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Research

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Price (\$)

1.44

Shares in issue (m)	369
Mkt Cap (\$m)	565
Net debt (\$m)	0
EV (\$m)	565
BVPS (c)	159.4

Share price performance

1m	-25.4%
3m	-33.0%
12m	-79.1%
12 m high/low	9.1/1.4
Ave daily vol (30D)	1,155,848

Shareholders

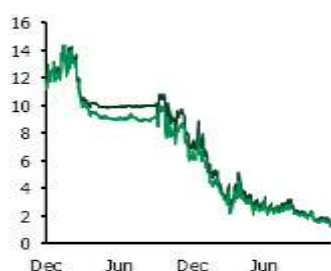
Tencent Holdings	23.8%
Zennstrom Niklas	11.1%
Atomico Iv	11.1%
Baillie Gifford & Co	5.1%
Lgt Global Invest	5.0%
Born Sebastian	4.9%
Meiner Matthias	4.9%
Invesco Ltd	2.3%
Allianz Se	0.8%
683 Capital	0.7%
Total for top 10	69.6%
Free float	43.5%
Source: Bloomberg	05 Dec 22

Next news

Q3s Q1

Business description

eVTOL developer and regional air mobility operator



— Price — Relative

Q3S CAP PERIOD OF GROWING TRACTION

Lilium's Q3s cap a period of strong commercial traction with the order book now standing at 603 aircraft. But the big change in the period has been the successful raise of \$119m in new equity giving additional runway to build on the success to date and move towards a type rating.

Order pipeline now at 603 aircraft

Lilium's Q3 update shows continuing commercial traction, cumulating with yesterday's announcement of a binding contract for 10 Lilium Jets in the UK with an option for a further 10. This builds on the 100 aircraft deal with SAUDIA to bring Lilium's total order pipeline to 603 aircraft. The company spent €69m in the quarter, slightly up on the €63m spend in Q2 but in line with the FY target of €250m. The slight increase was due to a number of one-off supplier payments. Cash was boosted by the successful \$119m equity raise adding to the €160m at the period end.

Type rating progress

Alongside commercial traction, the company is making progress towards a type rating with 80% of certification plans submitted to the European Union Aviation Safety Agency (EASA) compared with 38% at Q2. A third Design Organisation Approval audit has been scheduled to completed before the year end. Flight testing has been active with a new top speed of 120 kts achieved and the demonstration aircraft confirming precisely to the computer modelling. Product design has also moved forward with the launch yesterday of the Lilium Pioneer Edition, a limited-edition run of 50 aircraft targeting key early adopter, in the private ownership market.

€m, Dec	2020pf	2021a	2022e	2023e	2024e	2025e
Sales	0	0	0	0	0	280
EBITDA	-292	-284	-265	-280	-307	-297
PBT	-342	-299	-282	-307	-345	-369
EPS	-1.2	-1.4	-1.0	-1.1	-0.2	-0.2
CFPS	-1.0	-1.9	-0.9	-0.8	-0.1	-0.3
DPS	0.0	0.0	0.0	0.0	0.0	0.0
Net Debt (Cash)	-509	-320	-198	32	-1,720	-1,210
Debt/EBITDA	1.7	1.1	0.7	-0.1	5.6	4.1
P/E	-1.2	-1.0	-1.4	-1.3	-7.6	-7.1
EV/EBITDA	-0.2	-0.9	-1.4	-2.1	3.8	2.2
EV/sales	575.8	1188.4	#DIV/0!	#DIV/0!	#DIV/0!	0.2
FCF yield	-72.5%	-134.9%	-59.9%	-56.9%	-9.4%	-19.5%
Div yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

FINANCIAL MODEL

Profit and Loss Account

€m, Dec	2020pf	2021a	2022e	2023e	2024e	2025e
Turnover						
eVTOL	0	0	0	0	0	279
CO2	0	0	0	0	0	1
Other	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total	0	0	0	0	0	280
Operating profit						
eVTOL	-292	-289	-282	-307	-343	-371
CO2	0	0	0	0	0	1
Other	0	0	0	0	0	0
Other	0	0	0	0	0	0
Operating profit	-292	-289	-282	-307	-343	-370
P&L Account						
Turnover	0	0	0	0	0	280
Operating Profit	-292	-289	-282	-307	-343	-370
Investment income	0	-1	0	0	0	0
Net Interest	-50	-9	0	0	-1	2
Pre Tax Profit (UKSIP)	-342	-299	-282	-307	-345	-369
Goodwill amortisation	0	0	0	0	0	0
Exceptional Items	0	-111	0	0	0	0
Pre Tax Profit (FRS3)	-342	-410	-282	-307	-345	-369
Tax	0	-1	0	0	0	0
Post tax exceptionals	0	0	0	0	0	0
Minorities	0	0	0	0	0	0
Net Profit	-342	-411	-282	-307	-345	-369
Dividend	0	0	0	0	0	0
Retained	-342	-411	-282	-307	-345	-369
EBITDA	-292	-284	-265	-280	-307	-297
EPS (c) (UKSIP)	-1.22	-1.40	-1.01	-1.10	-0.19	-0.20
EPS (c) (FRS3)	-1.22	-1.91	-1.01	-1.10	-0.19	-0.20
FCFPS (c)	-1.04	-1.94	-0.86	-0.82	-0.14	-0.28
Dividend (c)	0.00	0.00	0.00	0.00	0.00	0.00

Source: Company data, Longspur Research estimates

KEY POINTS

- Company pre-revenue while it develops until 2025 when we assume first revenue begins
- C. €200m cost outflow rising ahead of launch in 2025

Balance Sheet

€m, Dec	2020pf	2021a	2022e	2023e	2024e	2025e
Fixed Asset Cost	29	42	109	174	235	470
Fixed Asset Depreciation	-6	-11	-28	-55	-91	-164
Net Fixed Assets	23	31	81	119	143	305
Goodwill	0	0	0	0	0	0
Other intangibles	1	1	1	1	1	1
Investments	0	15	15	15	15	15
Stock	0	0	0	0	0	92
Trade Debtors	0	0	0	0	0	46
Other Debtors	6	31	31	31	31	31
Trade Creditors	-8	-35	-62	-113	-170	-262
Other Creditors <1yr	-5	-15	-15	-15	-15	-15
Creditors >1yr	0	-3	-3	-3	-3	-3
Provisions	0	-3	-5	-8	-10	-12
Pension	0	0	0	0	0	0
Capital Employed	16	22	44	28	-7	199
Cash etc	620	353	231	1	1,752	1,349
Borrowing <1yr	101	23	23	23	23	23
Borrowing >1yr	10	10	10	10	9	116
Net Borrowing	-509	-320	-198	32	-1,720	-1,210
Share Capital	38	40	41	41	52	52
Share Premium	837	779	897	897	2,886	2,886
Retained Earnings	-459	-717	-999	-1,306	-1,651	-2,020
Other	110	240	302	364	427	491
Minority interest	0	0	0	0	0	0
Capital Employed	16	22	44	28	-7	199
Net Assets	526	343	241	-4	1,714	1,409
Total Equity	526	343	241	-4	1,714	1,409

Source: Company data, Longspur Research estimates

KEY POINTS

- Fixed assets grow with capex accelerating from 2024 with assumed network capex
- Cash is adequate but tight in 2023
- Equity raise assumed in 2024 to fund network capex

Cashflow

€m, Dec	2020pf	2021a	2022e	2023e	2024e	2025e
Operating profit	-292	-289	-282	-307	-343	-370
Depreciation	0	6	17	27	36	73
Provisions	0	2	2	2	2	2
Other	0	61	62	62	63	64
Working capital	0	4	27	51	57	-46
Operating cash flow	-292	-215	-174	-164	-185	-277
Tax paid	0	0	-1	0	0	0
Capex (less disposals)	0	-17	-67	-65	-61	-235
Investments	0	-185	0	0	0	0
Net interest	0	-2	0	0	-1	2
Net dividends	0	0	0	0	0	0
Residual cash flow	-292	-419	-241	-230	-248	-510
Equity issued	0	0	119	0	2,000	0
Change in net borrowing	0	189	122	230	-1,752	510
Adjustments	0	-36	0	0	0	0
Total financing	0	153	241	230	248	510

Source: Company data, Longspur Research estimates

KEY POINTS

- Operating cash outflow and capex dominate ahead of launch
- Capex for network from 2025 assumed in our forecasts but could be external
- Working capital impact with first revenue in 2025

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