

## Sponsored Research

## Italy | Energy

## Analysers

12 November 2024

## Company Profile

## Corporate Events

## Buy

Recommendation unchanged

**Share price: EUR 1.53**

closing price as of 11/11/2024

**Target price: EUR 2.30**

Target Price unchanged

**Upside/Downside Potential 50.8%**

Reuters/Bloomberg

PLC.MI/PLC IM

**Market capitalisation (EURm) 40**

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) 27.85

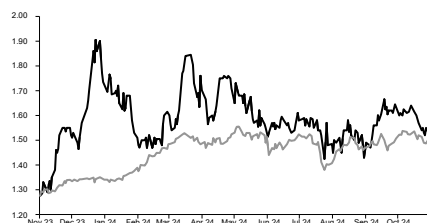
Price high/low 12 months 1.91 / 1.28

Abs Perfs 1/3/12 mths (%) -7.29/2.69/19.14

Key financials (EUR)	12/23	12/24e	12/25e
Sales (m)	67	83	81
EBITDA (m)	4	6	8
EBITDA margin	5.4%	7.2%	9.3%
EBIT (m)	2	4	6
EBIT margin	3.1%	5.1%	7.1%
Net Profit (adj.)(m)	1	3	4
ROCE	21.0%	25.4%	28.6%
Net debt/(cash) (m)	(1)	(5)	(6)
Net Debt/Equity	-0.1	-0.3	-0.3
Debt/EBITDA	-0.4	-0.9	-0.8
Int. cover(EBITDA/Fin. int)	8.1	12.0	21.6
EV/Sales	0.6	0.4	0.4
EV/EBITDA	11.8	5.9	4.7
EV/EBITDA (adj.)	7.5	4.5	3.7
EV/EBIT	20.5	8.5	6.2
P/E (adj.)	36.9	14.7	9.8
P/BV	3.5	2.0	1.8
OpFCF yield	7.3%	10.2%	5.6%
Dividend yield	0.0%	4.6%	4.9%
EPS (adj.)	0.05	0.10	0.16
BVPS	0.49	0.76	0.84
DPS	0.00	0.07	0.08

## Shareholders

Fraes 74%;



Source: FactSet

— PLC — FTSE Italy All Share (Rebased)

## Analyst(s)

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## New contract worth ~EUR 13.5m signed

**The facts:** PLC was awarded a contract for the engineering, procurement, construction, testing and commissioning of four primary electrical substations by E-Distribuzione.

**Our analysis:** PLC, through its subsidiary PLC Systems, is acting as agent for a temporary group of companies. PLC's share of the contract is worth ~EUR 13.5m and concerns the engineering, procurement, construction, testing and commissioning of four primary electrical substations, 3 located in the central-southern Italy and 1 located in the central-northern Italy. E-distribuzione also has the option to award the temporary consortium further works worth up to ~EUR 13m.

Works are due to be completed by the end of Q4 2026.

**Conclusion & Action:** in addition to the agreement with E-Distribuzione, the group also mentioned the signing of further ~EUR 8m contracts. As a result, PLC's backlog reached ~EUR 110m (more than 1.3x the revenues expected for 2025). We confirm our positive recommendation on the stock.