

19 Sept 2023

Price (US\$)	0.96
Shares in issue (m)	381
Mkt Cap (\$m)	389
Net debt (\$m)	0
EV (\$m)	388
BVPS (c)	159.4

Share price performance

1m	-5.8%
3m	-24.3%
12m	-52.6%
12 m high/low	2.4/0.4
Ave daily vol (30D)	2,962,391

Shareholders

Tencent Holdings	29.3%
Atomico	10.7%
Lgt Global Invest	6.4%
Meiner Matthias	4.6%
Born Sebastian	4.6%
Baillie Gifford & Co	1.2%
B Riley Financial In	0.8%
Millennium	0.7%
683 Capital	0.6%
Allianz Se	0.4%
Total for top 10	59.2%
Free float	43.6%
Source: Bloomberg	19 Sep 23

Next news Ints Q3

Business description

eVTOL developer and regional air mobility operator



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FORGING AHEAD WITH FUSELAGE

Lilium has announced fuselage assembly has commenced for the first of the fuselages required for the seven Lilium Jets required to reach type-certification. Delivery of the first fuselage is expected in Q4 2023, with jet construction due to commence by year end. The company has reiterated the first manned flight remains on track for late 2024. It is positive to see Lilium continuing to progress with its strategy of working with established industry partners to deliver on key components for the Lilium Jet, supporting the certification and scale up process which we expect to continue at pace to reach the first manned flight in late 2024.

Drawing on Established Industry Partners

The fuselage is being constructed by Aciturri, a leading aerospace manufacturer who supply components to leading manufacturers, including airbus and Rolls Royce. Aciturri hold a share in Lilium as a strategic investor emphasising the strength of partnership between the two companies. This follows on from the recent announcement that Lilium had engaged Saint-Goban Aerospace to work on the development and production of the Lilium Jet's transparencies (windows and windshields). Saint-Goban are, again, an established aerospace industry name. Lilium are undertaking a deliberate strategy of working with strong partners to allow for a rapid certification and production timetable whilst also helping to de-risk the project development. The company has reiterated that it is on track for the first manned flight in late 2024 and we see continued strong partnerships as being critical to achieving this.

€m, Dec	2021a	2022a	2023e	2024e	2025e	2026e
Sales	0	0	0	0	280	1,268
EBITDA	-284	-273	-288	-315	-305	-80
PBT	-299	-253	-308	-344	-376	-243
EPS	-1.4	-0.9	-0.6	-0.5	-0.2	-0.1
CFPS	-1.9	-0.2	-0.6	-0.4	-0.3	-0.3
DPS	0.0	0.0	0.0	0.0	0.0	0.0
Net Debt (Cash)	-320	-142	-135	31	-69	501
Debt/EBITDA	1.1	0.5	0.5	-0.1	0.2	-6.3
P/E	-0.7	-1.1	-1.5	-1.9	-4.4	-6.8
EV/EBITDA	-0.2	-0.9	-0.9	-1.3	-1.0	-11.2
EV/sales	1459.7	#DIV/0!	#DIV/0!	#DIV/0!	0.2	0.1
FCF yield	-2.0%	-0.2%	-0.6%	-0.4%	-0.3%	-0.3%
Div yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

FINANCIAL MODEL

Profit and Loss Account

€m, Dec	2021a	2022a	2023e	2024e	2025e	2026e
Turnover						
eVTOL	0	0	0	0	279	1,262
CO2	0	0	0	0	1	6
Other	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total	0	0	0	0	280	1,268
Operating profit						
eVTOL	-289	-279	-307	-343	-371	-227
CO2	0	0	0	0	1	6
Other	0	0	0	0	0	0
Other	0	0	0	0	0	0
Operating profit	-289	-279	-307	-343	-370	-221
P&L Account						
Turnover	0	0	0	0	280	1,268
Operating Profit	-289	-279	-307	-343	-370	-221
Investment income	-1	-3	0	0	0	0
Net Interest	-9	28	-1	2	-4	-22
Pre Tax Profit (UKSIP)	-299	-253	-308	-341	-373	-243
Goodwill amortisation	0	0	0	0	0	0
Exceptional Items	-111	0	0	0	0	0
Pre Tax Profit (FRS3)	-410	-253	-308	-341	-373	-243
Tax	-1	0	0	0	0	0
Post tax exceptionals	0	0	0	0	0	0
Minorities	0	0	0	0	0	0
Net Profit	-411	-253	-308	-341	-373	-243
Dividend	0	0	0	0	0	0
Retained	-411	-253	-308	-341	-373	-243
EBITDA	-284	-273	-288	-315	-305	-80
EPS (c) (UKSIP)	-1.40	-0.90	-0.64	-0.51	-0.22	-0.14
EPS (c) (FRS3)	-1.91	-0.90	-0.64	-0.51	-0.22	-0.14
FCFPS (c)	-1.94	-0.24	-0.56	-0.42	-0.30	-0.32
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	2021a	2022a	2023e	2024e	2025e	2026e
Fixed Asset Cost	42	55	120	181	416	909
Fixed Asset Depreciation	-11	-18	-37	-65	-130	-271
Net Fixed Assets	31	37	83	116	286	638
Goodwill	0	0	0	0	0	0
Other intangibles	1	1	1	1	1	1
Investments	15	39	39	39	39	39
Stock	0	0	0	0	92	417
Trade Debtors	0	0	0	0	46	208
Other Debtors	31	32	32	32	32	32
Trade Creditors	-35	-34	-59	-88	-180	-625
Other Creditors <1yr	-15	-10	-10	-10	-10	-10
Creditors >1yr	-3	-4	-4	-4	-4	-4
Provisions	-3	-1	0	2	4	5
Pension	0	0	0	0	0	0
Capital Employed	22	61	84	89	307	703
Cash etc	353	180	172	5	212	12
Borrowing <1yr	23	29	29	29	29	29
Borrowing >1yr	10	8	8	8	115	484
Net Borrowing	-320	-142	-135	31	-69	501
Share Capital	40	53	55	55	59	59
Share Premium	779	843	1,102	1,222	1,848	1,848
Retained Earnings	-717	-970	-1,278	-1,622	-1,998	-2,241
Other	240	278	340	403	467	536
Minority interest	0	0	0	0	0	0
Capital Employed	22	61	84	89	307	703
Net Assets	343	204	219	58	376	202
Total Equity	343	204	219	58	376	202

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 2024

Cashflow

€m, Dec	2021a	2022a	2023e	2024e	2025e	2026e
Operating profit	-289	-279	-307	-343	-370	-221
Depreciation	6	8	19	28	65	141
Provisions	2	-2	-2	-2	-2	-2
Other	61	23	62	63	64	69
Working capital	4	-8	25	29	-46	-42
Operating cash flow	-215	-257	-203	-224	-289	-55
Tax paid	0	0	0	0	0	0
Capex (less disposals)	-17	-9	-65	-61	-235	-493
Investments	-185	200	0	0	0	0
Net interest	-2	0	-1	2	-4	-22
Net dividends	0	0	0	0	0	0
Residual cash flow	-419	-67	-268	-283	-527	-570
Equity issued	0	120	1,000	0	0	0
Change in net borrowing	189	178	-732	283	527	570
Adjustments	-36	-231	0	0	0	0
Total financing	153	67	268	283	527	570

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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