

Clasquin Hold

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Beta Profile:



MOMENTUM



QUALITY

MCap: EUR311.2m

Target Price: EUR142.00
Current Price: EUR136.50
Up/downside: 4.0%
Market data: 25 July 2024

Bloomberg: ALCLA FP
Free float 45%
Avg. daily volume (EURm) 0.3
YTD abs performance 10.5%
52-week high/low (EUR) 137.50/75.20

Slight decline in gross profit in Q2

Key points:

- Gross profit (GP) declined by -4% in Q2 (we were expecting -1% decrease) reflecting the disruptions linked to the Red Sea crisis on maritime freight and a decrease in unit margins (both air and sea freight). This is partly compensated by strong volume in air freight.
- In the first half, GP is up 5% from last year. Business with key global accounts is growing healthy (+13%).
- On 28 March, Yves Revol and SAS signed a share purchase agreement for the acquisition by SAS of 42.06% of the share capital of Clasquin, at a price of EUR142.03 per share.
- The transaction will take place in H2. A bid on the remaining shares will follow at the same price.
- The offer is highly attractive. We will advise minority shareholders to accept the offer.

Q2: Slower activity in ocean freight offset by strong volume in air freight

- Gross profit came down -4% in Q2 at EUR35.8m slightly softer than expected (KECH: -1% at EUR37.1m). This is primarily due to a 15% drop in the Road brokerage business.
- In sea freight, the Red Sea shipping crisis continued to impact volume (-1.5%) while unit margin also deteriorated (-6% to EUR223/TEU). As a result, GP came down 7% to EUR15.5. The disruptions in the maritime freight market due to events in the Red Sea have caused an extension of transit times, disturbances in ports and in the management of container yards. This has intensified since May.
- In air freight, the favorable trend seen on volume in Q1 continued over Q2 (+29% in volume shipped) but lower yields (-16% to EUR452/T) resulted in a more limited growth in GP (+6% to EUR10.2m). Air freight benefited from both a shift in part of the maritime freight due to the disruption in the Red Sea and the boom in e-commerce exports from China.
- GP in road brokerage activity decreased by 15%. We understand that market conditions with the Maghreb were less favourable.

Table 1: Gross profit and quarterly changes

	Q1	Q2	H1	Q1	Q2	H1
AIR	9.5	10.2	19.7	10%	6%	8%
SEA	15.5	15.5	31.0	-7%	-7%	-7%
RO/RO	7.0	7.0	14.0	79%	-15%	16%
Other overseas activities	2.7	3.1	5.8	170%	11%	53%
Gross Profit	34.7	35.8	70.5	15%	-4%	5%

Source: Kepler Cheuvreux

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

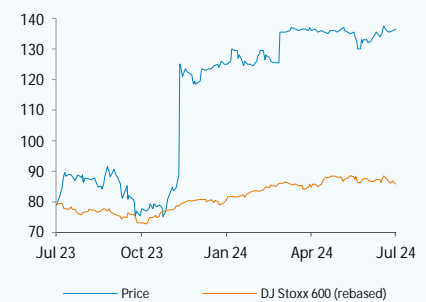


Hugues Morin, CEO | Philippe Lons, CFO | Laurence Ilhe, General Secretary

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: 25 July 2024

FY to 31/12 (EUR)	12/17	12/18	12/19	12/20	12/21	12/22	12/23	12/24E	12/25E	12/26E
Income Statement (EURm)										
Sales	290.6	308.3	331.3	392.0	752.2	877.1	562.1	578.5	599.3	619.1
% Change	23.6%	6.1%	7.4%	18.3%	91.9%	16.6%	-35.9%	2.9%	3.6%	3.3%
EBITDA adjusted	7.4	9.3	13.9	16.7	38.2	40.3	36.1	34.1	35.3	36.5
EBITDA adj. margin (%)	2.5%	3.0%	4.2%	4.3%	5.1%	4.6%	6.4%	5.9%	5.9%	5.9%
EBIT adjusted	5.4	5.8	8.3	9.6	27.3	34.0	29.3	25.5	26.8	28.0
EBIT adj. margin (%)	1.9%	1.9%	2.5%	2.5%	3.6%	3.9%	5.2%	4.4%	4.5%	4.5%
Net financial items & associates	0.8	0.8	1.1	-0.4	-0.3	1.6	0.6	0.6	0.6	0.6
Others	-1.4	-1.1	-1.7	-1.2	-1.9	-3.0	-2.3	-2.3	-2.3	-2.3
Tax	-1.9	-2.1	-3.2	-2.6	-6.1	-8.9	-7.7	-6.6	-7.0	-7.3
Net profit from continuing operations	2.9	3.4	4.5	5.4	18.9	23.7	19.9	17.2	18.1	19.0
Net profit from discontinuing activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit before minorities	2.9	3.4	4.5	5.4	18.9	23.7	19.9	17.2	18.1	19.0
Net profit reported	2.5	2.8	3.9	5.1	17.4	21.8	18.3	15.5	16.4	17.3
Net profit adjusted	2.5	2.8	3.9	5.1	17.4	21.8	18.3	15.5	16.4	17.3
Cash Flow Statement (EURm)										
Levered post tax CF before capex	2.4	4.4	16.2	2.1	15.5	66.9	25.1	17.4	20.8	24.4
Capex	-3.6	-3.6	-2.5	-1.5	-1.9	-5.6	-2.5	-3.0	-3.0	-3.0
Free cash flow	-1.2	0.8	13.7	0.6	13.6	61.3	22.6	14.4	17.8	21.4
Acquisitions & divestments	0.1	-1.8	-7.1	0.3	-0.1	-2.2	-8.4	0.0	0.0	0.0
Dividend paid	-1.9	-2.6	-1.7	-0.6	-3.2	-9.0	-16.1	-1.2	-1.2	-1.2
Others	-3.4	-2.1	-1.2	-2.5	-1.2	-1.1	-4.4	-0.8	-0.8	-0.8
Change in net financial debt	6.5	5.7	-3.7	2.2	-9.2	-49.0	6.3	-12.4	-15.8	-19.4
Balance Sheet (EURm)										
Intangible assets	19.6	22.0	30.6	29.6	32.2	34.9	36.1	34.3	32.4	30.6
Tangible assets	5.1	5.7	14.9	13.5	16.9	28.6	39.3	35.6	31.9	28.2
Financial & other non-current assets	2.8	2.6	2.3	2.8	2.5	3.9	4.0	4.0	4.0	4.0
Total shareholders' equity	22.9	24.5	26.8	30.9	45.4	59.9	63.8	79.9	96.8	114.6
Pension provisions	0.9	0.8	1.1	1.3	1.2	1.1	1.4	1.4	1.4	1.4
Liabilities and provisions	99.0	111.9	144.4	161.9	241.4	187.5	185.0	307.0	395.8	448.9
Net debt	13.6	16.8	49.7	39.0	39.0	12.5	32.0	19.6	3.7	-15.7
Net financial debt	12.7	16.0	29.3	19.8	15.5	-28.9	-13.2	-25.6	-41.5	-60.9
IFRS 16 debt	0.0	0.0	9.7	9.0	11.1	20.1	21.9	21.9	21.9	21.9
Net working capital	8.7	11.3	22.1	17.9	31.6	-3.5	8.3	17.4	24.0	28.9
Invested capital	33.3	39.0	67.7	61.0	80.7	59.9	83.6	87.2	88.3	87.7
Per share data (EUR)										
EPS adjusted	1.08	1.21	1.68	2.22	7.60	9.55	8.01	6.81	7.21	7.60
EPS adj and fully diluted	1.08	1.21	1.68	2.21	7.53	9.45	7.91	6.72	7.12	7.50
% Change	56.5%	12.3%	38.1%	31.8%	240.8%	25.5%	-16.3%	-15.0%	5.9%	5.3%
EPS reported	1.08	1.21	1.68	2.22	7.60	9.55	8.01	6.81	7.21	7.60
Cash flow per share	1.04	1.92	7.01	0.91	6.79	29.29	11.00	7.64	9.13	10.71
Book value per share	8.57	9.31	9.53	11.68	17.07	22.97	24.21	31.23	38.66	46.46
Dividend per share	0.80	0.65	0.00	1.30	3.40	6.50	0.00	0.00	0.00	0.00
Number of shares, YE (m)	2.30	2.30	2.30	2.30	2.29	2.28	2.28	2.28	2.28	2.28
Ratios										
ROE (%)	12.5%	13.6%	17.9%	21.0%	52.7%	47.6%	33.9%	24.6%	20.6%	17.9%
ROIC (%)	10.6%	9.8%	9.1%	10.1%	29.0%	35.2%	29.5%	21.6%	22.1%	23.0%
ND(F+IFRS16) / EBITDA (x)	1.7	1.7	2.8	1.7	0.7	-0.2	0.2	-0.1	-0.6	-1.1
Gearing (%)	55.7%	65.2%	109.2%	63.9%	34.1%	-48.2%	-20.7%	-32.1%	-42.9%	-53.2%
Valuation										
P/E adjusted	30.7	30.1	20.6	13.8	7.0	6.4	9.5	20.0	18.9	18.0
P/E adjusted and fully diluted	30.7	30.1	20.6	13.9	7.0	6.5	9.7	20.3	19.2	18.2
P/BV	3.9	3.9	3.6	2.6	3.1	2.7	3.2	4.4	3.5	2.9
P/CF	31.9	19.0	4.9	33.6	7.8	2.1	6.9	17.9	14.9	12.7
Dividend yield (%)	2.4%	1.8%	0.0%	4.2%	6.4%	10.7%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-1.6%	1.0%	17.1%	0.8%	11.2%	44.0%	13.0%	4.6%	5.7%	6.9%
EV/Sales	0.3	0.3	0.4	0.3	0.2	0.2	0.4	0.6	0.5	0.5
EV/EBITDA adj.	12.6	11.2	9.7	6.8	4.4	3.9	6.0	10.0	9.2	8.3
EV/EBIT adj.	17.1	18.0	16.3	11.8	6.1	4.7	7.3	13.3	12.1	10.9

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Reduce	9%	4%
Not Rated/Under Review/Accept Offer	3%	7%
Total	100%	100%

Source: Kepler Cheuvreux

A: % of all research recommendations

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Company Name	Date	Business Line	Rating	Target Price	Closing Price
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	06/12/2023 05:50	Equity Research	Hold	132.00	125.00
	22/03/2024 07:48	Equity Research	Hold	142.00	125.50

Credit research does not issue target prices. Left intentionally blank.

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Local insight, European scale.



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