Peugeot Invest

Probable increase in NAV at 31/12

PEUG will publish its half-yearly NAV on 22 March. After a 17.2% decline in H1, the NAV at 31/12 should benefit from the 7.2% increase in listed assets in H2 (53% of the GAV). PEUG has not communicated on new investments but had indicated in September that it was selling assets at satisfactory multiples. The unlisted portion of NAV should therefore not disappoint. Orpéa has become insignificant in terms of weight, but remains an important issue in terms of refinancing. This should be resolved in the coming months. In H2 22, PEUG's share price rose by only 3% (-28% over the year), showing a spot discount of 56%.

Update

Price (01/05/23): 90,4€

NAV pa at 30/06/22: €192

Spot NAV at 31/12/22: €200.4

Spot discount: 55%

Market Cap°: €2 253m

Gross debt at 30/6/22: €1,010m

Floating: 20%

Mnemonic: PEUG

FRANCOIS DIGARD
francois@theia-recherche.com

CAROLE ROZEN
carole@theia-recherche.com

SPONSORED RESEARCH

Spot NAV: €200.4 per share.

We have updated the group's spot NAV based solely on its listed assets (53% of the GAV at 31/12/22; 61% at 31/12/21), taking into account the 31/12/22 prices. This represents an increase of €211m since 30 June, i.e. a NAV per share of €200.4 compared with €192 at 30 June (€234 at 31/12/21). The increase is 4% compared to 3% for the share price. The discount, at 56%, remained at a high level, similar to that observed at the time of the first wave of COVID and global confinements. The value of Peugeot 1810 (Stellantis and Forvia) rose by 11% while the rest of the listed assets (-2%) were penalised by Orpéa which fell by 73% in H2 and now represents only 0.3% in the GAV.

This snapshot of NAV is of course incomplete due to the lack of information on unlisted assets. By nature, their valuation is more inertial. In September, the group indicated that it was continuing to observe outflows from its fund shares at levels higher than their historical values.

In our January 2022 study entitled "Focus on private equity", we showed how the group protects itself from a drop in valuation multiples: by investing with GPs that bring value to the acquired companies and contribute to value creation (acceleration of consolidation, improved management and margins, stronger focus on cash generation, sector expertise, etc.); by investing in priority in sectors and companies with strong growth. The expected appreciation of the asset is linked to the growth of its activity and results; by selecting funds that favour primary deals that have not been the subject of several rounds, each of which is marked by multiple inflation.

Orpéa's new management team will have to convince its creditors to go through with the refinancing

Orpéa now accounts for only 0.4% of Peugeot Invest's NAV. Its 93% fall in 2022 accounted for 32% of the decline. A shareholder since 2011 and holding 5% of the capital, Peugeot Invest sits on the Board of Directors in the person of its CEO, Bertrand Finet, and has been particularly active in the reorganisation of its governance.

We do not know at this time what position Peugeot Invest will take regarding the use of its preferential subscription rights in the announced capital increase. Maintaining its economic influence by contributing to the capital increases as described below (€3.8bn + €1.3bn) would represent a new investment of €190m to €250m. This would be significant and compatible with both its usual levels of commitments and the pursuit of its development strategy with moderate leverage. The ongoing negotiations with the various creditors will be decisive and should last several months in 2023. Peugeot Invest's position in the refinancing will depend on this.

What has happened in recent months?

At the end of October, the group announced an amicable conciliation procedure with the Commercial Court to enable it to enter into discussions with its creditors on the restructuring of its financial debt.

In mid-November, the group announced its 2022 landing figures. Orpéa confirmed a deterioration of its profitability due to the inflationary environment, notably with a turnover of around €4.7bn (compared to €4.3bn in 2021); an EBITDAR of around €0.8bn (i.e. an EBITDAR margin of around 17%) (compared to €1.1bn in 2021, i.e. an EBITDAR margin of 25%); and a pre-FRS 16 EBITDA of around €0.35bn (compared to €0.7bn in 2021). Operating cash flow is expected to be around €59m; and cash flow is expected to be around €350m. At the same time, the group has announced a restructuring plan (see below), the financial consequences of which are targets of 9% annual growth in turnover by 2025 on a like-for-like basis, an EBITDAR margin above 20% by 2025, and a target of holding 20-25% of real estate assets. For the period 2022-2025, Orpéa has an investment plan totalling €2.5bn, 63% of which will be devoted to the renovation and extension of the existing portfolio and the construction of new facilities. This represents €1.6bn, of which 78%, already committed, will be spent over 2022-2023. In 2024-2025, the budget will be greatly reduced. 37% will be spent on IT and maintenance. The group plans to spend €368m over 2022-2025 on IT alone, an investment necessary to support the implementation of the plan.

Lack of liquidity in the medium term

The group recognises that the anticipated cumulative operating cash flow will not be sufficient to fund the development capital expenditure incurred and the contractual debt repayments over 2022-25. The group is expected to face a funding gap of €5.33bn by 2025, comprising €0.9bn of accumulated development capital expenditure and €4.310bn of accumulated contractual debt repayments and interest, hence the conciliation process to address the capital structure, fund the business plan and cover the cash flow gap.

Measures to be implemented immediately:

- the significant reduction in the net leverage ratio and financial expenses,
- obtaining new financing, as the group's liquidity is under pressure in the absence of significant asset disposals.

Proposed solution:

- A conversion of €3.8bn of unsecured debt into equity through a capital increase offered to existing shareholders and also subscribed to by unsecured lenders who would subscribe to the shares not subscribed to by existing shareholders by way of set-off against their financial claims;
- 1.9 to €2.1bn of new funds in the form of new debt secured on unencumbered assets, for an amount of €600m (in order to cover Orpéa's financing needs until the beginning of the summer) and a capital increase which will be offered first to unsecured creditors and shareholders who participated in the first capital increase, and then to third party investors.
- The financial restructuring plan should significantly reduce the leverage ratio to 6.5x by 2025E.
- Regarding the equity raising process, firm offers will be requested by mid-January 2023, with the completion of the capital increases envisaged for June 2023. At the end of the restructuring process, Orpéa expects that at least 20% of its share capital will be held by long-term French institutional investors.

At the end of December, Opéa finally announced more financial impairments and less asset value :

On 21 December, the group continued and deepened its work to review the value of its assets. With regard to real estate assets, the independent experts finalised their 2022 valuations by incorporating an increase in real estate yields to an average of 5.5% (versus 5.3% in 2021). With regard to the valuation of intangible assets, the group has completed its approach by conducting an in-depth review of tangible assets and Capex.

Overall, the review concerned more than 90% of the total assets (excluding cash) on the balance sheet at 30 June 2022. It has led the group to anticipate the recognition of additional impairments, bringing the total amount of anticipated pre-tax asset impairments at 31 December 2022 to €5.0-5.4bn, with an impact on equity reduced by almost €0.6bn taking into account the reversal of deferred tax liabilities. Furthermore, the total economic value of the group's real estate assets at 31 December 2022 is now estimated at €6.0-6.1bn (compared with €8.4bn at 31 December 2021, including €0.3bn of assets held for sale). This anticipation at 31 December 2022 covers nearly €5.1bn of the real estate assets valued by independent experts as part of their annual review (i.e. 83% of the real estate assets at 31 December 2022). The change in these values compared to the previous year is due, on the one hand, to the new business plans established by establishment and at the global level, as part of the strategic review carried out by the group in Q3-22, and on the other hand, to the increase in property yields.

The part of the real estate portfolio not valued by independent experts is mainly made up of assets under construction, assets held in co-ownership and certain assets with specific characteristics (small size, sites undergoing restructuring, etc.). After depreciation, the balance sheet value of this part of the real estate portfolio, anticipated at 31 December 2022, should be between €0.9 and €1.0bn (compared with, all other things being equal, €1.8bn at 31 December 2021). Thus, the difference between the €8.4bn amount shown in the accounts as at 31 December 2021 and the discounted amount of €6.0-6.1bn anticipated as at 31 December 2022 is mainly due to :

- a decrease in the value of real estate assets for an estimated amount of €2.0-2.1bn;
- a change of approach aimed at excluding certain assets that are not intended to be included in the scope of real estate assets, for an amount of nearly €0.8bn;
- and the combination of the effects of changes in the scope of real estate assets (construction, asset disposals, etc.) and depreciation, for a positive amount of nearly €0.5bn.

In addition, and without any link, Orpéa filed a new complaint on 20 December 2022, against Yves Le Masne (former CEO), concerning facts likely to characterise offences of misuse of the company's assets or credit, breach of trust, complicity, concealment or laundering. It should be noted that on 30 January 2022, the Board of Directors terminated Mr Yves Le Masne's duties as CEO.

In parallel with the refinancing issues, the group presented its restructuring plan on 15/11/22: Orpéa changes! With you and for you!

An entirely new team made this strategic presentation. These included President Guillaume Pépy, CEO Laurent Guillot, HR Director Fanny Barbier, Property Director Géry Robert-Ambroix and Medical Director Pierre Krolak-Salmon. Laurent Lemaire, CFO for only a few months at the time of the "Fossoyeurs" revelations, is also to be counted among the new managers. They insisted on a break with the past: 30 managers left the group in 2022.

The reorganisation should be inspired by the group's DNA (expertise and care protocols) and require the construction of structures adapted to its size and growth, which it has lacked in recent years. Laurent Guillot's objective is to make Orpéa a mission led company "a recognised leader in the care sector and driven by sustainable growth" by 2025.

After having "remedied and organised" since his arrival, Orpéa wants to "remobilise" with an HR policy that takes care of its employees in the face of a catastrophic situation (25% turnover, 10% absenteeism, 20% of positions occupied by fixed-term contracts and temporary workers). In a company that has 72,000 employees and takes care of 275,000 people a year, this is a crucial and costly aspect.

The real estate strategy, a pillar of Orpéa's business model, has been completely rethought. The aim is to reduce the direct holding from 47% to 20-25%. In the short term, this will be achieved through asset disposals (€1bn identified) and then through the creation of a property company in which Orpéa will remain the main shareholder and operator alongside long-term investors.

Concentration choices will be made on activities and markets in which the group has a leading position or is able to manage the safety and quality of operations, with a double-digit EBITDA after rent and a potential for profitable development (organic and M&A). 7 core countries are already profitable while 10 countries will be restructured or even sold. After years of uncontrolled growth, management is focusing on profitable and sustainable development.

The financial targets communicated are for a 9% growth in turnover and an EBITDAR margin progression of 340bp by 2025. This corresponds to a recovered EBITDAR that would be still 600bp lower than in 2019. This reflects a healthier business that is aiming for sustainability of its profitability targets. Half of this 600bp decline in profitability reflects new HR practices, a third the lower profitability of the international business where growth has been strongest and the balance a regulatory effect specific to the French market.

Reminder of PEUG's activity since the beginning of 2022.

After a record year in terms of investments and disposals (€726m and €605m respectively), the group proceeded in H1 mainly to additional commitments in Faurecia and Signa Development, to co-investments in SantéVet (French leader in pet insurance) and Schwind (European leader in ophthalmic lasers) and to calls on private equity and real estate funds. The disposals corresponded to the sale of Keurig Dr Pepper and Asmodee shares as well as distributions from private equity funds. In August, the group announced the disposal of bulk carriers held by a JV with Louis Dreyfus Armateurs. As the delivery of vessels is subject to certification and auditing requirements, it is not known whether this exit will impact the group's cash position by the 2022 closing. Peugeot Invest sold its remaining shareholdings in Safran and JDE for a total of €50m.

The group has maintained its new commitments to various PE funds over 2022 at a level of around €200m as announced.

The lack of new investment announcements in H2 probably reflects caution about the still high valuation levels in the unlisted sector while macroeconomic uncertainties remain high. In the absence of significant investment, the LTV ratio is likely to fall below 17% at 30 June 2022. The sluggishness of the stock markets in 2022 could revive PEUG's interest in listed companies deemed attractive in terms of valuation.

PEUG in pictures

Chart 1 : PEUG's 10-year price

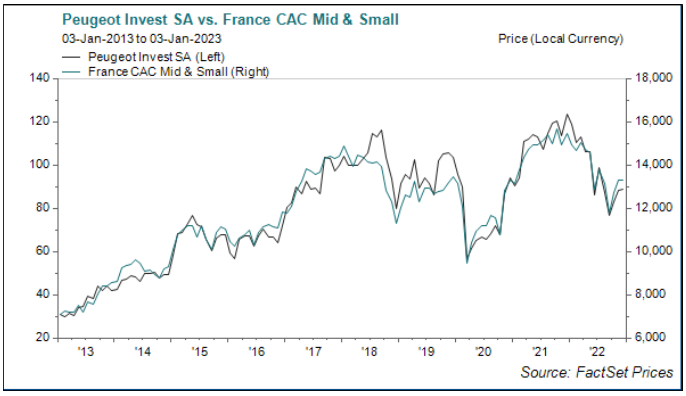


Chart 2 : GAV as at 30/06/22 by type of asset

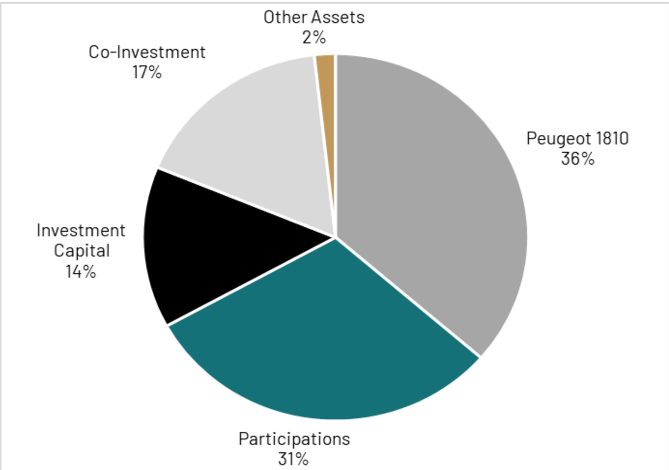
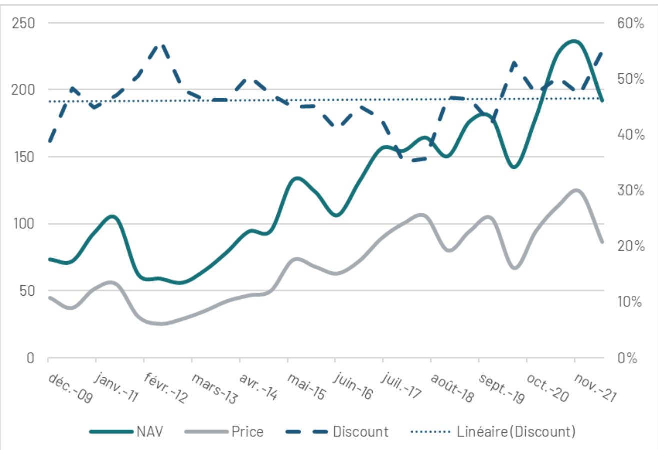


Chart 3 : Historical discount and NAV over 10 years



Source of charts: Factset, Peugeot Invest, Theia Recherche
*Investments = Assets excluding Peugeot 1810

Chart 4 : Evolution of unlisted assets

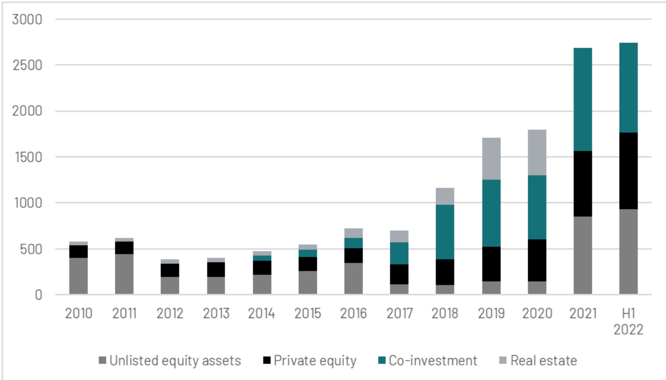


Chart 5 : Listed vs. unlisted in the GAV Investments*.

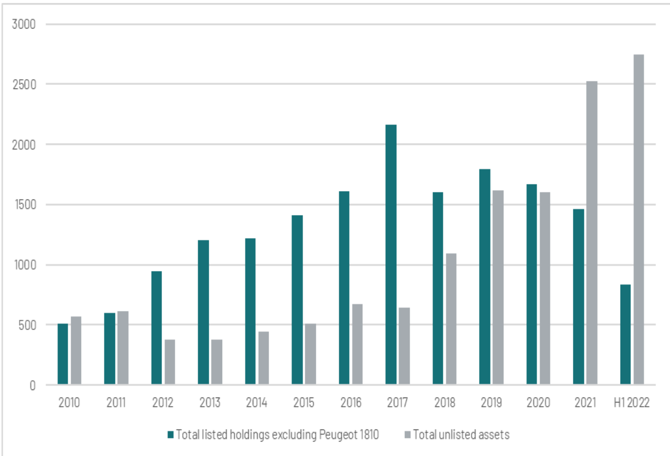
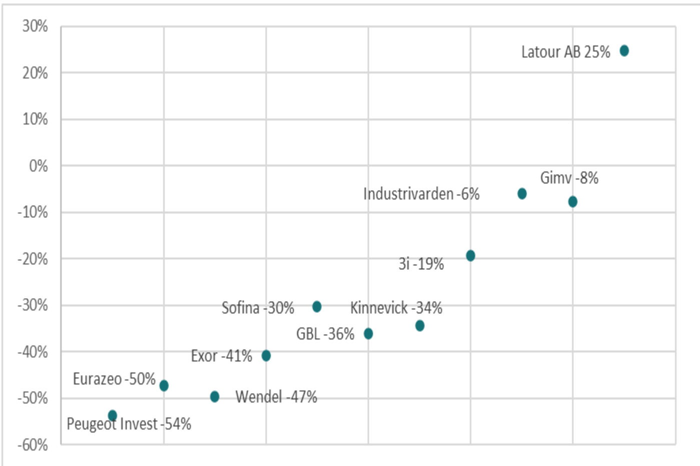


Chart 6 : European peer group discounts/premiums



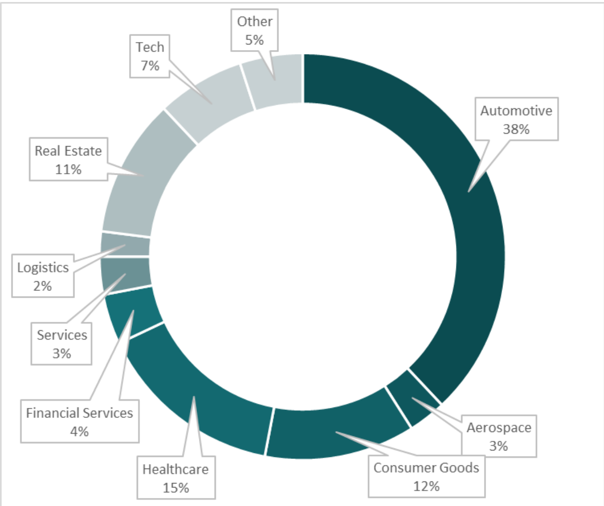
* Price at 31/12/22 compared to published NAV at 30/06/22

Table 1 : Spot NAV of Peugeot Invest at 31/12/2022

		Value (M€)
	Stellantis	2 972
	Forvia	85
Peugeot 1810 (76.5%) - A		**2 339**
	Lisi (total)	202
	SEB	174
	Orpea	20
	CIEL	15
	Tikehau Capital	75
	Spie	207
	Immobilières Dassault	75
Listed holdings - B		**816**
Unlisted holdings - C		**935**
Total equity D = B+C		**1 753**
Private equity vehicles - E		**826**
Co-Investment - F		**985**
	Other financial assets and liabilities	8
	Treasury	140
Other assets - J		**102**
Gross revalued investment assets D+E+F+J		**3 666**
Total gross revalued assets A+D+E+F+J		**6 005**
Debt		-1 010
Net asset value		**4 995**
Net asset value per share		**200,4**
Share price at 31/12/22		**89,0**
Discount		56%

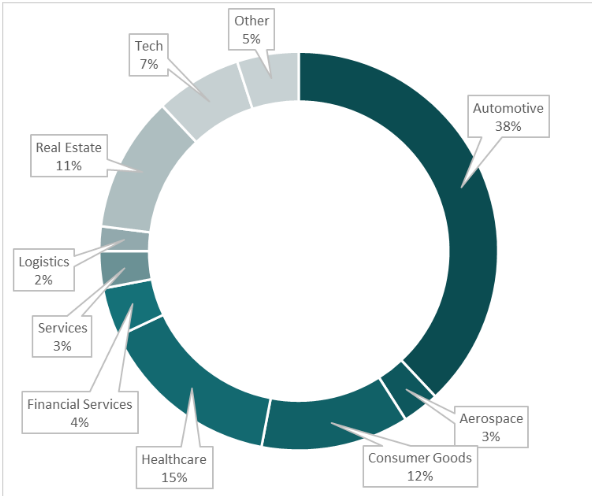
Source: Peugeot Invest, Theia Recherche

Chart 7 : GAV by sector (H1 22)



Source : Peugeot Invest

Chart 8 : GAV by geographies (H1 22)



Source : Peugeot Invest

Income statement at 31/12 (€m)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Income from financial assets	55	99	53	89	159	172	230	154	186	227	640
Income from investment properties	1	2	1	1	1	3	1	2	2	5	6
Income from other activities	3	3	4	3	3	3	4	4	3	3	0
Income from ordinary activities	**60**	**104**	**57**	**93**	**164**	**178**	**235**	**160**	**190**	**235**	**646**
General administration costs	-11	-10	-12	-15	-17	-18	-21	-23	-32	-37	-36
Impairment of available-for-sale assets	-7	-11	-1	-2	-5	-1	-4				
Cost of financial debt	-11	-13	-14	-14	-12	-10	-13	-15	-20	-28	-29
Pre-tax earnings of consolidated companies	**31**	**70**	**30**	**61**	**130**	**150**	**197**	**122**	**138**	**170**	**581**
Share of net income of associates	151	-971	-1 096	236	32	18	21	6	9	-14	13
Consolidated profit before tax	**182**	**-901**	**-1 066**	**298**	**161**	**168**	**218**	**128**	**147**	**155**	**594**
Income taxes (including deferred taxes)	-1	0	0	10	-3	-18	4	-13	-16	11	-75
Consolidated net result	**181**	**-901**	**-1 066**	**307**	**159**	**150**	**222**	**115**	**131**	**166**	**518**
Of which minority interests	0	0	0	1	1	0	0	0	0	-32	-62
Of which group share	181	-900	-1 066	308	159	150	222	115	131	134	456
Per share											
published	7,2	-35,8	-42,4	12,2	6,3	6,0	8,9	4,6	5,3	5,4	18,3
diluted	7,2	35,8	-42,4	12,2	6,4	6,0	9,0	4,6	5,3	5,4	`18,41
Average number of shares											
published	25,16	25,16	25,16	25,16	25,16	25,07	25,07	24,92	24,92	24,92	24,92
diluted											

Source : Peugeot Invest

Other comprehensive income at 31/12 (€m)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Consolidated net result	181	-901	-1 066	307	159	150	222	115	131	166	518
Effects of equity affiliates on net comprehensive income	0	-399	-120	1	9	-3	-6	7	17	11	9
Net revaluations of financial assets	-15	147	198	84	580	26	323	-264	372	203	-313
Capital gains on disposals of equity investments								232	137	94	1 235
Net revaluations of derivative instruments	-3	-6	-17	23	3	-2	3	-1	-3	0	4
Exchange rate differences							-14	12	10	-49	46
Other direct revaluations net of equity				-2	-7	11	-16	11	7	-3	41
Total other comprehensive income	-17	-258	62	106	585	32	292	-4	540	255	1 023
CONSOLIDATED COMPREHENSIVE INCOME	**164**	**-1 159**	**-1 004**	**413**	**743**	**182**	**513**	**111**	**671**	**422**	**1 541**
Of which Group share	164	-1 159	-1 004	413	744	182	513	111	671	112	1 286
Of which minority interests	0	0	0	-1	-1	0	0	0	0	310	255

Source : Peugeot Invest

Cash flow at 31/12 (M€)	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Consolidated net result	181	-901	-1 066	307	159	150	222	115	131	166	518
Net depreciation and provisions	7	13	1	2	5	1	5	2	1	1	1
Result on disposal of non-current assets											-173
Unrealised gains and losses from changes in fair value	-13	-72	-30	-63	-48	-135	-153	2	-7	-61	-34
Share of profit of associates, net of dividends received	0	1	3	4	-80	-2	0	-73	-63	-148	-296
Cost of net financial debt	-90	975	1 099	-232	-28	-14	-16	-1	-4	16	-11
Tax expense (current and deferred)	11	13	14	14	12	10	13	15	20	29	29
Cash flow before cost of net financial debt and tax	1	0	0	-10	3	18	-4	13	16	-11	75
Taxes payable	98	29	21	22	23	28	66	72	94	-8	109
Change in working capital requirements related to operations	-5	0	-1	0	-6	-3	0	-7	-7	-1	-12
Related net cash flows from operating activities	**4**	**-10**	**6**	**-2**	**8**	**-7**	**-2**	**14**	**1**	**-14**	**-8**
Acquisitions of tangible and intangible assets	97	18	26	21	25	18	64	79	88	-22	89
Proceeds from disposal of tangible and intangible assets	0	0	0	0	-1	0	-2	-1	0	0	0
Acquisitions, disposals of own shares	0		0	0	0	0	0	0	0	0	
Acquisitions of financial assets	0	0	0	-3	-1	0	-29	-1	0	0	0
Proceeds from disposal of financial assets	-176	-120	-15	-197	-148	-169	-439	-382	-453	-473	-758
Change in other non-current assets	76	166	48	196	47	84	346	249	235	273	631
Net cash flows from investing activities	**0**	**-7**	**0**	**-3**	**33**	**-3**	**-8**	**7**	**0**	**-11**	**1**
Dividends paid during the year	-101	39	32	-7	-70	-88	-132	-128	-218	-212	-126
Cash receipts from new loans	-38	-28	0	0	-50	-40	-45	-49	-53	-53	-58
Loan repayments	53	51	14	7	1	112	243	107	301	373	87
Change in other non-current financial liabilities		-48	-54	0	-52	-1	-110	0	-79	0	0
Net financial interest paid	-1	-19	-4	-1	163	-1	5	0	0	0	0
Net cash flows from financing activities	**-11**	**-13**	**-14**	**-14**	**-12**	**-10**	**-13**	**-15**	**-19**	**-28**	**-28**
Change in net cash position	2	-57	-59	-8	50	60	79	42	149	291	0,4
Cash and cash equivalents at the beginning of the year	-2	1	-1	7	5	-10	11	-6	19	57	-36
Cash and cash equivalents at the end of the period	6	4	5	4	11	16	6	17	11	31	88

Source : Peugeot Invest

Balance sheet at 31/12 (M€)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Concessions, patents, similar values	0	0	0	0	0	0	0	0	0	0	0
Intangible assets	0	0	0	0	0	0	0	0	0	0	0
Investment properties	17	17	16	16	16	18	18	19	19	22	27
Land	13	13	13	13	13	13	13	13	13	13	
Buildings	1	1	0	0	0	0	0	2	2	1	
Plantations	1	1	1	1	1	1	1	1	1	1	
Other fixed assets	0	0	0	1	1	1	2	1	1	1	1
Rental rights of use									4	3	3
Property, plant and equipment	32	32	32	31	32	34	35	36	41	43	30
Investments in associates (equity method)	3 350	2 033	815	206	286	222	248	258	287	274	300
Non-consolidated holdings	896	1 002	1 200	2 035	2 686	2 967	3 341	3 172	3 792	4 738	5 834
Fixed assets from portfolio activity (FAPI)	151	151	164	259	363	485	745	1 133	1 515	1 607	2 210
Other non-current financial assets	0	10	16	114	206	4	12	6	6	25	27
Non-current financial assets	4 397	3 195	2 195	2 616	3 540	3 678	4 347	4 568	5 600	6 644	8 371
Deferred taxes - Assets	9	12	22	16	21	3	5	3	4	29	12
Non-current assets	4 439	3 239	2 248	2 663	3 593	3 715	4 386	4 607	5 644	6 716	8 413
Stocks	10	9	10	10	11	10	10	7	8	9	
Current taxes		4	0	1	0	2	4	0		7	0
Other receivables	1	2	1	1	1	2	7	2	3	5	14
Cash and cash equivalents	4	5	4	11	16	6	17	11	31	88	52
Current assets	16	20	15	23	29	20	38	21	41	108	66
Total Assets	**4 455**	**3 259**	**2 264**	**2 686**	**3 622**	**3 736**	**4 424**	**4 628**	**5 685**	**6 825**	**8 479**
Capital provided	25	25	25	25	25	25	25	25	25	25	25
Premiums related to capital	158	158	158	158	158	158	158	158	158	158	158
Reserves	3 651	3 546	2 708	1 744	2 586	2 737	3 104	3 271	3 874	4 011	4 928
RESULT OF THE YEAR (Group share)	181	-900	-1 066	308	159	150	222	115	131	134	456
Total capital and reserves (Group share)	4 016	2 829	1 825	2 236	2 928	3 070	3 509	3 570	4 189	4 328	5 568
Minority interests	1	1	0	0	-1	-1	0	0	-1	619	859
TOTAL EQUITY	**4 017**	**2 830**	**1 826**	**2 236**	**2 928**	**3 069**	**3 509**	**3 569**	**4 188**	**4 947**	**6 427**
Non-current financial liabilities	389	376	372	376	593	587	817	935	1 340	1 713	1 814
Deferred taxes - Liabilities	37	40	52	56	85	68	83	98	134	125	206
Provisions	0	0	0	0	0	1	1	1	1	1	1
Other non-current liabilities	0	0	0	1	0	1	0	0	0	0	
TOTAL NON-CURRENT LIABILITIES	427	417	424	432	679	656	901	1 034	1 474	1 838	2 021
Current financial liabilities	3	10	10	15	5	5	7	12	9	10	7
Current taxes	4		0	0	5	0	0	7	2	13	13
Other debts	4	3	4	3	6	5	8	6	11	17	11
TOTAL CURRENT LIABILITIES	12	12	14	18	15	10	14	25	23	39	31
Total liabilities	**4 455**	**3 259**	**2 264**	**2 686**	**3 622**	**3 736**	**4 424**	**4 628**	**5 685**	**6 825**	**8 479**

Source : Peugeot Invest

Risk of conflicts of interest

Nature	
Consulting contracts of any kind	No
Research contract	Yes
Equity investment by Theia Research or the author of the study	No
Proofreading by the company	No
Other	No

Disclaimer

This publication has been prepared by Theia Recherche. It is provided for information purposes only and does not constitute a solicitation to buy or sell any of the securities mentioned herein. This publication does not constitute, and shall not be deemed to constitute, an offer to the public or a solicitation of any offer to the public.

This document (including attachments) is strictly confidential and is intended for professional or qualified investors only. The distribution, possession or delivery of this document in or from certain jurisdictions may be restricted or prohibited by law. Persons receiving this document are required to inform themselves of and to observe any such limitations or prohibitions. Neither Theia Recherche, its agents or advisers, nor any other person shall accept any liability to any person by reason of the distribution, possession or delivery of this document in or from any jurisdiction.

The information contained in this publication and all opinions expressed herein are based on sources believed to be reliable. However, Theia Recherche makes no representation or warranty as to the accuracy or completeness of such information, and no reliance should be placed on it. All opinions, projections and/or estimates contained in this publication reflect the judgment of Theia Recherche as of the date hereof and are subject to change without notice.

It is possible that Theia Recherche has concluded a contract with the issuer on which the financial analysis is based with a view to drafting and distributing one or more publications. However, where applicable, these publications have been produced by Theia Recherche independently, in accordance with the ethics and rules of the profession.

This document may not be distributed to persons subject to certain restrictions. In particular, in the United Kingdom, this document may only be accessed by persons who are "authorised or exempted persons" under the United Kingdom Financial Services Act 1986, or any regulations made thereunder, or persons as described in section 11(3) of the Financial Services Act 1986 (Investment Advertisement)(Exemption) Order 1997. It must not be distributed or communicated, directly or indirectly, to any other person. Any person who comes into possession of this publication must inform themselves of and observe any such restrictions.

Similarly, this publication may not be distributed in the United States or to its nationals. The securities covered by this publication have not been registered with the Securities and Exchange Commission and sending these studies to a US resident is prohibited.

No part of this study may be reproduced or disseminated in any way without the permission of Theia Recherche.

Theia Recherche was created in 2021 with the objective of becoming the first French pure player in sponsored research. Our mission is to provide French small and mid caps with useful research coverage for investors

Theia Research makes sense of small and mid caps through research produced to the highest standards of quality and independence. The structure of our analysis has been developed in partnership with mid-cap investors to meet their needs.

To be listed on the stock exchange without being followed by financial analysts is to bear all the constraints and costs of listing without deriving any benefit. To transform this cost into value, the information issued by the company must be analysed, translated into future cash flow forecasts and transcribed into an equity story that is credible to investors.

Sponsored research is paid for by issuers. It provides a solution for financing quality research for companies that are less and less followed spontaneously and more and more irregularly.