

**PLC****Sponsored Research****Italy | Energy****Analysar****22 December 2023****Buy**

Recommendation unchanged

**Share price: EUR 1.51**

closing price as of 21/12/2023

**Target price: EUR 2.00**

Target Price unchanged

**Upside/Downside Potential 32.5%**

Reuters/Bloomberg

PLC.MI/PLC IM

**Market capitalisation (EURm) 39**

Current N° of shares (m) 26

**Free float 26%**

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

Daily avg. trad. vol. 12 mth (k) 13.61

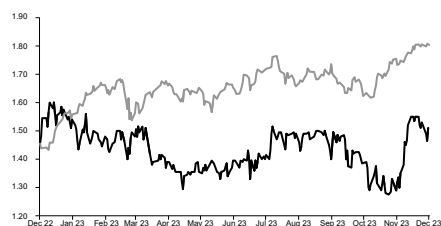
Price high/low 12 months 1.60 / 1.28

Abs Perfs 1/3/12 mths (%) 14.39/7.86/3.78

Key financials (EUR)	12/22	12/23e	12/24e
Sales (m)	60	77	89
EBITDA (m)	(6)	1	5
EBITDA margin	nm	1.0%	5.1%
EBIT (m)	(13)	(2)	2
EBIT margin	nm	nm	1.8%
Net Profit (adj.)(m)	(13)	(2)	1
ROCE	-47.5%	-7.5%	5.8%
Net debt/(cash) (m)	3	5	4
Net Debt/Equity	0.2	0.4	0.3
Debt/EBITDA	-0.5	6.4	0.8
Int. cover(EBITDA/Fin. int)	(104.1)	2.7	9.1
EV/Sales	0.7	0.6	0.5
EV/EBITDA	nm	57.2	9.6
EV/EBITDA (adj.)	nm	57.2	9.6
EV/EBIT	nm	nm	26.9
P/E (adj.)	nm	nm	47.9
P/BV	3.1	3.3	3.1
OpFCF yield	8.3%	-6.0%	2.3%
Dividend yield	0.0%	0.0%	0.0%
EPS (adj.)	(0.50)	(0.07)	0.03
BVPS	0.52	0.45	0.48
DPS	0.00	0.00	0.00

**Shareholders**

Fraes 74%;



Source: FactSet

— PLC      — FTSE Italy All Share (Rebased)

**Analyst(s)**

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**Trading update: recovery goes on. New sustainability plan to FY 27****The facts:** PLC released yesterday a trading update.

**Our analysis:** The group disclosed **9M 23 revenues of EUR 49.2m** (EUR 33m in H1 23, +23.5% Y/Y lfl), of which EUR 26.1m in the Construction segment (EUR 17.6m in H1 23, +56% Y/Y) and EUR 23.1m in the Service segment (EUR 12.7m in H1 23, +8.4% Y/Y lfl). The **EBITDA “further improved”** compared with H1 23 results (EUR 0.7m) and confirmed to return to positive margins.

The **net debt came in at EUR 3.4m** as at 30 September 2023, slightly worse than the H1 23 figure (EUR 2.8m) but in line with the business plan targets.

The **backlog as at 30 November 2023 stood at EUR 112m** (of which EUR 62m in Construction and EUR 50m in Services), compared with EUR 110m as at 30 June 2023. We estimate that the order intake since June 2023 was in excess of EUR 15m, of which ~EUR 10m linked to the already disclosed contracts with RWE, Lampino Wind and E-Distribuzione in the Construction segments.

In addition, the commercial pipeline (projects under negotiation) rose to EUR 127m vs. EUR 100m as at 30 June 2023, almost entirely in the Construction segment.

PLC has also announced that the BoD has approved a **new 2024/27 sustainability plan** with short- and long-term actions in the Environmental (with projects concerning decarbonisation, circular economy and biodiversity), Social (well-being, training, health & safety and impact on the territory) and Governance (sustainable finance, risk management, integration and transparency of supply chain).

**Conclusion & Action:** the trading update supports our FY 23 estimates. Although our revenue forecast (EUR 77m) seems a bit challenging, we believe the group will meet our EBITDA (EUR 0.8m) and net debt (EUR 5m) estimates. The order intake is solid and increases visibility on FY 24. Recommendation and target confirmed.