

AHL Design & Engineering SRL - Business Case Analysis

- ■ COMPANY: Design & Engineering Services (HVAC, Plumbing, Cleanrooms)
- ■ HEADQUARTERS: 30 Avenue Général Leclerc - 38200 VIENNE, France | SIREN: 921 210 027
- ■ PERFORMANCE (2023): Revenue €45.7M (+154%) | Profit €1.5M (+273%) | Assets €16.2M (+46%)
- ■ EXPANSION: France, Morocco, North Africa | 10+ countries | 77 employees (+33%)
- ■ FOCUS: Pharmaceutical and Healthcare Turnkey Projects
- ■■ CHALLENGE: Rapid growth creating working capital pressure (€8.2M receivables)

Financial Growth Analysis - Exceptional Performance

- ■ REVENUE GROWTH: +154.2% (€18.0M → €45.7M) - exceptional scaling
- ■ PROFIT GROWTH: +273.0% (€389K → €1.5M) - strong profitability improvement
- ■ ASSET GROWTH: +46.2% (€11.1M → €16.2M) - solid foundation
- ■ EQUITY GROWTH: +36.1% (€4.0M → €5.5M) - healthy capital structure
- ■ EMPLOYEE GROWTH: +33% (58 → 77) - significant human capital investment
- ■ MARGIN IMPROVEMENT: Net margin 2.1% → 3.2% - operational efficiency gains

Executive Dashboard - Key Financial Metrics

- ■ CASH POSITION: €5.5M available cash - strong liquidity
- ■ REVENUE BREAKDOWN: 99.7% services, 0.3% goods - service-focused business
- ■■ FINANCIAL RATIOS: Net margin 3.2%, operational margin 4.7%
- ■ GROWTH RATES: Revenue +154%, Profit +273%, Assets +46%
- ■ CREDIT RATING: 'Very Good' (7.7/10) - no overdue state debts
- ■■ WORKING CAPITAL: €8.2M receivables (18% of revenue) - needs optimization

Assets & Liabilities Composition Analysis

- ■ ASSETS STRUCTURE: 97% current assets, 3% fixed assets - highly liquid
- ■ CASH & EQUIVALENTS: €5.5M (35% of total assets) - excellent liquidity
- ■ ACCOUNTS RECEIVABLE: €8.2M (52% of current assets) - major concern
- ■ LIABILITIES: 66% total debt, 34% equity - manageable leverage
- ■ SUPPLIER DEBTS: €6.2M (58% of total debt) - payment management needed
- ■ TAX DEBTS: €573K overdue taxes, €581K social security - compliance issues

Revenue & Expenses Composition Analysis

- ■ REVENUE MIX: 99.7% engineering services, 0.3% goods sales
- ■ SERVICE REVENUE: €45.6M - core business strength
- ■ EXPENSE BREAKDOWN: 67% external purchases, 33% personnel costs
- ■ PERSONNEL COSTS: €13.2M salaries + €2.8M social charges
- ■ EXTERNAL COSTS: €9.2M materials + €17.6M other external purchases
- ■ EFFICIENCY: Revenue per employee €593K - high productivity

Financial Indicators & Margins Evolution

- ■ NET MARGIN: 3.2% (2023) vs 2.1% (2022) - 52% improvement
- ■■ OPERATIONAL MARGIN: 4.7% (2023) vs 2.9% (2022) - 62% improvement
- ■ PROFITABILITY TREND: Consistent margin improvement over time
- ■ GROWTH SUSTAINABILITY: Margins improving despite rapid scaling
- ■ EFFICIENCY GAINS: Better cost control and operational optimization
- ■■ CASH CONVERSION: Strong profits but working capital pressure

Debt Analysis & Liquidity Assessment

- ■ DEBT STRUCTURE: €10.7M total debt (+52% vs 2022)
- ■ SUPPLIER DEBTS: €6.2M (58% of total) - payment management critical
- ■■ TAX DEBTS: €573K overdue taxes (+1,129%) - compliance urgency
- ■ SOCIAL DEBTS: €581K social security (+173%) - HR compliance needed
- ■ BANK DEBT: €848K (+254%) - manageable but growing
- ■ LIQUIDITY: €5.5M cash vs €8.2M receivables - working capital gap

Risk Analysis & Strategic Recommendations

- ■■ HIGH RISK: Accounts receivable management (€8.2M at risk)
- ■ MEDIUM RISK: Tax compliance (€573K overdue) - penalty risk
- ■ MEDIUM RISK: Supplier relationship management (€6.2M debt)
- ■ LOW RISK: Social security compliance (€581K debt)
- ■ LOW RISK: Bank debt (€848K) - manageable levels
- ■ OPPORTUNITY: Factorial can address all high/medium risk areas

Factorial Solution Recommendations

- ■ IMMEDIATE ACTIONS: Automated AR tracking, tax compliance, supplier management
- ■ PROJECT CONTROL: Budget tracking + time logging for accurate project margins
- ■ EXPENSE AUTOMATION: OCR + approval flows to reduce leakage
- ■ CASH FLOW: Better receivables management to improve working capital
- ■ COMPLIANCE: Automated tax deadlines and social security tracking
- ■ PILOT PROPOSAL: 90-day program targeting 15-25% cost reduction

Implementation Roadmap & Expected Impact

- ■ WEEK 1-2: Discovery & Setup | Analyze processes, configure modules
- ■ WEEK 3-4: Training & Go-Live | Train team, implement workflows
- ■ WEEK 5-8: Monitoring | Track KPIs, optimize processes
- ■ WEEK 9-12: Scale & Expand | Roll out to all business units
- ■ SUCCESS METRICS: DSO -7 days, margin +3-5%, admin time -40%
- ■ ROI PROJECTION: 6-8 month payback, 15-25% cost reduction