



# Dolfines

Engineering-Heavy Constr. / France

## Expanding services into wind

10/11/2021

### Change in EPS

2021 : € -0.06 vs -0.05	ns
2022 : € -0.04 vs -0.03	ns

The EPS are down as we have adjusted our estimates following the H1 update. All in all, we have increased the cost base slightly, justified by the restarting of the services division and the end of temporary unemployment measures.

### Change in NAV

€ 1.19 vs 1.23	-3.48%
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The NAV is down as we have trimmed our valuation for the audit & inspection division, taking the average of the EBIT for FY23-24, at €0.33m vs €0.4m previously, and using a multiple of 8.5x vs 9x previously, as a discount against our estimates.

### Change in DCF

€ 1.06 vs 1.14	-7.11%
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The DCF is down on our lower estimates for FY21 and FY22, with EBITDA down by c. €250k for FY21 and €120k for FY22.



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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 : **61.7%**

Target Price (6 months)	€ 0.64
Share Price	€ 0.40
Market Cap. €M	7.57
Price Momentum	<b>NEGATIVE</b>
Extremes 12Months	0.38 ▶ 1.55
Bloomberg	ALDOL FP Equity
Reuters	ALDOL.PA

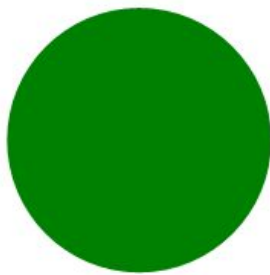

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PERF	1w	1m	3m	12m
Dolfines	-0.95%	-10.9%	-4.47%	-18.5%
Capital Goods	0.76%	5.84%	-2.30%	23.3%
SXXR Index	0.68%	5.65%	2.99%	29.5%

Last updated: 10/11/2021	12/20A	12/21E	12/22E	12/23E
Adjusted P/E (x)	-3.44	-6.13	-10.8	-10.5
Dividend yield (%)	0.00	0.00	0.00	0.00
EV/EBITDA(R) (x)	-5.76	-8.65	-20.6	-21.8
Adjusted EPS (€)	-0.15	-0.06	-0.04	-0.04
Growth in EPS (%)	n/a	n/a	n/a	n/a
Dividend (€)	0.00	0.00	0.00	0.00
Sales (€th)	2,525	6,030	7,273	8,307
EBIT margin (%)	-67.5	-18.2	-7.56	-6.63
Attributable net profit (€th)	-2,323	-1,377	-891	-934
ROE (after tax) (%)	-121	-50.0	-26.0	-28.9
Gearing (%)	79.4	21.0	0.59	7.67

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## Sales by Geography



Other (100.0%)

## Consolidated P&L Accounts

		12/20A	12/21E	12/22E
Sales	€th	2,525	6,030	7,273
Change in sales	%	-58.1	139	20.6
Change in staff costs	%	-49.6	151	11.1
EBITDA	€th	-1,827	-917	-416
<b>EBITDA(R) margin</b>	%	<b>-72.4</b>	<b>-15.2</b>	<b>-5.72</b>
Depreciation	€th			
Underlying operating profit	€th	-1,934	-1,188	-702
<b>Operating profit (EBIT)</b>	<b>€th</b>	<b>-1,934</b>	<b>-1,188</b>	<b>-702</b>
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			
<b>Adjusted attributable net profit</b>	<b>€th</b>	<b>-2,323</b>	<b>-1,377</b>	<b>-891</b>
NOPAT	€th	-1,354	-830	-489

## Cashflow Statement

EBITDA	€th	-1,827	-917	-416
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	-1,117	-416
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	1,840	-141
<b>Free cash flow (pre div.)</b>	<b>€th</b>	<b>-2,199</b>	<b>-1,606</b>	<b>-905</b>

## 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
<b>Benchmark EPS</b>	<b>€</b>	<b>-0.15</b>	<b>-0.06</b>	<b>-0.04</b>
Restated NAV per share	€			
<b>Net dividend per share</b>	<b>€</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 1.06	35%	<ul style="list-style-type: none"> <li>● Nordex SE</li> <li>● TechnipFMC</li> <li>● Saipem</li> <li>● Elecnor</li> </ul>
NAV/SOTP per share	€ 1.19	20%	
EV/Ebitda	€ 0.00	20%	
P/E	€ 0.20	10%	
Dividend Yield	€ 0.00	10%	
P/Book	€ 0.22	5%	
<b>TARGET PRICE</b>	<b>€ 0.64</b>	<b>100%</b>	

### 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
<b>Ordinary shareholders' equity</b>	<b>€th</b>	<b>2,374</b>	<b>3,140</b>	<b>3,701</b>
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
<b>Net debt (cash)</b>	<b>€th</b>	<b>1,023</b>	<b>296</b>	<b>-252</b>
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

<b>ROE (after tax)</b>	%	<b>-121</b>	<b>-50.0</b>	<b>-26.0</b>
ROCE	%	-35.2	-20.4	-12.0
<b>Gearing (at book value)</b>	%	<b>79.4</b>	<b>21.0</b>	<b>0.59</b>
Adj. Net debt/EBITDA(R)	x	-0.56	-0.32	0.61
Interest cover (x)	x	-27.0	-6.38	-3.78

## Valuation Ratios

<b>Reference P/E (benchmark)</b>	<b>x</b>	<b>-3.44</b>	<b>-6.13</b>	<b>-10.8</b>
Free cash flow yield	%	-23.2	-21.6	-10.5
P/Book	x	3.99	2.37	2.33
<b>Dividend yield</b>	%	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## EV Calculation

Market cap	€th	9,473	7,453	8,616
+ 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	296	-252
+ 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	7,939	8,556
<b>EV/EBITDA(R)</b>	<b>x</b>	<b>-5.76</b>	<b>-8.65</b>	<b>-20.6</b>
EV/Sales	x	4.17	1.32	1.18

Analyst : Kevin Vo, Changes to Forecasts : 10/11/2021.