ADL Bionatur Solutions

CMO business driving growth

Financial update

Pharma & biotech

ADL Bionatur Solutions' (ADL-BS) 9M19 results show €2.16m adjusted EBITDA and 127% year-on-year operating revenue growth to €33.2m, driven by 195% growth in contract manufacturing (CMO). On 2 December it announced a new seven-year CMO contract with a Swiss biotech client worth €20m to produce two novel cosmetics and/or nutrition products. ADL-BS is on track to report positive full-year EBITDA and maintained its FY19 revenue guidance of €50m. We now obtain an EV of €165.8m, translating into an equity valuation of €2.94 per share (from €3.02 previously) after adjusting for net debt.

Year end	Revenue (€m)	PBT* (€m)	EPS* (€)	DPS (€)	P/E (x)	Yield (%)
12/17	12.8	(12.7)	(2.52)	0.0	N/A	N/A
12/18	25.3	(16.3)	(0.43)	0.0	N/A	N/A
12/19e	53.0	(1.6)	(0.04)	0.0	N/A	N/A
12/20e	71.6	4.2	0.11	0.0	18.7	N/A

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

Strong CMO sales growth through 9M19

CMO business remains a source of strength, with the segment accounting for 79% of 9M19 revenue (up from 60% in 9M18) and 78% of adjusted EBITDA. ADL-BS will have 2,400m^3 of total fermentation capacity available by the end of Q120 and indicates that over 85% of available fermentation capacity has been contractually committed for the next two years, which should support its ability to meet its growth targets, in our view. This continues to validate management's strategy to orient the firm's industrial fermentation facilities largely towards CMO production for third parties.

Multiple contracts underpin revenue visibility

Much of the revenue visibility for ADL-BS's CMO and active pharmaceutical ingredient (API) businesses has been contractually committed through multi-year (or renewable) contracts. In recent months, it has announced several new deals, including the €20m Swiss biotech contract, a €13m API contract with a new customer in Japan and an expansion of its arrangement with Amyris, one of its largest clients. We believe these deals validate ADL-BS's fermentation expertise and should support ongoing profitability, although we have lowered our medium-term CMO revenue growth forecasts to adopt more conservative assumptions.

Valuation: Increase in EV to €165.8m

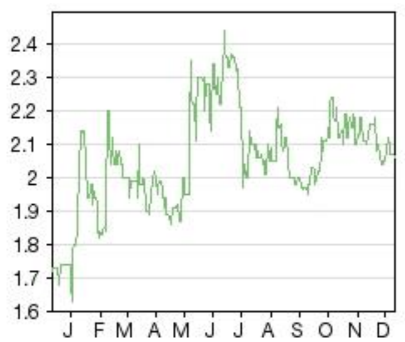
After revising our forecasts as described above and rolling forward our estimates, we now derive an enterprise value (EV) of €165.8m, versus €159.5m previously. After removing €50.2m in H119 net debt (H119 total debt of €54.4m, offset by cash and equivalents of €4.2m), we now determine an equity valuation of €115.6m, or €2.94 per share (vs €3.02 previously). ADL-BS announced in August a €25m debt financing deal with Kartesia, which it expects to fully fund the company's business plan for the next four years. Positive cash flows from the API and CMO segments could potentially support R&D and new proprietary product development.

11 December 2019

Price	€2.06
Market cap	€81m

Net debt (€m) at 30 June 2019	50.2
Shares in issue	39.4m
Free float	22%
Code	ADL
Primary exchange	MAB (Spain)
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	(2.4)	4.8	24.1
Rel (local)	(1.6)	2.1	15.3
52-week high/low		€2.44	€1.63

Business description

Based in Spain, ADL Bionatur Solutions provides contract manufacturing (CMO) of fermentation-based products and services focused on the health, beauty and wellness sectors. It has established CMO/API business lines and its own proprietary development line of novel or innovative products.

Next events

All eight 225m^3 fermenters are active or ready for production	Q419
2019 full year results	March 2020

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Growth trajectory in full swing

ADL-BS reported Q319 headline results on 14 November, with significant revenue growth in its core CMO business. Following the merger between ADL Biopharma and Bionaturis (BNT) in April 2018, the firm classifies its operations under three primary business lines (CMO, Pharmaceutical and R&D & Licensing Services), along with other operating income, which we believe is largely driven by the firm's agreement with Wacker Biosolutions León whereby Wacker pays operating, usage and maintenance-related costs to ADL-BS.

CMO growth was up 205% year-on-year in Q319 to €9.9m, and up 195% in 9M19 to €26m. These results remain indicative of continued success in management's strategy (since 2015) to direct the firm's industrial fermentation facilities increasingly towards CMO production for third parties, with a focus on higher-value end-products (which can be more complex and carry higher margins than simpler or more commoditised products produced by fermentation, such as alcohols). The API division also delivered 8% year-on-year growth in Q319 and 9% growth through 9M19 (to €3.5m in revenue).

As a whole, operating revenue was up 127% through 9M19 to €33.2m, with CMO driving the most growth, as has been the overall trend since the company closed the merger with BNT. Importantly, profitability ramped up significantly in Q319, as quarterly adjusted EBITDA of €1.57m accounted for 72% of the 9M19 adjusted EBITDA. Importantly, the CMO business drove 80% of Q319 adjusted EBITDA (and 78% of 9M19 adjusted EBITDA). These trends provide us comfort that the company will be able to meet its guidance of positive company-wide EBITDA in FY19.

Exhibit 1: ADL Bionatur Solutions Q319 and 9M19 headline results

€000s	Q319	Q318	Difference y-o-y	9M19	9M18	Difference y-o-y
Revenues						
Contract manufacturing/fermentation	9,947	3,266	204.6%	25,960	8,792	195.3%
Active pharmaceutical ingredients	1,645	1,519	8.3%	3,538	3,233	9.4%
R&D and Licensing services	119	924	-87.1%	1,362	1,113	22.4%
Other operating revenue	801	410	95.4%	2,325	1,484	56.7%
Operating Revenue	12,512	6,119	104.5%	33,185	14,622	127.0%
EBITDA contributions						
Contract manufacturing/fermentation	80%	53%		78%	60%	
Active pharmaceutical ingredients	13%	25%		11%	22%	
R&D and Licensing services	1%	15%		4%	8%	
Other operating revenue	6%	7%		7%	10%	
Total adjusted EBITDA	1,568	(2,243)		2,163	(8,212)	
Margin	12.5%	-36.7%		6.5%	-56.2%	

Source: Company reports

H119 results strong but modestly below estimates

ADL-BS reported mid-year financials in October, with H119 CMO growth up 190% year-on-year to €16.0m (vs our €21.9m estimate) and API revenue of €1.9m (up 10% year-on-year), but below our €2.6m forecast. Overall operating revenue was €20.7m, lower than our €28.8m forecast, but still up 143% year-on-year and gross profit of €14.4m was above our estimate of €13.9m, due to stronger than expected gross margins. After including grant revenue and work performed on assets (capitalisation of development expenses), ADL-BS reported H119 total revenue of €22.6m.

The firm reported positive H119 EBITDA of €0.1m and, excluding non-recurring costs, adjusted EBITDA came in at €0.6m. Due to the timing of the BNT/ADL merger, BNT's operations prior to May 2018 were not included in the comparable H118 financials.

Exhibit 2: ADL Bionatur Solutions H119 financial results

€000s	H119	H119e	Difference	H118	Difference y-o-y
Revenues					
Contract manufacturing/fermentation	16,013	21,900	-26.9%	5,526	190%
Active pharmaceutical ingredients	1,893	2,600	-27.2%	1,714	10%
R&D and licensing services*	1,243	3,150	-60.5%	189	558%
Wacker and other operating income	1,524	1,120	36.1%	1,074	42%
Operating revenue	**20,673**	**28,770**	**-28.1%**	**8,503**	**143%**
Imputation of grants	539	0	N/A	116	365%
Work performed by company for its assets	1,378	0	N/A	887	55%
Total revenue	**22,590**	**28,770**	**-21.5%**	**9,506**	**138%**
Total gross profit	14,361	13,890	3.4%	5,975	140%
Gross margin (%)	63.6	48.3	1,529bps	62.9	72bps
G&A and other operating expenses	(14,256)	(11,750)	21.3%	(12,168)	17%
EBITDA (€000)	**105**	**2,140**	**-95.1%**	**(6,193)**	**-102%**
Depreciation/amortisation	(2,012)	(1,439)	39.9%	(941)	114%
EBIT (operating income)	**(1,907)**	**702**	**-371.9%**	**(7,135)**	**-73%**
Financial and other expenses	(907)	(588)	54.3%	(1,250)	-27%
Income tax	14	0	N/A	8	85%
Net results	(2,800)	114	-2,561.6%	(8,376)	-67%

Source: ADL Bionatur Solutions reports, Edison Investment Research. Note: *Only includes May through June 2018 in H118 results due to the timing of the ADL/Bionaturis merger.

2019 sales guidance intact; stronger results expected in Q419

In its Q319 release, ADL-BS reiterated its full-year guidance for €50m in total revenue and positive company-wide EBITDA. We believe the guidance remains achievable as the company had previously stated that it expected 2019 revenue to be weighted more heavily towards the second half of the year. This has already been shown in the top-line Q319 results (thus far the strongest quarter of FY19 year to date). Further, our prior 2019 revenue forecast (€60.8m) was well above the company's guidance and, as discussed below, we are reducing our 2019 estimates accordingly.

Much of the revenue visibility for ADL-BS's CMO business has been contractually committed through multi-year (or renewable) contracts; we estimate the two largest of these are a six-year €146m flucosil-lactose deal (signed in H217) and a renewable two-year contract signed with Amyris (AMRS, Nasdaq) in early 2018 and then extended three times since (most recently in July 2019), to produce fermentation-derived products for the health and wellness, beauty and flavours and fragrances markets. Under the July 2019 expansion, their CMO production agreement was extended to 2020, with the associated additional revenue expected to exceed €12m. ADL-BS will produce up to five ingredients for Amyris during the contracted period and an extension option is in place for future years.

On 2 December, ADL-BS announced a new seven-year CMO contract with a Swiss biotech client (worth €20m) to produce two novel cosmetics and/or nutrition products. The agreement includes technology transfer, upscaling and industrial-scale production of two novel high value-added ingredients for the cosmetics and nutrition industry. This agreement supports ADL-BS's position and reputation, in our view, as a leading and trusted European player in fermentation. Technology transfer is expected to be completed in early 2020, with scale up and industrial-scale production anticipated to start afterwards.

Also in July 2019, ADL-BS reported that it expanded its CMO production agreement with an unnamed longstanding client (active in the nutrition, health and sustainable living industries). ADL-BS has produced a specific food supplement for several years for this client and the production extension represents a 75% increase (reflecting over €2.5m of additional revenue) compared to the initial amount agreed for 2019.

In its API segment (which also employs the firm's fermentation facilities), ADL-BS announced in August 2019 that it entered a strategic alliance with an undisclosed new customer in Japan to produce sterile APIs. The customer is a producer of pharmaceuticals, agricultural chemicals and veterinary drugs, and the revenues associated with the contract represent €13m over the next five years. This announced contract provides support to our current API sales growth forecasts. Our current API revenue forecast for 2020 is €9.4m increasing to €13.7m in 2024. Hence, the average run-rate of this contract reflects about 19–28% of these current API sales estimates.

ADL-BS will have 2,400m^3 of total fermentation capacity available before the end of Q120. Much of this is provided through eight 225m^3 fermenters, six of which are online and in production. The two remaining 225m^3 fermenters are expected to be available for commercial production by the end of Q120 following recent upgrades and reconditioning. ADL-BS indicates that over 85% of its available fermentation capacity has been contractually committed for the next two years, which should support its ability to meet its growth targets, in our view.

We reiterate that committed capacity differs somewhat from full operating utilisation. The company's arrangements with contracted customers allow certain fermentation facility allocations to be committed to a given client, without requiring the allocated capacity to be up and running 100% of the time (as there is some natural downtime needed between production batches). ADL-BS expects to optimise run times as efficiently as possible to augment overall utilisation at all of its fermenters while ensuring the production mix is geared as much as possible towards high-margin products.

Financials

Given the 9M19 results, we have reduced our full-year CMO sales estimates and adopted slightly more conservative forecasts for future growth in 2020 and beyond. However, due to the August 2019 €25m Kartesia financing described below, which provides the firm with sufficient resources to meet near- to medium-term working capital and capex needs, and following discussions with management, we are confident that the firm can meet our CMO growth targets. It was previously more financially restrained in its ability to fully take on potential customer contracts; with the additional funding in place, it now has more flexibility to fully maximise the CMO revenue potential at its facilities (including forthcoming upgrades).

We have largely maintained our forecasts for Q419 and beyond for the API division, given that the recent signing of the Japan-based client described above supports our medium- and long-term API growth expectations.

We have also reduced our medium-term expectations for the R&D and Licensing segment, which had come in well below our expectations in H218 and now also for 9M19. This segment is still largely based on the BNT side of the ADL/BNT merger and it contains many moving parts and R&D projects, and it appears to have a less predictable or consistent revenue stream than the larger CMO and API segments.

Exhibit 3: Changes in ADL Bionatur forecasts

	2019e (Prior)	2019e (New)	Difference	2020e (Prior)	2020e (New)	Difference
Revenues						
Contract manufacturing/fermentation (€000)	44,800	37,913	-15.4%	53,210	52,440	-1.4%
Active pharmaceutical ingredients (€000)	6,700	5,993	-10.6%	9,444	9,444	0.0%
R&D and Licensing services €000	7,105	3,998	-43.7%	8,519	6,379	-25.1%
Wacker and other operating income (€000)	2,240	2,644	18.0%	2,350	2,350	0.0%
Operating Revenue (€000)	60,845	50,548	-16.9%	73,523	70,613	-4.0%
Grant and other revenue (€000)	0	2,417	na	0	1,000	na
Total Revenue (€000)	60,845	52,965	-13.0%	73,523	71,613	-2.6%
Total Gross profit (€000)	29,063	29,838	2.7%	35,168	36,498	3.8%
Gross margin (%)	47.8	56.3	857 bps	47.8	51.0	313 bps
G&A and other operating expenses	(23,000)	(26,006)	13.1%	(23,960)	(25,953)	8.3%
EBITDA (€000)	6,063	3,832	-36.8%	11,208	10,545	-5.9%
EBITDA margin (%)	10.0	7.2	-273 bps	15.2	14.7	-52 bps
Depreciation/Amortization (€000)	(3,042)	(3,531)	16.1%	(3,676)	(3,581)	-2.6%
EBIT (Operating income) (€000)	3,021	301	-90.0%	7,532	6,964	-7.5%
Financial and other expenses (€000)	(1,238)	(1,913)	54.5%	(1,301)	(2,726)	109.6%
Profit before tax (€000)	1,783	(1,612)	-190.4%	6,231	4,239	-32.0%
Income tax (€000)	0	14	na	0	0	na
Net results (€000)	1,783	(1,597)	-189.6%	6,231	4,239	-32.0%

Source: Edison Investment Research

Given the recent results, we have mildly reduced our COGS estimates and raised our other operating expenditure forecasts, resulting in a slight net decrease in expected EBITDA margin for most future years (largely due to a mildly lower revenue base).

Exhibit 4: Operating forecast summary

Year	2017	2018	2019e	2020e	2021e	2022e	2023e	2024e	2025e
Contract manufacturing/fermentation	6,946	15,671	37,913	52,440	60,012	68,446	74,236	76,441	77,791
Active pharmaceutical ingredients	5,143	5,591	5,993	9,444	10,554	11,840	13,182	13,709	14,257
R&D and Licensing services	0	1,715	3,998	6,379	6,991	7,556	8,190	8,486	8,731
Wacker and other operating income	702	2,284	2,644	2,350	2,472	2,607	2,758	2,841	2,926
Operating revenue (€000)	12,791	25,261	50,548	70,613	80,027	90,448	98,366	101,477	103,706
Other revenue (grants and other)	0	0	2,417	1,000	1,000	1,000	1,000	1,000	1,000
Total revenue (€000)	**12,791**	**25,261**	**52,965**	**71,613**	**81,027**	**91,448**	**99,366**	**102,477**	**104,706**
Growth y-o-y (%)	N/A	97.5	109.7	35.2	13.1	12.9	8.7	3.1	2.2
Gross profit (€000)	7,981	14,644	29,838	36,498	41,699	47,462	51,539	53,097	54,112
Gross margin (%)	62.4	58.0	56.3	51.0	51.5	51.9	51.9	51.8	51.7
EBITDA (€000)	**(10,408)**	**(12,527)**	**3,832**	**10,545**	**14,839**	**19,661**	**22,765**	**23,315**	**23,289**
EBITDA margin (%)	(81.4)	(49.6)	7.2	14.7	18.3	21.5	22.9	22.8	22.2
Net debt/EBITDA (x)	N/A	N/A	14.9	6.2	3.9	2.3	1.4	0.8	0.2
Adjusted net debt/EBITDA* (x)	N/A	N/A	12.6	5.4	3.3	1.9	1.0	0.4	(0.2)

Source: ADL Bionatur Solutions accounts, Edison Investment Research. Note: *Net debt adjusted to exclude €8.7m shareholder loan from Black Toro Capital

ADL-BS reported end June 2019 total debt of €54.4m, offset by cash and equivalents of €4.2m, resulting in net debt of €50.2m. This is up from comparable net debt of €43.1m at YE18.[1] The firm's gross debt includes an €8.7m shareholder loan from its majority shareholder, Black Toro Capital, which carries a variable interest rate tied to the company achieving earnings before interest and taxes (EBIT) in excess of €30m. Excluding the shareholder loan, we calculate the firm's adjusted net debt at mid-2019 to have been approximately €41.5m.

ADL-BS announced in August that it has agreed to obtain €25m in debt financing with Kartesia, a private lender, at a rate of Euribor plus 5% per year with a one-time 7% fee on repayment. Gross proceeds will be used to fully fund the company's existing capex plans to modernise ADL-BS's

[1] In our 21 May 2019 update report, we had included €2.5m in current and long-term financial assets in our net debt calculation, which had the effect of reducing our net debt measurement by this amount (to €40.6m). Upon further review, we now interpret that these balance sheet items should no longer be considered in the net debt calculation given that these assets are largely tied or associated with other company agreements.

CMO facilities (totalling 2,400m^3 in fermentation capacity), to provide the working capital needed to respond to its CMO client demands and to refinance €5.7m of existing debt. Altogether, ADL-BS expects this debt financing to fully fund the company's business plan for the next four years, mitigating financing uncertainties and allowing the company to focus on executing its business plan. The company also specified in its Q319 release that it expects to invest about €20m across FY19 and FY20 to modernise its facilities, and then spend about €2m per year in maintenance costs thereafter. We have raised our FY19–20 combined capex estimate to €19.1m (from €12.5m, previously) to account for this guidance, with the bulk (€14m) of the spending now expected in FY20.

ADL-BS retains the option of drawing an additional €5m from Kartesia (a second tranche) at similar terms. This option could be exercised if ADL-BS seeks additional flexibility to accelerate its business development or expand its fermentation capacity. Management indicates it will not need to use this additional tranche or raise additional funding if it does not expand its operations beyond its current four-year business plan or if it does not build fermentation capacity beyond the existing 2,400m^3 installed base. The company may need to refinance some of its existing debt in the next two to three years, however.

Valuation

We value ADL-BS using a discounted cash flow (DCF) approach and, as per our usual policy for operating healthcare firms with a non-insignificant amount of net debt within their capital structure, we apply a 10.0% cost of capital (CoC).

To determine the EV of ADL-BS, we continue to apply a 10% CoC to three forecast periods. Our explicit forecasts cover our estimates for FY19–28, followed by an intermediate growth period (3% per year company-wide growth between FY29 and FY35) and finally a terminal value from FY36 (1.5% per year growth). Given the firm's €4.8m in non-current deferred tax assets and based on our discussions with management, our model does not anticipate the firm will pay income taxes until 2023.

Exhibit 5: ADL Bionatur Solutions DCF valuation

Component	Value
Present value of cash flows of explicit (H219–28) forecast period (€000)	67,441
Present value of cash flows from intermediate-growth (3% pa from 2029–35) period (€000)	41,162
Present value of terminal value (at 2036 and beyond) assuming 1% terminal growth rate (€000)	57,196
Total enterprise value (€000)	165,800
Net debt at 30 June 2019 (€000)	50,157
Total equity value (€000)	115,642
Fully diluted shares outstanding (000) (H119)	39,389
Implied equity value per share (€)	2.94

Source: Edison Investment Research

After revising our forecasts as described above and rolling forward our estimates, we now derive an EV of €165.8m, versus €159.5m previously. After removing €50.2m in H119 net debt, we now determine an equity valuation of €115.6m (vs €118.8m previously), or €2.94 per share (vs €3.02 previously). We reiterate that our valuation represents our assessment of the intrinsic value of the company at present and is not a 'target price' over any forthcoming time period.

We reiterate that ADL-BS's campus in León has land available to expand existing or build new fermentation facilities (and associated buildings/housing) if and when its fermentation/production demand exceeds current capacity. Our model and forecasts do not consider further fermentation capacity expansion (beyond the 2,400m^3 capacity), but if the company pursued an expansion strategy it could add potential long-term upside to our growth and valuation forecasts.

Exhibit 6: Financial summary

€'000s	2017	2018	2019e	2020e	2021e	2022e
31-December	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS						
Revenue	12,791	25,261	52,965	71,613	81,027	91,448
Cost of Sales	(4,810)	(10,617)	(23,127)	(35,115)	(39,328)	(43,986)
General, administrative and other operating expenses	(18,389)	(27,171)	(26,006)	(25,953)	(26,861)	(27,801)
EBITDA	(10,408)	(12,527)	3,832	10,545	14,839	19,661
Depreciation	(877)	(2,732)	(3,531)	(3,581)	(4,051)	(4,572)
Operating Profit (before exceptionals)	(11,285)	(15,259)	301	6,964	10,787	15,089
Exceptionals	652	(501)	0	0	0	0
Operating Profit	(10,633)	(15,760)	301	6,964	10,787	15,089
Net Interest	(1,443)	(1,046)	(1,913)	(2,726)	(2,726)	(2,726)
Profit Before Tax (norm)	(12,728)	(16,305)	(1,612)	4,239	8,061	12,363
Profit Before Tax (FRS 3)	(12,076)	(16,806)	(1,612)	4,239	8,061	12,363
Tax	(82)	90	14	0	0	0
Profit After Tax and minority interests (norm)	(12,810)	(16,215)	(1,597)	4,239	8,061	12,363
Profit After Tax and minority interests (FRS 3)	(12,158)	(16,716)	(1,597)	4,239	8,061	12,363
Average Number of Shares Outstanding (m)	5.1	37.6	39.4	39.4	39.4	39.4
EPS - normalised (€)	(2.52)	(0.43)	(0.04)	0.11	0.20	0.31
EPS - normalised and fully diluted (€)	(2.52)	(0.43)	(0.04)	0.11	0.20	0.31
EPS - (IFRS) (€)	(2.39)	(0.44)	(0.04)	0.11	0.20	0.31
Dividend per share (€)	0.0	0.0	0.0	0.0	0.0	0.0
BALANCE SHEET						
Fixed Assets	30,839	59,090	63,644	74,063	72,512	70,490
Intangible Assets	1,302	14,558	16,358	18,358	18,358	18,358
Tangible Assets	27,975	43,251	46,001	54,420	52,869	50,847
Long-term financial assets	1,562	1,281	1,285	1,285	1,285	1,285
Current Assets	16,339	20,612	37,688	33,327	43,997	59,562
Short-term investments	2,459	1,150	1,178	1,178	1,178	1,178
Cash	2,503	3,951	16,528	8,356	16,118	28,431
Other	11,377	15,511	19,982	23,793	26,701	29,953
Current Liabilities	(11,113)	(19,886)	(24,988)	(26,808)	(27,865)	(29,044)
Creditors	(5,288)	(10,530)	(7,347)	(9,167)	(10,223)	(11,403)
Short term borrowings	(5,825)	(9,356)	(17,641)	(17,641)	(17,641)	(17,641)
Long Term Liabilities	(21,541)	(38,616)	(56,970)	(56,970)	(56,970)	(56,970)
Long term borrowings excluding loan from majority shareholder	(21,530)	(30,665)	(47,290)	(47,290)	(47,290)	(47,290)
Loan from majority shareholder	0	(7,000)	(8,740)	(8,740)	(8,740)	(8,740)
Other long term liabilities	(10)	(952)	(941)	(941)	(941)	(941)
Net Assets	14,524	21,200	19,374	23,612	31,674	44,037
CASH FLOW						
Operating Cash Flow	(7,655)	(11,978)	(3,938)	8,553	12,988	17,589
Net Interest	(1,443)	(1,046)	(1,913)	(2,726)	(2,726)	(2,726)
Tax	0	0	0	0	0	0
Capex	(6,054)	(11,194)	(5,069)	(14,000)	(2,500)	(2,550)
Acquisitions/disposals	0	0	0	0	0	0
Financing	0	12,000	0	0	0	0
Net Cash Flow	(15,152)	(12,218)	(10,920)	(8,173)	7,762	12,314
Opening net debt/(cash)	(20,850)	24,853	43,070	57,142	65,315	57,553
HP finance leases initiated	0	0	0	0	0	0
Other	(30,551)	(5,999)	(3,152)	0	0	0
Closing net debt/(cash)	24,853	43,070	57,142	65,315	57,553	45,239

Source: Company data, Edison Investment Research

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