

Analysar

29 September 2023

Buy

Recommendation unchanged

Share price: EUR 1.47

closing price as of 28/09/2023

Target price: EUR 2.00

Target Price unchanged

Upside/Downside Potential 36.5%

Reuters/Bloomberg

PLC.MI/PLC IM

Market capitalisation (EURm) 38

Current N° of shares (m) 26

Free float 26%

Daily avg. no. trad. sh. 12 mth (k) 11

Daily avg. trad. vol. 12 mth (k) 2.80

Price high/low 12 months 1.60 / 1.30

Abs Perfs 1/3/12 mths (%) -1.68/5.40/-16.52

Key financials (EUR) 12/21 12/22e 12/23e

Sales (m) 75 74 77

EBITDA (m) 8 (2) 1

EBITDA margin 10.2% nm 1.0%

EBIT (m) 5 (5) (2)

EBIT margin 6.5% nm nm

Net Profit (adj.)(m) 3 (4) (2)

ROCE 10.2% -9.8% -4.4%

Net debt/(cash) (m) 3 7 9

Net Debt/Equity 0.1 0.3 0.4

Debt/EBITDA 0.3 -3.8 12.0

Int. cover(EBITDA/Fin. int) 8.2 (4.8) 1.1

EV/Sales 0.8 0.7 0.6

EV/EBITDA 7.5 nm 62.1

EV/EBITDA (adj.) 7.5 nm 62.1

EV/EBIT 11.8 nm nm

P/E (adj.) 18.8 nm nm

P/BV 1.9 1.7 1.7

OpFCF yield -1.4% -11.2% -5.5%

Dividend yield 0.0% 0.0% 0.0%

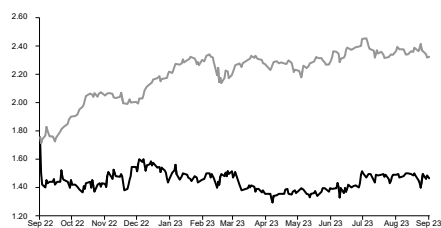
EPS (adj.) 0.11 (0.15) (0.08)

BVPS 1.09 0.94 0.86

DPS 0.00 0.00 0.00

Shareholders

Fraes 74%;



Source: FactSet

PLC FTSE Italy All Share (Rebased)

Analyst(s)

Gian Marco Gadini

gianmarco.gadini@bancaakros.it

+39 02 4344 4236

H1 23pre: results expected in line with the FY target

The facts: PLC is due to release its H1 23 results today.

Our analysis: We summarise our estimates below.

EUR m	H1 23E	H1 22A	Δ% Y/Y	H1 22 If*	Δ% Y/Y
Total sales	33.0	30.7	7.4%	26.9	22.8%
EBITDA	0.0	-2.9	nm	-1.6	nm
As a % of sales	0.0%	-9.4%		-6.1%	
EBIT	-3.4	-4.6	nm		
As a % of sales	-10.4%	-14.9%			
Pre-tax profit	-3.5	-4.7	nm		
Net profit	-3.2	-4.4	nm		
Net financial debt	5.0	1.9	nm		

(* Pro-forma data for H1 22 are based on Banca Akros' calculation, to exclude the contribution of Monsson perimeter (discontinued as of FY 22 and sold on 5 April 2023)

We expect H1 23 results to be on track to reach the FY guidance.

Revenues ought to grow significantly on a like-for-like basis (~23% Y/Y), i.e. excluding the Monsson perimeter, which was still included in the scope of consolidation in H1 22. We expect the Construction segment to show signs of recovery, after the tough H1 22, thanks to the sound order intake. As disclosed on 10 July, PLC had a backlog of EUR 93m at the end of June 2023, o/w EUR 60m in Construction contracts. The Service segment (ex-Monsson) ought to confirm its positive growth and profitability.

We forecast an EBITDA at break-even, on the conservative side of the "EUR 0/1m" range for FY 23.

Below EBITDA, we have forecast write-off totalling ~EUR 2m referring to the waiver of the EUR 1m shareholder loan granted to Monsson within the disposal agreement and other receivables owed by the subsidiary.

As regards the net debt, we expect a marginal absorption, mainly due to the development of the Construction activity, and the cash impact of the waiver of credits. As such, we expect net debt to reach EUR 5m, vs. EUR 2.9m as at 31 Dec 2023.

Conclusion & Action: we expect a solid release, in line with the FY targets. The worst seems over, while the backlog increase the visibility on the short-term goals.