

Chargeurs Buy

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France | Support services

MCap: EUR309.9m

Target Price: EUR20.00 (22.00)
Current Price: EUR12.86
Up/downside: 55.5%
Market data: 24 May 2023

Change in TP: -9.1%
Change in Sales: -6.4% 23E/-6.3% 24E
Change in Adj EBIT: -6.6% 23E/-6.3% 24E
Change in Adj. EPS: -16.0% 23E/-13.8% 24E

Bloomberg: CRI FP Reuters: CRIP.PA
Free float 73.0%
Avg. daily volume (EURm) 0.8
YTD abs performance -8.7%
52-week high/low (EUR) 18.85/11.40

Penalised by low visibility

Why this report?

Q1 sales came down by 17% from last year on very high comps, and were 6% short of our estimates. No single division in particular was to blame, but rather slight misses in some of them. Management continues to contemplate an acceleration of growth in H2, but it is fair to say that visibility on the strength of demand is admittedly weak over two months (erratic demand, short order cycle) in traditional activities (ie. advanced Materials, Fashion Technologies). We cut sales target by 6% on 2023 and lower our TP from EUR22 to EUR20.

Key findings

- Revenues at Advanced Materials are up from the depressed level of Q4 2022, but the recent momentum in demand, although decent, seems to be more erratic than previously expected by the company.
- Museum studio is performing well. The EUR120m FY sales target was confirmed. A new project win was recently recorded. There could be a possible expansion in Asia soon. The bulk of growth is expected in H2, with a good impact on the division's profit.
- A similar kind of scenario should be expected in Q2, as Chargeurs will again deal with a record comparison basis.

Deconstructing the forecasts

- We cut our sales estimates by 6% for 2023 sales (and indirectly for the years afterwards), resulting in a 16% cut in EPS.

FY to 31/12 (EUR)	12/23E	12/24E	12/25E
Sales (m)	747.2	796.1	850.2
EBITDA adj (m)	72.5	80.9	90.6
EBIT adj (m)	51.0	58.0	66.1
Net profit adj (m)	22.2	29.2	37.3
Net financial debt (m)	175.2	161.8	152.4
FCF (m)	45.6	41.8	42.7
EPS adj. and ful. dil.	0.91	1.20	1.53
Consensus EPS	1.23	1.68	2.12
Net dividend	0.80	1.00	1.20

FY to 31/12	12/23E	12/24E	12/25E
P/E adj and ful. dil.	14.1	10.7	8.4
EV/EBITDA	6.9	6.0	5.3
EV/EBIT	9.8	8.4	7.2
FCF yield	14.7%	13.5%	13.8%
Dividend yield	6.2%	7.8%	9.3%
ND(F+IFRS16)/EBITDA	2.8	2.4	2.0
Gearing	61.8%	55.2%	49.8%
ROIC	11.1%	12.9%	14.7%
EV/IC	1.1	1.1	1.1

Investment case

- Chargeurs is an industrial conglomerate with world-leading positions in niche markets that are worth EUR0.5-1.0bn (e.g. self-adhesive films for surface protection, interlinings and technical textiles, premium wool trading).
- CEO and reference shareholder Michael Fribourg took over the company in 2015 and reshaped it. The group's portfolio of assets has been strengthened (higher share of services, innovative/sustainable products, more productive industrial facility) making Chargeurs a more diversified, performing and premium business.

Catalysts

- M&A in the luxury segment (Personal Goods, Museum Studio).
- Ramp-up of Museum Studio.
- Increasing profitability via industrial optimisation and premiumisation.

Valuation methodology

- Discounted Cash Flow (9.2% WACC, 2% g).

Risks to our rating

- Decrease in global GDP.
- M&A execution.
- Cost inflation

Timid Q1 on high comps

Chargeurs's Q1 sales came in at EUR170m, down by 17% LFL (6% below KECH).

The major driver of that sales decline was **Advanced Materials** (i.e. protective films; 42% of group sales), which saw revenue drop by 20% LFL (1% below KECH). A drop in revenue was somewhat expected by consensus against demanding comps (record sales in Q1 last year at the very peak of the post-pandemic restocking period), but certainly not to that extent. We note that the comparison basis will again be very challenging in Q2 (EUR95m) and will only ease from Q3.

The second-largest contributor, **Fashion Technologies** (ie. interlinings: 30% of group sales) came in stable on an organic basis but was down by 6% post the forex impact. The basis for comparison was also quite high. Revenues of EUR51m can be viewed as a satisfactory performance with regards to history, but still we expected more ((5% below KECH) based on our expectation of strong volume and price.

The **Museum Studio** business performed well, with 36% growth in revenue YOY at EUR22m. The company reiterated FY sales guidance of EUR120m, which suggests a sharp acceleration in H2. Chargeurs is looking at further extending its footprint in Asia, where discussions are in place. The company also reported new project wins (Corp Museum in North Carolina, Lost Shtetl in Lithuania).

In other businesses:

- **Personal Goods:** The revenue contribution is marginal at this stage. The future acquisition (see below) will be an addition to this line of business. The group is currently working at developing the potential of its brand portfolio. Recent initiative includes the decision to expand the Cambridge Satchell brand into Asia by the end of 2023, the launch of new ranges and the pre-opening of a flagship store in London's New Bond street for Swaine, and new referencing for Fournival Altesse in haircare.
- **Luxury Fibers:** The business came down by 23% at EUR24m from a record Q1 last year. The effect of Covid in China and extreme weather conditions in New Zealand have weighed. Chargeurs has repositioned the business, and is now addressing the brands directly to leverage its deep knowledge of the whole wool value chain. Its proprietary Nativa label is being extended to cashmere and cotton.
- **Healthcare Solutions:** The face-mask business still generated EUR6m sales in the first quarter of 2022, which, with the end of the health crisis, was not replicated this year – as expected. The contribution from the mask business stopped from Q2 2022, therefore suggesting a clean basis for comparison from now on. The division will be part of Fashion Technologies in the next reporting.

Table 1: Q1 sales

	Q1 2023	Q1 2022	Change %	KECH
Technology	122	157	-22%	129
Advanced Materials	71	96	-26%	72
Fashion Technologies	51	55	-6%	57
Healthcare Solutions	0	6	-100%	0
Luxury	48	47	2%	52
Luxury Fibers	24	31	-23%	22
Museum Studio	22	16	36%	24
Personal Goods	2	0	NA	6
Total	170	204	-17%	181

Source: Kepler Cheuvreux

Key takeaways from call with management

The CFO held a quick call with analysts yesterday. The discussion mainly revolved around Advanced Materials (ie. protective films). Management is sticking to its scenario of a gradual recovery in sales from the depressed level of Q4 2022. Indeed, Q1 sales came in 9% above Q4 2022, and the company expects these to amplify quarter after quarter this year. To support its view, Chargeurs foresees stronger demand from the real estate and industrial sectors in China, and a more conducive business environment in general (easing of inflation and energy prices).

The improving trend in volume and orders so far this year rather gives credit to that scenario, although management did admit that the trends can be erratic from one month to the next. We have the feeling that the level of confidence shown in March after the encouraging first two months (Jan-Feb) in order intakes has cooled off a bit, possibly on a less dynamic trend in more recent months. We note that the company's message was delivered in a careful tone, though this was in view of a deteriorating global environment and the lack of visibility provided by the protective film business over two months (short order cycle).

M&A was addressed briefly. There was no change regarding that topic. Chargeurs is still working at closing a deal in the luxury segment. We understand that a target was identified several months ago and that discussions are ongoing. In terms of potential target, we envisage a B2C retail company in the ultra-luxury segment (similar to Swaine in terms of positioning but of bigger size).

We cut our sales estimates by 6% over 2023-25E respectively

Following Q1 release, we trim our sales estimate by 6% in 2023 (and accordingly in subsequent years). This translates into a decrease of 16% on our EPS forecasts. By division, we cut 2023E sales by 6% in Advanced Materials (still expecting growth QOQ but of a lesser magnitude), and by 10% in Fashion Technologies and Luxury Fibers (now expecting stable revenue YOY). We leave estimates unchanged in Museum Studio and Personal Goods.

Table 2: Change in sales estimates

	2022A		2023E			2024E			2025E	
		Prev.	New	Change est. %	Prev.	New	Change est. %	Prev.	New	Change est. %
Advanced Materials	333	323	303	-6%	332	312	-6%	349	327	-6%
Fashion Technologies	220	242	220	-9%	252	229	-9%	257	233	-9%
Healthcare Solutions	6	0	0	0%	0	0	0%	0	0	0%
Technology	559	565	523	-7%	584	541	-7%	606	561	-7%
Luxury Fibers	95	104	95	-9%	108	98	-9%	111	100	-9%
Museum Studio	87	121	121	0%	145	145	0%	174	174	0%
Personal Goods	6	9	9	0%	12	12	0%	15	15	0%
Luxury	187	234	225	-4%	265	256	-4%	300	289	-3%
Total	746	799	747	-6%	849	796	-6%	905	850	-6%

Source: Kepler Cheuvreux

Table 3: Revenue forecasts and YOY change

	2022A	2023E	2024E	2025E
Advanced Materials	333	303	312	327
Change YOY %		-9%	3%	5%
Fashion Technologies	220	220	229	233
Change YOY %		0%	4%	2%
Healthcare Solutions	6	0	0	0
Change YOY %		-100%	NA	NA
Technology	559	523	541	561
Change YOY %		-6%	3%	4%
Luxury Fibers	95	95	98	100
Change YOY %		0%	4%	2%
Museum Studio	87	121	145	174
Change YOY %		39%	20%	20%
Personal Goods	6	9	12	15
Change YOY %		64%	33%	25%
Luxury	187	225	256	289
Change YOY %		20%	14%	13%
Total	746	747	796	850
Change YOY %		0%	7%	7%

Source: Kepler Cheuvreux

Higher estimates drive a cut in our target price from EUR22 to EUR20. We value Chargeurs using a standard ten-year DCF (9.2% WACC, 2% g, 7.6% LT EBIT margin).

We believe the near term is shadowed by the perspective of a similar scenario in Q2 (Chargeurs will again face high comps), a wait-and-see attitude regarding the upcoming acquisition in luxury, and the uncertainty on the strength of demand in cyclical activities. While the timing does not seem ideal, we continue to value Chargeurs' leading position in niche markets and the opportunities offered by new ventures (Museum Studio, Luxury) in terms of growth and value creation.

Company description

Chargeurs is an industrial conglomerate that has established world-leading positions in niche markets (protective films, interlinings, premium wool trading, services to museums). In 2020, Chargeurs successfully created Healthcare Solutions (CHS) to meet the booming demand for masks during the pandemic.

Management

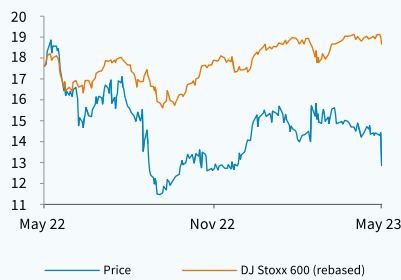
Michaël Fribourg, CEO
Olivier Buquen, CFO
Gustave Gauquelin, COO

Key shareholders

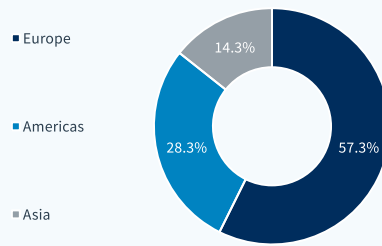
Free float 73.02%
Colombus Holding SAS 26.31%

Key data charts

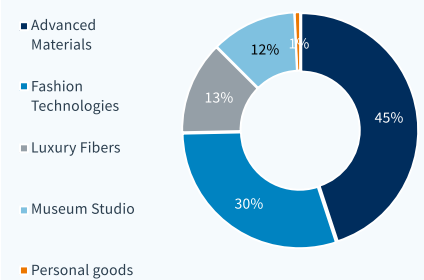
Price performance



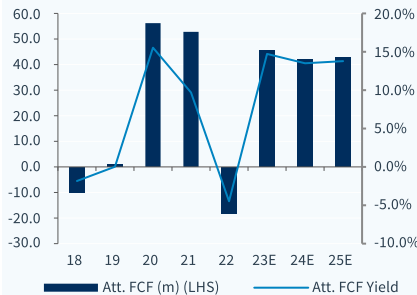
Sales split by region



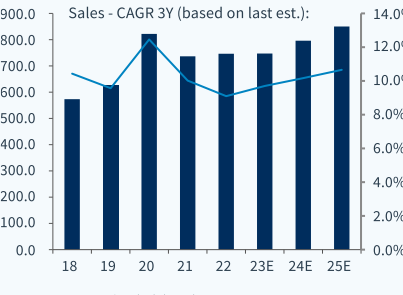
Sales split by division



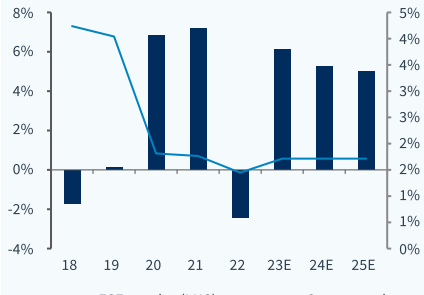
FCF



Sales and EBITDA margin



FCF and Capex to sales



SWOT analysis

Strengths

- Dominating position in niche markets (EUR0.5-1.0bn market size)
- Differentiated offering (premium products, high quality services)
- Management (long term vision, entrepreneurial approach)
- Self-financing ability

Weaknesses

- Sensitive to economic downturns (construction, apparel sector)

Opportunities

- Fast-growing museum services market
- Development of a platform around healthcare/beauty/hygiene/wellness
- M&A opportunities could arise as the crisis eases
- Growing demand for eco-friendly and sophisticated products

Threats

- Risks linked to the integration of newly-acquired companies
- Deep economic recession.
- Volatility of raw material price (polyester, polyamides)
- Intensification of the competitive landscape

Valuation table

Market data as of: 24 May 2023

FY to 31/12 (EUR)	12/16	12/17	12/18	12/19	12/20	12/21	12/22	12/23E	12/24E	12/25E
Per share data (EUR)										
EPS adjusted	1.09	1.09	1.14	0.66	1.71	1.34	0.92	0.92	1.21	1.55
% Change	37.8%	-0.1%	4.7%	-42.5%	161.0%	-21.9%	-31.3%	0.4%	31.6%	27.6%
EPS adjusted and fully diluted	1.09	1.09	1.14	0.66	1.71	1.32	0.91	0.91	1.20	1.53
% Change	37.8%	-0.1%	4.7%	-42.4%	161.0%	-22.7%	-31.4%	0.4%	31.6%	27.6%
EPS reported	1.09	1.09	1.14	0.66	1.71	1.34	0.92	0.92	1.21	1.55
% Change	37.8%	-0.1%	4.7%	-42.5%	161.0%	-21.9%	-31.3%	0.4%	31.6%	27.6%
EPS Consensus								1.23	1.68	2.12
Cash flow per share	1.35	1.33	0.62	1.11	3.11	2.79	-0.31	2.42	2.30	2.38
Book value per share	9.90	9.93	10.16	10.16	10.21	11.34	11.61	11.76	12.16	12.70
DPS	0.55	0.60	0.67	0.40	1.32	1.24	0.76	0.80	1.00	1.20
Number of shares, YE (m)	23.0	23.2	23.3	22.9	22.9	23.6	24.1	24.1	24.1	24.1
Nbr of shares, fully diluted, YE (m)	23.0	23.2	23.3	22.9	22.9	23.6	24.1	24.1	24.1	24.1
Share price										
Latest price / year end	16.0	25.3	16.8	17.3	17.6	26.1	14.1	12.9	12.9	12.9
52 week high	16.1	26.7	28.5	21.7	20.0	28.9	26.1	15.8		
52 week low	7.5	15.9	15.0	14.9	8.7	17.3	11.4	12.9		
Average price (Year)	11.3	22.8	23.1	17.5	15.8	23.1	16.9	12.9	12.9	12.9
Enterprise value (EURm)										
Market capitalisation	259.3	527.6	539.0	401.2	361.7	544.5	406.5	309.9	309.9	309.9
Net financial debt	-3.2	-8.9	92.2	122.4	147.0	124.0	193.3	175.2	161.8	152.4
Pension provisions	16.7	16.4	17.4	18.3	16.8	14.6	12.6	12.6	12.6	12.6
IFRS 16 debt	0.0	0.0	0.0	26.4	38.1	31.9	30.0	30.0	30.0	30.0
Market value of minorities	0.0	0.0	0.0	0.0	0.8	-0.6	0.2	0.2	0.2	0.2
MV of equity affiliates (net of tax)	-14.9	-11.7	-13.1	-12.6	-7.0	-7.9	-8.1	-8.1	-8.1	-8.1
Others	0.0	0.0	0.0	0.0	-20.3	-14.7	-18.6	-18.6	-18.6	-18.6
Enterprise value	257.9	523.4	635.5	555.7	537.1	691.8	615.9	501.2	487.8	478.4
Valuation										
P/E adjusted	10.4	20.9	20.3	26.7	9.3	17.3	18.4	14.0	10.6	8.3
P/E adjusted and fully diluted	10.4	21.0	20.3	26.7	9.3	17.5	18.6	14.1	10.7	8.4
P/E consensus								10.5	7.7	6.1
P/BV	1.1	2.3	2.3	1.7	1.6	2.0	1.5	1.1	1.1	1.0
P/CF	8.3	17.2	37.4	15.8	5.1	8.3	na	5.3	5.6	5.4
Dividend yield (%)	4.9%	2.6%	2.9%	2.3%	8.3%	5.4%	4.5%	6.2%	7.8%	9.3%
FCF yield (%)	7.8%	3.2%	-1.8%	0.0%	15.5%	9.7%	-4.5%	14.7%	13.5%	13.8%
ROE (%)	11.2%	11.0%	11.4%	6.4%	16.8%	12.6%	8.1%	7.9%	10.1%	12.4%
ROIC (%)	17.7%	19.5%	16.4%	9.5%	18.9%	12.6%	12.0%	11.1%	12.9%	14.7%
EV/Sales	0.51	0.98	1.11	0.89	0.65	0.94	0.83	0.67	0.61	0.56
EV/EBITDA adj.	5.3	9.6	10.6	9.3	5.2	9.4	9.1	6.9	6.0	5.3
EV/EBIT adj.	6.6	11.8	13.0	13.4	6.8	13.6	13.6	9.8	8.4	7.2
EV/NOPAT	7.8	13.6	15.5	17.7	7.5	13.9	12.0	9.8	8.4	7.2
EV/IC	1.3	2.7	2.1	1.5	1.3	1.8	1.3	1.1	1.1	1.1
ROIC/WACC	1.9	2.1	1.8	1.0	2.1	1.4	1.3	1.2	1.4	1.6
EV/IC over ROIC/WACC	0.7	1.3	1.2	1.5	0.6	1.3	1.0	0.9	0.8	0.7

Income statement

FY to 31/12 (EUR)	12/16	12/17	12/18	12/19	12/20	12/21	12/22	12/23E	12/24E	12/25E
Sales	506.4	533.0	573.3	626.1	822.0	736.6	746.4	747.2	796.1	850.2
Gross profit	130.0	141.6	154.3	166.9	219.0	186.3	195.0	196.5	211.0	227.4
EBITDA reported	48.8	54.6	59.8	59.9	102.4	73.8	67.9	72.5	80.9	90.6
EBITDA adjusted	48.8	54.6	59.8	59.9	102.4	73.8	67.9	72.5	80.9	90.6
Depreciation and amortisation	-9.9	-10.2	-11.7	-21.1	-30.3	-27.7	-29.0	-27.5	-28.9	-30.5
Goodwill impairment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other financial result and associates	-5.0	-5.9	-5.9	-7.0	-18.2	-4.0	-0.4	-3.0	-3.0	-3.0
EBIT reported	33.9	38.5	42.2	31.8	53.9	42.1	38.5	42.0	49.0	57.1
EBIT adjusted	38.9	44.4	49.0	41.4	79.3	50.7	45.4	51.0	58.0	66.1
Net financial items	-0.5	-7.5	-8.8	-9.8	-4.9	-8.6	-13.9	-16.0	-16.0	-16.0
Associates	-2.0	-0.8	0.1	-0.4	-1.7	0.7	0.0	0.0	0.0	0.0
Others	-1.5	-1.0	-1.8	-1.7	-4.6	-2.0	-5.2	-4.0	-4.0	-4.0
Earnings before tax	29.9	29.2	31.7	19.9	42.7	32.2	19.4	22.0	29.0	37.1
Tax	-4.9	-4.0	-5.1	-4.9	-4.3	-0.5	2.5	0.0	0.0	0.0
Net profit from continuing op.	25.0	25.2	26.6	15.0	38.4	31.7	21.9	22.0	29.0	37.1
Net profit from disc. activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit before minorities	25.0	25.2	26.6	15.0	38.4	31.7	21.9	22.0	29.0	37.1
Minorities	0.0	0.0	0.0	0.0	0.7	-0.2	0.2	0.2	0.2	0.2
Net profit reported	25.0	25.2	26.6	15.0	39.1	31.5	22.1	22.2	29.2	37.3
Adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit adjusted	25.0	25.2	26.6	15.0	39.1	31.5	22.1	22.2	29.2	37.3
Sales % Change	1.5%	5.3%	7.6%	9.2%	31.3%	-10.4%	1.3%	0.1%	6.5%	6.8%
EBITDA reported % Change	21.1%	11.9%	9.5%	0.2%	71.0%	-27.9%	-8.0%	6.7%	11.7%	12.0%
EBITDA adjusted % Change	21.1%	11.9%	9.5%	0.2%	71.0%	-27.9%	-8.0%	6.7%	11.7%	12.0%
EBIT reported % Change	41.3%	13.6%	9.6%	-24.6%	69.5%	-21.9%	-8.6%	9.1%	16.7%	16.5%
EBIT adjusted % Change	27.1%	14.1%	10.4%	-15.5%	91.5%	-36.1%	-10.5%	12.3%	13.8%	13.9%
Earnings before tax % Change	273.8%	-2.3%	8.6%	-37.2%	114.6%	-24.6%	-39.8%	13.4%	31.9%	27.8%
Net profit from cont. op. % Change	61.3%	0.8%	5.6%	-43.6%	156.0%	-17.4%	-30.9%	0.4%	31.9%	27.8%
Net profit reported % Change	61.3%	0.8%	5.6%	-43.6%	160.7%	-19.4%	-29.8%	0.4%	31.6%	27.6%
Net profit adjusted % Change	61.3%	0.8%	5.6%	-43.6%	160.7%	-19.4%	-29.8%	0.4%	31.6%	27.6%
Gross profit margin (%)	25.7%	26.6%	26.9%	26.7%	26.6%	25.3%	26.1%	26.3%	26.5%	26.8%
EBITDA margin (%)	9.6%	10.2%	10.4%	9.6%	12.5%	10.0%	9.1%	9.7%	10.2%	10.7%
EBIT margin (%)	7.7%	8.3%	8.5%	6.6%	9.6%	6.9%	6.1%	6.8%	7.3%	7.8%
Net profit margin (%)	4.9%	4.7%	4.6%	2.4%	4.8%	4.3%	3.0%	3.0%	3.7%	4.4%
Tax rate (%)	-15.4%	-13.3%	-16.1%	-24.0%	-9.3%	-1.6%	12.9%	0.0%	0.0%	0.0%
Payout ratio (%)	50.5%	55.2%	58.9%	61.0%	77.1%	93.8%	83.8%	87.9%	83.4%	78.5%
EPS reported (EUR)	1.09	1.09	1.14	0.66	1.71	1.34	0.92	0.92	1.21	1.55
EPS adjusted (EUR)	1.09	1.09	1.14	0.66	1.71	1.34	0.92	0.92	1.21	1.55
EPS adj and fully diluted (EUR)	1.09	1.09	1.14	0.66	1.71	1.32	0.91	0.91	1.20	1.53
DPS (EUR)	0.55	0.60	0.67	0.40	1.32	1.24	0.76	0.80	1.00	1.20
EPS reported % Change	37.8%	-0.1%	4.7%	-42.5%	161.0%	-21.9%	-31.3%	0.4%	31.6%	27.6%
EPS adjusted % Change	37.8%	-0.1%	4.7%	-42.5%	161.0%	-21.9%	-31.3%	0.4%	31.6%	27.6%
EPS adj and fully diluted % Change	37.8%	-0.1%	4.7%	-42.4%	161.0%	-22.7%	-31.4%	0.4%	31.6%	27.6%
DPS % Change	83.3%	9.1%	11.7%	-40.3%	230.0%	-6.1%	-38.7%	5.3%	25.0%	20.0%
Consensus Sales (EURm)								789.0	850.0	900.5
Consensus EBITDA (EURm)								77.0	90.0	104.9
Consensus EBIT (EURm)								50.0	61.3	76.0
Consensus EPS (EUR)								1.23	1.68	2.12

Cash flow statement

Market data as of: 24 May 2023

FY to 31/12 (EUR)	12/16	12/17	12/18	12/19	12/20	12/21	12/22	12/23E	12/24E	12/25E
Net profit before minorities	25.0	25.2	26.6	15.0	38.4	31.7	21.9	22.0	29.0	37.1
Depreciation and amortisation	9.9	10.2	11.7	21.1	28.7	28.6	28.9	21.5	22.9	24.5
Goodwill impairment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in working capital	0.8	-6.7	-22.5	-13.3	2.6	21.9	-40.5	14.9	3.6	-4.3
Others	-4.6	2.0	-1.4	2.6	1.4	-16.4	-17.7	0.0	0.0	0.0
Levered post tax CF before capex	31.1	30.7	14.4	25.4	71.1	65.8	-7.4	58.4	55.5	57.3
% Change	-4.0%	-1.3%	-53.1%	76.4%	179.9%	-7.5%	-chg	+chg	-5.0%	3.2%
Capex	-10.9	-13.6	-24.3	-25.3	-14.9	-13.0	-10.8	-12.8	-13.6	-14.6
Free cash flow	20.2	17.1	-9.9	0.1	56.2	52.8	-18.2	45.6	41.8	42.7
% Change	10.4%	-15.3%	-chg	+chg	56100.0%	-6.0%	-chg	+chg	-8.3%	2.1%
Acquisitions	-19.7	-5.5	-65.0	-9.6	-53.0	-20.4	-5.1	0.0	0.0	0.0
Divestments	-0.7	1.2	-1.0	0.2	-9.0	16.5	-7.2	0.0	0.0	0.0
Dividend paid	-11.5	-6.6	-10.8	-8.6	-5.9	-17.7	-17.9	-18.3	-19.3	-24.1
Share buy back	0.0	0.0	-10.2	-9.8	-0.1	0.0	0.0	0.0	0.0	0.0
Capital increases	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	-8.4	-0.5	-4.2	-2.6	-14.7	-7.3	-20.9	-9.2	-9.2	-9.2
Change in net financial debt	20.1	-5.7	101.1	30.3	26.5	-23.9	69.3	-18.1	-13.4	-9.4
Change in cash and cash equiv.	63.8	53.3	-104.8	-16.1	115.1	10.2	-97.5	18.1	13.4	9.4
Attributable FCF	20.2	17.1	-9.9	0.1	56.2	52.8	-18.2	45.6	41.8	42.7
Cash flow per share (EUR)	1.35	1.33	0.62	1.11	3.11	2.79	-0.31	2.42	2.30	2.38
% Change	-18.0%	-2.1%	-53.5%	80.0%	180.3%	-10.3%	-chg	+chg	-5.0%	3.2%
FCF per share (EUR)	0.88	0.74	-0.42	0.00	2.46	2.24	-0.76	1.89	1.74	1.77
% Change	-5.7%	-16.1%	-chg	+chg	56179.1%	-9.0%	-chg	+chg	-8.3%	2.1%
Capex / Sales (%)	2.2%	2.6%	4.2%	4.0%	1.8%	1.8%	1.4%	1.7%	1.7%	1.7%
Capex / D&A (%)	110.1%	133.3%	207.7%	119.9%	49.2%	46.9%	37.2%	46.6%	47.2%	47.7%
Cash flow / Sales (%)	6.1%	5.8%	2.5%	4.1%	8.6%	8.9%	-1.0%	7.8%	7.0%	6.7%
FCF / Sales (%)	4.0%	3.2%	-1.7%	0.0%	6.8%	7.2%	-2.4%	6.1%	5.3%	5.0%
FCF Yield (%)	7.8%	3.2%	-1.8%	0.0%	15.5%	9.7%	-4.5%	14.7%	13.5%	13.8%
Unlevered FCF Yield (%)	9.8%	4.9%	0.1%	2.2%	12.7%	9.5%	-0.8%	12.5%	12.1%	12.5%

Balance sheet

FY to 31/12 (EUR)	12/16	12/17	12/18	12/19	12/20	12/21	12/22	12/23E	12/24E	12/25E
Cash and cash equivalents	161.5	214.8	110.0	93.9	209.0	219.2	121.7	139.8	153.2	162.6
Inventories	105.4	107.3	128.4	126.1	139.1	150.1	163.3	133.6	126.5	135.1
Accounts receivable	123.2	128.0	96.1	102.6	126.4	119.0	130.5	106.8	101.1	108.0
Other current assets	0.5	0.4	0.7	1.4	2.9	6.2	6.6	6.6	6.6	6.6
Current assets	390.6	450.5	335.2	324.0	477.4	494.5	422.1	386.8	387.4	412.3
Tangible assets	61.8	63.2	80.7	113.1	121.2	116.7	113.9	114.0	113.6	112.6
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Other Intangible assets	92.1	88.3	158.1	173.1	228.7	238.1	276.0	276.4	276.7	277.0
Financial assets	14.9	11.7	13.1	12.6	7.0	7.9	8.1	8.1	8.1	8.1
Other non-current assets	31.9	33.4	39.0	41.2	45.9	75.1	65.1	65.1	65.1	65.1
Non-current assets	200.7	196.6	290.9	340.0	402.8	437.8	463.1	463.6	463.5	463.8
Short term debt	25.2	26.6	33.1	22.8	46.5	39.4	71.1	71.1	71.1	71.1
Accounts payable	181.7	187.0	159.1	151.1	189.9	230.3	211.6	173.1	163.9	175.1
Other short term liabilities	3.7	4.1	1.4	6.0	26.7	12.9	12.5	12.5	12.5	12.5
Current liabilities	210.6	217.7	193.6	179.9	263.1	282.6	295.2	256.7	247.5	258.7
Long term debt	133.1	179.3	169.1	193.5	309.5	303.8	243.9	243.9	243.9	243.9
Pension provisions	16.7	16.4	17.4	18.3	16.8	14.6	12.6	12.6	12.6	12.6
IFRS16 Debt	0.0	0.0	0.0	26.4	38.1	31.9	30.0	30.0	30.0	30.0
Other long term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Other long term liabilities	3.6	3.8	8.8	13.5	20.3	32.6	23.6	23.6	23.6	23.6
Non-current liabilities	153.4	199.5	195.3	251.7	384.7	382.9	310.1	310.1	310.1	311.1
Shareholders' equity	227.3	229.9	237.2	232.4	233.2	267.4	279.7	283.4	293.1	306.1
Minority interests	0.0	0.0	0.0	0.0	-0.8	-0.6	0.2	0.2	0.2	0.2
Total equity	227.3	229.9	237.2	232.4	232.4	266.8	279.9	283.6	293.3	306.3
Balance sheet total	591.3	647.1	626.1	664.0	880.2	932.3	885.2	850.4	851.0	876.1
% Change	18.2%	9.4%	-3.2%	6.1%	32.6%	5.9%	-5.1%	-3.9%	0.1%	3.0%
Book value per share (EUR)	9.90	9.93	10.16	10.16	10.21	11.34	11.61	11.76	12.16	12.70
% Change	-11.4%	0.3%	2.3%	0.0%	0.5%	11.1%	2.4%	1.3%	3.4%	4.4%
Net financial debt	-3.2	-8.9	92.2	122.4	147.0	124.0	193.3	175.2	161.8	152.4
IFRS16 Debt	0.0	0.0	0.0	26.4	38.1	31.9	30.0	30.0	30.0	30.0
Pension provisions	16.7	16.4	17.4	18.3	16.8	14.6	12.6	12.6	12.6	12.6
Others	0.0	0.0	0.0	0.0	-20.3	-14.7	-18.6	-18.6	-18.6	-18.6
Net debt	13.5	7.5	109.6	167.1	181.6	155.8	217.3	199.2	185.8	176.4
Net fi. debt (+IFRS16) / EBITDA (x)	-0.1	-0.2	1.5	2.5	1.8	2.1	3.3	2.8	2.4	2.0
Trade working capital	46.9	48.3	65.4	77.6	75.6	38.8	82.2	67.3	63.7	68.0
Net working capital	43.7	44.6	64.7	73.0	51.8	32.1	76.3	61.4	57.8	62.1
NWC/Sales	8.6%	8.4%	11.3%	11.7%	6.3%	4.4%	10.2%	8.2%	7.3%	7.3%
Inventories/sales	20.8%	20.1%	22.4%	20.1%	16.9%	20.4%	21.9%	17.9%	15.9%	15.9%
Invested capital	197.6	196.1	303.5	359.2	401.7	386.9	466.2	451.8	448.1	452.7
Net fin. debt / FCF (x)	-0.2	-0.5	-9.3	1,224.0	2.6	2.3	-10.6	3.8	3.9	3.6
Gearing (%)	-1.4%	-3.9%	38.9%	52.7%	63.3%	46.5%	69.1%	61.8%	55.2%	49.8%
Goodwill / Equity (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%

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Total	100%	100%

Source: Kepler Cheuvreux

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Company Name	Date	Business Line	Rating	Target Price	Closing Price
Chargeurs (EUR)	28/09/2022 04:49	Equity Research	Buy	22.00	11.40
	16/11/2022 06:41	Equity Research	Buy	20.00	13.29
	14/03/2023 05:41	Equity Research	Buy	22.00	15.23

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