

EGIDE

Euronext Growth - FR0000072373 – ALGID

✓ Egide is strengthening at all levels

- Capital increase oversubscribed 2.17 times
- No shares allocated to the Compagnie Nationale de Navigation

The announcement of the launch of a capital increase in August for an amount of €1.9 million seemed relevant to us because it allowed 1/ to provide visibility within the recovery plan for the American subsidiaries, 2/ to facilitate the recruitment of a sales team and 3/ to finance the increase in WCR linked to the growth of the activity.

To this was added a point which seemed particularly structuring to us, namely the entry into the capital of CNN as a reference shareholder and the concomitant appointment of its president as director of Egide. This had the advantage of 1/ being able to rely on a committed shareholder and 2/ benefiting from the latter to “open” doors from a commercial point of view.

It is therefore a real surprise to see the level of commitment of the group's current shareholders. The question now arises as to whether “one hand” has come to build up a significant portion of the capital. It is only at the time of the general assembly on September 12 that we will know.

Another question, what will be the attitude of current shareholders at the time of the general assembly. Will the 20% quorum be reached for the resolutions to be adopted? During the last meeting, 15% was not reached...

You should know that if no new authorization is given to the board of directors, it will no longer be possible to do capital increase. This is an element that could penalize Egide regarding the needs necessary to manage both the growth of its WCR and the reorganization of its US subsidiaries.

Furthermore, at the same time as the capital increase, CNN has committed to lending €750,000 repayable in shares or cash. If no new capital increase is authorized, repayment can only be made in cash in December.

Conclusion.

We advised subscribing with the idea that Egide would finally benefit from a reference shareholder and regain more latitude in terms of financing. This opened up commercial opportunities but also made it possible to continue the investments made in recent years, particularly at Bollène, investments that we noted during our site visit at the end of August and which are gradually moving the factory into a 4.0 plan.

We will therefore have to wait for the general assembly to see things more clearly and know if the 20% can be obtained. If this is not the case, only the appointment by the commercial court of an ad hoc agent to represent the defaulting shareholders would allow Egide to find a solution in order to recover a certain latitude and this in a sense consistent with the social interest.

We thought that the cards would be reshuffled, this is not the case but we can salute the confidence of current shareholders. All that remains is for this confidence to give the board of directors the means to act in the interests of the group because we believe that a call to the market within 12-18 months is inevitable.

Opinion & price target : Speculative Buy - €0.91.

Egide did not gain the visibility we expected. The stock therefore retains an important speculative character.

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SPECULATIVE BUY

Capital Increase result

BPI Label – Innovative company- PEA-PME Eligible

TARGET **BEFORE**
€ 0.91 **€ 0.91**

SHARE PRICE (9/5/23) **POTENTIAL**
€ 0.752 **+21%**

CAPITALISATION **FLOTTANT**
€ 10m **€ 9.5m**

Ratios	2023e	2024e	2025e
EV/Sales	0,5	0,5	0,5
EV/EBIT	nr	nr	22,7
P/E	nr	nr	16,9
P/CF	-35,6	8,9	10,8
Dividend Yield	0,0	0,0	0,0

Data per share	2022	2023e	2024e	2025e
EPS	0,03	-0,18	-0,07	0,04
%Change	0,67	nr	nr	nr
FCF	0,19	-0,15	0,00	-0,02
%Change	nr	nr	nr	-4,53
Dividend	-	-	-	-

Income Statement (€m)	2022	2023e	2024e	2025e
Net Sales	15,5	39,2	42,5	45,4
%Change	-52,4%	153,7%	8,4%	6,8%
EBIT	0,6	-2,0	-0,5	1,0
% Sales	3,8%	-5,0%	-1,1%	2,2%
Net Result	0,3	-2,4	-0,9	0,6
% Sales	2,2%	-6,1%	-2,1%	1,3%

Cash Flow Statement (€m)	2022	2023e	2024e	2025e
FCF	2,0	-2,0	0,1	-0,2
Net Debt	4,9	11,6	11,9	12,5
Shareholder Equity	6,5	6,1	5,2	5,8
Gearing	75,8%	191,2%	230,7%	217,3%
ROCE	4,6%	-6,7%	-1,7%	3,3%

Shareholders	
Pleiade Invest	3,0%
Management	2,0%
Free Float	95,0%

Performances	2023	3m	6m	1 Year
Egide	42,1%	29,9%	-21,6%	-11,3%
Euronext Growth	-5,1%	-4,2%	-9,5%	-5,8%
12 months Low-High	0,42	1,27		

Liquidity	2023	3m	6m	1 Year
Cumulative volume (000)	11 256	2 320	5 813	13 017
% of capital	84,6%	17,4%	43,7%	97,9%
% of Free Float	89,1%	18,4%	46,0%	103,0%
€ Million	9,3	1,6	4,4	10,3

Next Event H1 Results : October, 26

Egide has signed a research contract with GreenSome.

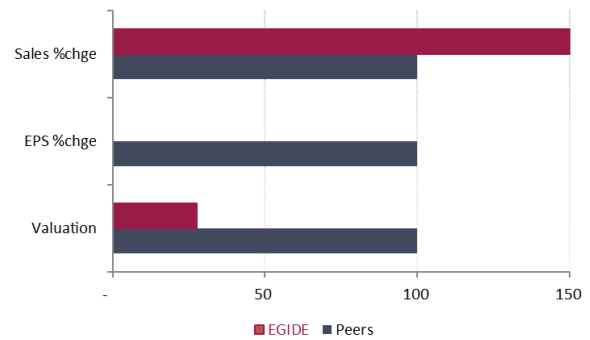
Snapshot Egide

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
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
1/26/23	2022 Annual Sales	Speculative Buy	€ 0.538	€ 0.85
1/2/23	Funding Agreement	Speculative Buy	€ 0.54	€ 0.85
10/24/22	H1 Results	Neutral	€ 0.717	€ 0.78
9/27/22	Focus	Speculative Buy	€ 0.63	€ 1.13

Financial Data

Income Statement (€ m)	2020	2021	2022	2023e	2024e	2025e
Revenues	30,0	32,5	15,5	39,2	42,5	45,4
Purchase	12,5	12,7	5,7	16,3	17,2	17,9
Externals costs	2,3	6,5	2,4	5,9	6,2	6,6
Personnals Costs	13,6	14,0	6,3	17,2	17,9	18,3
Amortization	1,6	1,5	0,5	1,4	1,3	1,1
other	2,3	3,4	0,1	0,0	0,0	0,0
EBIT	2,0	0,8	0,6	-2,0	-0,5	1,0
Financial Result	-0,6	-0,4	-0,2	-0,4	-0,4	-0,4
Tax	-0,4	-0,2	-0,1	0,0	0,0	0,0
Net Result	1,0	0,2	0,3	-2,4	-0,9	0,6
Balance Sheet (€ m)	2020	2021	2022	2023e	2024e	2025e
Fixed Assets	10,0	12,8	2,5	6,9	7,2	7,7
Stock Inventories	8,1	7,4	3,5	8,7	9,4	10,1
Accounts Receivable	5,0	4,9	3,4	7,6	8,3	8,8
Other Currents Assests	3,2	1,6	1,9	3,3	1,8	1,9
Cash & Equivalents	1,4	1,6	0,7	-1,7	-1,6	-1,8
TOTAL Assets	27,8	28,3	27,9	24,8	25,1	26,7
Shareholders' Equity	10,6	11,6	6,5	6,1	5,2	5,8
Provisions	0,8	0,9	0,7	0,8	0,9	0,9
Financial Debt	6,6	7,7	4,6	7,6	8,1	8,5
Accounts Payables	7,2	5,4	2,7	7,1	7,7	8,2
TOTAL Liabilities	27,8	28,3	27,9	24,8	25,1	26,7
Cash Flow Statements (€ m)	2020	2021	2022	2023e	2024e	2025e
Cash Flow from Operating Activities	2,5	-1,2	0,9	-1,0	0,4	1,7
Change in Net Working Capital	-0,8	0,7	-1,4	-0,7	-0,7	0,8
Cash Flow from Operations	1,7	-0,5	-0,5	-0,3	1,1	0,9
Cash Flow from Investing	-0,8	0,1	-0,1	-1,7	-1,1	-1,1
Capital Increase	0,0	0,0	0,0	1,9	0,0	0,0
Funding Flow	0,3	0,2	0,9	-0,5	-0,2	-0,2
Cash Flow from Financing	-0,8	0,5	0,8	-0,4	0,0	0,0
Net Change in cash position	-0,1	0,2	-0,9	-2,4	0,1	-0,2
RATIOS	2020	2021	2022	2023e	2024e	2025e
Ebitda Margin	3,9%	-3,2%	5,9%	-1,5%	1,9%	4,7%
EBIT Margin	6,6%	2,5%	3,8%	-5,0%	-1,1%	2,2%
Net Margin	3,3%	0,6%	2,2%	-6,1%	-2,1%	1,3%
ROE	9,3%	1,7%	5,2%	-39,3%	-16,9%	10,2%
ROCE	6,9%	2,6%	4,6%	-6,7%	-1,7%	3,3%
Gearing	72,9%	72,0%	75,8%	191,2%	230,7%	217,3%
FCF per share	0,08	-0,03	0,19	-0,15	0,00	-0,02
EPS (€)	0,10	0,02	0,03	-0,2	-0,1	0,0
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

2019-2020-2021 with new shares

Rating Definition

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

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