EuroLand Corporate

STIF

Buy

Market Cap (€M)	151,0	Ticker	ALSTI-FR	Industrial
Target Price	34,3€ (vs 30,9€)	Number of shares (in million)	5,08	Flash
22/01/2025 Price	29,7 €	Average volune 12m (securities)	10 663	22/01/2025
Upside	*15,5%*	Extreme 12m (€)	6,56€/30,40€	

Acceleration of BESS over the year-end

Highlights

- Full-year sales up 72.3% to €61.2 M
- Sequential acceleration in BESS sales in H2 to €18.3 M (vs. €11 M in H1)
- Price target raised to €34.3 (vs. €30.9 previously), upside +15.5%.

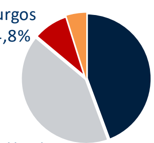
Financial summary (€m)

au 31/12	2023	2024e	2025e	2026e
Sales	35,5	61,2	72,4	84,3
YoY chg (%)	*13,8%*	*72,6%*	*18,3%*	*16,4%*
EBITDA	4,9	14,6	18,8	22,3
% of sales	*13,9%*	*23,8%*	*26,0%*	*26,4%*
EBIT	3,2	11,3	14,9	17,7
% of sales	*8,9%*	*18,4%*	*20,6%*	*21,0%*
Net profit	2,0	8,0	10,7	12,8
% of sales	*5,6%*	*13,1%*	*14,8%*	*15,2%*
EPS (reported)	0,39	1,57	2,10	2,52
ROCE (%)	16,2%	39,9%	41,4%	43,6%
ROE (%)	14,6%	39,0%	36,9%	32,6%
Gearing (%)	-9,3%	-12,6%	-22,0%	-35,4%
Net debt	-1,4	-2,9	-7,4	-16,3
Div/share (€)	-0,8	-1,2	-2,2	-2,5
Yield (%)	2,6%	1,5%	1,6%	1,6%

Valuation metrics (x)

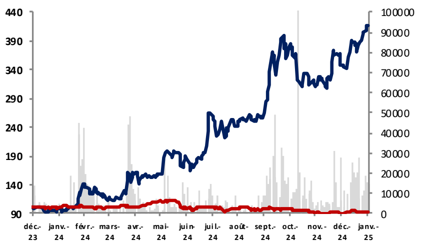
	2023	2024e	2025e	2026e
EV/sales (x)	1,1	2,2	1,8	1,5
EV/EBITDA (x)	7,6	9,1	6,9	5,5
EV/EBIT (x)	11,8	11,8	8,7	7,0
P/E (x)	18,2	16,5	12,4	10,3

Shareholders



Share performance

Performances (%)	Ytd	1m	3m	12m
Absolute perf.	12,5%	19,8%	8,8%	#######



Annual Sales 2025

STIF has published record annual sales for fiscal year 2025, reaching €61.2 million, an impressive growth of +72.3%, above our estimates (€59.6 million ; +2.7%). This performance was driven by the acceleration of the BESS business, which generated €29.3m over the year (vs. €4.5m in 2023), thanks to a strong momentum in the second half (€18.3m, vs. €11m in H1).

Confident in its outlook, STIF management confirms its ambition to achieve a sales target of 80 M€ and an EBITDA margin above 20% by 2027.

A booming BESS business

The BESS business, which now accounts for 47.8% of total sales, has emerged as a key growth driver. Sales were supported by key contracts with Tesla and Sungrow, as well as the ramp-up of strategic customers such as Nidec, CATL and BYD.

The dust explosion products business also grew +8%, reaching €10.8m (vs. €10.0m in 2023), and accounting for 17.7% of total sales.

Finally, the historic bulk handling segment generated sales of €19.4 million, up +2.8%, despite a sluggish market environment.

Increasingly international business

The development of the BESS business has significantly transformed the geographical breakdown of STIF's sales. Today, 84% of sales are generated outside France.

The United States holds a dominant position, accounting for 49% of Group sales, i.e. €29.8 million in 2025 versus €8.2 million in 2023. This strong growth is mainly driven by the strategic partnership with Tesla US.

Asia, meanwhile, contributes 12% of sales, reaching 7.1 M€ in 2025, compared with 5.1 M€ the previous year.

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Outlook and estimates

The Group reiterates its guidance, with a target of €80 million sales and an EBITDA margin above 20% by 2027.

The ramp-up of new contracts in the BESS segment, notably with Sungrow (significant additional orders expected in 2025), should support a strong growth trajectory. The acceleration in the BESS segment observed over the year should be highly accretive for the Group, which could generate exceptional profitability over the full year.

Following this press release, we adjust our estimates slightly upwards. We now forecast 2024 EBITDA of €14.7m (vs. €14.4m previously), a 24.1% margin (+1020 bps y/y), and 2025 sales of €72.4m (vs. €70.9m previously), a +18.5% growth.

Regarding the next fiscal year, STIF looks set both to benefit from the growing strength of its commercial relationships with 1/ Tesla Asia (a partnership worth around €10 million) and 2/ Nidec, CATL, BYD and Siemens over the coming years.

Recommendation

Following this publication and after updating our comps, we reiterate our Buy recommendation and raise our target price to 34.3€ (vs. 30.9€), a +15.5% upside. On this new target, STIF trades on 8.3x EV/EBITDA 2025e, 10.7x EV/EBIT 2025e and 15.2x P/E 2025e.

Company profile

Historically positioned in bulk handling equipment, STIF has entered a new and ambitious phase of its development in recent years. Building on its recognized expertise, and under the impetus of CEO José Burgos, the group is pursuing a growth strategy in a new market: battery energy storage systems (BESS).
Backed by two business segments, 1/ bulk handling equipment and 2/ passive explosion protection equipment, STIF is well placed to ensure profitable growth over the coming years.

Investment case

Identified Growth Drivers. STIF is expected to experience a trajectory of strong business growth over the next four years, with a 2023–2027e revenue CAGR of approximately 25%. This growth will translate into increased profitability for the group. The products anticipated to drive this significant growth are equipment designed for explosion protection, which boasts a much higher gross margin (around 60–65%) compared to the group's legacy equipment (around 50–55%). Consequently, the group's profitability and cash generation (FCF) are expected to accelerate, benefiting from a strong operational leverage inherent in its structure.

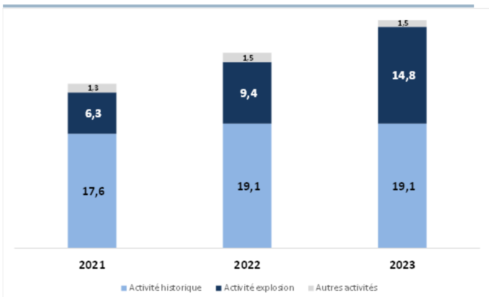
A Strategy of Value Chain Integration. STIF develops, designs, produces, and markets its equipment, thereby controlling the entire value chain. This vertical integration provides optimal control over its operations. The group operates across various industries, offering both bulk material handling equipment and passive explosion protection solutions. This presence in niche markets enables the company to expand its customer base while reducing dependence on any single industry. Furthermore, STIF benefits from international reach, with nearly 75% of its 2022 revenue generated outside France.

BESS: A High-Potential Market. Battery Energy Storage Systems (BESS) enables the storage of electricity generated by renewable energy sources (solar and wind). The group enjoys a first-mover advantage, attracting significant international players such as Tesla, with orders reaching substantial amounts (e.g., a €13 million volume contract). This market positions STIF for a drastic shift in its growth trajectory.

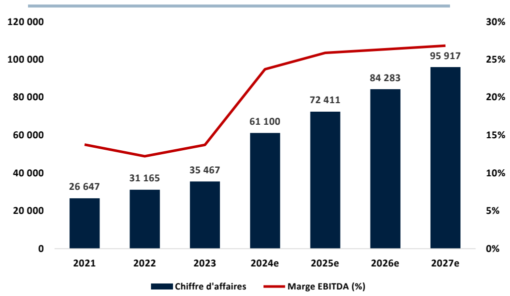
Comparable valuation multiples

		EV/sales			EV/EBITDA			EV/EBIT			P/E		
Société	**Capitalisation (€M)**	**2024e**	**2025e**	**2026e**	**2024e**	**2025e**	**2026e**	**2024e**	**2025e**	**2026e**	**2024e**	**2025e**	**2026e**
Prodways Group SA	28	0,5x	0,5x	0,5x	5,1x	4,0x	3,4x	12,3x	6,7x	5,2x	18,7x	11,4x	8,3x
Alfen NV	285	0,7x	0,7x	0,6x	12,9x	8,1x	6,1x	35,1x	17,3x	11,4x		21,0x	12,4x
Entech Smart Energies	94	2,0x	1,1x	0,7x		14,2x	6,6x		20,7x	8,7x		23,6x	9,3x
Nabaltec AG	128	0,6x	0,6x	0,6x	4,1x	3,7x	3,4x	6,9x	6,5x	5,9x	10,4x	9,5x	8,5x
R. STAHL AG	125	0,5x	0,4x	0,4x	4,3x	3,9x	3,5x	8,4x	7,1x	5,9x	13,1x	10,9x	8,4x
Moyenne	**132,2**	**0,9x**	**0,7x**	**0,6x**	**6,6x**	**6,8x**	**4,6x**	**15,7x**	**11,7x**	**7,4x**	**14,0x**	**15,3x**	**9,4x**
Médiane	**124,9**	**0,6x**	**0,6x**	**0,6x**	**4,7x**	**4,0x**	**3,5x**	**10,3x**	**7,1x**	**5,9x**	**13,1x**	**11,4x**	**8,5x**

Change in sales (€m)



Change in sales (€m) and op. margin (%)



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P&L (€m)	2021	2022	2023	2024e	2025e	2026e	2027e
Sales	26,6	31,2	35,5	61,2	72,4	84,3	95,9
EBITDA	3,4	3,5	4,9	14,6	18,8	22,3	25,8
EBIT	**2,4**	**2,6**	**3,2**	**11,3**	**14,9**	**17,7**	**20,7**
Operating income	2,4	2,6	3,2	11,3	14,9	17,7	20,7
Net financial income (loss)	-0,1	0,0	-0,3	-0,3	-0,3	-0,3	-0,3
Tax	-0,4	-0,3	-0,4	-1,6	-2,1	-2,5	-2,8
Affiliates	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Minorities	0,4	0,6	0,4	1,3	1,7	2,1	2,4
Net income, group share	**1,5**	**1,7**	**2,0**	**8,0**	**10,7**	**12,8**	**15,0**
Balance sheet (€m)	**2021**	**2022**	**2023**	**2024e**	**2025e**	**2026e**	**2027e**
Non current assets	5,4	7,6	10,2	12,3	12,9	12,6	11,3
Working capital	2,7	3,2	4,4	8,9	14,1	17,9	20,4
Cash and cash equivalents	**1,9**	**1,9**	**7,8**	**9,4**	**13,8**	**22,7**	**36,6**
Equity	4,7	6,0	15,2	23,4	33,6	46,0	61,1
Borrowings and financial debt	4,8	6,1	6,4	6,4	6,4	6,4	6,4
Total balance sheet	**14,4**	**17,3**	**29,2**	**40,7**	**52,9**	**67,4**	**84,5**
Cash flow statement (€m)	**2021**	**2022**	**2023**	**2024e**	**2025e**	**2026e**	**2027e**
Cash flow from operations	2,9	3,3	3,6	12,6	16,3	19,4	22,6
Change in working capital	-0,5	-0,6	-1,3	-4,5	-5,2	-3,9	-2,5
Cash flow from operating activities	**2,4**	**2,6**	**2,3**	**8,1**	**11,2**	**15,6**	**20,2**
CAPEX, net	-1,3	-3,2	-3,2	-5,4	-4,5	-4,2	-3,8
FCF	**1,2**	**-0,6**	**-1,0**	**2,7**	**6,7**	**11,4**	**16,3**
Capital increase	0,0	0,0	8,1	0,0	0,0	0,0	0,0
Change in financial debt	-0,3	1,3	-0,4	0,0	0,0	0,0	0,0
Dividends paid	-0,6	-0,7	-0,8	-1,2	-2,2	-2,5	-2,4
Cash flow from financing activities	**-1,0**	**0,6**	**6,9**	**-1,2**	**-2,2**	**-2,5**	**-2,4**
Change in cash and cash equivalents	0,3	0,0	5,9	1,5	4,4	8,9	13,9
Ratios	**2021**	**2022**	**2023**	**2024e**	**2025e**	**2026e**	**2027e**
Sales growth (%)		17,0%	13,8%	72,6%	18,3%	16,4%	13,8%
EBITDA margin (%)	12,8%	11,2%	13,9%	23,8%	26,0%	26,4%	26,9%
EBIT margin (%)	**9,1%**	**8,2%**	**8,9%**	**18,4%**	**20,6%**	**21,0%**	**21,5%**
Operating profit margin (%)	9,1%	8,2%	8,9%	18,4%	20,6%	21,0%	21,5%
Net margin (%)	5,8%	5,5%	5,6%	13,1%	14,8%	15,2%	15,7%
CAPEX (% sales)	4,8%	10,3%	9,1%	8,8%	6,2%	5,0%	4,0%
Working capital (% sales)	10,2%	10,2%	12,3%	14,5%	19,4%	21,3%	21,3%
ROCE (%)	22,4%	17,8%	16,2%	39,9%	41,4%	43,6%	48,9%
ROCE ex GW (%)	**22,4%**	**17,8%**	**16,2%**	**39,9%**	**41,4%**	**43,6%**	**48,9%**
ROE (%)	42,2%	37,7%	14,6%	39,0%	36,9%	32,6%	28,9%
Payout (%)	0,0%	0,0%	48,3%	24,0%	20,0%	16,0%	0,0%
Dividend yield (%)		0,0%	2,6%	1,5%	1,6%	1,6%	0,0%
Leverage ratios	**2021**	**2022**	**2023**	**2024e**	**2025e**	**2026e**	**2027e**
Gearing (%)	**61,3%**	**70,2%**	**-9,3%**	**-12,6%**	**-22,0%**	**-35,4%**	**-49,4%**
Net debt/EBITDA (x)	0,8	1,1	-0,3	-0,2	-0,4	-0,7	-1,2
Interest coverage (x)	29,9	69,6	15,2	42,1	54,2	64,2	74,4
Valuation	**2021**	**2022**	**2023**	**2024e**	**2025e**	**2026e**	**2027e**
Nb of shares (millions)	5,1	5,1	5,1	5,1	5,1	5,1	5,1
Average nb of shares (millions)	5,1	5,1	5,1	5,1	5,1	5,1	5,1
Price (annual average, €)	0,0	8,8	7,2	26,0	26,0	26,0	26,0
Average market capitalization (€m)	0,0	44,7	36,5	132,2	132,2	132,2	132,2
(2) Net debt (+)/ Net cash (-)	2,9	4,2	-1,4	-2,9	-7,4	-16,3	-30,2
(3) Value of minorities	1,1	1,5	1,6	2,9	4,6	6,7	9,1
(4) Value of financial assets	0,4	0,2	0,7	0,7	0,7	0,7	0,7
EV = (1)+(2)+(3)-(4)	4,3	50,7	37,3	132,8	130,1	123,4	111,9
EV/sales	**0,2**	**1,6**	**1,1**	**2,2**	**1,8**	**1,5**	**1,2**
EV/EBITDA	1,3	14,5	7,6	9,1	6,9	5,5	4,3
EV/EBIT	**1,8**	**19,8**	**11,8**	**11,8**	**8,7**	**7,0**	**5,4**
P/E	0,0	26,1	18,2	16,5	12,4	10,3	8,8
P/B	0,0	7,4	2,4	5,7	3,9	2,9	2,2
P/CF	0,0	17,0	16,0	16,4	11,8	8,5	6,6
FCF yield (%)	**26,7%**	**-1,1%**	**-2,5%**	**2,0%**	**5,1%**	**9,2%**	**14,6%**
Per share data (€)	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
EPS (reported)	0,30	0,34	0,39	1,57	2,10	2,52	2,96
Book value	**0,9**	**1,2**	**3,0**	**4,6**	**6,6**	**9,0**	**12,0**
Dividend	0,0	0,0	0,2	0,4	0,4	0,4	0,0

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Euroland Corporate company ratings :

EuroLand Corporate's recommendations cover the next twelve months and are defined as follows:

Buy: upside potential greater than 15% in absolute terms relative to the current share price, with good fundamentals.
Hold : upside potential between 0% and 15% in absolute terms relative to the current share price.
Neutral: share price potential between -5% and +5% absolute vs. current price.
Underweight : downside potential of between 0% and 15% in absolute terms relative to the current share price.
Sell : downside potential greater than 15% absolute relative to current share price, excessive valuation.
Under review : the recommendation is under review due to a capital transaction (takeover bid / public exchange offer / capital increase, etc.), a change of analyst or a temporary conflict of interest between Euroland Corporate and the issuer.

Recommendation history :
Buy : Since 15/04/2024
Hold : (-)
Neutral : (-)
Underweight : (-)
Sell : (-)
Under review : (-)

Valuation methods :

This research note may refer to valuation methods whose definitions are summarized below:

1/ Comparables method : the valuation multiples of the company under review are compared with those of a sample of companies in the same business sector, or with a similar financial profile. The average of the sample establishes a valuation benchmark, to which the analyst adds any discounts or premiums resulting from his or her perception of the specific characteristics of the company being valued (legal status, growth prospects, level of profitability, etc.).

2/ NAV method : Net Asset Value approach is an assessment of the market value of a company's balance sheet assets, using the method that appears most relevant to the analyst.

3/ **Sum of the parts method** : the sum of the parts consists in valuing a company's activities separately, using methods appropriate to each of these activities, and then adding them together.

4/ DCF method : the discounted cash flow method consists in determining the present value of the cash a company will generate in the future. Cash flow projections are established by the analyst on the basis of his or her assumptions and modeling. The discount rate used is the weighted average cost of capital, which represents the cost of the company's debt and the theoretical cost of equity estimated by the analyst, weighted by the weight of each of these two components in the company's financing.

5/ Transactions multiples method : the method consists of applying the multiples observed in previous transactions involving comparable companies to the company being valued.

6/ Dividend discounting method : the method consists of establishing the present value of the dividends that will be received by a company's shareholder, based on a dividend projection made by the analyst and a discount rate deemed relevant (generally the theoretical cost of equity).

7/ EVA method : the "Economic Value Added" method involves determining the annual increase in profitability generated by a company's assets in relation to its cost of capital (also known as "value creation"). This additional profitability is then discounted for future years at a rate corresponding to the weighted average cost of capital, and the result obtained is added to the company's net book value.

DETECTION OF POTENTIAL CONFLICTS OF INTEREST

Corporate Finance	Intérêt personnel de l'analyste	Détention d'actifs de l'émetteur	Communication préalable à l'émetteur	Contrat de liquidité	Contrat Eurovalue*
Non	Non	Non	Oui	Non	Oui

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