Tax liabilities	€th	0.00	0.00	0.00
Other liabilities	€th	23.0	25.3	27.8
Net debt (cash)	€th	3,728	6,106	6,360
Total liab. and shareholders' equity	€th	24,108	26,834	26,999

Capital Employed

		12/23A	12/24E	12/25E
Capital employed after depreciation	€th	12,996	15,502	15,440

Profits & Risks Ratios

		12/23A	12/24E	12/25E
ROE (after tax)	%	-26.3	-26.6	-15.0
ROCE	%	-27.8	-25.2	-12.9
Gearing (at book value)	%	16.1	21.3	27.2
Adj. Net debt/EBITDA(R)	x	-1.82	-2.64	260
Interest cover (x)	x	-22.8	-26.0	-7.76

Valuation Ratios

		12/23A	12/24E	12/25E
Reference P/E (benchmark)	x	-2.48	-2.17	-3.25
Free cash flow yield	%	-44.8	-54.1	-25.7
P/Book	x	0.87	0.72	0.59
Dividend yield	%	0.00	0.00	0.00

EV Calculation

		12/23A	12/24E	12/25E
Market cap	€th	19,867	16,647	13,424
+ Provisions	€th	355	336	386
+ Unrecognised actuarial losses/(gains)	€th	0.00	0.00	0.00
+ Net debt at year end	€th	3,676	6,052	6,303
+ Leases debt equivalent	€th	0.00	0.00	0.00
- Financial fixed assets (fair value)	€th	208	177	
+ Minority interests (fair value)	€th	2,704	2,677	2,650
= EV	€th	26,394	25,535	22,763
EV/EBITDA(R)	x	-11.8	-10.5	ns
EV/Sales	x	1.10	0.78	1.27

Analyst : Alexandre Desprez, Changes to Forecasts : 17/01/2025.