

Company Profile

Corporate Events

Buy

Recommendation unchanged

Share price: EUR 1.50

closing price as of 18/09/2024

Target price: EUR 2.20

Target Price unchanged

Upside/Downside Potential 47.2%

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) 11

Daily avg. trad. vol. 12 mth (k) 42.91

Price high/low 12 months 1.91 / 1.28

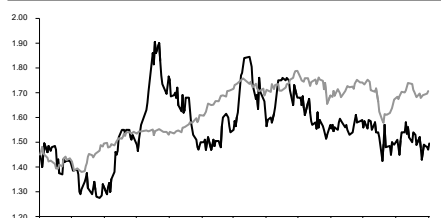
Abs Perfs 1/3/12 mths (%) 0.34/-3.86/3.10

Key financials (EUR)

	12/23	12/24e	12/25e
Sales (m)	67	73	83
EBITDA (m)	4	5	7
EBITDA margin	5.4%	6.2%	8.8%
EBIT (m)	2	3	5
EBIT margin	3.1%	3.4%	6.4%
Net Profit (adj.)(m)	1	1	4
ROCE	10.5%	12.6%	22.3%
Net debt/(cash) (m)	(1)	(5)	(4)
Net Debt/Equity	-0.1	-0.3	-0.2
Debt/EBITDA	-0.4	-1.0	-0.5
Int. cover(EBITDA/Fin. int)	8.1	9.0	19.4
EV/Sales	0.6	0.5	0.5
EV/EBITDA	11.8	8.1	5.1
EV/EBITDA (adj.)	11.8	8.1	5.1
EV/EBIT	20.5	14.5	7.0
P/E (adj.)	36.9	26.3	10.4
P/BV	3.5	2.4	2.2
OpFCF yield	7.3%	6.0%	2.1%
Dividend yield	0.0%	4.7%	5.0%
EPS (adj.)	0.05	0.06	0.14
BVPS	0.49	0.62	0.69
DPS	0.00	0.07	0.08

Shareholders

Fraes 74%;



Source: FactSet

— PLC — FTSE Italy All Share (Rebased)

Analyst(s)

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H1 24pre: sound results expected

The facts: PLC is due to release its H1 24 results on 30 September 2024.

Our analysis: We summarise our estimates below.

EUR m	H1 24E	H1 23 pf*	Δ% Y/Y	H1 23A	Δ% Y/Y
Total sales	37.1	28.9	28.4%	33.1	12.2%
o/w Construction	16.7	16.0	4.0%	17.6	-5.2%
o/w Services	20.4	10.1	102%	12.7	60.5%
EBITDA	2.8	0.9	214%	0.7	291%
as a % of sales	7.6%	3.1%		2.2%	
EBIT	1.8			-0.6	nm
as a % of sales	4.9%			-1.7%	
Pre-tax profit	6.6			-1.7	nm
Net profit	6.1			-1.6	nm
Net debt/(cash)	-1.8			2.8	nm

(*) Pro-forma data for H1 23 are based on Banca Akros' calculation, to exclude the contribution of Schmack Biogas (discontinued as of FY 23 and sold on 7 March 2024)

We expect H1 24 results to be supportive to reach our FY estimates.

Revenues ought to grow significantly on a like-for-like basis (~28% Y/Y), i.e. excluding Schmack Biogas, which was still included in the scope of consolidation in H1 23.

We expect the Construction segment to have fully recovered from the issues that affected some large projects in FY 22 and H1 23. The Service segment ought to benefit from two contracts (worth EUR ~17m globally) signed with Acea and Erg in H2 23 for the revamping of some solar plants. Given the expected duration of the contract ("due to be completed by Q2 24"), we estimate that ~60% of the total amount was booked in H1 24, on top of the recurring service business yielding EUR ~9/10m in revenues.

We forecast an EBITDA of EUR 2.8m in H1 24, with a sizeable improve in margins (from 3.1% to 7.6%).

As regards the net financial position, we expect a normalisation in NWC, mainly due to the development of the Construction activity, more than offset by the cash-in of the Schmack Biogas disposal. As such, we expect the net cash to reach EUR 1.8m, vs. EUR 1.3m as of 31 December 2023.

Conclusion & Action: we expect a solid release, in line to reach our FY estimates. The backlog remains at healthy levels (EUR ~100m at the beginning of July vs. EUR 97m at the end of FY 23) and increases the visibility on the short-term goals. Recommendation and target confirmed.