

26 June 2023

Price (US\$)	1.26
Shares in issue (m)	375
Mkt Cap (\$m)	502
Net debt (\$m)	0
EV (\$m)	502
BVPS (c)	159.4

Share price performance	
1m	14.5%
3m	86.9%
12m	-55.5%
12 m high/low	3.3/0.4
Ave daily vol (30D)	3,286,707

Shareholders	
Tencent Holdings	24.9%
Atomico Guernsey	10.9%
Lgt Global Invest	6.5%
Born Sebastian	4.6%
Meiner Matthias	4.6%
Baillie Gifford & Co	4.3%
B Riley Financial In	2.5%
Millennium M'ment	0.9%
683 Capital M'ment	0.8%
Allianz Se	0.7%
Total for top 10	60.7%
Free float	47.6%
Source: Bloomberg	26 Jun 23

Next news Ints Q3

Business description

eVTOL developer and regional air mobility operator



Research
Adam Forsyth
adam.forsyth@longspur.com
+44 (0) 131 357 6770

Max Campbell
max.campbell@longspur.com
+44 (0) 7900 206039

Distribution
Adam Robertson
adam.robertson@longspur.com
+44 (0) 203 940 6602

FAA CERTIFICATION UPDATE

The Federal Aviation Administration (FAA) has issued Lilium with the **G-1 Certification Basis, a critical milestone in the certification process in the USA. This lays out the basis for type certification where the aircraft design and components are approved. Lilium intend to achieve type certification under the European Union Aviation Safety Agency (EASA) and then receive co-validation in the US under the EASA/FAA treaty, thereby giving it dual certification. Progress continues to be made under the EASA certification and the company has reiterated they remain on track for 2025 certification.**

Leading the eVTOL Market in Pursuing Dual Certification

Lilium is currently the only eVTOL holding a certification basis from the EASA and FAA and continued progress in certification in these key markets ought to leave Lilium well placed to claim market share in the nascent eVTOL market. In the last EASA update provided in the Q1 Shareholder Letter, Lilium had advanced the EASA Means of Compliance (MoC) to 78% complete with the remainder of the MoC and Certification Plans expected to be formally agreed in H2 2023, paving the way for the first manned flight in H2 2024.

€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	-341	-373	-243
EPS	-1.4	-0.9	-0.2	-0.2	-0.2	-0.1
CFPS	-1.9	-0.2	-0.1	-0.1	-0.3	-0.3
DPS	0.0	0.0	0.0	0.0	0.0	0.0
Net Debt (Cash)	-320	-142	-874	-591	-64	505
Debt/EBITDA	1.1	0.5	3.0	1.9	0.2	-6.3
P/E	-0.9	-1.4	-7.9	-7.1	-6.5	-9.9
EV/EBITDA	-0.6	-1.3	1.3	0.3	-1.4	-12.6
EV/sales	0	0	0	0	0.6	0.1
FCF yield	-1.5%	-0.2%	-0.1%	-0.1%	-0.2%	-0.2%
Div yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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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	-0.16	-0.18	-0.19	-0.13
EPS (c) (FRS3)	-1.91	-0.90	-0.16	-0.18	-0.19	-0.13
FCFPS (c)	-1.94	-0.24	-0.14	-0.15	-0.27	-0.29
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	912	628	208	8
Borrowing <1yr	23	29	29	29	29	29
Borrowing >1yr	10	8	8	8	115	484
Net Borrowing	-320	-142	-874	-591	-64	505
Share Capital	40	53	59	59	59	59
Share Premium	779	843	1,837	1,837	1,837	1,837
Retained Earnings	-717	-970	-1,278	-1,618	-1,992	-2,235
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	958	680	371	197
Total Equity	343	204	958	680	371	197

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	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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Longspur Research
10 Castle Street,
Edinburgh. EH2 3AT
UK

Longspur Capital
20 North Audley Street,
London. W1K 6WE
UK