



Chargeurs

Support Services / France

Downwards revision following the Q3 release

Strong 2025 ambitions, luxury flavour - 15/11/2022

Change in EPS

2022 : € 0.86 vs 1.05	-17.7%
2023 : € 1.24 vs 1.35	-8.43%

We have incorporated the 9m 22 numbers into our estimates. In line with the strong increase in revenues observed over 9 months (+64%) for CMS and the management's outlook of €120m in 2023 for the division, we have revised our revenue estimates upwards to €83m from €78m for 2022 and to €121m from €91m for 2023. Our margin estimates are now €4.2m and €9.6m for 2022 and 2023 respectively. We have also revised upwards the figures for CFT, which is not yet experiencing the slowdown we had expected (+49% over 9m), and we now estimate revenues of €224m in 2022, compared to €193m and operational profit of €14.6m (versus €12.5m) in 2022. Concerning CPC, our estimates of €28.4m for 2022 were too ambitious in view of the strong setback owing to the health crisis in Europe, so we now expect turnover of €6.4m and a margin of €1.9m. We have also revised downwards the turnover of CAM which is experiencing a reduction in volumes despite the positive price effect, to €343m with a margin of 7% at €24m. Finally, CFL has also been revised downwards to €95m from €108m. All these changes have led to a decrease in our revenue estimates to €752m in 2022 (compared to €775m previously) and €827m in 2023 (compared to €831m previously) as well as in operating profit to €40m in 2022 (compared to €48m) and €53m in 2023 (compared to €60m), which has weighed on our EPS estimates in 2022 and 2023.

Change in DCF

€ 29.6 vs 37.7	-21.5%
----------------	--------

In line with the downward revision of our EPS for the years 2022 and 2023 (see commentary on EPS), our DCF has seen a downward adjustment from €37.7 to €29.6. This downward revision is explained by the much more challenging environment for the group with lower volumes in the CAM division, the collapse of demand in sanitary ware for CPC despite the division's restructuring effort and CLF which has not yet come to fruition. Nevertheless, we believe that CMS and CFT will be the future growth drivers of the group, and that the group remains in a resilient position despite the macroeconomic headwinds. Our estimates are based on an organic growth scenario and therefore do not take into account any contribution from possible future acquisitions.



Saïma HUSSAIN

supportservices@alphavalue.eu

+33 (0) 1 70 61 10 50

corporate.alphavalue.com

This research has been commissioned and paid for by the company and is deemed to constitute an acceptable minor non-monetary benefit as defined in MiFID II

Buy	Upside : 101%
Target Price (6 months)	€ 27.0
Share Price	€ 13.4
Market Cap. €M	332
Price Momentum	UNFAVORABLE
Extremes 12Months	11.4 ▶ 26.2
Bloomberg	CRI FP Equity
Reuters	CRIP.PA

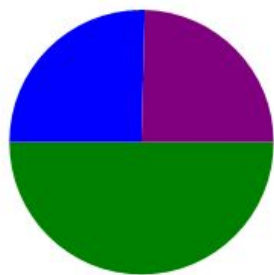
[Download Full Analysis](#)[Company Page](#)

PERF	1w	1m	3m	12m
Chargeurs	0.83%	8.50%	-19.4%	-48.3%
Support Services	4.27%	10.3%	0.35%	-16.8%
SXXR Index	3.51%	10.7%	-1.51%	-8.79%

Last updated: 15/11/2022	12/21A	12/22E	12/23E	12/24E
Adjusted P/E (x)	17.7	15.5	10.9	8.06
Dividend yield (%)	5.37	6.26	8.05	10.9
EV/EBITDA(R) (x)	9.03	7.39	5.91	4.89
Adjusted EPS (€)	1.30	0.86	1.24	1.66
Growth in EPS (%)	-14.9	-33.7	43.1	34.6
Dividend (€)	1.24	0.84	1.08	1.46
Sales (€M)	737	752	827	892
Underlying operat. profit ma...	6.88	5.27	6.45	7.64
Attributable net profit (€M)	30.6	20.6	29.4	39.8
ROE (after tax) (%)	12.1	7.57	10.1	12.4
Gearing (%)	45.6	45.6	43.9	38.7

[Company Valuation](#) - [Company Financials](#)

Sales by Geography



■ Europe (50.0%)
■ Asia (25.4%)
■ Americas (24.6%)

Consolidated P&L Accounts

	12/21A	12/22E	12/23E
Sales	€M 737	752	827
Change in sales	% -10.4	2.08	10.0
Change in staff costs	% 8.75	11.6	3.12
EBITDA	€M 73.8	64.1	80.1
EBITDA(R) margin	% 10.0	8.53	9.68
Depreciation	€M -23.1	-23.3	-23.8
Underlying operating profit	€M 45.2	35.3	50.8
Operating profit (EBIT)	€M 41.2	31.3	44.8
Net financial expense	€M -10.6	-11.6	-10.5
of which related to pensions	€M	-0.36	-0.77
Exceptional items & other	€M		
Corporate tax	€M -0.50	0.16	-5.59
Equity associates	€M 0.70	0.70	0.70
Minority interests	€M -0.20	0.00	0.00
Adjusted attributable net profit	€M 30.6	20.6	29.4
NOPAT	€M 34.6	27.5	39.4

Cashflow Statement

	12/21A	12/22E	12/23E
EBITDA	€M 73.8	64.1	80.1
Change in WCR	€M 21.9	-17.5	-12.4
Actual div. received from equity holdi...	€M 0.00	0.00	0.00
Paid taxes	€M -6.10	0.16	-5.59
Exceptional items	€M		
Other operating cash flows	€M -11.7	-8.00	-8.00
Total operating cash flows	€M 77.9	38.8	54.1
Capital expenditure	€M -13.0	-8.20	-14.0
Total investment flows	€M -16.9	-18.2	-24.0
Net interest expense	€M -10.6	-11.6	-10.5
Dividends (parent company)	€M -17.7	-24.1	-15.0
Dividends to minorities interests	€M 0.00	0.00	0.00
New shareholders' equity	€M 0.00	0.00	0.00
Total financial flows	€M -54.0	-39.1	-75.4
Change in cash position	€M 10.2	-18.5	-45.3
Free cash flow (pre div.)	€M 54.3	19.0	29.6

Per Share Data

	12/21A	12/22E	12/23E
No. of shares net of treas. stock (year...)	Mio 24.0	23.7	23.8
Number of diluted shares (average)	Mio 23.5	23.8	23.8
Benchmark EPS	€ 1.30	0.86	1.24
Restated NAV per share	€		
Net dividend per share	€ 1.24	0.84	1.08

Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	€ 29.6	35%	● Teleperformance
NAV/SOTP per share	€ 37.8	20%	● Bureau Veritas
EV/Ebitda	€ 18.1	20%	● Rentokil Initial
P/E	€ 15.6	10%	● Quadient
Dividend Yield	€ 26.8	10%	● AkzoNobel
P/Book	€ 23.3	5%	
TARGET PRICE	€ 27.0	100%	

NAV/SOTP Calculation

Balance Sheet

	12/21A	12/22E	12/23E
Goodwill	€M 189	195	202
Total intangible	€M 238	245	251
Tangible fixed assets	€M 85.3	92.3	99.3
Financial fixed assets	€M 7.90	7.90	7.90
WCR	€M -18.0	-0.50	11.9
Other assets	€M 42.4	45.5	45.5
Total assets (net of short term liab.)	€M 418	453	479
Ordinary shareholders' equity	€M 267	276	305
Quasi Equity & Preferred	€M		
Minority interests	€M -0.60	-0.60	-0.60
Provisions for pensions	€M 14.6	22.6	22.8
Other provisions for risks and liabilities	€M 13.8	13.8	13.8
Total provisions for risks and liabilities	€M 28.4	36.4	36.6
Tax liabilities	€M -36.9	-36.9	-36.9
Other liabilities	€M 42.4	42.4	42.4
Net debt (cash)	€M 117	135	133
Total liab. and shareholders' equity	€M 418	453	479

Capital Employed

	12/21A	12/22E	12/23E
Capital employed after depreciation	€M 345	376	402

Profits & Risks Ratios

		12/21A	12/22E	12/23E
ROE (after tax)	%	12.1	7.57	10.1
ROCE	%	10.0	7.29	9.78
Gearing (at book value)	%	45.6	45.6	43.9
Adj. Net debt/EBITDA(R)	x	2.01	2.60	2.06
Interest cover (x)	x	4.26	3.14	5.22

Valuation Ratios

		12/21A	12/22E	12/23E
Reference P/E (benchmark)	x	17.7	15.5	10.9
Free cash flow yield	%	9.82	5.98	9.26
P/Book	x	2.07	1.15	1.05
Dividend yield	%	5.37	6.26	8.05

EV Calculation

	12/21A	12/22E	12/23E	
Market cap	€M 553	318	320	
+ Provisions	€M 28.4	36.4	36.6	
+ Unrecognised actuarial losses/(gains)	€M 0.00	0.00	0.00	
+ Net debt at year end	€M 85.9	103	100	
+ Leases debt equivalent	€M 31.4	32.0	32.0	
- Financial fixed assets (fair value)	€M 32.3	15.0	15.0	
+ Minority interests (fair value)	€M 0.00	0.00	0.00	
= EV	€M 666	474	473	
EV/EBITDA(R)	x	9.03	7.39	5.91
EV/Sales	x	0.90	0.63	0.57

Analyst : Saïma Hussain, Changes to Forecasts : 15/11/2022.