

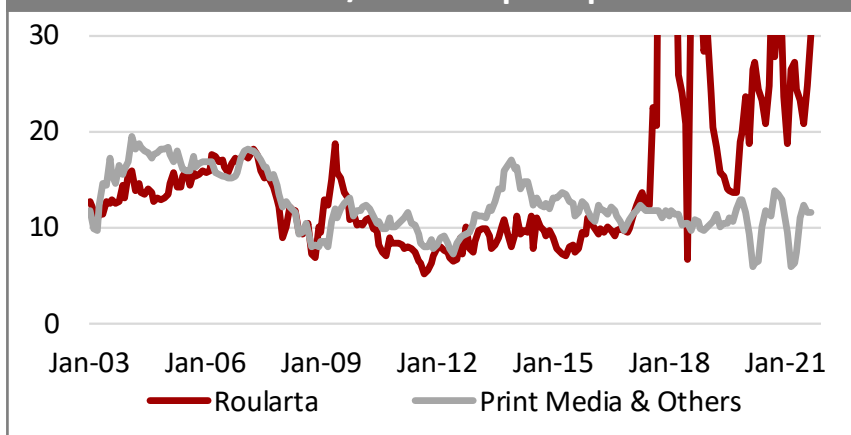
# Roularta Media Group

BELGIUM  
Bloomberg: ROU:BB  
Reuters: RLRT.BR



## Roularta Media Group

Roularta P/E vs European peers



€m	2017	2018	2019	2020	2021e	2022e	2023e
Sales	258.3	278.4	298.0	258.5	307.9	331.5	350.2
EBIT	-13.0	-63.7	7.5	4.0	5.7	15.3	17.4
Net profit	-10.9	79.9	10.9	6.0	9.1	18.1	20.5
EPS (€)	-0.84	6.14	0.83	0.50	0.75	1.50	1.70
DPS (€)	0.00	5.50	0.00	1.00	1.00	1.00	1.00
P/E (x)	na	3.2	16.3	26.6	20.9	10.5	9.2
Yield (%)	0.0	28.0	0.0	7.6	6.4	6.4	6.4
Adj. EV/EBIT (x)	na	na	3.4	9.2	10.9	na	na

Source: Merodis Equity Research, Factset  
Pricing date: 30/09/2021

# Market review and peer benchmarking

14 October 2021

## Key quarterly insights: 3Q21

### 1H21 results beat expectations driven by a market revival, acquisitions and strong positioning

Roularta reported stronger-than-expected 1H21 earnings on 17 August driven by top-line organic growth and cost-control. Sales grew by 17.5% including 9.5% organic growth (MERE +7%), highlighting the strength of the post-Covid19 market revival, particularly in advertising revenues (+29% with organic growth in excess of 12%). Although reported EBITDA reached EUR 22.7m (+317% y-o-y), the figure includes a EUR 5.8m capital gain (value recognition of a JV buy-out from Bayard) and EUR 1.2m equity-accounted results from jointly-owned Mediafin. Excluding those items, the adjusted EBITDA of EUR 15m (+206% y-o-y with a margin of 10.4%) exceeded our forecast of EUR 9.1m, reflecting high gross margins of 82% (MERE 79.5% from favourable paper prices, which have rebounded and should impact margins from 2H21) and success ongoing cost-control (partly Covid19-related in our opinion). Roularta booked a EUR 7.6m brand impairment which excludes an additional EUR 4m brand depreciation at the level of equity-accounted Mediafin. The latter also delivered a strong underlying performance with ad revenues +24%, readership market +12% and an EBITDA of EUR 8.6m. The entity paid a “surprise” dividend to Roularta of EUR 5.3m (MERE EUR 1.1m) and Roularta also surprised the market by announcing a (sustainable) DPS going forward of EUR 1 (MERE EUR 0.55 for 2021e and 2022e), supported by a net cash position reported to have reached EUR 83m in June (we expect as much as EUR 94m by December).

### We expect strong earnings momentum to continue into 2H21

We have revised our 2021 forecasts upwards on the back of a strong 1H21, with EPS raised to EUR 0.75 up from EUR 0.29 previously expected. This puts us 4% ahead of Factset consensus in 2021 and we are 14% above in 2022, despite our EPS cut to reflect slightly higher opex excluding COGS estimates towards more realistic forecasts in our view: 71% of sales up from 69% previously expected compared to 75% expected in 2021. We also introduce new 2023 forecasts, reflecting top line growth of 5.6% (driven mainly by Line Extensions, ie. events which should gradually recover from Covid19 market closure) which represents no less than 10% of group sales. We expect EBITDA margins to reach 9.8% in 2023e up from 7.9% in 2021e.

### Valuation assessment

The market currently values Roularta at an enterprise value (EV) of a mere EUR 62m, which includes a market cap of EUR 206m, the value of other liabilities of EUR 5m, EUR 93m of net cash reported in 2021e as well as our estimated value of EUR 44m for its 50% stake in Mediafin and EUR 7.5m for the 35% stake in Immovlan. Our fair equity value estimate is raised to EUR 20.8/share (from EUR 17.0). We value the core Print Media activity at an EV of EUR 129m (8.5x EV/EBIT '22e). We believe this business has more potential value, given, among others, Roularta’s leading market positions in free newspapers and in (news, business and women) magazines as well as its state-of-the-art printing facilities.

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Please refer to important disclosures at the end of this report

## Goals of this Dashboard

- ➔ Follow-up to our coverage of Roularta which was launched in October 2015
- ➔ Tool to keep investors up to date with Roularta's equity story as well as its valuation in a sector context
- ➔ Update investors on recent company and sector news flow

## Corporate calendar of Roularta's upcoming announcements and events

- ➔ Tuesday, 8 March 2022: FY21 results
- ➔ Tuesday, 17 May 2022: AGM
- ➔ Tuesday, 19 August 2022: 1H22 results

## Access our recent research reports on Roularta:

- ➔ ["4Q20 market review" \(quarterly dashboard\), 18 January 2020](#)
- ➔ ["2Q21 market review" \(quarterly dashboard\), 7 July 2021](#)

A domestic leader in high-quality print media focusing on its core activity

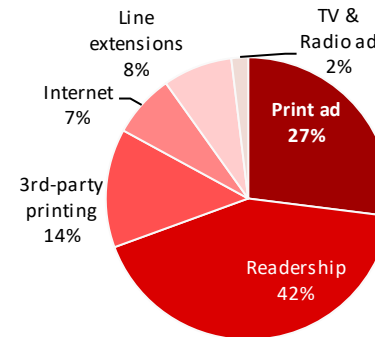
## Company description

**Roularta** is Belgium's leading media company offering

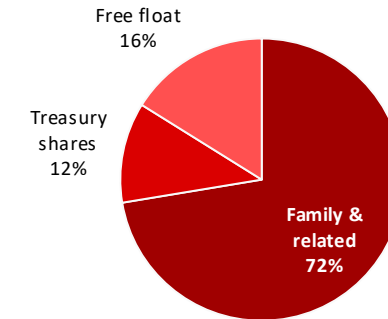
- (1) local weekly free newspapers in Flanders (Deze Week, De Zondag, Steps),
- (2) nationwide weekly news, business and women magazines (Knack, Le Vif L'Express, Trends, Trends Tendance, Libelle/Femme d'Aujourd'hui and Flair and Feeling/Gael),
- (3) internet platforms (Digilocal, Proxistore, own content websites) and
- (4) a 50% JV stake in Mediafin, Belgium's leading daily business newspapers (De Tijd and L'Echo).

Combined group sales are almost entirely generated in Belgium through (1) Print Media Advertising, (2) Readers Market (subscriptions and newsstand sales), (3) Third-Party Printing, (4) Internet advertising and related, (5) other sources of revenues (inc. Line Extensions) and (6) TV and Radio advertising revenues (2%). Roularta's consolidated accounts include the full contribution of its Print Media activity (advertising and readers market, internet activity, line extensions and third-party printing). The 50% stakes in Mediafin is equity-accounted. The company acquired the women magazines in an asset deal with Sanoma (June 2018), with sales in the region of €70m for a consideration of €25m. In 2021, it also bought-out Bayard Presse from a JV with magazine titles in the Netherlands and Germany. The company restated its segmentation to: Media Brands (88% of group sales in 2020) and Printing Services (12%).

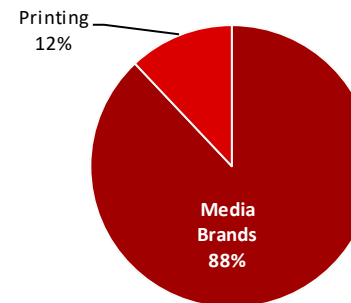
## Combined sales breakdown (2020)



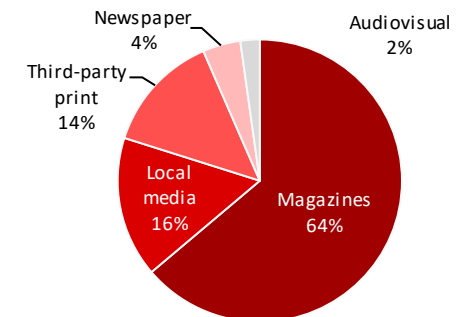
## Shareholders



## Segment sales (2020)



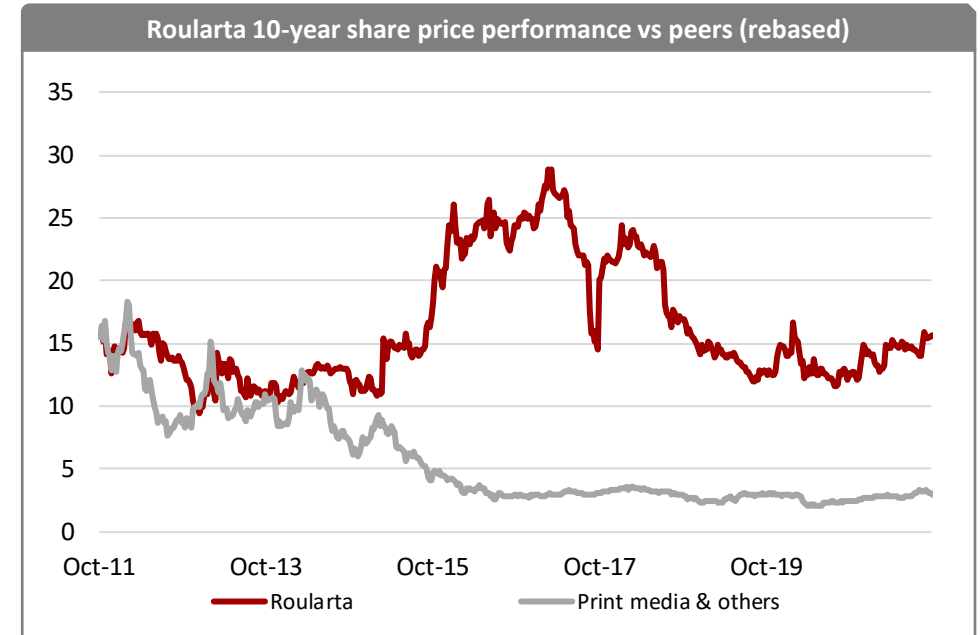
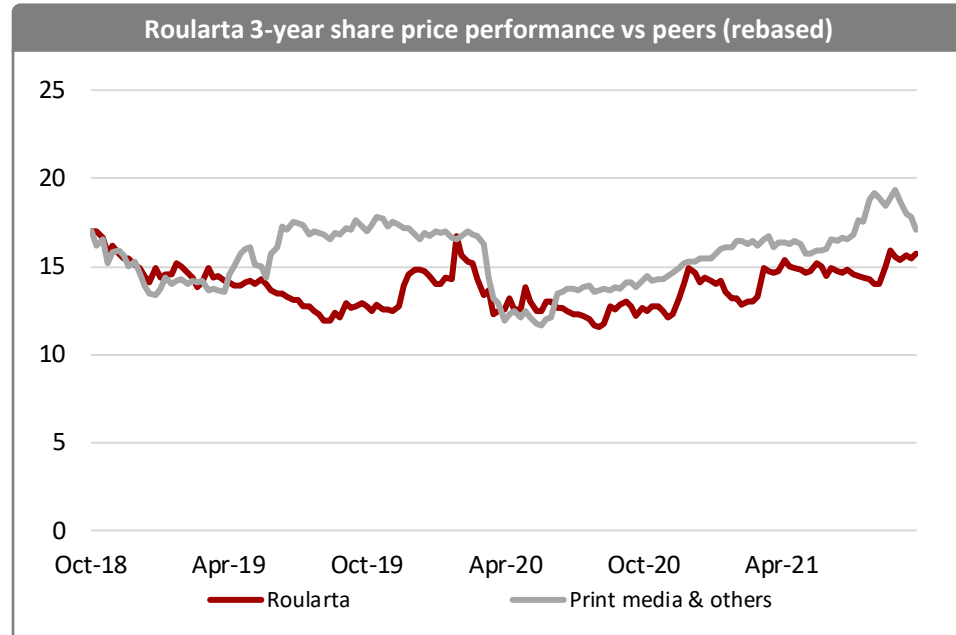
## BU sales (2020)



Source: Merodis, Factset

# Share price performance

Under pressure since 1Q17, with transformational deals and strong 2H18, 2019 and 2H20 to the rescue



Source: Merodis, Factset

# Analyst Recommendations, Earnings Expectations

Consensus stabilizes after downgrading due to Covid-19

## Consensus view

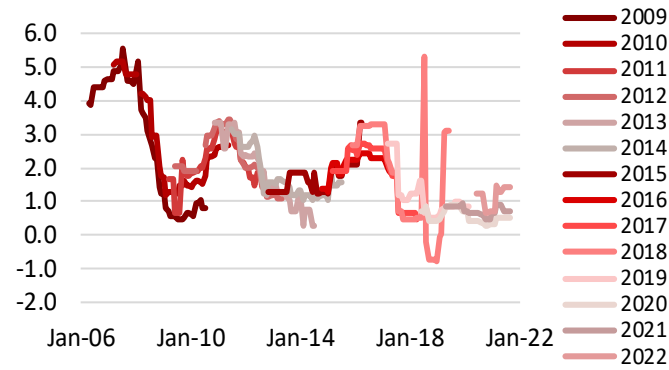
2021e consensus EPS estimates for Roularta remained unchanged q-o-q, despite strong 1H20 results and the ensuing momentum as well as the buyout of Bayard from the JV which we expect to be earnings enhancing.

Consensus currently expects 2022e earnings of €1.41 per share (flat q-o-q and +16% y-o-y), vs. our forecast of €1.50 (reflecting 100% growth y-o-y). Momentum is strong and we expect it to continue as the company's strategy of focused growth and cost discipline is paying off.

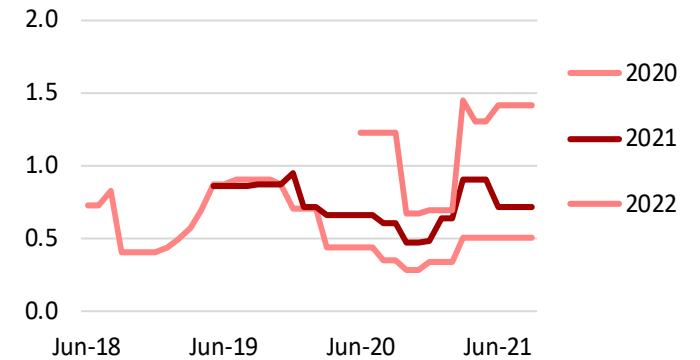
Roularta's share price was up only 5.7% in 3Q21, despite the strong results and the favourable evolution of the reader's market and the national advertising market, outperforming the broader market (+0.4% for the Euro Stoxx 600), as well as Print Media peers (+4.4% q-o-q) while Belgian SMCs were up slightly more (+6.3%). The share's 12 months low was €12 (intraday on 28 October 2020), while its high during the year was €15.95 (25 August 2021).

Only one broker covers the stock according to Factset, KBC Securities (Overweight recommendation with €16 target price). Kepler Chevreux, which initiated coverage in September 2018, is no longer listed on Factset as actively covering the stock and Degroof Petercam does not appear to have published anything recently, according to Factset.

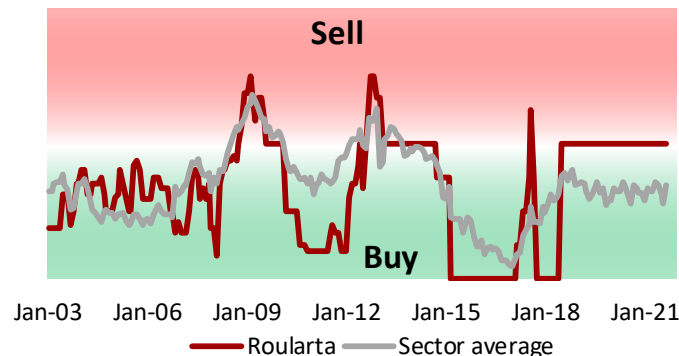
## EPS Worms (€/share)



## Consensus EPS 2020-22 (€/share)



## Analyst recommendations vs. peer average



## Merodis Equity Research estimates (MERe) vs. consensus (%)

	<b>2021e</b>	<b>2022e</b>	<b>2023e</b>
Sales	7.4	11.8	n.a.
EBITDA	25.3	14.1	n.a.
EBIT	44.8	10.5	n.a.
EPS	5.5	6.3	n.a.
DPS	90.5	90.5	n.a.
Net cash	83.6	222.6	n.a.

Source: Merodis, Factset

# Sector benchmarking and valuation analysis

Benchmarking Print Media peers and listed Printing companies

## Sector financial benchmarking

Company	Freefloat (%) 2021	Liquidity (daily,€m)	Depr/EBITDA	Capex/Sales	ND/EBITDA			EBITDA margin (%)			EBIT margin (%)			Net margin (%)			ROE (%)			2021-23e CAGR (%)		
					2021e	2022e	2023e	2021e	2022e	2023e	2021e	2022e	2023e	2021e	2022e	2023e	2021e	2022e	2023e	2021e	2022e	2023e
Solocal	100	0.73	28%	7%	1.7	1.1	-0.5	27.9	30.5	31.9	20.2	23.4	25.3	9.3	11.1	12.6				23.7	14.2	6.9
Mondadori	46	0.41	37%	3%	1.2	1.2	1.1	12.0	14.2	14.5	6.8	8.5	8.8	4.3	4.9	5.2	17.5	24.3	22.2	29.9	15.9	5.4
RCS	15	0.21	33%	2%	1.5	1.0	0.1	14.6	15.2	17.8	8.8	11.5	12.5	6.0	6.2	6.8	13.6	12.8	14.7	15.7	12.4	1.9
Vocento	53	0.03	49%	3%	1.1	0.6	0.3	11.8	12.8	13.1	7.0	7.4	7.8	3.8	3.5	4.0					7.6	1.9
Sanoma	38	0.72	106%	3%	1.9	1.6	1.5	27.5	28.4	29.0	12.1	13.3	14.2	7.8	9.6	10.3			18.9	12.3	5.2	2.3
Wilmington	82	0.18	32%	3%	0.8	0.4	0.1	19.6	19.7	20.1	14.7	15.3	15.8	10.6	11.2	11.8				10.6	6.3	5.1
<b>PRINT MEDIA AVERAGE</b>	<b>55</b>	<b>0.38</b>	<b>47%</b>	<b>4%</b>	<b>1.4</b>	<b>1.0</b>	<b>0.4</b>	<b>18.9</b>	<b>20.1</b>	<b>21.1</b>	<b>11.6</b>	<b>13.2</b>	<b>14.1</b>	<b>7.0</b>	<b>7.8</b>	<b>8.5</b>	<b>15.5</b>	<b>18.5</b>	<b>18.6</b>	<b>18.4</b>	<b>10.3</b>	<b>3.9</b>
<b>PRINT MEDIA MEDIAN</b>	<b>49</b>	<b>0.31</b>	<b>35%</b>	<b>3%</b>	<b>1.4</b>	<b>1.0</b>	<b>0.2</b>	<b>17.1</b>	<b>17.5</b>	<b>18.9</b>	<b>10.5</b>	<b>12.4</b>	<b>13.4</b>	<b>6.9</b>	<b>7.9</b>	<b>8.5</b>	<b>15.5</b>	<b>18.5</b>	<b>18.9</b>	<b>15.7</b>	<b>10.0</b>	<b>3.7</b>
<b>Roularta (consolidated)</b>	<b>15</b>	<b>0.03</b>	<b>67%</b>	<b>5%</b>	<b>-3.8</b>	<b>-3.6</b>	<b>-3.8</b>	<b>7.9</b>	<b>9.6</b>	<b>9.8</b>	<b>0.0</b>	<b>4.6</b>	<b>5.0</b>	<b>2.9</b>	<b>5.5</b>	<b>5.9</b>	<b>4.3</b>	<b>8.9</b>	<b>9.8</b>	<b>50.5</b>	<b>19.3</b>	<b>6.6</b>
<b>% prem./disc. vs median</b>	<b>-70</b>	<b>-90.1</b>	<b>93.4</b>	<b>64.4</b>	<b>-384.7</b>	<b>-446.5</b>	<b>-2,322.2</b>	<b>-54.1</b>	<b>-44.9</b>	<b>-48.1</b>	<b>-100.2</b>	<b>-62.8</b>	<b>-62.8</b>	<b>-57.2</b>	<b>-30.7</b>	<b>-31.5</b>	<b>-72.5</b>	<b>-52.0</b>	<b>-48.4</b>	<b>221.9</b>	<b>92.4</b>	<b>79.4</b>

Source: Merodis, Factset

## Sector valuation

Company	Country	Price (local)	MCap (local m)	P/E			EV/Sales			EV/EBITDA			EV/EBIT			P/B			DYield		
				2021e	2022e	2023e	2021e	2022e	2023e	2021e	2022e	2023e	2021e	2022e	2023e	2021e	2022e	2023e	2021e	2022e	2023e
Solocal	FRANCE	1.75	227	5.5	4.3	3.6	1.0	0.8	0.3	3.6	2.7	1.0	5.0	3.5	1.2				0.0	0.2	1.0
Mondadori	ITALY	1.81	472	14.3	8.9	8.5	0.8	0.7	0.7	6.3	5.1	4.9	11.1	8.5	8.1	2.3	2.0	1.8	1.8	2.6	3.0
RCS	ITALY	0.68	351	7.8	7.5	5.9	0.6	0.6	0.4	4.4	3.8	2.4	7.3	5.0	3.4	1.0	0.9	0.8	4.4	4.4	4.4
Vocento	SPAIN	1.06	127	9.2	10.0	8.7	0.5	0.4	0.4	4.2	3.5	3.0	7.1	6.0	5.0				3.3	3.7	3.9
Sanoma	FINLAND	13.54	2,210	19.5	16.8	15.5	2.3	2.2	2.1	8.4	7.8	7.4	19.1	16.7	15.1		3.0	2.8	4.0	4.2	4.4
Wilmington	UNITED KINGDOM	2.23	195	1645%	14.9	13.4	1.9	1.7	1.6	9.6	8.7	7.9	12.8	11.3	10.0				2.7	3.0	3.2
<b>PRINT MEDIA AVERAGE</b>				<b>12.1</b>	<b>10.4</b>	<b>9.3</b>	<b>1.2</b>	<b>1.1</b>	<b>0.9</b>	<b>6.1</b>	<b>5.2</b>	<b>4.4</b>	<b>10.4</b>	<b>8.5</b>	<b>7.1</b>	<b>1.7</b>	<b>2.0</b>	<b>1.8</b>	<b>2.7</b>	<b>3.0</b>	<b>3.3</b>
<b>PRINT MEDIA MEDIAN</b>				<b>11.7</b>	<b>9.4</b>	<b>8.6</b>	<b>0.9</b>	<b>0.8</b>	<b>0.6</b>	<b>5.4</b>	<b>4.4</b>	<b>3.9</b>	<b>9.2</b>	<b>7.2</b>	<b>6.5</b>	<b>1.7</b>	<b>2.0</b>	<b>1.8</b>	<b>3.0</b>	<b>3.3</b>	<b>3.6</b>
<b>Roularta (consolidated)</b>	<b>BELGIUM</b>	<b>15.70</b>	<b>206</b>	<b>20.9</b>	<b>10.5</b>	<b>9.2</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>2.6</b>	<b>1.3</b>	<b>0.7</b>	<b>10.9</b>	<b>2.7</b>	<b>1.3</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>6.4</b>	<b>6.4</b>	<b>6.4</b>
<b>% prem./disc. vs median</b>				<b>78.0</b>	<b>10.8</b>	<b>7.6</b>	<b>-77.1</b>	<b>-83.7</b>	<b>-88.5</b>	<b>-51.9</b>	<b>-70.6</b>	<b>-83.2</b>	<b>18.0</b>	<b>-62.5</b>	<b>-80.0</b>	<b>-38.1</b>	<b>-50.2</b>	<b>-45.3</b>	<b>113.0</b>	<b>92.1</b>	<b>78.8</b>

Source: Merodis, Factset

# P/E valuation relative to the sector

A recent normalisation driven by regained profitability momentum

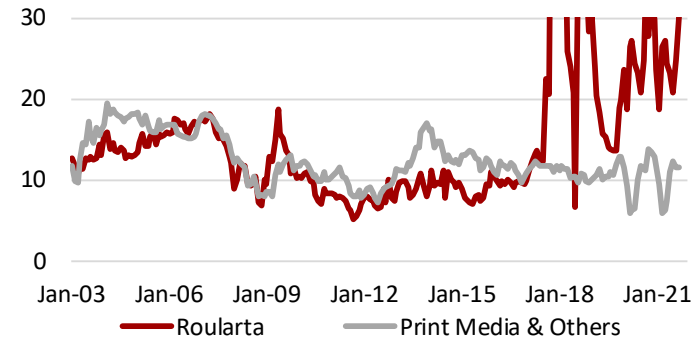
## Valuation

On consensus EPS estimates, Roularta shares trade at a P/E 12M forward of 30.3x, a hefty premium versus Print Media peers in Europe (currently at a median of 11.6x). Importantly, the volatility was historically due to profitability at Roularta which was negatively impacted by weak market conditions in the ad space for Roularta's core activity. The company's focus on subscriber revenues and reduced exposure to ad spend have alleviated earnings volatility.

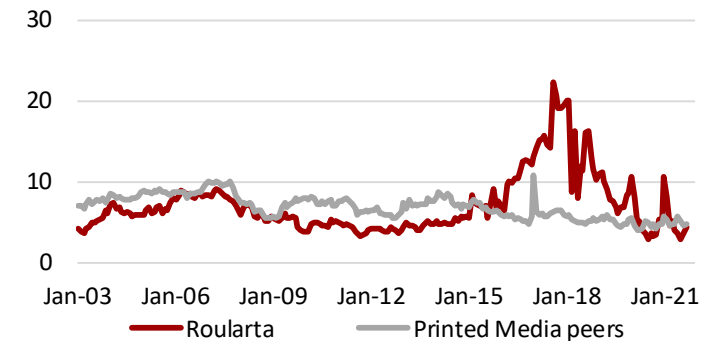
As a reminder, Roularta disposed of its stake in Medialaan in 2018, which means Roularta is now a Print Media pure play compared to the past when TV broadcasting (through Medialaan) was the main profit contributor and the key value driver of the stock (in 2016, 73% of Roularta's EBIT and 80% of its EPS was generated by Medialaan). The rerating compared to the Print Media sector is driven entirely by the share price performance since October 2017 as well as the sharp cut in Roularta's earnings estimates due to launching costs in digital initiatives such as Storesquare (discontinued as from 2019).

The Print Media sector is valued at 11.6x P/E 12M forward (from 11.2x in September 2020, ie. relatively flat y-o-y) and at 4.8x EV/EBITDA 12M forward (unchanged y-o-y), which compares to a 18-year average of 12.4x and 6.9x respectively. The historical valuation range for the sector is 5.9x-19.4x (P/E) and 3.9x-10.9x (EV/EBITDA), which suggest that the sector remains at the low-end of its historical range on both multiples.

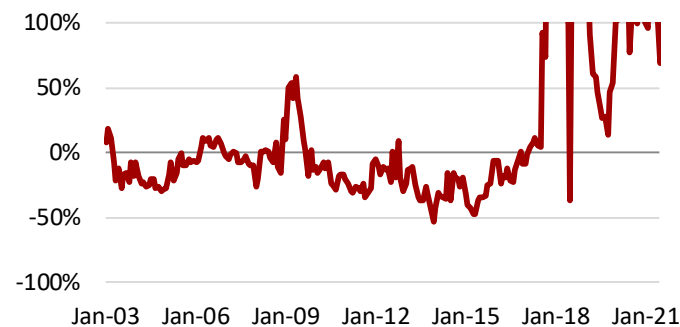
P/E ratio of Roularta vs. Print Media



EV/EBITDA ratio of Roularta vs. Print Media



P/E Premium/(Discount) of Roularta vs. Print Media



EV/EBITDA Premium/(Discount) of Roularta vs. Print Media



Source: Merodis, Factset

# Fair value estimate

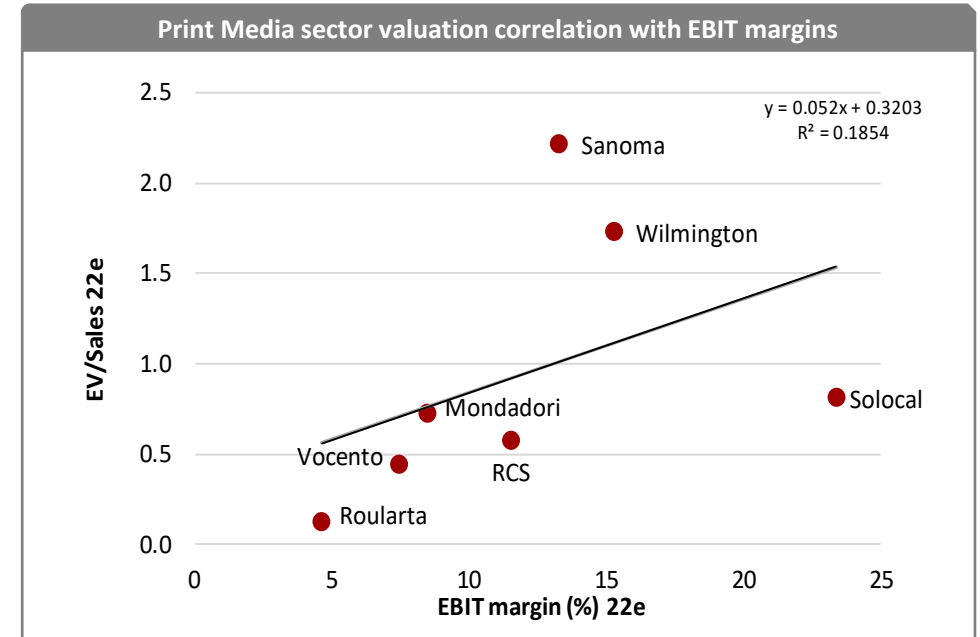
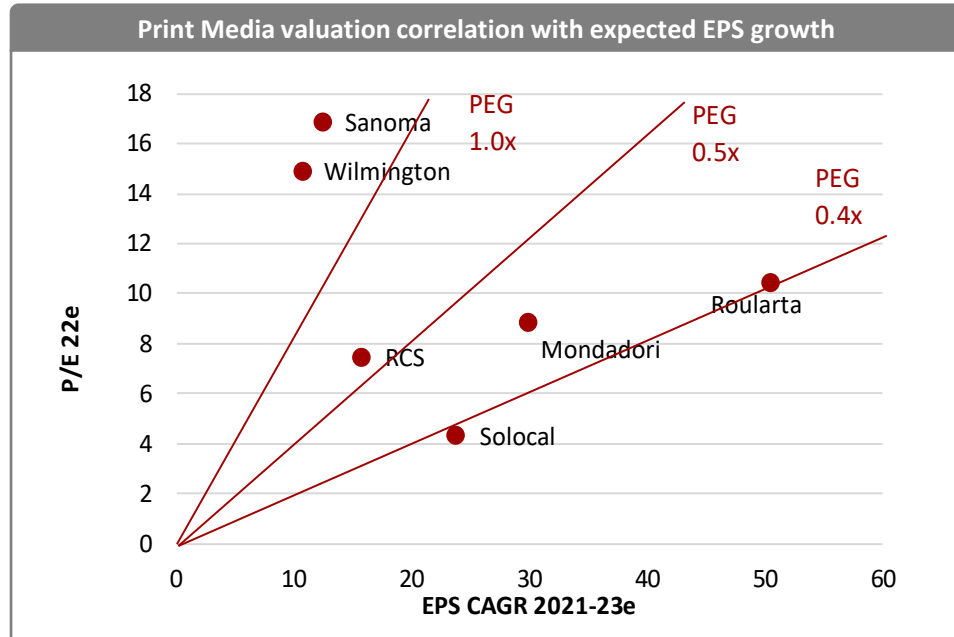
Reflecting the Medialaan disposal, Mediafin acquisition, Sanoma acquisition and Bayard buyout...

Roularta updated sum-of-the-parts										
(EURm)	Ownership (%)	Adjusted EBIT 22e	Discount to peers	EV/EBIT multiple 22e	Net debt 19e	Value	Equity value/sh.	Value split	Value w/o discount	
RMG	100%	15.3	0.0	8.5		129.6	16.9	81%	129.6	
<b>Group enterprise value</b>						<b><u>129.6</u></b>			<b><u>129.6</u></b>	
- Net Financial Debt/(cash) (21e)						93.0			93.0	
- Other liabilities (21e)						-5.3			-5.3	
+ NPV tax asset (balance sheet)						5.2			5.2	
+ Equity value of <b>Mediafin</b> stake	50%					43.5	3.3	16%	43.5	
+ <b>Immovlan</b> stake	35%					7.5	0.6	3%	7.5	
<b>= Estimated market value of equity</b>						<b><u>273.5</u></b>			<b><u>273.5</u></b>	
Total share outstanding (m)						13.1			13.1	
<b>Equity value per share</b>						<b>20.8</b>			<b>20.8</b>	

Source: Merodis, Factset



# Valuation indicators



Source: Merodis, Factset

# Sales growth expectations

Impacted by cyclical and structural effects

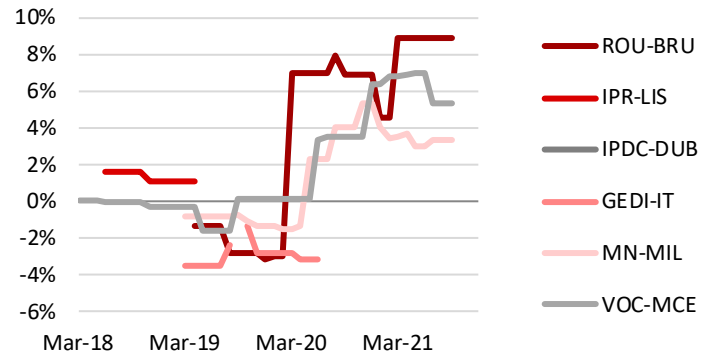
## Expected Sales Growth

At the end of September, consensus expectations for 2021 Print Media sales growth stood at +4.4% (down q-o-q from +5.0%) and vs. -1.3% at the start of 2020, reflecting the impact of the Covid-19 rebound. As a reminder, we expect Roularta sales to grow by 19% in FY21e with organic growth of c. 11%.

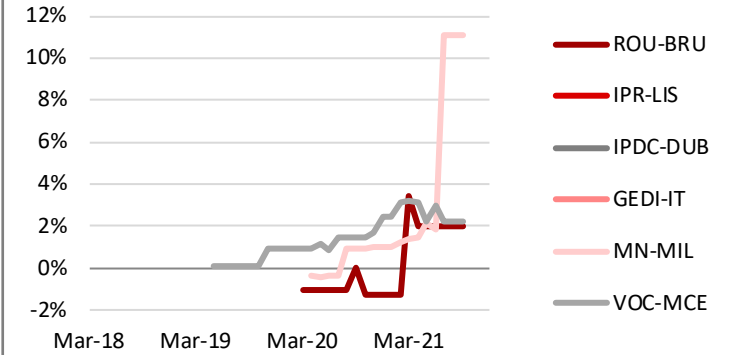
Roularta has engaged in a number of acquisitions and disposals over the past 4 years, leading to a repositioning of the company towards more focus on magazines and printing in Belgium and in neighbouring countries. These transactions impede, however, on the comparability of the accounts from one year to another. The underlying trend, however, is positive in terms of focus and profitability.

In addition to the Covid-19 crisis which is affecting the world economy, the media sector is suffering from the structural impact of online media gaining market share over traditional Printed Media and TV in terms of advertising revenues. This is driven by changes in viewership, which is moving from the traditional media to online.

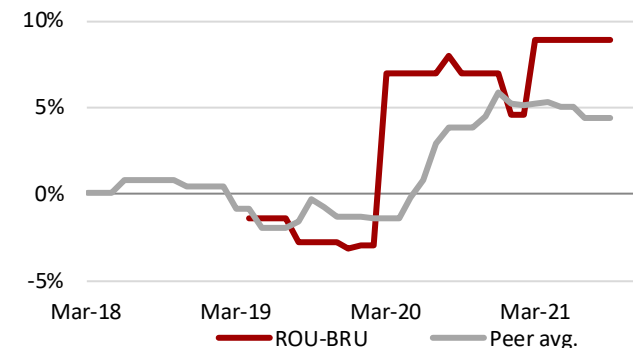
## 2021 expected sales growth (%)



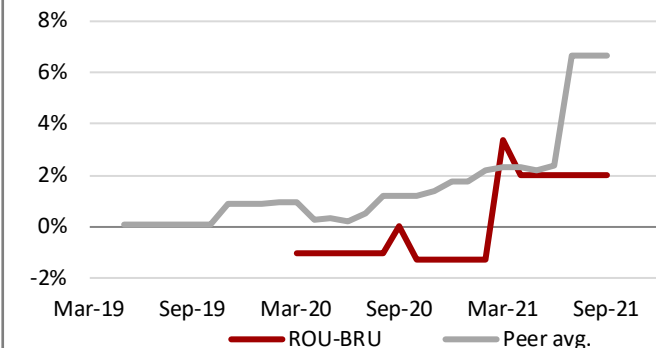
## 2022 expected sales growth (%)



## 2021 expected sales growth, Roularta vs. peers



## 2022 expected sales growth, Roularta vs. peers



Source: Merodis, Factset

# EBITDA growth and margin expectations

Advertising revenue pressure continues to hurt margins

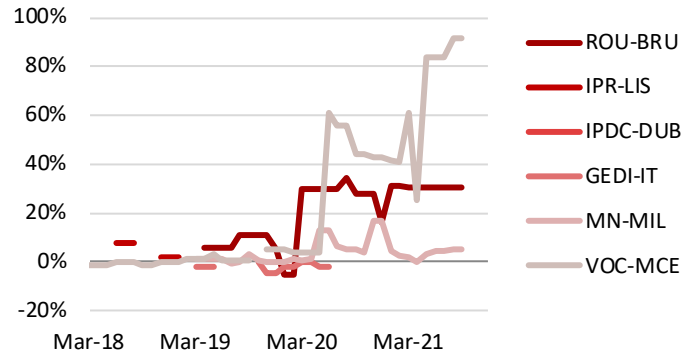
## EBITDA expectations

At the end of September, expected consensus EBITDA growth for 2021e at Roularta lies at +30.3% (vs 16.2% in December), compared to the peer average of +48.5% (from +44.0% previously expected). Margin expectations remain below the peer average for 2021.

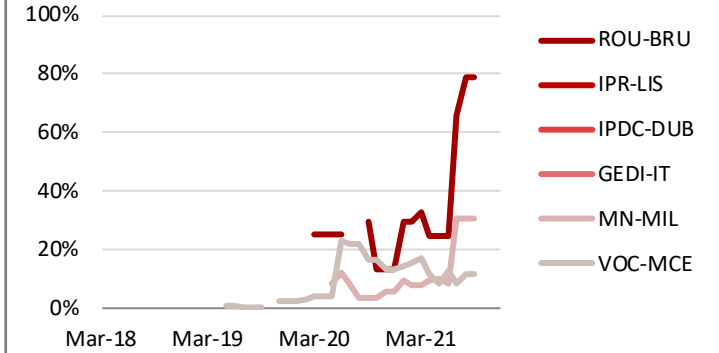
Note that consensus changes to EBIT or EBITDA at Roularta are not interpretable in a straightforward manner. In Roularta's case, its reported EBITDA margin (as reflected by Factset consensus) is positively influenced by the IFRS 11 treatment of its 50% stake in Mediafin (from March 2018), whereby 50% of the net profit is accounted for in Roularta's EBITDA and EBIT, but where its sales are not accounted for in its top-line. Merodis estimates exclude equity accounted results from the EBITDA and EBIT lines, but other analysts may treat these figures differently, or they may have recently changed their view on them.

The transactions impact IFRS EBITDA and EBIT as the Mediafin net contribution is added as from March 2018. Sanoma's contribution is included in the consolidation scope from July 2018, as reflected in our forecasts. Finally, we have added the Bayard JV as being fully consolidated since April 2021 with the buyout transaction (and ensuing 100% ownership).

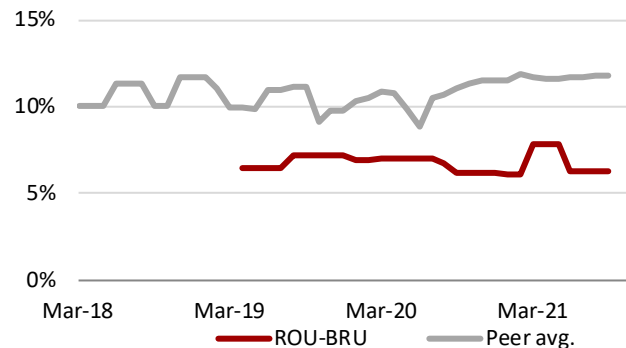
## 2021 expected EBITDA growth (%)



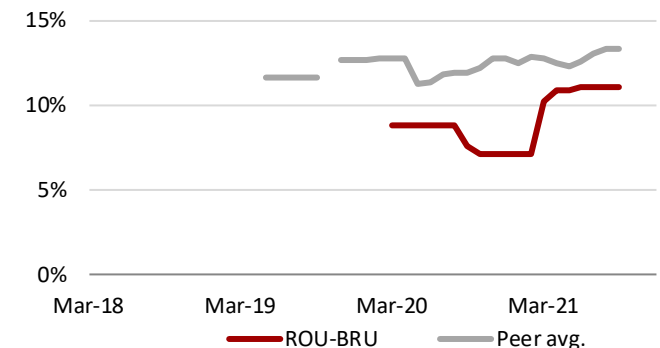
## 2022 expected EBITDA growth (%)



## 2021 expected EBITDA margin, Roularta vs. peers



## 2022 expected EBITDA margin, Roularta vs. peers



Source: Merodis, Factset

# Consensus payout expectations

Stable dividend outlook backed by a strong balance sheet

## Dividend payout

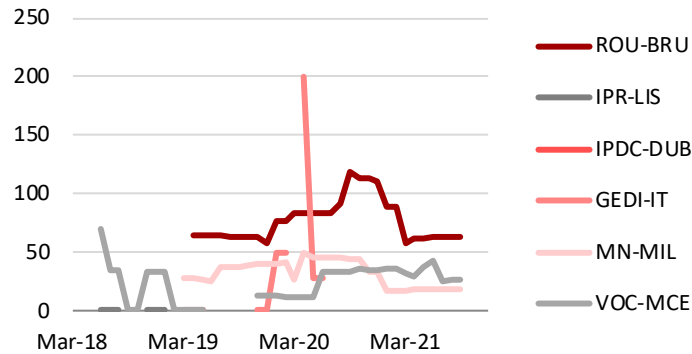
Roularta announced on 5 March 2021 that an ordinary dividend of €1/share would be paid out on 2020 earnings. The amount is double the level we would normally expect and the purpose of this higher payout is to compensate for the decision to scrap the dividend last year due to the Covid-19 crisis and the resulting lack of visibility caused by the pandemic at the time.

Roularta's targeted pay-out ratio is 30%, which is in line with its average payout ratio prior to the acquisition in France of c. 32% (2002-2006) and broadly in line with the Sector average.

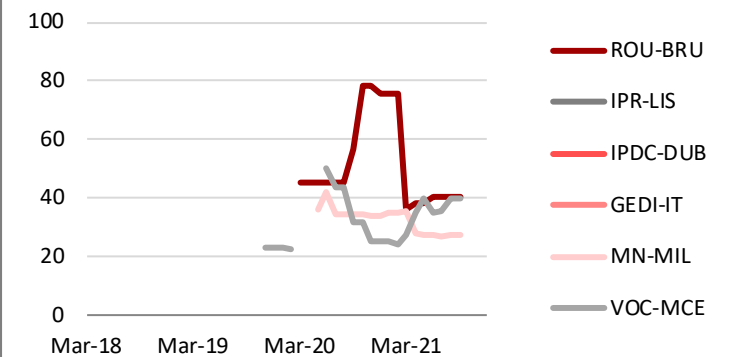
Consensus expects Roularta to pay out a dividend of EUR 0.53/share in 2022e (vs. EUR 1/share MERE, in line with the company's guidance).

Going forward, we believe that a EUR 1/share dividend in the next years is sustainable given the €83m net cash position reported in 1H21. This excludes treasury shares worth a total of EUR 24m, which could either be cancelled (ie. considered as a form of payout), placed in the market in case of appetite (ie. turned back into cash) or used as M&A currency (although we do not expect any major/disrupting acquisitions in the future).

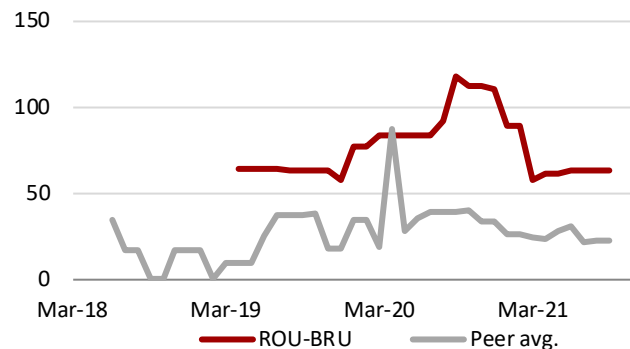
## 2021 expected Payout, Sector



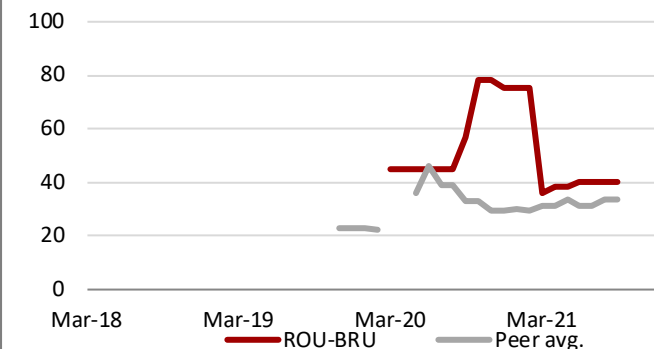
## 2022 expected Payout, Sector



## 2021 expected payout, Roularta vs. Peers



## 2022 expected payout, Roularta vs. Peers



Source: Merodis, Factset

# Leverage expectations

No longer an issue post the Medialaan disposal

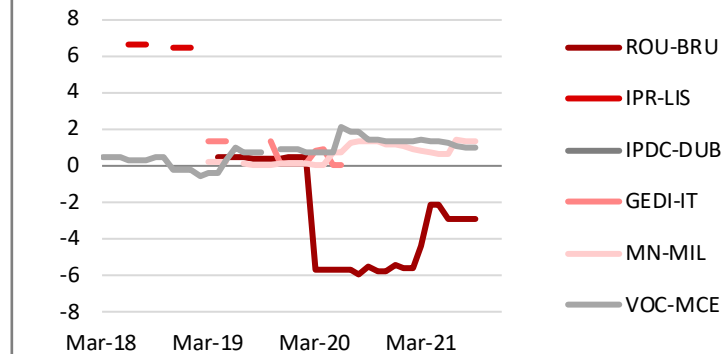
## Net-debt-to-EBITDA

The level of expected financial leverage in the Media Sector was high in 2011 and 2012 and again in 2014 (where it exceeded 2.2x Net debt over EBITDA), but trended down since then, before moving back up with, on average, a ratio of 2x. Roularta's ratio has exceeded 2x only during 2014 but has reached a net cash position of €86m at the end of 2020, following the transactions (Medialaan disposal and the acquisitions of Mediafin and Sanoma's women magazine titles) as well as the special €5/share dividend payout to shareholders in 2018.

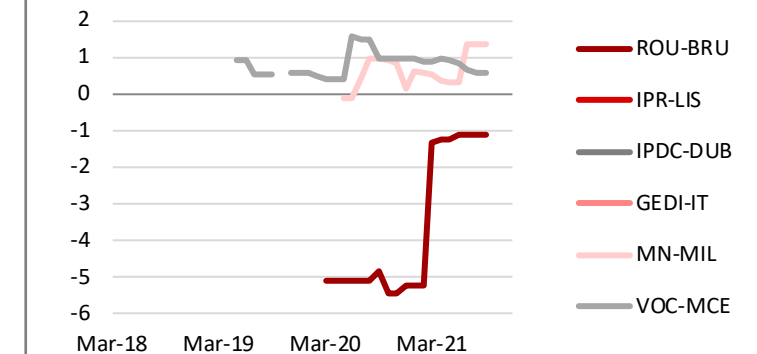
As a reminder, Roularta has paid back its €100m bond in 2018 and benefited from the first full-year impact in 2019. The company had a covenant threshold of 3.5x net debt over EBITDA based on annual EBITDA including the company's share of Mediafin's and Bayard's net profit.

Going forward, this has become a non-issue given our forecast of a net cash position of €114m at the end of 2022e. However, we are well above consensus which stands, according to Factset, at a net cash position of EUR 35m.

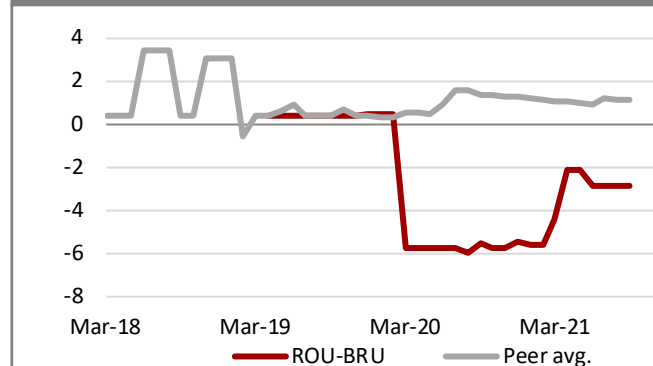
## 2021 NFD/EBITDA, sector



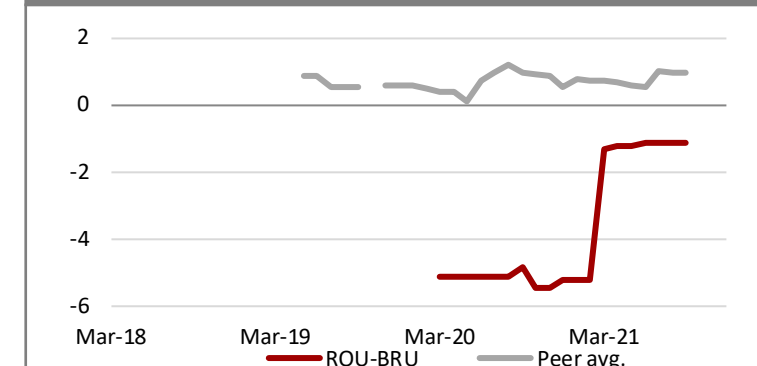
## 2022 NFD/EBITDA, sector



## 2021 NFD/EBITDA, Roularta vs. Peers

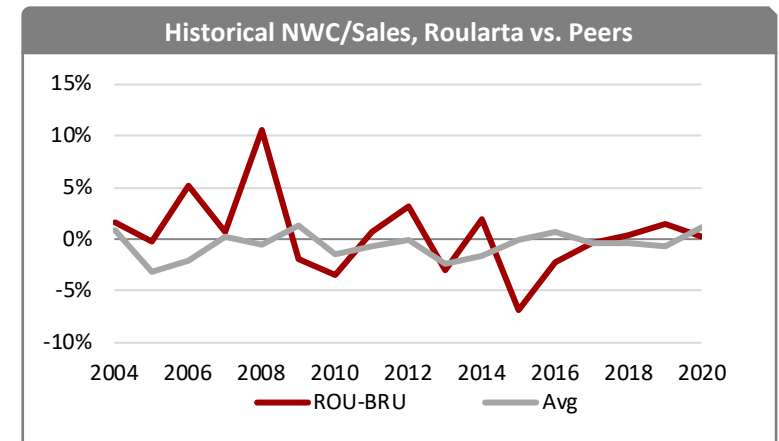
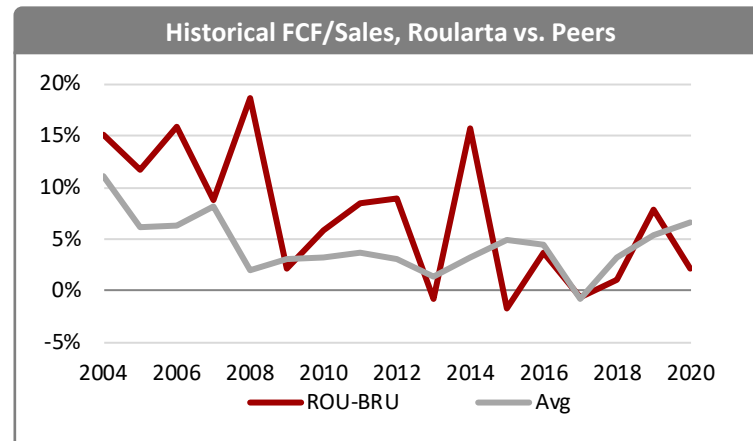
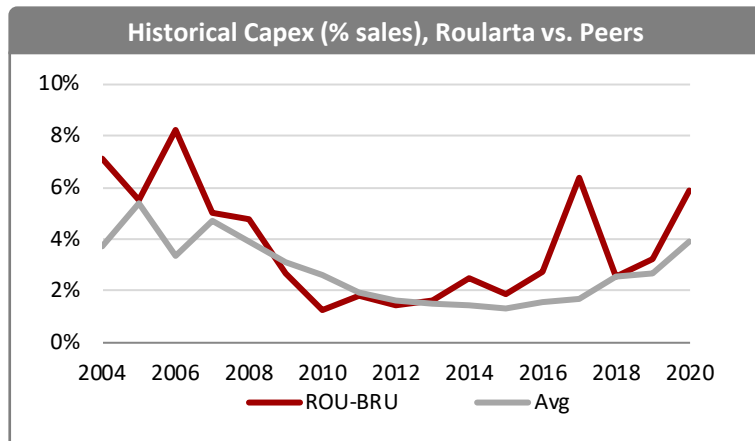
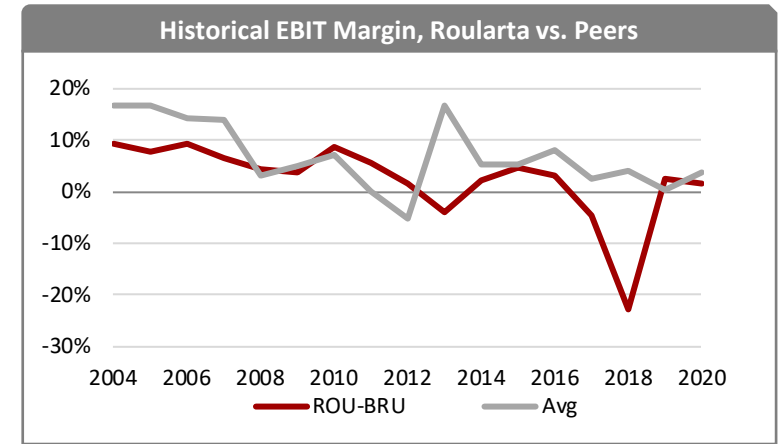
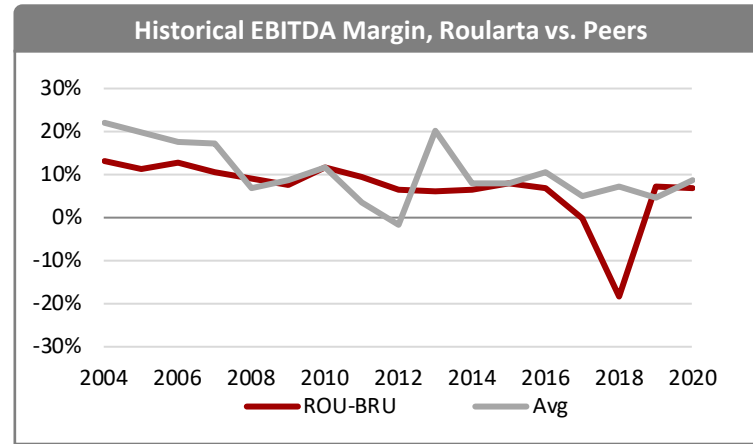
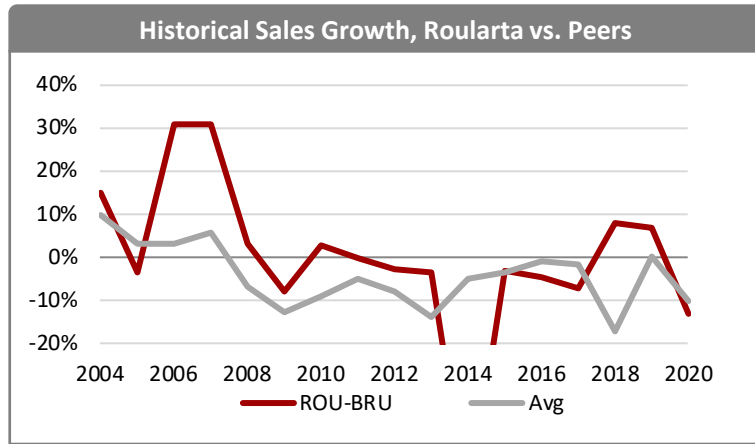


## 2022 NFD/EBITDA, Roularta vs. Peers



Source: Merodis, Factset

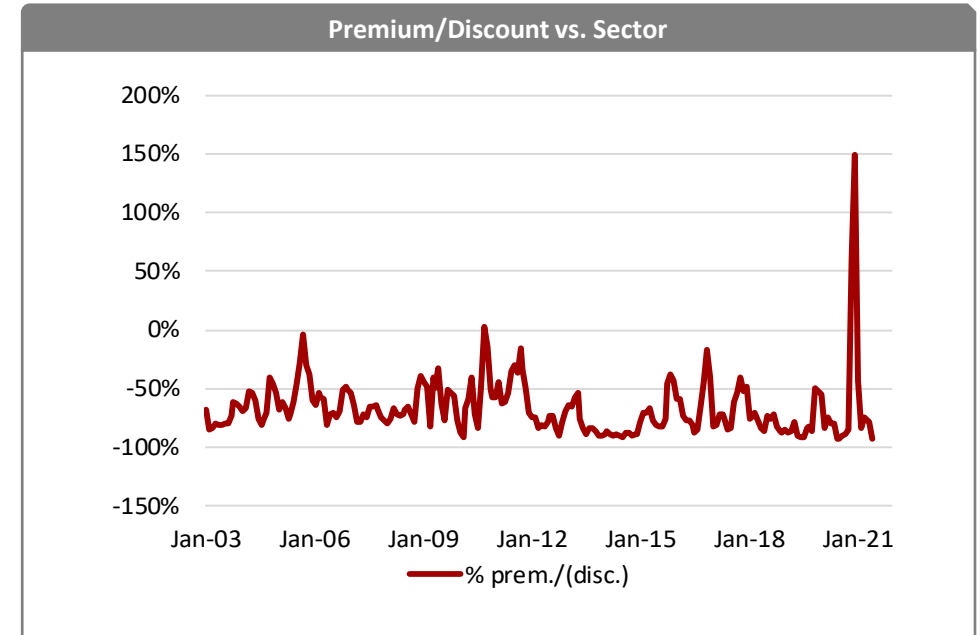
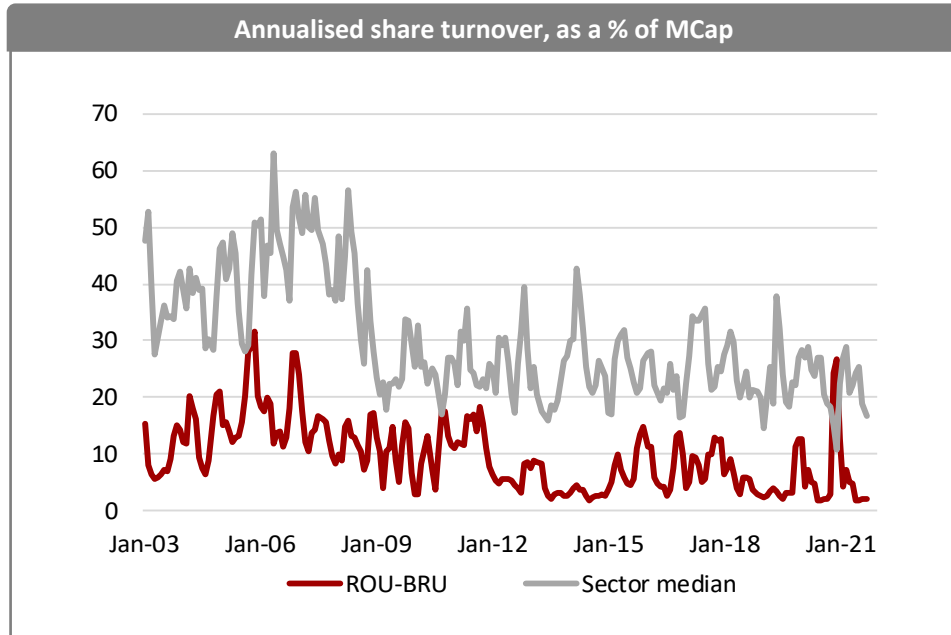
# Historical P&L, CF and Balance Sheet Performance



Source: Merodis, Factset

# Share liquidity

Well-below peers



Source: Merodis, Factset

## Financial summary

Enterprise Value (€m): 62  
Market Cap. (€m): 206  
Free-float MCap (€m): 88

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e	CAGR	CAGR	
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e	08-20	21-23e	
<b>Consolidated P&amp;L (€m)</b>																			
Sales	782	707	712	731	712	677	300	292	279	258	278	298	259	308	332	350	-8.8	6.6	
EBITDA	70	53	82	70	45	42	20	18	16	16	1	8	21	17	24	32	34	-10.9	19.3
EBIT	33	10	57	36	5	-49	4	12	7	-13	-64	8	4	6	15	17	17	-16.1	74.4
Pretax profit	18	-3	51	28	-4	-57	-3	7	2	-18	-69	7	4	5	15	17	17	-12.5	76.3
Net profit	14	-4	31	15	-3	-58	-142	64	21	-11	80	11	6	9	18	21	21	-6.7	50.5
<b>Cash Flow (€m)</b>																			
Adj. EBITDA	67	36	77	63	39	21	17	15	16	16	1	8	21	17	24	32	34	-10.7	19.3
WCR	62	-10	-19	4	17	-16	4	-17	-8	0	28	-5	1	11	8	3	3	-30.8	-47.1
Gross Op CF	129	26	58	66	56	5	21	-3	8	1	36	16	18	36	40	38	38	-15.1	2.8
Capex	-35	-20	-8	0	-4	-6	-7	-5	-8	-16	-7	-10	-15	-15	-9	-9	-9	-6.8	-22.5
FCF	74	-8	24	46	44	-10	27	0	5	-26	28	12	4	26	33	30	30	-21.6	8.5
Net dis.p./acq.	4	57	-9	1	0	1	9	12	16	17	221	-8	-1	-7	0	0	0	na	na
Dividends paid	-9	0	0	-6	-4	0	0	0	0	-6	-63	-6	-11	-12	-12	-12	-12	1.5	0.0
Equity issue	28	2	0	-3	0	0	0	0	0	0	0	0	0	0	0	0	0	na	na
Others	-17	-12	0	-16	-19	2	-41	-6	3	10	-28	3	-2	0	0	0	0	-17.0	na
Net Debt (incr.)/decr.	81	39	15	22	20	-7	-6	18	-5	158	0	-10	7	21	19	19	19	na	62.4
<b>Balance Sheet (€m)</b>																			
WC	-49	-39	-20	-24	-41	-25	-51	-21	-13	-13	-41	-36	-37	-49	-57	-60	-2.3	11.2	
Capital Employed	640	584	602	581	549	511	221	298	295	154	143	144	148	135	119	108	-11.5	-10.6	
Discontinued Assets	0	0	0	0	0	0	152	0	0	129	0	2	3	0	0	0	0	na	na
Cash & Equivalent	110	72	44	35	79	51	34	39	51	43	96	101	91	98	119	137	-1.6	18.5	
Gross Debt	275	198	155	124	148	127	116	114	108	106	0	6	5	5	5	5	5	-28.8	0.0
Equity	318	312	345	351	345	287	143	208	222	203	223	228	223	201	206	214	-2.9	3.1	
<b>Growth (%)</b>																			
Sales	3	-8	3	0	-3	-3	-58	1	-4	-6	10	9	-10	21	4	3			
EBITDA	-14	-24	54	-15	-35	-6	-54	-8	-10	-94	712	151	-15	39	32	8			
EBIT	-31	-23	131	-32	-73	na	na	139	-58	na	na	na	-47	na	na	14			
Net profit	-14	na	na	-50	na	na	na	na	-67	na	na	-86	-45	51	100	13			
FCF	491	na	na	92	-6	na	na	100	18859	na	na	-57	-68	547	27	-7			
NWC	na	-20	-49	19	72	-38	99	-58	-39	-2	222	-11	2	31	17	6			
Capital Employed	-7	-9	3	-4	-5	-7	-57	35	-1	-48	-7	1	2	-8	-12	-9			
Shareholder Equity	12	-2	11	2	-2	-17	-50	45	7	-9	10	2	-2	-10	3	4			
<b>Financial Ratios</b>																			
Gross margin (%)	75	76	78	76	75	76	72	75	76	76	76	78	79	82	83	80	78		
EBITDA margin (%)	9	8	12	10	6	6	7	6	6	6	0	3	7	8	10	10	5		
EBIT margin (%)	4	4	9	6	2	-4	2	5	2	-4	0	3	2	0	5	5	5		
Net margin (%)	2	-1	4	2	0	-9	-47	22	8	-4	29	4	2	3	5	6	6		
Opex/Sales (%)	92	92	88	91	94	94	94	92	94	99	96	93	94	92	90	90	90		
Depreciation/Sales (%)	3	3	2	2	2	3	3	3	4	4	4	4	4	5	5	5	5		
Depreciation/EBITDA (%)	37	42	22	22	34	41	45	52	63	1126	143	64	74	67	52	49	0		
Tax rate (%)	31	-84	37	43	28	3	-89	-671	-4	-82	-2	-6	0	0	0	0	0		
Capex/Sales (%)	5	3	1	0	1	1	2	2	3	6	3	6	5	3	3	3	3		
FCF/Sales (%)	9	-1	3	6	6	-1	9	0	2	-10	10	4	2	8	10	9	9		
WCR/Sales (%)	8	-1	-3	1	2	-2	1	-6	-3	0	10	-2	0	4	2	1	1		
W/C/Sales (%)	-6	-6	-3	-3	-6	-4	-17	-7	-5	-5	-15	-12	-14	-16	-17	-17	-17		
Capital Employed/Sales (%)	82	83	85	79	77	75	74	102	106	59	51	48	57	44	36	31	31		
Gearing (%)	50	39	31	25	19	26	56	36	26	31	-43	-42	-38	-43	-52	-58	-58		
Net Debt/EBITDA (x)	2.4	2.4	1.4	1.3	1.5	1.8	4.2	4.2	3.5	62.2	-11.7	-4.7	-4.9	-3.8	-3.6	-3.8	-3.8		
ROCE post-tax (%)	3	3	6	3	1	6	8	32	8	8	-9	0	6	3	0	12	15		
ROE (%)	5	-1	9	4	-1	-18	-66	37	10	-5	38	5	3	4	9	10	10		
Dividend Payout (%)	0	0	22	30	0	0	10	30	0	30	0	90	0	202	133	67	59		
<b>Valuation</b>																			
Market Capitalisation (€m)	393	184	248	275	185	155	162	208	319	306	258	179	173	206	206	206	-6.6	0.0	
+ Net Financial Debt (€)	165	127	111	89	70	76	82	76	57	63	-96	-96	-86	-93	-114	-133	na	19.4	
+ Restated Min. + others (€m)	22	15	17	16	14	35	20	10	10	10	9	9	5	5	5	5	5	-11.1	0.0
- Associates & inv. (€m)	12	10	11	12	14	14	123	176	167	20	72	66	56	56	56	56	56	13.6	0.0
= Enterprise Value (€m)	<b>568</b>	<b>316</b>	<b>365</b>	<b>369</b>	<b>254</b>	<b>253</b>	<b>141</b>	<b>118</b>	<b>219</b>	<b>358</b>	<b>100</b>	<b>26</b>	<b>36</b>	<b>62</b>	<b>41</b>	<b>23</b>	<b>-20.5</b>	<b>-39.5</b>	
Assoc. NFD (gr. share) (€m)	0	0	0	0	0	0	-7	-10	0	-5	-3	-8	1	1	1	1	1		
EV/Sales (x)	0.7	0.4	0.5	0.4	0.4	0.4	0.3	0.4	0.8	1.4	0.4	0.1	0.1	0.2	0.1	0.1	0.1		
EV/EBITDA (x)	8.2	5.9	4.5	5.3	5.6	6.0	7.2	6.6	13.5	356.3	12.2	1.3	2.1	2.6	1.3	0.7	0.7		
EV/EBIT (x)	17.4	30.9	6.4	10.4	53.7	-5.1	36.0	9.6	32.7	-27.7	-1.6	3.4	9.2	10.9	2.7	1.3	1.3		
EV/FCF (x)	7.7	-37.3	15.1	7.9	5.8	-25.0	5.3	na	42.8	-13.7	3.5	2.1	9.2	2.4	1.3	0.8	0.8		
EV/Capital Employed (x)	0.9	0.5	0.6	0.6	0.5	0.5	0.6	0.4	0.7	2.3	0.7	0.2	0.2	0.5	0.3	0.2	0.2		
P/E (x)	28.9	-45.0	8.2	17.9	-74.0	-2.7	-1.1	3.2	14.7	-27.7	3.2	16.3	26.6	20.9	10.5	9.2	9.2		
P/BVPS (x)	1.2	0.6	0.7	0.8	0.5	0.5	1.1	1.0	1.4	1.5	1.2	0.8	0.8	1.0	1.0	1.0	1.0		
FCF yield (%)	18.9	-4.6	9.8	16.9	23.7	-6.5	16.4	0.0	1.6	-8.5	11.0	6.8	2.3	12.5	15.8	14.7	14.7		
<b>Per share data</b>																			
# of shares	13.13	13.13	13.13	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	13.14	0.0	0.0
# of avg sh. (FD, ex-treas.)	13.26	13.43	13.42	13.21	13.18	13.05	12.97	13.07	13.03	13.03	13.03	13.04	12.07	12.07	12.07	12.07	12.07	-0.8	0.0
Share price	29.96	14.02	18.85	20.95	14.06	11.81	12.36	15.85	24.24	23.25	19.64	13.60	13.19	15.70	15.70	15.70	15.70	-6.6	0.0
EPS	1.04	-0.31	2.31	1.17	-0.19	-4.44	-11.0	4.92	1.65	-0.84	6.14	0.83	0.50	0.75	1.50	1.70	1.70	-6.0	50.5



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