

14 May 2024

<b>Price (US\$)</b>	<b>1.10</b>
Shares in issue (m)	505
Mkt Cap (\$m)	581
Net debt (\$m)	-185
EV (\$m)	396
BVPS (c)	159.4

**Share price performance**

1m	23.5%
3m	11.1%
12m	11.1%
12 m high/low	1.9/0.6
Ave daily vol (30D)	1,990,125

**Shareholders**

Tencent Holdings	21.2%
LGT Global Invest	10.8%
Founders	8.3%
Atomico	7.8%
Daniel Wiegand	4.4%
Earlybird/UVC	3.0%

Free float 56.6%

**Next news** Q2 Results

**Business description**

eVTOL developer and regional air mobility operator



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**DISCUSSIONS ON FRENCH FACTORY**

Following an announcement by the French government, Lilium has confirmed they are in advanced discussions to develop a high-volume production facility in France with a conclusion on discussions expected over the coming weeks. Sites are already being evaluated with potential locations near existing aerospace and battery centres allowing Lilium to draw on existing industry talent. The investment could be up to €400m over several years and, importantly, discussions around potential government subsidies and loan guarantees to support the expansion remain ongoing. This is a positive announcement that if successfully concluded, will significantly support the scale-up of production ahead of the targeted entry into service date of 2026.

**New Facility to Support Entry into Service**

Provided a positive conclusion to the discussions is achieved, the new facility will support the company's ability to meet its current backlog which currently consists of over 780 Lilium Jets with agreements from MoU to binding order stage. The company has been putting in a significant amount of work to pull together the various components to allow for effective commercial operations, including working with a number of Tier 1 French suppliers, and a new facility for high-volume production ahead of entry into service is a key element in this. This is another positive announcement that shows that Lilium continues to make strides towards full commercial operations.

€m, Dec	2021a	2022a	2023a	2024e	2025e	2026e
Sales	0	0	0	0	0	405
EBITDA	-284	-273	-260	-285	-372	-408
PBT	-299	-253	-389	-305	-421	-512
EPS	-1.4	-0.9	-0.7	-0.5	-0.6	-0.7
CFPS	-1.9	-0.2	-0.4	-0.2	-0.4	-0.3
DPS	0.0	0.0	0.0	0.0	0.0	0.0
Net Debt (Cash)	-320	-171	-75	-78	125	387
Debt/EBITDA	1.1	0.6	0.3	0.3	-0.3	-1.0
P/E	-0.7	-1.1	-1.4	-2.1	-1.7	-1.4
EV/EBITDA	-0.8	-1.3	-1.8	-1.6	-1.8	-2.3
EV/sales	0	0	0	0	0	405
FCF yield	-190.5%	-23.4%	-43.0%	-15.3%	-41.4%	-33.5%
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	2023a	2024e	2025e	2026e
<b>Turnover</b>						
eVTOL	0	0	0	0	0	405
CO2	0	0	0	0	0	0
Other	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total</b>	0	0	0	0	0	405
<b>Operating profit</b>						
eVTOL	-289	-279	-271	-305	-414	-488
CO2	0	0	0	0	0	0
Other	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Operating profit</b>	-289	-279	-271	-305	-414	-488
<b>P&amp;L Account</b>	<b>2021a</b>	<b>2022a</b>	<b>2023a</b>	<b>2024e</b>	<b>2025e</b>	<b>2026e</b>
Turnover	0	0	0	0	0	405
Operating Profit	-289	-279	-271	-305	-414	-488
Investment income	-1	-3	-2	0	0	0
Net Interest	-9	28	-116	0	-7	-23
Pre Tax Profit (UKSIP)	-299	-253	-389	-305	-421	-512
Goodwill amortisation	0	0	0	0	0	0
Exceptional Items	-111	0	0	0	0	0
Pre Tax Profit (IFRS)	-410	-253	-389	-305	-421	-512
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	-389	-305	-421	-512
Dividend	0	0	0	0	0	0
Retained	-411	-253	-389	-305	-421	-512
EBITDA	-284	-273	-260	-285	-372	-408
EPS (p) (UKSIP)	-1.40	-0.90	-0.71	-0.49	-0.60	-0.73
EPS (p) (IFRS)	-1.91	-0.90	-0.71	-0.49	-0.60	-0.73
FCFPS (p)	-1.94	-0.24	-0.44	-0.16	-0.42	-0.34
Dividend (p)	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 2026 when we assume first revenue begins
- C. €300m cost outflow rising ahead of launch in 2026

## Balance Sheet

€m, Dec	2021a	2022a	2023a	2024e	2025e	2026e
Fixed Asset Cost	42	55	84	131	272	518
Fixed Asset Depreciation	-11	-18	-20	-41	-83	-164
Net Fixed Assets	31	37	64	90	189	355
Goodwill	0	0	0	0	0	0
Other intangibles	1	1	0	0	0	0
Investments	15	39	131	131	131	131
Stock	0	0	0	0	0	133
Trade Debtors	0	0	0	0	0	67
Other Debtors	31	32	33	33	33	33
Trade Creditors	-35	-34	-45	-217	-370	-915
Other Creditors <1yr	-15	19	-217	-217	-217	-217
Creditors >1yr	-3	-4	-3	-3	-3	-3
Provisions	-3	-1	-2	-1	-1	-1
Pension	0	0	0	0	0	0
Capital Employed	22	90	-38	-184	-238	-417
Cash etc	353	180	84	85	30	137
Borrowing <1yr	23	0	0	0	0	0
Borrowing >1yr	10	8	8	7	155	525
Net Borrowing	-320	-171	-75	-78	125	387
Share Capital	40	53	6	6	7	7
Share Premium	779	843	1,009	1,108	1,208	1,208
Retained Earnings	-717	-970	-1,359	-1,665	-2,085	-2,597
Other	240	278	382	444	508	577
Minority interest	0	0	0	0	0	0
Capital Employed	22	90	-38	-184	-238	-417
Net Assets	343	261	37	-106	-363	-805
Total Equity	343	204	37	-106	-363	-805

Source: Company data, Longspur Research estimates

## KEY POINTS

- Fixed assets grow with capex accelerating from 2024 with assumed capex
- Increase in other creditors driven by warrants issued in 2023
- Cash adequate across period after assumed funding including PDPs

## Cashflow

€m, Dec	2021a	2022a	2023a	2024e	2025e	2026e
Operating profit	-289	-279	-271	-305	-414	-488
Depreciation	6	8	13	20	42	81
Provisions	2	-2	0	0	0	0
Other	61	23	138	62	64	69
Working capital	4	-8	5	172	153	346
Operating cash flow	-215	-257	-116	-51	-155	7
Tax paid	0	0	-1	0	0	0
Capex (less disposals)	-17	-9	-29	-46	-141	-247
Investments	-185	200	-95	0	0	0
Net interest	-2	0	4	0	-7	-23
Net dividends	0	0	0	0	0	0
Residual cash flow	-419	-67	-236	-97	-302	-263
Equity issued	0	120	259	100	100	0
Change in net borrowing	189	149	96	-3	202	263
Adjustments	-36	-231	0	0	0	0
Total financing	153	38	355	97	302	263

Source: Company data, Longspur Research estimates

## KEY POINTS

- Operating cash outflow and capex dominate ahead of launch
- Capex for production assumed from 2025 with grand support
- Working capital positive due to PDPs

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