

EQUITY RESEARCH

PAT
NEWS

BUY

TP 24.6€

Up/Downside: 88%

New Product With Clariant and New Awards

The group continues to penetrate the cosmetics sector thanks to the Clariant partnership, which announced the launch of a 4th product co-developed with PAT and the receipt of new awards.

At the international trade show, *In-Cosmetics Global*, Clariant announced the launch of a new product: Rootness[®] Mood+, developed in partnership with Plant Advanced Technologies through its expertise and technologies in root exudation. The product, which contains extracts of burnet, is a complexion equaliser that aims to mimic the effects of light and vitamin D on both the skin and the mood.

This launch marks the fourth product co-developed with Clariant (partnership signed in 2019), after PrenyliumTM (white mulberry extract to reduce wrinkles) and Rootness[®] Energize (Luffa root extract to soothe certain inflammations) launched in 2020, and Rootness Awake launched in 2022 (sweet potato extract with anti-ageing action around the eyes). The pace of development remains in line with management's objective of approximately one launch per year.

In addition, the directors announced that Rootness[®] Awake received a gold medal at the *In Cosmetics Global* trade show in the Green Ingredient category (award for innovation in ingredient production and extraction technologies), and that the new product, Rootness[®] Mood+ received a silver medal at the BSB innovation Awards in the Active category, illustrating the recognition of the players in the industry for the products initiated by the group.

Finally, the Barcelona trade show, which took place at the end of March, was an opportunity for Frédéric Bourgaud (VP Research) to hold a scientific conference (on the theme "The Secrets of Plants and Roots for Innovative Cosmetic Active Ingredients"), and for the teams to present their skills and technologies in the field of "tailor-made" cosmetic ingredients, enabling commercial contacts to be established.

These announcements should help support product sales to the cosmetics sector in the coming months. For the record, the group forecasts revenue of €3m for 2023 (+28.5%) and €5m in 2024 (+67%). In the medium-term, the group should benefit from growth drivers in nutraceuticals (memory molecule) and agrochemicals (3 to 5 years horizon according to us). In the long-term for pharmaceuticals, there have been promising results of the preclinical study for the treatment of psoriasis housed within the Temisis subsidiary, phase I planned for 2024.

With the sales take-off confirmed, we are reiterating both our Buy rating and TP of €24.6.

Research partially paid for by the Issuer

Key data

Price (€)	13.1
Industry	Healthcare
Ticker	ALPAT-FR
Shares Out (m)	1.091
Market Cap (m €)	14.3
Next event	RN 2022 : 27/04/2023

Ownership (%)

Famille Fèvre	28.4
Famille Bourgaud	6.3
Clariant	10.1
Vetoquinol	2.1
Free float	52.1

EPS (€)	12/23e	12/24e	12/25e
Estimates	0.13	1.08	1.74
Change vs previous estimates (%)	0.00	0.00	0.00

Performance (%)	1D	1M	YTD
Price Perf	2.3	7.8	-1.5
Rel CAC Mid&Small	2.2	8.0	-8.2



TP ICAP Midcap Estimates	12/22	12/23e	12/24e	12/25e	Valuation Ratio	12/23e	12/24e	12/25e
Sales (m €)	2.3	3.0	5.0	7.0	EV/Sales	6.3	3.7	2.5
Current Op Inc (m €)	-3.0	-2.5	-1.7	-0.9	EV/EBITDA	na	16.5	9.4
Current op. Margin (%)	na	na	na	na	PE	99.3	12.1	7.5
EPS (€)	-0.73	0.13	1.08	1.74				
DPS (€)	0.00	0.00	0.00	0.00				
Yield (%)	0.0	0.0	0.0	0.0				
FCF (m €)	-0.9	-0.1	0.3	1.1				

Analyst

Claire Deray - Sponsor Finance for TPICAP Midcap

FINANCIAL DATA

Income Statement	12/20	12/21	12/22	12/23e	12/24e	12/25e
Sales	1.3	2.3	2.3	3.0	5.0	7.0
Changes (%)	7.1	83.4	1.3	28.5	66.7	40.0
Gross profit	1.4	2.9	2.9	3.7	6.1	8.4
% of Sales	112.7	127.0	125.7	123.3	121.0	120.0
EBITDA	-1.2	-0.9	-0.8	0.0	1.1	1.9
% of Sales	-99.5	-39.6	-35.5	0.3	22.5	26.6
Current operating profit	-1.6	-2.8	-3.0	-2.5	-1.7	-0.9
% of Sales	-127.1	-123.2	-129.7	-83.0	-33.5	-13.4
Non-recurring items	0.0	1.2	1.3	1.6	1.8	1.8
EBIT	-1.6	-2.1	-1.7	-0.9	0.1	0.9
Net financial result	-0.1	-0.1	-0.2	-0.1	-0.1	-0.1
Income Tax	0.8	1.1	1.1	1.2	1.2	1.2
Tax rate (%)	55.2	48.7	58.1	116.8	-3,314.9	-152.9
Net profit, group share	-0.7	-1.1	-0.8	0.1	1.2	2.0
EPS	na	na	na	0.13	1.08	1.74
Financial Statement	12/20	12/21	12/22	12/23e	12/24e	12/25e
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Tangible and intangible assets	4.4	9.4	9.6	9.8	9.8	9.8
Financial assets	5.2	0.1	0.1	0.1	0.1	0.1
Working capital	1.9	2.1	2.0	2.1	3.0	3.9
Other Assets	2.0	0.0	0.0	0.0	0.0	0.0
Shareholders equity group	9.5	7.7	6.9	7.0	8.2	10.2
Minorities	0.0	0.2	0.0	0.0	0.0	0.0
LT & ST provisions and others	0.0	0.1	0.3	0.4	0.4	0.5
Net debt	4.0	3.7	4.6	4.6	4.3	3.1
Other liabilities	7.0	12.0	13.0	14.0	15.0	16.0
Liabilities	13.6	11.6	11.8	12.0	13.0	13.9
Net debt excl. IFRS 16	4.0	3.7	4.6	4.6	4.3	3.1
Gearing net	0.4	0.5	0.7	0.7	0.5	0.3
Leverage	-3.2	-4.0	-5.5	461.3	3.8	1.7
Cash flow statement	12/20	12/21	12/22	12/23e	12/24e	12/25e
ΔWCR	-0.2	-0.6	0.1	-0.1	-0.9	-0.9
Net capex	-0.6	-1.2	-1.2	-1.1	-1.0	-1.1
FCF	-1.3	-1.6	-0.9	-0.1	0.3	1.1
Acquisitions/Disposals of subsidiaries	-1.6	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.4	0.0	0.0	0.0	0.0
Change in borrowings	1.5	0.4	0.0	-0.5	-0.5	-0.5
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Equity Transaction	0.0	-0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0
Change in net cash over the year	-1.3	-0.8	-0.9	-0.5	-0.2	0.6
ROA (%)	na	na	na	1.4%	9.3%	12.0%
ROE (%)	na	na	na	2.5%	15.0%	19.5%
ROCE (%)	na	na	na	3.5%	na	na

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1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
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History of investment rating and target price – PAT



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Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	84%	65%
Hold	14%	38%
Sell	1%	50%
Under review	1%	0%

Midcap employs a rating system based on the following:

Buy: Expected to outperform the markets by 10% or more over a 6 to 12 months horizon.

Hold: expected performance between -10% and +10% compared to the market over a 6 to 12 months horizon.

Sell: Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

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