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October 16th, 2023**Jean Pierre LOZA**Analyste Financier / Equity Analyst
jean-pierre.loza@inextenso-finance.fr
+ 33 1.45.63.68.87**Predilife****Dans une dynamique de croissance**

Lors du premier semestre 2023, Predilife a poursuivi la croissance de son chiffre d'affaires à 164 k€ contre 151 k€ en 2022. Le CA devrait aussi intégrer plus de 57 k€ de produits constatés d'avance, le plaçant dès le S1 dans les pas du CA annuel 2022 de 280 k€. **Achat fort avec un TP de 10,21€.**

Growth momentum

In the first half of 2023, Predilife continued to grow its sales to €164k, compared with €151k in 2022. In addition, sales are expected to include more than €57k in deferred income, putting the company within reach of its full-year 2022 sales target of €280k. **Strong Buy with a TP of €10.21.**

Recommendation	1. Strong Buy
Closing Price on 13 October 2023	€ 5.75
Target price	€ 10.21 (+77.5%)

Predilife affiche une forte croissance de ses ventes pour le S1 2023 à plus de 164 K€. La société, qui développe des tests prédictifs rencontre un écho positif au sein de la société civile (entreprises, salariés). Elle suscite aussi l'intérêt des acteurs de la santé et de la prévoyance : institutions de santé, assureurs, mutuelles.

Le premier semestre 2023 est marqué par une croissance du CA (+8,8%) à 0,164 M€. Une croissance portée principalement par les entreprises, qui intègrent souvent à la demande de leurs salariés, la problématique du bien-être au travail et de la prévention des maladies professionnelles. Predilife, qui développe et commercialise, les premiers tests prédictifs s'inscrit parfaitement dans cette demande sociétale, comme on peut le voir aussi bien en France dans le PLFSS 2024 qu'en Suisse avec notamment le Groupe Mutuel.

Nous maintenons notre opinion Achat Fort sur la valeur avec notre OC à 10,21 € par action.

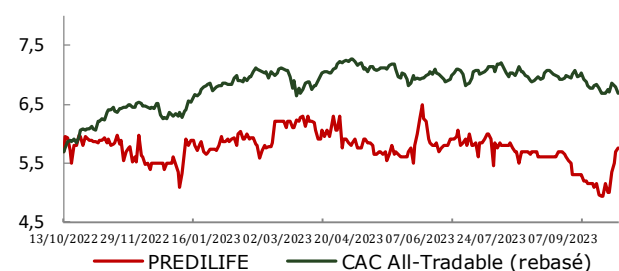
Predilife posted strong sales growth of over €164k in H1 2023. The company, which develops predictive tests, has met with a positive response from civil society (companies, employees). It is also attracting interest from players in the healthcare and provident sectors, including health institutions, insurers, and mutual insurers.

The first half of 2023 was marked by growth in Predilife's turnover (+8.8%) to €0.164m. This growth is being driven mainly by companies, which often include the issue of well-being in the workplace and the prevention of occupational and non-occupational illnesses at the request of their employees. Predilife, which is developing and marketing the first predictive tests, is perfectly in tune with this societal demand, as can be seen both in France with the PLFSS 2024 and in Switzerland with Groupe Mutuel.

We are maintaining our Strong Buy rating on the stock, with our TP €10.21 per share.

Performances

Absolute perf.	1 month	6 months	12 months
	8.49%	-2.5%	0.9%

**Current shareholding structure**

S. Ragusa : 40.99% ; Free Float : 23.67% ; Caravelle : 22.09% ; A. Bricard : 10.25% ; Clearside Hldg : 1.56% ; Employees : 1.04 % Self-ownership : 0.4%

Key figures

	2021	2022	2023E	2024E	2025E
Sales (€m)	0.14	0.29	0.46	0.88	2.08
Change (%)	175.5%	103.4%	59%	90.9%	136.6%
EBITDA (€m)*	-3.49	-3.48	-3.6	-3.94	-4.03
EBIT (€m)*	-3.52	-3.5	-3.69	-4.1	-3.63
Ebit margin (%)	NS	NS	NS	NS	NS
Net profit gp sh. (€m)	-3.41	-3.52	-3.72	-4.16	-3.7
Net margin (%)	NS	NS	NS	NS	NS
EPS	-0.93	-0.96	-1.02	-1.14	-1.01

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Market data

Reuters / Bloomberg ticker	ALPRE.PA / ALPRE:FP
Market capitalisation (€m)	21
Enterprise value (€m)	15
Free Float	4.98 (30.2 %)
Number of shares	3 660 305
Daily volume (€)	4 163
Capital turnover rate (1 year)	4.76%
High (52 weeks)	€ 6.50
Low (52 weeks)	€ 4.94

Agenda**Ratios**

	2021	2022	2023E	2024E	2025E
EV / Sales	204.82	104.21	56.42	24.82	9.64
EV / EBITDA*	-8.34	-8.65	-7.21	-5.53	-4.97
EV / EBIT*	-8.27	-8.6	-7.03	-5.31	-5.52
P / E	-9.53	-6.18	-5.97	-5.65	-5.06
Gearing (%)	NS	NS	NS	NS	NS
Net debt / EBITDA*	2.3	2.6	1.36	0.18	-0.26
ROCE (%)	-52.55%	-93.04%	90.27%	32.51%	19.15%

Predilife accélère sa croissance...

Le premier semestre 2023 de Predilife a été caractérisé par une nouvelle phase de croissance qui a vu son CA s'accroître de **9%** en passant de 0,151 à **0,164 M€**. Un CA constitué en majorité par la vente de bilans prédictifs de santé auprès d'entreprises. En outre, un certain nombre de commandes passés au S1 2023 ont généré **des produits constatés d'avance de l'ordre de 0,05 M€ (57 200€)**. Car Predilife pour pouvoir ajuster ces différentes propositions de prestations en fonction des desideratas des entreprises, pratique une comptabilisation à l'avancement. Le résultat net est en recul de 13,2% à -1,919 M€ (YoY). Il est grevé principalement par le résultat financier qui affiche une hausse des charges financières à -0.259 M€ : une situation consécutive aux intérêts de la nouvelle émission d'Océanes. Les intérêts de celles-ci, sont capitalisés et seront remboursés in fine, en numéraire ou en actions. **La situation de trésorerie de la société à 2,458 M€** (au 30 juin 2023) devrait lui permettre de financer l'activité des 12 prochains mois. La trésorerie a été renforcé en juillet dernier par **une levée de fonds obligataire de 1,865 M€** (OC portant un intérêt de 7% par an).

...grâce aux entreprises...

En effet, un nombre certain de sociétés ont choisi de tester l'offre de Predilife au sein d'une filiale ou d'un établissement, sur la base d'un projet pilote qui se rapproche souvent d'une preuve de concept. La satisfaction des usagers (patients) ainsi que des structures est forte puisque le taux de satisfaction atteint 4,5/5. Des critères qui confirment les conclusions de l'enquête Ipsos de mai dernier :

Un **intérêt marqué** aussi bien par **les salariés** que par la direction **des entreprises** ayant répondues au sondage pour la médecine prédictive ;

- **Salariés et décideurs** établissent un **lien direct** entre le **bien-être** et la santé des collaborateurs et **la performance** en entreprise ;
- Bien que seulement **24% des sociétés** ayant répondu disposent d'un **budget santé dédié, 68% des salariés** se disent prêts à réaliser un bilan prédictif.

...et en France, le PLFSS 2024...

...se propose « **d'accélérer le virage de la prévention à tous les étages du système de santé** » en déployant les bilans de prévention déjà introduits lors du PLFSS 2023. Le projet de loi de financement de la Sécurité Sociale 2024 se propose d'accroître la prise en charge de ces bilans à 100%. Les objectifs de ces bilans de prévention seront :

- De faire le point sur ses habitudes de vie,
- D'identifier ses facteurs de risque,
- De proposer des dépistages ciblés et individualisés permettant de repérer et de prévenir des comportements nocifs et l'apparition de pathologies (cancers, diabète, maladies cardiovasculaires).

Predilife et ses tests prédictifs devraient pouvoir s'inscrire dans ce continuum en permettant de définir et de quantifier objectivement les risques, notamment du cancer du sein, mais aussi d'autres pathologies. Une proposition qui attire un certain nombre d'acteurs du système de santé (assurances, mutuelles).

...ainsi en Suisse, où le groupe Mutuel rembourse...

...les bilans Predilife à hauteur de **50%** pour un maximum de **200 CHF** par année civile (soit 208,4 € cours du 10/10/2023), par le **groupe Mutuel en Suisse**. **5^{ème} acteur** du marché dans le secteur Entreprise et **3^{ème}** dans la santé individuelle, Groupe Mutuel revendique **1,3 millions de clients privés et 28 000 entreprises**. Il s'agit là clairement d'un des leaders suisses de l'assurance-maladie et l'assurance des personnes. Le Groupe Mutuel prend donc une décision importante en intégrant ainsi le volet prévention dans l'accompagnement de ses assurés.

Pour son approche novatrice de **génomique prédictive personnalisée**, son positionnement **pertinent vers les entreprises** et l'intérêt croissant de la **société civile** pour la notion de **bien-être au travail** et les **collaborations** structurantes (Colas, BTP, Groupe Mutuel), nous réitérons notre recommandation **Achat Fort** sur le titre avec un **objectif de cours de 10,21€**.

Predilife accelerates its growth...

Predilife entered a new phase of growth in the first half of 2023, with turnover increasing by **9%** from €0.151m to **€0.164m**. Sales were mainly generated by the sale of predictive health assessments to companies. In addition, several orders placed in H1 2023 generated **deferred income of around €0.05m (€57,200)**. Predilife uses the percentage-of-completion method to account for the various services it offers, to be able to adjust them in line with companies' wishes. Net profit fell by 13.2% to €1.919m (YoY). This was mainly due to an increase in financial expenses (up to €0.259m), because of the interest on the new convertible bond issue. The interest on these bonds is capitalized and will be repaid at maturity, in cash or in shares. The **company's cash position of €2.458m** (on 30 June 2023) should enable it to finance its business over the next 12 months. The cash position was bolstered last July by a **€1.865m bond issue** (convertible bonds bearing interest at 7% p.a.).

...thanks to companies...

In fact, several companies have chosen to test Predilife's offer at a subsidiary or a facility, based on a pilot project that comes close to a proof of concept. User (patient) and facility satisfaction is high, with a satisfaction rate of 4.5/5. These criteria confirm the conclusions of the Ipsos survey carried out last May:

- a **marked interest** in predictive medicine on the part of both **employees and management** in the companies that responded to the survey.
- **Employees and decision-makers** establish a **direct link** between the **health and well-being** of employees and **business performance**.
- Although only **24% of the companies** responding have a **dedicated health budget, 68% of employees** say they are ready to have a predictive health check-up.

...and in France, the PLFSS 2024...

...aims to "**accelerate the shift towards prevention at all levels of the healthcare system**" by rolling out the prevention check-ups already introduced in the 2023 Social Security Financing Bill. The Social Security Financing Bill 2024 proposes to increase the coverage of these check-ups to 100%. The aims of these preventive check-ups will be to:

- Take stock of lifestyle habits,
- identify risk factors and
- Offer targeted, personalized screening to identify and prevent harmful behavior and the onset of diseases such as cancer, diabetes, and cardiovascular disease.

Predilife and its predictive tests should be able to play a part in this process, making it possible to objectively define and quantify the risks, particularly of breast cancer, but also of other diseases. A proposal that is attracting several players in the healthcare system (insurance companies, mutual insurers).

...In Switzerland, where Group Mutuel reimburses...

...Predilife's check-ups up to **50%** for a maximum of **CHF 200** per calendar year (i.e. € 208.4 at 10/10/2023 prices), by the **Group Mutuel in Switzerland**. The **5th largest player** in the corporate sector and **3rd largest** in individual health, Groupe Mutuel boasts **1.3 million private customers and 28,000 companies**. It is clearly one of Switzerland's leading health and personal insurance companies. Groupe Mutuel is therefore taking an important decision by integrating prevention into its support for policyholders.

In view of its innovative approach to **personalized predictive genomics**, its relevant **positioning towards businesses** and the **growing interest of civil society** in the notion of **well-being in the workplace**, and the **structuring collaborations** (Colas, BTP, Groupe Mutuel), we are reiterating our strong Buy recommendation on the stock, with a **target price of €10.21**.

Important Disclosure

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In Extenso Finance stock market recommendations reflect the absolute change expected in the share price from a six to twelve-month perspective (in local currencies).

1. Strong Buy	The absolute share price performance is expected to be at least +25 %
2. Buy	The absolute share price performance is expected to be comprised between +10% and +25 %
3. Neutral	The absolute share price performance is expected to be comprised between +10% and -10 %
4. Sell	The absolute share price performance is expected to be comprised between -10% and -25 %
5. Strong Sell	The absolute share price performance is expected to be at least -25 %

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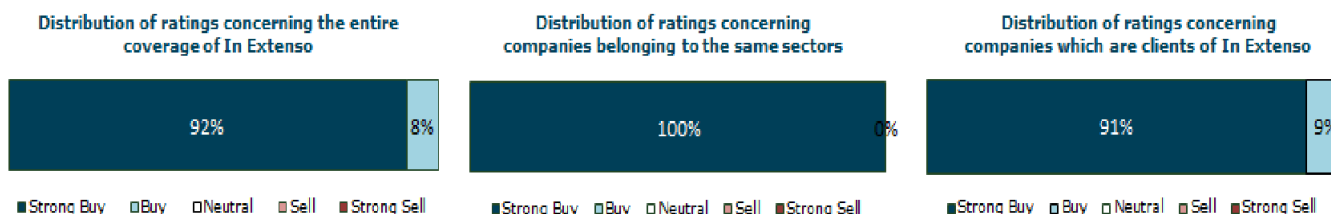
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No	No	No	No	Yes	No	Yes

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Rating and target price evolution throughout the last 12 months

Date of 1 st publication	Rating	Target Price
16 th October 2023	Equity Flash Strong Buy	€ 10.21
29 th June 2023	Equity Flash Strong Buy	€ 10.21
11 th January 2023	Equity Flash Strong Buy	€ 9.76

Ratings distribution



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