

# EGIDE

Euronext Growth - FR0000072373 – ALGID

## ✓ Significant improvement in results

- ✓ 2023 results in line with our expectations.
- ✓ 2024 revenue and results expected to be equivalent to those of 2023.

In 2023, Egide suffered from liquidity shortages in the second half of the year, which led to difficulties in financing working capital requirements in the United States. Consequently, there was a decline in activity in the US during the second half of the year, unable to meet the increase in the order book. This was compounded by ongoing recruitment difficulties.

To address this issue, two capital increases were carried out, raising a net amount of €3.6 million.

In terms of results, comparing to 2022 and reintegrating the USA, which were considered discontinued operations as the question of sale had arisen, there has been a significant improvement in line with our expectations.

Purchases improved by 4 percentage points as a percentage of revenue (40.8% vs. 44.7%) and decreased by 1%. Personnel expenses increased by +5.8% vs. +8.4% for the activity. These elements resulted in a positive EBITDA (€0.03 million) vs. -€1.6 million in restated data.

With depreciation charges of -€2.1 million vs. -€2.7 million, operating profit amounted to -€2 million vs. -€4.3 million. Net profit decreased from -€5.6 million in restated data to -€3.1 million, with financial results of -€1.1 million vs. -€0.7 million.

Regarding the balance sheet, there is a noticeable improvement in stocks and accounts receivable, which stand at 69 and 62 days of revenue respectively, compared to an average of 79 and 71 days. Suppliers, on the other hand, remain at their average level of 63 days. This results in a working capital requirement of 88 days vs. an average of just over 100 days. The difficulties encountered in financing working capital likely played a role.

Finally, in terms of financial debt compared to restated data, they decreased from €9.6 million to €9.2 million excluding lease debts, and net financial debts decreased from €8.5 million to €6 million, resulting in a gearing ratio of 85% vs. 130%.

In conclusion, despite a challenging situation in the USA, a significant optimization effort can be observed.

### Outlook:

Management aims for stable activity in 2024 due to uncertainties related to Egide SA, which is expected to suffer from unfavorable "geopolitical factors" leading to a decline in its activity, offset by expected growth in the Americas. Similarly, results are expected to be stable compared to 2023. We adjust our 2024 results forecasts accordingly.

The group plans to expand its product range, which should allow it to increase its customer portfolio. Indeed, as we have often mentioned, Egide suffers from a too significant concentration of its largest customers (top 5 account for over 60% of revenue).

Given its strong focus on the "military" sector, the group should benefit from the current context. The key remains commercial development, a historical weakness of Egide, although 2023 was the best in terms of volume since 2001...

### Opinion & Price Target: Buy vs. Neutral / €0.87 vs. €0.95

Patience will be required as 2024 will not bring any particular surprises. Current price levels are attractive, but positioning can only be justified to play an interesting entry point and be in a long-term perspective.

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# BUY vs Neutral

## 2023 Annual Results

BPI Label – Innovative company- PEA-PME Eligible

**TARGET** BEFORE  
**€ 0.87** € 0.95

**SHARE PRICE (04/30/24)** POTENTIAL  
**€ 0.608** **+44%**

**CAPITALISATION** FLOTTANT  
**€ 9.9m** € 7.5m

Ratios	2023	2024e	2025e
EV/Sales	0,53	0,51	0,51
EV/EBIT	nr	nr	nr
P/E	nr	nr	nr
P/CF	3,1	nr	nr
Dividend Yield	0,0	0,0	0,0

Data per share	2022	2023	2024e	2025e
EPS	0,03	-0,19	-0,20	-0,09
%Change	0,67	nr	nr	nr
FCF	0,19	0,14	-0,19	-0,07
%Change	nr	nr	nr	nr
Dividend	-	-	-	-

Income Statement (€m)	2022	2023	2024e	2025e
Net Sales	15,5	36,7	36,7	39,9
%Change	-52,4%	137,4%	-0,2%	8,9%
EBIT	0,6	-2,1	-2,1	-0,3
% Sales	3,8%	-5,6%	-5,8%	-0,9%
Net Result	0,3	-3,1	-3,2	-1,4
% Sales	2,2%	-8,5%	-8,7%	-3,6%

Cash Flow Statement (€m)	2022	2023	2024e	2025e
FCF	2,0	2,3	-3,2	-1,1
Net Debt	4,9	9,8	8,9	10,5
Shareholder Equity	6,5	7,0	3,8	2,4
Gearing	75,8%	138,7%	232,7%	437,2%
ROCE	4,6%	-7,4%	-7,8%	-1,3%

### Shareholders

iXcore	8,5%
Pleiade Venture	8,0%
Vatel Remploi	7,4%
Free Float	76,1%

Performances	2024	3m	6m	1 Year
Egide	-16,6%	-13,8%	-0,4%	-9,4%
Euronext Growth	-4,8%	-2,8%	2,1%	-11,9%
12 months Low-High	0,50	0,99		

Liquidity	2024	3m	6m	1 Year
Cumulative volume (000)	5 493	2 245	6 708	11 400
% of capital	33,8%	13,8%	41,3%	70,1%
% of Free Float	44,4%	18,2%	54,2%	92,2%
€ Million	4,1	1,4	4,9	8,1

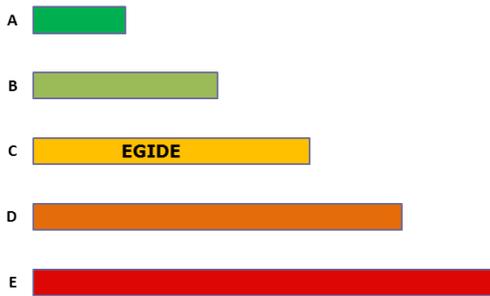
**Next Event** H1 Sales : july, 16

Egide has signed a research contract with GreenSome.

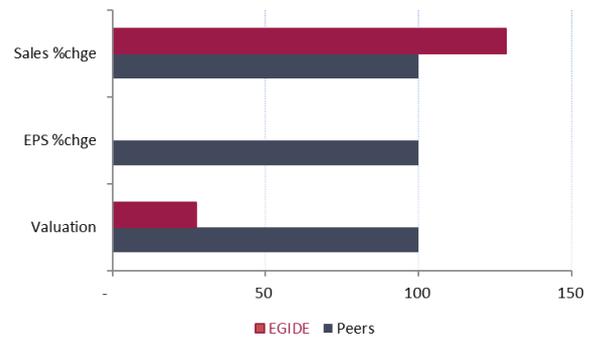
## Snapshot Egide

Egide articulates its activity through two technologies that are glass-metal and ceramic cases which makes it one of the few actors in the world to control them. These housings make it possible to ensure perfect hermeticity in environments that may be subject to high thermal and / or atmospheric stresses. Egide provides highly resistant interconnection boxes in sensitive environments (Space, Defense, Security, Aeronautics, Telecommunications, Energy, ...), solutions that guarantee the optimal reliability of electronic systems or complex chips. In February 2017, the group acquired Santier, a US company specializing in the manufacture of dissipative components and materials.

## Fondamental Matrix



## Investment Profile



## Target Price & rating history

Date	Type	Opinion	Price per share	Price Target
1/29/24	Sales 2023	Neutral	€ 0.972	€ 0.95
12/12/23	Capital Increase Result	Speculative Buy	€ 0.64	€ 1.16
11/21/23	Capital Increase	Speculative Buy	€ 0.591	€ 1.16
10/24/23	H1 Results	Speculative Buy	€ 0.54	€ 1.16
9/21/23	General Assembly Erratum	Speculative Buy	€ 0.621	€ 0.97
9/14/23	General Assembly debriefing	Speculative Buy	€ 0.642	€ 0.97
9/5/23	Capital Increase Result	Speculative Buy	€ 0.752	€ 0.91
8/19/23	Capital Increase	Subscribe	€ 0.67	€ 0.91
7/17/23	H1 Sales	Speculative Buy	€ 0.632	€ 0.91
4/27/23	Annual Results	Neutral	€ 0.893	€ 0.91

## Financial Data

Income Statement (€ m)	2020	2021	2022	2023	2024e	2025e
Revenues	30,0	32,5	15,5	36,7	36,7	39,9
Purchase	12,5	12,7	5,7	14,9	14,9	15,6
Externals costs	2,3	6,5	2,4	5,1	5,1	5,6
Personnals Costs	13,6	14,0	6,3	16,3	16,2	16,6
Amortization	1,6	1,5	0,5	2,2	2,1	2,2
other	2,3	3,4	0,1	0,0	0,0	0,0
<b>EBIT</b>	<b>2,0</b>	<b>0,8</b>	<b>0,6</b>	<b>-2,1</b>	<b>-2,1</b>	<b>-0,3</b>
Financial Result	-0,6	-0,4	-0,2	-1,1	-1,1	-1,1
Tax	-0,4	-0,2	-0,1	0,0	0,0	0,0
<b>Net Result</b>	<b>1,0</b>	<b>0,2</b>	<b>0,3</b>	<b>-3,1</b>	<b>-3,2</b>	<b>-1,4</b>

Balance Sheet (€ m)	2020	2021	2022	2023	2024e	2025e
Fixed Assets	10,0	12,8	2,5	9,5	8,1	7,4
Stock Inventories	8,1	7,4	3,5	7,0	7,6	8,3
Accounts Receivable	5,0	4,9	3,4	6,3	7,1	7,8
Other Currents Assests	3,2	1,6	1,9	2,1	2,0	2,2
Cash & Equivalents	1,4	1,6	0,7	3,2	0,2	-0,9
<b>TOTAL Assets</b>	<b>27,8</b>	<b>28,3</b>	<b>27,9</b>	<b>28,2</b>	<b>25,1</b>	<b>24,8</b>
Shareholders' Equity	10,6	11,6	6,5	7,0	3,8	2,4
Provisions	0,8	0,9	0,7	0,8	0,8	0,9
Financial Debt	6,6	7,7	4,6	0,0	5,3	5,8
Accounts Payables	7,2	5,4	2,7	6,5	6,6	7,2
<b>TOTAL Liabilitites</b>	<b>27,8</b>	<b>28,3</b>	<b>27,9</b>	<b>28,2</b>	<b>25,1</b>	<b>24,8</b>

Cash Flow Statements (€ m)	2020	2021	2022	2023	2024e	2025e
Cash Flow from Operating Activities	2,5	-1,2	0,9	-1,0	-1,1	0,8
Change in Net Working Capital	-0,8	0,7	-1,4	-4,3	1,2	0,9
<b>Cash Flow from Operations</b>	<b>1,7</b>	<b>-0,5</b>	<b>-0,5</b>	<b>3,2</b>	<b>-2,3</b>	<b>-0,1</b>
Cash Flow from Investing	-0,8	0,1	-0,1	-0,9	-0,9	-1,0
Capital Increase	0,0	0,0	0,0	3,8	0,0	0,0
Funding Flow	0,3	0,2	0,9	-4,0	0,5	0,0
<b>Cash Flow from Financing</b>	<b>-0,8</b>	<b>0,5</b>	<b>0,8</b>	<b>-0,2</b>	<b>0,5</b>	<b>0,0</b>
<b>Net Change in cash position</b>	<b>-0,1</b>	<b>0,2</b>	<b>-0,9</b>	<b>2,2</b>	<b>-2,6</b>	<b>-1,1</b>

RATIOS	2020	2021	2022	2023	2024e	2025e
EBIT Margin	6,6%	2,5%	3,8%	-5,6%	-5,8%	-0,9%
Net Margin	3,3%	0,6%	2,2%	-8,5%	-8,7%	-3,6%
ROE	9,3%	1,7%	5,2%	-44,4%	-83,5%	-59,7%
ROCE	6,9%	2,6%	4,6%	-7,4%	-7,7%	-1,2%
Gearing	72,9%	72,0%	75,8%	138,7%	232,7%	437,2%
FCF per share	0,08	-0,03	0,19	0,14	-0,19	-0,07
EPS (€)	0,10	0,02	0,03	-0,2	-0,2	-0,1
Dividend per share (€)	0,0	0,0	0,0	0,0	0,0	0,0
Dividen Yield	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Distribution rate	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%

Estimates : GreenSome Finance

## Rating Definition

BUY	NEUTRAL	SELL
Upside > +10%	-10% < Upside < +10%	Upside < -10%

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