

Clasquin Hold

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Beta Profile:  
MOMENTUM QUALITY

MCap: EUR315.7m

Target Price: EUR142.00
Current Price: EUR138.50
Up/downside: 2.5%
Market data: 17 September 2024

Bloomberg: ALCLA FP	Reuters: ALCLA.PA
Free float	45%
Avg. daily volume (EURm)	0.3
YTD abs performance	12.1%
52-week high/low (EUR)	139.00/75.20

Launch of public offer before end of October

Key points:

- The launch of the public offer will take place before the end of October 2024 after the regulatory approval from the EU. It is expected to be completed by the end of this year.
- Mixed H1 results: solid activity overall in H1, both in air and sea freight. But Timar's performance was weak, impacted by challenging conditions in North Africa. Increasing activity was offset by lower unit margins and higher opex, resulting in a double-digit drop in EBITDA and EBIT.
- We find SAS's offer to be highly attractive and we will advise minority shareholders to accept the offer.
- The management will hold a conference call this morning.

Strong decline in results due to opex growth and weak activity at TIMAR

- The number of operations (excluding Timar) increased by 7% in H1 2024, driven by solid growth in maritime activity (+4%), a sharp increase in the number of air operations (+12%), sustained development of the Road Brokerage activity (excluding Timar) (+5%) and a rapid restart of rail activity (x7).
- The gross margin increased by +5%, reflecting strong growth in activity with the group's top 30 clients (+21%), an ability to gain new market share, and a decrease in unit margins (Air: -3.4% / Maritime: -10.5%), though stabilised in Q2.
- EBITDA stands at EUR13m, down 18%, mainly due to the increase in opex related to investments in the group's digital tools and the decline in the performance of Timar group entities (unfavourable base effect and challenging market conditions in North Africa). Operating income is EUR8m (-31%). Net income attributable to the group is EUR4m (-43%).

Submission of the public offer likely before the end of October

- Yves Revol, Olymp (its holding), and SAS (a subsidiary of MSC Mediterranean Shipping Company SA) signed a share transfer agreement on 28 March 2024, regarding SAS's acquisition of 42.06% of Clasquin's share capital, at a price of 142.03 euros per share.
- As of today, the procedure for obtaining regulatory approval under European Union merger control is still ongoing.
- The authorisation decision is expected within a period that will likely end on 7 October 2024.
- Regulatory approvals in the other concerned jurisdictions have been obtained.
- SAS will submit a public tender offer to the AMF, following completion of the transaction, for the remaining Clasquin shares at the same price of 142.03 euros per share. This offer will be subject to the AMF's approval. SAS intends to implement a mandatory squeeze-out after the offer.
- The submission of the public offer is expected before the end of October 2024, subject to the European authorities' authorisation decision on 7 October.
- According to the expected schedule, the public offer will be completed before the end of the calendar year.

Appendix 1: Research framework

Last model update: 29 April 2024

Investment case

- Clasquin is a top-quality company that primarily bases its success on differentiated and highly attractive positioning in the freight forwarding industry.
- Successful strategy execution: 1) well-led international expansion, 2) development of niche expertise and verticals (wine & spirits, art shipping, etc.) 3) smart M&A, 4) addition of value-added services for customers.

Catalysts

- Surge in freight rates due to high demand and tight supply chain conditions.
- Broadening of offering (logistics, supply chain, digital offer).
- Business ramp-up in fast-growing regions for trade.

Valuation Methodology

- TP aligned with transaction price.

Risk to our rating

- Improving supply chain conditions create less favourable pricing environment.
- Freight capacity exceeding demand.
- Decreasing consumption and world trade.

Appendix 2: Company description

Clasquin is an air and sea freight forwarder with a focus on Asia/Europe flows.

Mgmt



Hugues Morin, CEO | Philippe Lons, CFO | Laurence Ilhe, General Secretary

Ownership

Free float: 45.00% | Yves Revol: 41.90% | Employees: 12.60% | Others: 0.50%

Appendix 3: share price perf.



Appendix 4: SWOT analysis

Strengths

- International integrated network (US, Europe, Asia).
- Differentiated profile (family-owned business, medium-size company).
- Diversified and balanced customer base (first customer <3% of GP).
- Strong presence in China.

Opportunities

- Disruption of global supply chain.
- Development of niche expertise /verticals (e.g. wine, fine arts).
- Broadening of offering (overseas logistics, consulting, etc.).

Weaknesses

- Limited presence in the US.
- Lower volume shipped, GP/volume, and conversion rate than competitors.

Threats

- Slowdown in global consumption and world trade.
- Collapse in freight rates.
- Relocation of production in Europe.

Appendix 5: Key financials

Last model update: 29 April 2024

Market data date: 17 September 2024

FY to 31/12 (EUR)	12/18	12/19	12/20	12/21	12/22	12/23	12/24E	12/25E	12/26E	na
Income Statement (EURm)										
Sales	308.3	331.3	392.0	752.2	877.1	562.1	578.5	599.3	619.1	na
% Change	6.1%	7.4%	18.3%	91.9%	16.6%	-35.9%	2.9%	3.6%	3.3%	na
EBITDA adjusted	9.3	13.9	16.7	38.2	40.3	36.1	34.1	35.3	36.5	na
EBITDA adj. margin (%)	3.0%	4.2%	4.3%	5.1%	4.6%	6.4%	5.9%	5.9%	5.9%	na
EBIT adjusted	5.8	8.3	9.6	27.3	34.0	29.3	25.5	26.8	28.0	na
EBIT adj. margin (%)	1.9%	2.5%	2.5%	3.6%	3.9%	5.2%	4.4%	4.5%	4.5%	na
Net financial items & associates	0.8	1.1	-0.4	-0.3	1.6	0.6	0.6	0.6	0.6	na
Others	-1.1	-1.7	-1.2	-1.9	-3.0	-2.3	-2.3	-2.3	-2.3	na
Tax	-2.1	-3.2	-2.6	-6.1	-8.9	-7.7	-6.6	-7.0	-7.3	na
Net profit from continuing operations	3.4	4.5	5.4	18.9	23.7	19.9	17.2	18.1	19.0	na
Net profit from discontinuing activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	na
Net profit before minorities	3.4	4.5	5.4	18.9	23.7	19.9	17.2	18.1	19.0	na
Net profit reported	2.8	3.9	5.1	17.4	21.8	18.3	15.5	16.4	17.3	na
Net profit adjusted	2.8	3.9	5.1	17.4	21.8	18.3	15.5	16.4	17.3	na
Cash Flow Statement (EURm)										
Levered post tax CF before capex	4.4	16.2	2.1	15.5	66.9	25.1	17.4	20.8	24.4	na
Capex	-3.6	-2.5	-1.5	-1.9	-5.6	-2.5	-3.0	-3.0	-3.0	na
Free cash flow	0.8	13.7	0.6	13.6	61.3	22.6	14.4	17.8	21.4	na
Acquisitions & divestments	-1.8	-7.1	0.3	-0.1	-2.2	-8.4	0.0	0.0	0.0	na
Dividend paid	-2.6	-1.7	-0.6	-3.2	-9.0	-16.1	-1.2	-1.2	-1.2	na
Others	-2.1	-1.2	-2.5	-1.2	-1.1	-4.4	-0.8	-0.8	-0.8	na
Change in net financial debt	5.7	-3.7	2.2	-9.2	-49.0	6.3	-12.4	-15.8	-19.4	na
Balance Sheet (EURm)										
Intangible assets	22.0	30.6	29.6	32.2	34.9	36.1	34.3	32.4	30.6	na
Tangible assets	5.7	14.9	13.5	16.9	28.6	39.3	35.6	31.9	28.2	na
Financial & other non-current assets	2.6	2.3	2.8	2.5	3.9	4.0	4.0	4.0	4.0	na
Total shareholders' equity	24.5	26.8	30.9	45.4	59.9	63.8	79.9	96.8	114.6	na
Pension provisions	0.8	1.1	1.3	1.2	1.1	1.4	1.4	1.4	1.4	na
Liabilities and provisions	111.9	144.4	161.9	241.4	187.5	185.0	307.0	395.8	448.9	na
Net debt	16.8	49.7	39.0	39.0	12.5	32.0	19.6	3.7	-15.7	na
Net financial debt	16.0	29.3	19.8	15.5	-28.9	-13.2	-25.6	-41.5	-60.9	na
IFRS 16 debt	0.0	9.7	9.0	11.1	20.1	21.9	21.9	21.9	21.9	na
Net working capital	11.3	22.1	17.9	31.6	-3.5	8.3	17.4	24.0	28.9	na
Invested capital	39.0	67.7	61.0	80.7	59.9	83.6	87.2	88.3	87.7	na
Per share data (EUR)										
EPS adjusted	1.21	1.68	2.22	7.60	9.55	8.01	6.81	7.21	7.60	na
EPS adj and fully diluted	1.21	1.68	2.21	7.53	9.45	7.91	6.72	7.12	7.50	na
% Change	12.3%	38.1%	31.8%	240.8%	25.5%	-16.3%	-15.0%	5.9%	5.3%	na
EPS reported	1.21	1.68	2.22	7.60	9.55	8.01	6.81	7.21	7.60	na
Cash flow per share	1.92	7.01	0.91	6.79	29.29	11.00	7.64	9.13	10.71	na
Book value per share	9.31	9.53	11.68	17.07	22.97	24.21	31.23	38.66	46.46	na
Dividend per share	0.65	0.00	1.30	3.40	6.50	0.00	0.00	0.00	0.00	na
Number of shares, YE (m)	2.30	2.30	2.30	2.29	2.28	2.28	2.28	2.28	2.28	na
Ratios										
ROE (%)	13.6%	17.9%	21.0%	52.7%	47.6%	33.9%	24.6%	20.6%	17.9%	na
ROIC (%)	9.8%	9.1%	10.1%	29.0%	35.2%	29.5%	21.6%	22.1%	23.0%	na
ND(F+IFRS16) / EBITDA (x)	1.7	2.8	1.7	0.7	-0.2	0.2	-0.1	-0.6	-1.1	na
Gearing (%)	65.2%	109.2%	63.9%	34.1%	-48.2%	-20.7%	-32.1%	-42.9%	-53.2%	na
Valuation										
P/E adjusted	30.1	20.6	13.8	7.0	6.4	9.5	20.3	19.2	18.2	na
P/E adjusted and fully diluted	30.1	20.6	13.9	7.0	6.5	9.7	20.6	19.5	18.5	na
P/BV	3.9	3.6	2.6	3.1	2.7	3.2	4.4	3.6	3.0	na
P/CF	19.0	4.9	33.6	7.8	2.1	6.9	18.1	15.2	12.9	na
Dividend yield (%)	1.8%	0.0%	4.2%	6.4%	10.7%	0.0%	0.0%	0.0%	0.0%	na
FCF yield (%)	1.0%	17.1%	0.8%	11.2%	44.0%	13.0%	4.6%	5.6%	6.8%	na
EV/Sales	0.3	0.4	0.3	0.2	0.2	0.4	0.6	0.5	0.5	na
EV/EBITDA adj.	11.2	9.7	6.8	4.4	3.9	6.0	10.1	9.3	8.4	na
EV/EBIT adj.	18.0	16.3	11.8	6.1	4.7	7.3	13.5	12.2	11.0	na

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Clasquin (EUR)	06/12/2023 05:50	Equity Research	Hold	132.00	125.00
	22/03/2024 07:48	Equity Research	Hold	142.00	125.50

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Local insight, European scale.



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