

PLC

Sponsored Research

Italy | Energy



Analysar

28 March 2024

Buy

Recommendation unchanged

Share price: EUR 1.78

closing price as of 27/03/2024

Target price: EUR 2.00

Target Price unchanged

Upside/Downside Potential 12.4%

Reuters/Bloomberg

PLC.MI/PLC IM

Market capitalisation (EURm) 46

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) 71.90

Price high/low 12 months 1.91 / 1.28

Abs Perfs 1/3/12 mths (%) 19.46/9.20/17.49

Key financials (EUR)

12/22 12/23e 12/24e

Sales (m) 60 65 89

EBITDA (m) (6) 1 5

EBITDA margin nm 1.2% 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 6.3 0.8

Int. cover(EBITDA/Fin. int) (104.1) 2.7 9.0

EV/Sales 0.7 0.8 0.6

EV/EBITDA nm 62.1 11.2

EV/EBITDA (adj.) nm 62.1 11.2

EV/EBIT nm nm 31.2

P/E (adj.) nm nm nm

P/BV 3.1 3.8 3.7

OpFCF yield 8.3% -5.0% 1.6%

Dividend yield 0.0% 0.0% 0.0%

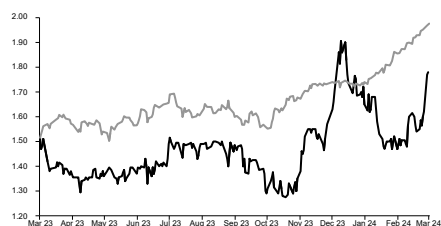
EPS (adj.) (0.50) (0.07) 0.03

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)

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FY 23 results: better-than-expected EBITDA and net debt**The facts:** PLC published its FY 23 results yesterday.**Our analysis:** we summarise the main lines of the release below.

EUR m	FY 2023	FY 2022p*	Δ% Y/Y	2023E
Total sales	66.7	47.4	40.8%	65.2
o/w Construction	37.4	18.0	108.1%	35.0
o/w Services	24.1	21.0	14.6%	24.2
EBITDA	3.6	-6.6	nm	0.8
as a % of sales	5.4%	-13.9%		1.2%
EBIT	2.1	-12.5	nm	-2.1
as a % of sales	3.1%	-26.4%		-3.2%
Net profit	0.8	-15.9	nm	-1.8
Net financial debt	-1.3	2.9	nm	5.0

(*FY 22 are restated to exclude the contribution of Schmack Biogas (discontinued as of FY 23 and sold on 7 March 2024).

Revenues were slightly better than our estimates, thanks to the Construction business.

EBITDA was much better than expected and above the company's guidance of "EUR 0/1m", as both segments improved their profitability. The EBITDA margin of the Construction segment stood at 9.2% (vs. -39% in FY 22), while the Service segment posted 27.6% EBITDA margin (21.4% in FY 22).

The net financial position turned to EUR 1.3m net cash (from EUR 2.8m net debt as at 30 June 2023 and EUR 5.0m net debt as at 31 December 2022) mainly thanks to the downpayments cashed-in for the execution of contracts. The net cash position includes the impact of the waived credits to Monsson (for EUR 1.9m) granted under the disposal agreement.

The BoD will propose a DPS EUR 7c/sh for a total cash outflow of ~EUR 1.8m.

Outlook. Despite the disposal of Schmack Biogas, which was originally included in the business plan projections, the management confirmed the FY 24 EBITDA guidance of "EUR 4/6m".

Conclusion & Action: better than expected results. Our FY 24 EBITDA estimate of EUR 4.7m is in line with the company's guidance. Pending the update of our estimates, we confirm our positive recommendation on the stock.