

Enapter AG

Germany | Industrial Goods & Services | MCap EUR 239.9m

28 November 2023

UPDATE



Live from the EKF: Order intake takes off, Reiterate BUY

What's it all about?

Enapter today presented its growth story live at the Equity Forum (EKF) in Frankfurt, after yesterday announcing strong international demand and the renaming of its large multicore system to AEM Nexus, which can have a capacity of up to 1 MW. This means that approximately 3 AEM Nexus systems would be sufficient to store the energy of one onshore wind turbine. In addition, a contract for a 500 kW AEM Nexus was announced yesterday by the Czech building materials company "Unigrani", which is to be expanded to 1 MW over time and will generate revenues of around EUR 1-1.5m. (order backlog EUR 26.8m). We expect revenues to double every year until 2025, driven by sales of scaled-up multi-core systems, with the potential for double-digit EBITDA margins by 2026. Our recommendation is BUY with a target price of EUR 20.00.

BUY (BUY)

Target price	EUR 20.00 (20.00)
Current price	EUR 8.82
Up/downside	126.8%



MAIN AUTHOR

Leon Mühlenbruch

l.muehlenbruch@alsterresearch.com

+49 40 309 293-58

IMPORTANT. Please refer to the last page of this report for "Important disclosures" and analyst(s) certifications.

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Live from the EKF: Order intake takes off, Reiterate BUY

Equity Forum (EKF). Today Enapter presented at the EKF in Frankfurt, Germany. The presentation highlighted not only the benefits of the AEM technology but also the strong growth potential in the green hydrogen sector.

Scaled up multi-core systems. Enapter announced yesterday that it has renamed its AEM Multicore model in the MW range to AEM Nexus, which can have a capacity of up to 1 MW. This means that approximately 3 AEM Nexus systems would be sufficient to store the energy of one onshore wind turbine. The company has also recently introduced a new mid-range model, the AEM Flex 120, and started production of the multi-core units in H2 23.

Order intake. Enapter also announced that it has been awarded a contract for a 500 kW AEM Nexus by Czech building materials company Unigrani. According to the company, this system will be expanded over time to a capacity of 1 MW. The revenue potential for Enapter is expected to be around EUR 1-1.5m or around 3-5% of annual revenues. In our view, this further demonstrates the strong international interest in Enapter's multi-core systems: AEM Nexus with 13 orders (13 MW) from 7 international customers and AEM Flex with 26 orders (around 3 MW) and this is likely to be just the beginning. The total order backlog amounts to EUR 26.8m (previous year EUR 14m).

Reminder. It's worth noting that, unlike PEM technology, Enapter's AEM technology does not rely on scarce and expensive iridium. This not only foresees a future where AEM becomes more economical, but also positions it to meet the growing demand in the hydrogen market despite the iridium shortage. Enapter's extensive expertise in providing single-core systems gives it a significant lead in AEM technology, which is protected by patents until 2030. For a detailed explanation, please read our initiation of Enapter [here](#).

Value & Theme. Enapter is poised for significant revenue growth, expected to double annually until 2025, driven primarily by strong sales of multi-core systems. This trajectory should drive cost efficiencies and position the company for long-term double-digit EBITDA margins. We reiterate our BUY rating, highlighting the undervaluation relative to hydrogen market growth and Enapter's positive technology outlook. Our EUR 20.00 price target implies an attractive upside of almost 127%.



Source: Company data, AlsterResearch

High/low 52 weeks 19.05 / 8.20
Price/Book Ratio 2.6x

Ticker / Symbols

ISIN DE000A255G02
WKN A255G0
Bloomberg H20:GR

Changes in estimates

		Sales	EBIT	EPS
2023E	old	30.6	-15.4	-0.62
	Δ	0.0%	na%	na%
2024E	old	57.8	-11.3	-0.58
	Δ	0.0%	na%	na%
2025E	old	129.4	1.0	-0.18
	Δ	0.0%	0.0%	na%

Key share data

Number of shares: (in m pcs) 27.20
Book value per share: (in EUR) 3.39
Ø trading volume: (12 months) 9,736

Major shareholders

BluGreen (Sebastian Schmidt) 66.1%
Johnson Matthey Plc 3.9%
Sergei Storozhenko 4.1%
Free Float 22.9%

Company description

Enapter produces unified electrolysis systems that can be combined into larger modules using a modular approach. The innovative Anion Exchange Membrane (AEM) electrolysis used is an evolution of PEM technologies. This development is aimed at reducing material costs. Enapter has patented its AEM electrolyser, which uses an even more cost-effective process than normal AEM, is very flexible due to its uniform shape and can be produced in series.

Enapter AG	2020	2021	2022	2023E	2024E	2025E
Sales	2.1	8.4	14.7	30.6	57.8	129.4
<i>Growth yoy</i>	122.7%	307.8%	73.8%	108.6%	88.7%	124.0%
EBITDA	-2.9	-7.6	-10.6	-10.1	-6.5	8.6
EBIT	-3.5	-8.6	-12.9	-15.4	-11.3	1.0
Net profit	-3.6	-8.7	-13.0	-16.9	-15.8	-5.0
Net debt (net cash)	-2.1	-15.0	-1.2	27.2	53.8	67.1
Net debt/EBITDA	0.7x	2.0x	0.1x	-2.7x	-8.3x	7.8x
EPS reported	-1.21	-0.38	-0.51	-0.62	-0.58	-0.18
DPS	0.00	0.00	0.00	0.00	0.00	0.00
<i>Dividend yield</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross profit margin	-0.4%	13.1%	21.7%	24.0%	30.3%	32.9%
EBITDA margin	-141.1%	-90.2%	-72.1%	-33.0%	-11.2%	6.7%
EBIT margin	-171.2%	-102.1%	-87.6%	-50.3%	-19.5%	0.8%
ROCE	-30.5%	-16.2%	-13.9%	-14.7%	-7.6%	0.5%
EV/Sales	114.8x	26.6x	16.3x	8.7x	5.1x	2.4x
EV/EBITDA	-81.4x	-29.5x	-22.5x	-26.4x	-45.4x	35.7x
EV/EBIT	-67.1x	-26.1x	-18.6x	-17.3x	-26.0x	310.7x
PER	-7.3x	-23.4x	-17.3x	-14.2x	-15.2x	-47.8x

Source: Company data, AlsterResearch

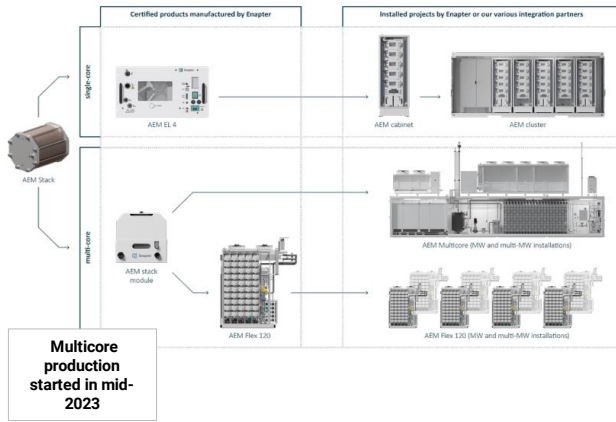
The following table displays the six-monthly performance of **Enapter AG**:

P&L data	H2 2020	H1 2021	H2 2021	H1 2022	H2 2022	H1 2023
Sales	2.1	2.0	6.4	3.3	11.4	4.8
yoy growth in %	na%	218.0%	210.5%	64.5%	76.7%	43.8%
Gross profit	-7.6	0.5	0.6	0.0	3.1	0.9
Gross margin in %	-367.4%	26.1%	9.1%	1.4%	27.6%	19.7%
EBITDA	-3.4	-3.6	-3.8	-6.8	-2.5	-7.0
EBITDA margin in %	-166.3%	-176.3%	-59.0%	-204.4%	-22.3%	-147.2%
EBIT	-3.4	-3.9	-4.7	-7.6	-5.2	-8.6
EBIT margin in %	-166.3%	-195.8%	-72.7%	-229.7%	-46.2%	-180.3%
EBT	-3.5	-4.0	-4.7	-7.7	-5.3	-9.9
taxes paid	0.0	0.0	-0.0	0.0	0.0	0.0
tax rate in %	-0.1%	-0.1%	0.3%	-0.1%	-0.3%	-0.0%
net profit	-3.5	-4.0	-4.7	-7.7	-5.3	-9.9
yoy growth in %	na%	na%	na%	na%	na%	na%
EPS	-0.92	-0.17	-0.20	-0.31	-0.20	-0.37

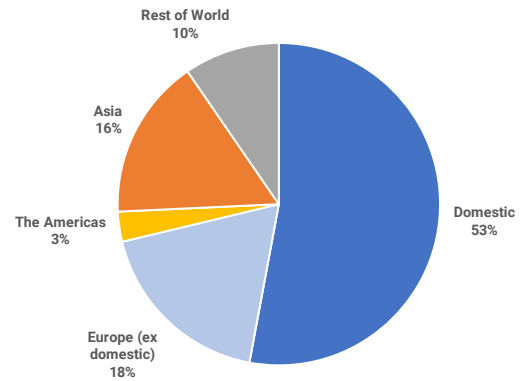
Source: Company data; AlsterResearch

Investment case in six charts

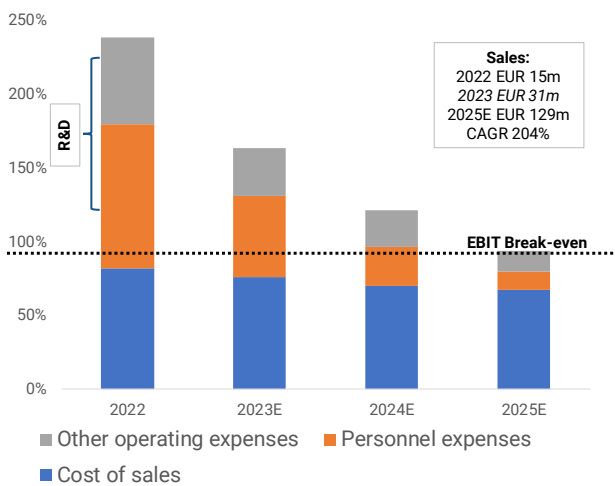
AEM's patented electrolysis systems



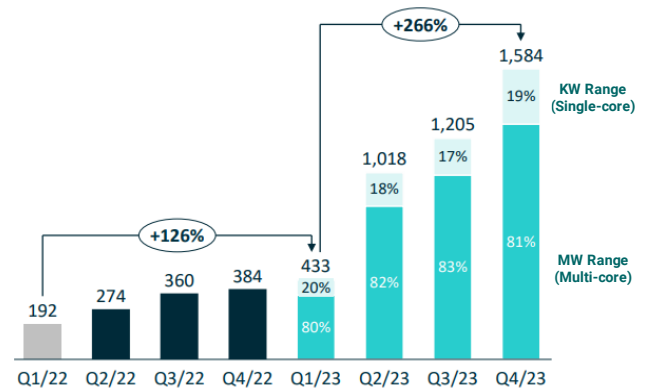
Regional sales split 2022 in %



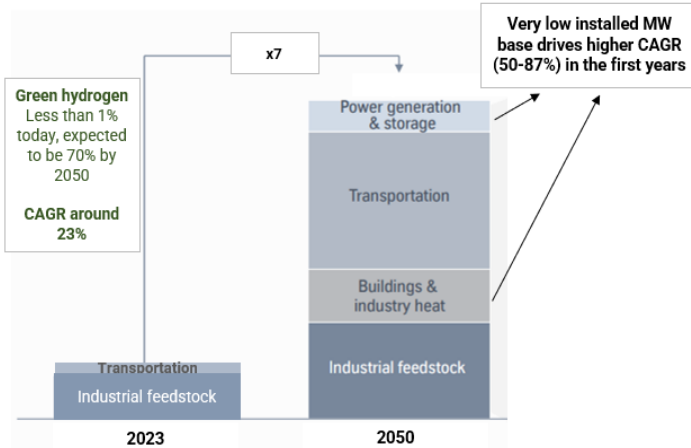
Cost outlook (as % of total sales)



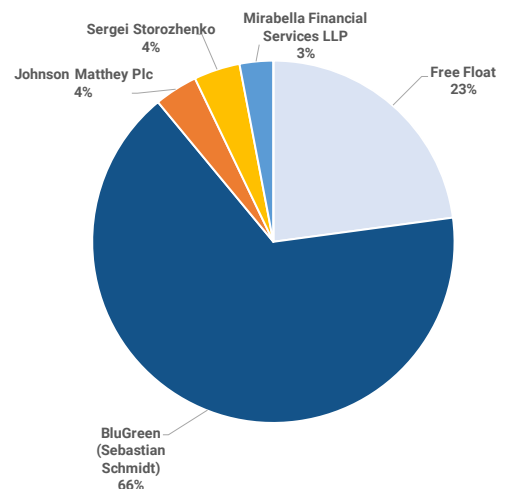
Sales pipeline open deals (EURm)



Hydrogen area outlook



Major Shareholders



Source: Company data; AlsterResearch

SWOT analysis

Strengths

- Lower cost technology than PEM (lower material costs)
- No dependence on rare metals such as titanium and iridium
- Flexible units for different plant sizes
- Broad customer network
- Focus on electricity storage with hydrogen
- Patented core IP
- Software expertise in stack interconnection
- Full vertical integration and self-sufficiency

Weaknesses

- Only single-digit MW installed to date
- Limited track record of technology
- Growth (R&D and capex) will require outside funding
- Order volumes still too low to reach break-even point

Opportunities

- Standardized modules enable mass production and economies of scale
- Improving the power of a stacked module to MW
- Profitable service contracts
- Rapidly expanding hydrogen energy storage market from a low base (especially in Europe)

Threats

- Mass production not taking off as expected
- Market is still in its infancy, threat of new technologies
- Market transition from a subsidy-driven, supplier-centric market to a low-margin, demand-driven market, similar to the wind and solar industries
- High cost of electricity making electrolysis less profitable for customers

Valuation

DCF Model

The DCF model results in a **fair value of EUR 20.96 per share**:

Top-line growth: We expect Enapter AG to grow revenues at a CAGR of 55.1% between 2023E and 2030E. The long-term growth rate is set at 5.0%.

ROCE. Returns on capital are developing from -14.7% in 2023E to 16.2% in 2030E.

WACC. Starting point is a historical equity beta of 1.52. Unlevering and correcting for mean reversion yields an asset beta of 1.26. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 12.4%. With pre-tax cost of borrowing at 5.0%, a tax rate of 25.0% and target debt/equity of 0.5 this results in a long-term WACC of 9.5%.

DCF (EURm) (except per share data and beta)	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	Terminal value
NOPAT	-15.4	-11.3	0.7	21.0	31.9	48.1	64.5	67.2	
Depreciation & amortization	5.3	4.8	7.6	5.5	9.4	11.2	12.0	13.3	
Change in working capital	1.0	0.4	2.8	7.7	5.7	2.7	0.9	-0.5	
Chg. in long-term provisions	2.1	1.2	0.7	-2.2	2.4	3.0	2.9	0.6	
Capex	-19.9	-17.3	-19.4	-23.6	-23.3	-29.0	-37.7	-39.6	
Cash flow	-26.9	-22.2	-7.6	8.4	26.1	36.0	42.6	41.1	955.8
Present value	-26.6	-19.9	-6.3	6.3	18.0	22.7	24.5	21.6	501.8
WACC	9.9%	10.4%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%

DCF per share derived from		DCF avg. growth and earnings assumptions	
Total present value	542.2	Planning horizon avg. revenue growth (2023E-2030E)	55.1%
Mid-year adj. total present value	567.7	Terminal value growth (2030E - infinity)	5.0%
Net debt / cash at start of year	-1.2	Terminal year ROCE	16.2%
Financial assets	1.2	Terminal year WACC	9.5%
Provisions and off b/s debt	na		
Equity value	570.1	Terminal WACC derived from	
No. of shares outstanding	27.2	Cost of borrowing (before taxes)	5.0%
		Long-term tax rate	25.0%
		Equity beta	1.52
		Unlevered beta (industry or company)	1.26
		Target debt / equity	0.5
		Relevered beta	1.73
		Risk-free rate	2.0%
		Equity risk premium	6.0%
		Cost of equity	12.4%

Discounted cash flow / share	20.96
upside/(downside)	137.7%

Share price	8.82
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Sensitivity analysis DCF								
Change in WACC (%-points)		Long term growth					Share of present value	
		4.0%	4.5%	5.0%	5.5%	6.0%		
2.0%		11.5	12.3	13.2	14.3	15.5	2023E-2026E	-8.6%
1.0%		14.0	15.1	16.4	17.9	19.9	2027E-2030E	16.0%
0.0%		17.3	19.0	21.0	23.5	26.7	terminal value	92.5%
-1.0%		22.1	24.8	28.2	32.7	39.0		
-2.0%		29.7	34.5	41.2	51.1	67.7		

Source: AlsterResearch

FCF Yield Model

Due to the fact that companies rarely bear sufficient resemblance to peers in terms of geographical exposure, size or competitive strength and in order to adjust for the pitfalls of weak long-term visibility, an Adjusted Free Cash Flow analysis (Adjusted FCF) has been conducted.

The adjusted Free Cash Flow Yield results in a fair value between EUR -10.39 per share based on 2023E and EUR 19.53 per share on 2027E estimates.

The main driver of this model is the level of return available to a controlling investor, influenced by the cost of that investors' capital (opportunity costs) and the purchase price – in this case the enterprise value of the company. Here, the adjusted FCF yield is used as a proxy for the required return and is defined as EBITDA less minority interest, taxes and investments required to maintain existing assets (maintenance capex).

FCF yield in EURm	2023E	2024E	2025E	2026E	2027E
EBITDA	-10.1	-6.5	8.6	33.5	52.0
- Maintenance capex	5.3	4.8	7.6	5.5	9.4
- Minorities	0.0	0.0	0.0	0.0	0.0
- tax expenses	0.0	0.0	-1.7	4.8	7.9
= Adjusted FCF	-15.4	-11.3	2.7	23.1	34.6
Actual Market Cap	239.9	239.9	239.9	239.9	239.9
+ Net debt (cash)	27.2	53.8	67.1	65.2	47.2
+ Pension provisions	0.0	0.0	0.0	0.0	0.0
+ Off B/S financing	0.0	0.0	0.0	0.0	0.0
- Financial assets	1.2	1.2	1.2	1.2	1.2
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
<i>EV Reconciliations</i>	26.0	52.7	66.0	64.1	46.1
= Actual EV'	265.9	292.5	305.9	303.9	285.9
Adjusted FCF yield	-5.8%	-3.9%	0.9%	7.6%	12.1%
base hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
ESG adjustment	1.0%	1.0%	1.0%	1.0%	1.0%
adjusted hurdle rate	6.0%	6.0%	6.0%	6.0%	6.0%
Fair EV	-256.6	-187.9	44.3	385.8	577.3
- <i>EV Reconciliations</i>	26.0	52.7	66.0	64.1	46.1
Fair Market Cap	-282.6	-240.6	-21.7	321.7	531.2
No. of shares (million)	27.2	27.2	27.2	27.2	27.2
Fair value per share in EUR	-10.39	-8.85	-0.80	11.83	19.53
Premium (-) / discount (+)	-217.8%	-200.3%	-109.0%	34.1%	121.5%

Sensitivity analysis FV						
	4.0%	-15.1	-12.3	0.0	18.9	30.1
	5.0%	-12.3	-10.2	-0.5	14.7	23.8
Adjusted hurdle rate	6.0%	-10.4	-8.8	-0.8	11.8	19.5
	7.0%	-9.0	-7.9	-1.0	9.8	16.5
	8.0%	-8.0	-7.1	-1.2	8.3	14.2

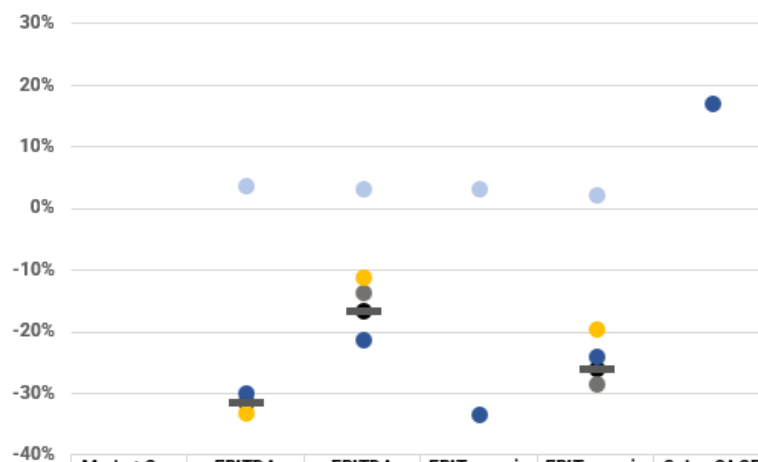
Source: Company data; AlsterResearch

Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 7.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments might be applicable. A high score indicates high awareness for environmental, social or governance issues and thus might lower the overall risk an investment in the company might carry. A low score on the contrary might increase the risk of an investment and might therefore trigger a higher required hurdle rate.**

Peer group analysis

A peer group or comparable company (“comps”) analysis is a methodology that calculates a company’s relative value – how much it should be worth based on how it compares to other similar companies. Given that **Enapter AG** differs quite significantly in terms of size, focus, financial health and growth trajectory, we regard our peer group analysis merely as a support for other valuation methods. The peer group of Enapter AG consists of the stocks displayed in the chart below. As of 28 November 2023 the median market cap of the peer group was EUR 1,120.4m, compared to EUR 239.9m for Enapter AG. In the period under review, the peer group was less profitable than Enapter AG. The expectations for sales growth are lower for the peer group than for Enapter AG.

Peer Group – Key data



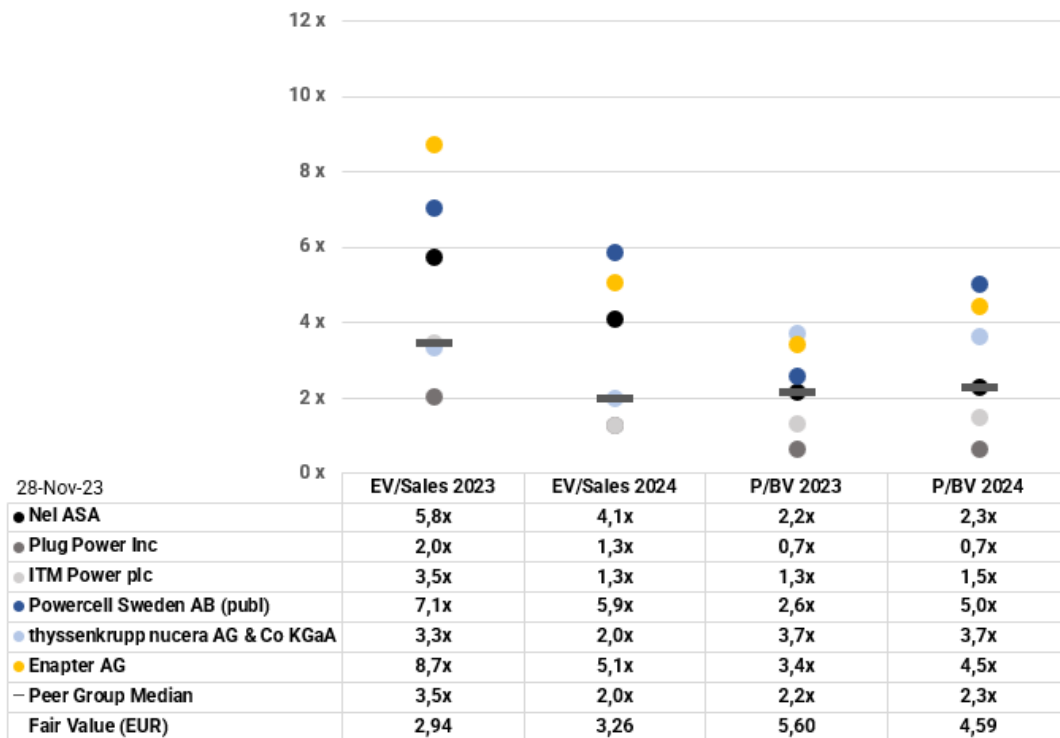
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	Market Cap (EURm)	EBITDA margin 2023	EBITDA margin 2024	EBIT margin 2023	EBIT margin 2024	Sales CAGR 2022-2025
● Nel ASA	1.120	-31,4%	-16,6%	-44,7%	-25,9%	45,2%
● Plug Power Inc	1.921	-62,5%	-13,5%	-79,6%	-28,3%	50,8%
● ITM Power plc	392	-1907,9%	-261,1%	-1983,4%	-301,8%	105,3%
● Powercell Sweden AB (publ)	191	-29,9%	-21,3%	-33,3%	-23,9%	17,2%
● thyssenkrupp nucera AG & Co KGaA	2.817	3,8%	3,3%	3,3%	2,3%	50,4%
● Enapter AG	240	-33,0%	-11,2%	-50,3%	-19,5%	95,2%
— Peer Group Median	1.120	-31,4%	-16,6%	-44,7%	-25,9%	50,4%

Source: Sentieo, AlsterResearch

Comparable company analysis operates under the assumption that similar companies will have similar valuation multiples. We use the following multiples: EV/EBITDA 2023, EV/EBITDA 2024, EV/Sales 2023, EV/Sales 2024, P/BV 2023 and P/BV 2024. Applying these to Enapter AG results in a range of fair values from EUR 2.94 to EUR 5.60.

Peer Group – Multiples and valuation



Source: Sentieo, AlsterResearch

The following is a detailed description of the peer group (source: Sentieo):

Nel ASA, formerly Diagenic ASA, is a Norway-based hydrogen company that delivers solutions to produce, store and distribute hydrogen from renewable energy. The Company's hydrogen solutions cover the entire value chain from hydrogen production technologies to hydrogen fueling stations. Nel ASA's operations are divided into two operating segments, Nel Hydrogen Fueling and Nel Hydrogen Electrolyser. The Nel Hydrogen Fueling Segment is a manufacturer of hydrogen fueling stations that provide Fuel Cell Electric Vehicles (FCEVs) with the same fast fueling and long range as conventional fossil fuel vehicles, while the Nel Hydrogen Electrolyser Segment is a global supplier of hydrogen production equipment and plants based on both alkaline and Polymer Electrolyte Membrane (PEM) water electrolyser technology. The Company has several subsidiaries, including Proton Energy Systems Inc, Nel Hydrogen Electrolyser AS and Nel Korea Co Ltd.

ITM Power plc is an energy storage and clean fuel company. The Company manufactures integrated hydrogen energy solutions for grid balancing, energy storage and the production of renewable hydrogen for transport, renewable heat and chemicals. Its proton exchange membrane (PEM) electrolysers use renewable electricity and water to create green hydrogen through a process called electrolysis. Its electrolysers include HGAS1SP, HGAS3SP and 3MEP CUBE. HGAS1SP is a small containerized PEM electrolyser system and its Plug & Play product includes a single ITM Power PEM electrolyser stack alongside all the necessary sub-systems required to produce self-pressurized green hydrogen gas. HGAS3SP is a medium-sized containerized PEM electrolyser system, and its Plug & Play product includes three ITM Power PEM electrolyser stacks alongside all the necessary sub-systems

required to produce self-pressurized green hydrogen gas. 3MEP CUBE is a modular system for large hydrogen production.

Plug Power Inc. is a provider of hydrogen fuel cell turnkey solutions. The Company provide electrolyzers that allow customers, such as refineries, producers of chemicals, steel, fertilizer and commercial refueling stations, to generate hydrogen on-site. It focuses on industrial mobility applications, including electric forklifts and electric industrial vehicles, at multi-shift high volume manufacturing and high throughput distribution sites and environmental benefits; stationary power systems that supports critical operations, such as data centers, microgrids and generation facilities, in either a backup power or continuous power role and replace batteries, diesel generators or the grid for telecommunication logistics, transportation, and utility customers; and production of hydrogen. Its products include GenDrive, GenFuel, GenCare, GenSure, GenKey, ProGen, Electrolyzers, Liquefaction Systems and Cryogenic Equipment. It serves the North American and European material handling markets.

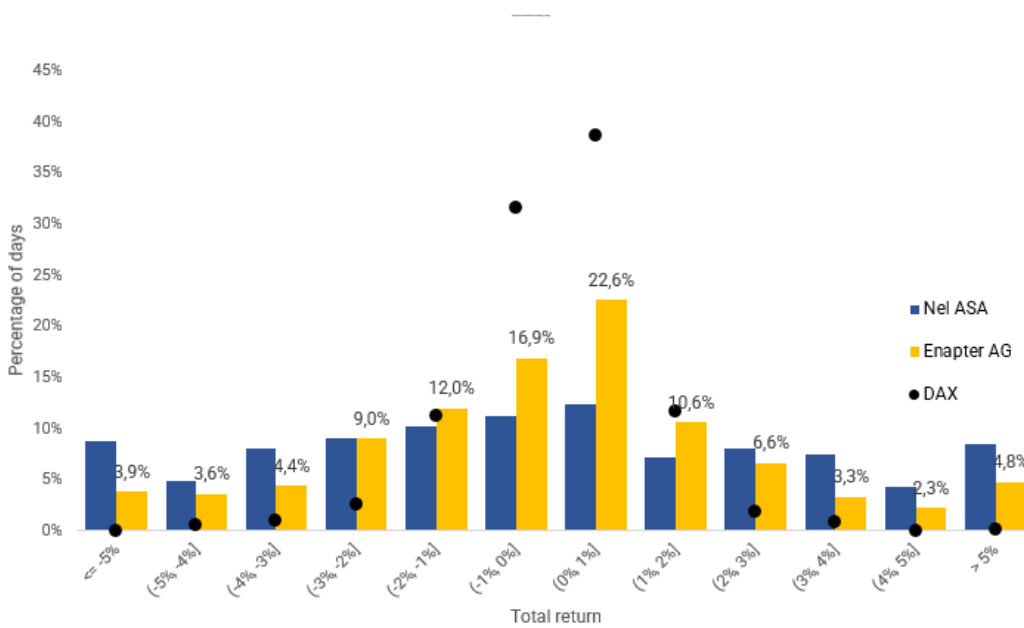
Powercell Sweden AB (publ) is a Sweden-based company active in the field of clean energy. It is engaged in the development, manufacture and sales of power systems with fuel cell and reformer technology. Its systems work both fossil and renewable fuels and convert them to hydrogen, which drives the power cells. The Company's product offering comprises: Fuel Cell Stack, designed to work in the auxiliary power unit (APU) environment on reformat gas or hydrogen and varying from one to six kilowatts (kW); and PowerPac, a complete electric power-generating unit operating in the range between one and three kW, which uses low sulfur road diesel. The possible applications of its products include telecommunication, transport, power supply to buildings, and military.

Thyssenkrupp nucera is an environmental technology company for electrolysis systems. The company focuses on the development, production, project management and maintenance of systems for the production of hydrogen by the chlor-alkali process for industrial use and by alkaline hydrogen electrolysis for the supply of green energy. (source: Alsterresearch)

Risk

The chart displays the distribution of daily returns of Enapter AG over the last 3 years, compared to the same distribution for Nel ASA. We have also included the distribution for the index DAX. The distribution gives a better understanding of risk than measures like volatility, which assume that log returns are normally distributed. In reality, they are skewed (down moves are larger) and have fat tails (large moves occur more often than predicted). Also, volatility treats up and down moves the same, while investors are more worried about down moves. For Enapter AG, the worst day during the past 3 years was 18/12/2020 with a share price decline of -25.5%. The best day was 22/12/2020 when the share price increased by 62.3%.

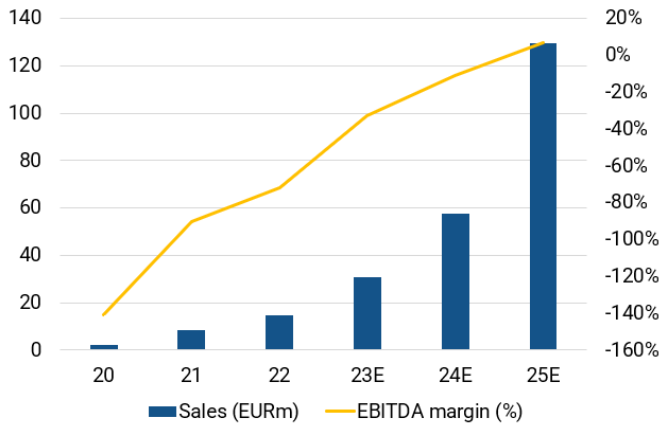
Risk – Daily Returns Distribution (trailing 3 years)



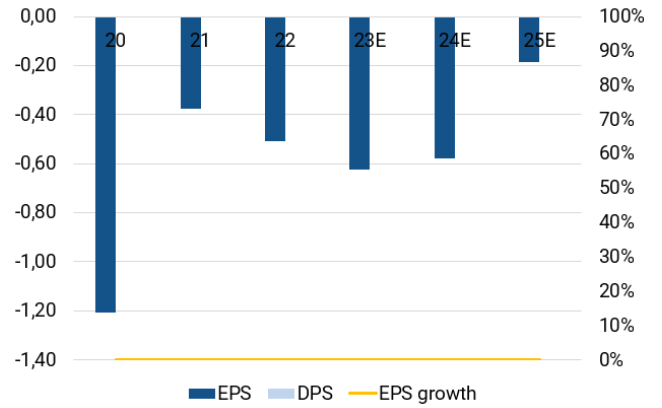
Source: Sentio, AlsterResearch

Financials in six charts

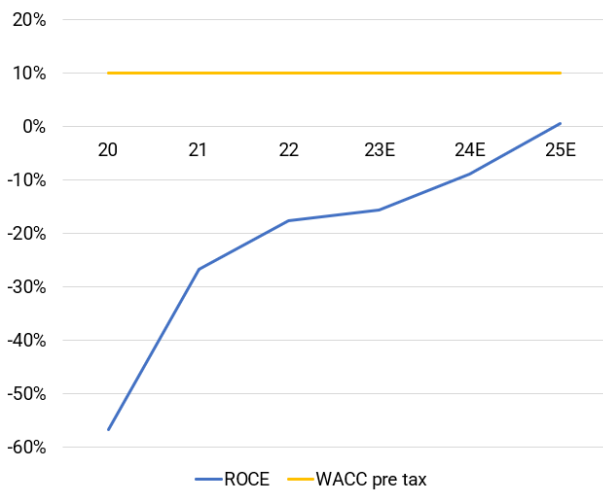
Sales vs. EBITDA margin development



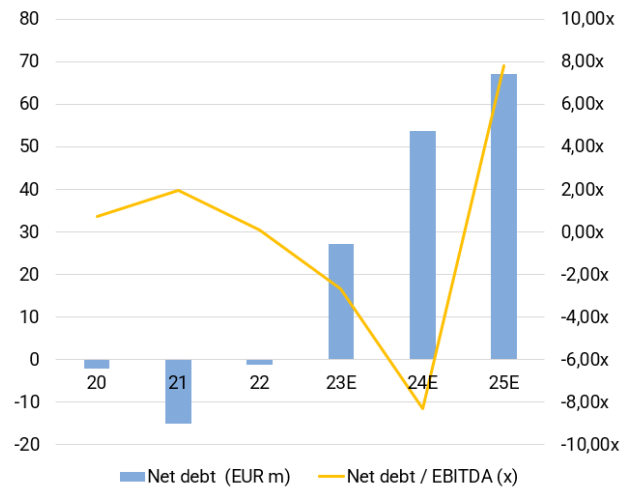
EPS, DPS in EUR & yoy EPS growth



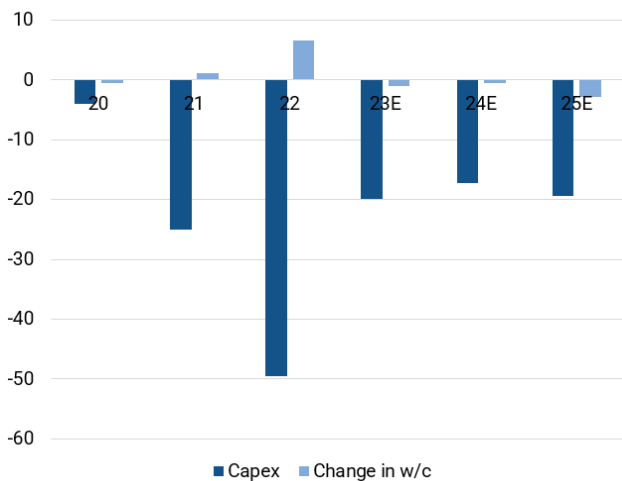
ROCE vs. WACC (pre tax)



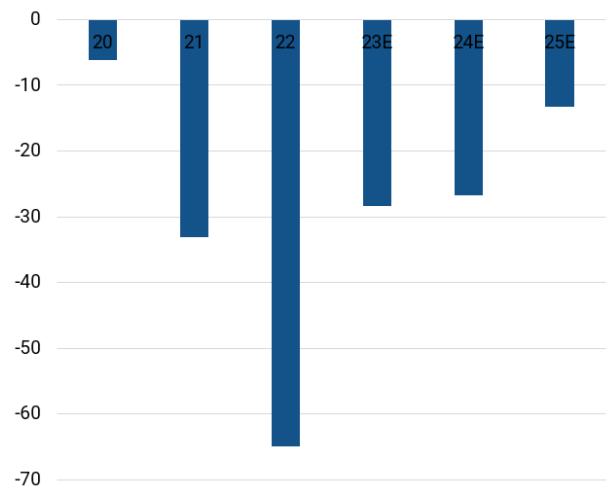
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; AlsterResearch

Financials

Profit and loss (EURm)	2020	2021	2022	2023E	2024E	2025E
Net sales	2.1	8.4	14.7	30.6	57.8	129.4
Sales growth	122.7%	307.8%	73.8%	108.6%	88.7%	124.0%
Change in finished goods and work-in-process	0.2	0.5	0.5	0.0	0.0	0.0
Total sales	2.3	9.0	15.2	30.6	57.8	129.4
Material expenses	2.3	7.9	12.0	23.3	40.3	86.9
Gross profit	-0.0	1.1	3.2	7.3	17.5	42.5
Other operating income	2.8	4.7	9.2	9.2	5.8	0.0
Personnel expenses	3.4	7.6	14.3	16.8	15.3	15.8
Other operating expenses	2.4	5.8	8.6	9.8	14.4	18.1
EBITDA	-2.9	-7.6	-10.6	-10.1	-6.5	8.6
Depreciation	0.6	1.0	2.3	5.3	4.8	7.6
EBITA	-3.5	-8.6	-12.9	-15.4	-11.3	1.0
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-3.5	-8.6	-12.9	-15.4	-11.3	1.0
Financial result	-0.0	-0.1	-0.1	-1.5	-4.5	-7.7
Recurring pretax income from continuing operations	-3.6	-8.7	-13.0	-16.9	-15.8	-6.7
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-3.6	-8.7	-13.0	-16.9	-15.8	-6.7
Taxes	0.0	-0.0	0.0	0.0	0.0	-1.7
Net income from continuing operations	-3.6	-8.7	-13.0	-16.9	-15.8	-5.0
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-3.6	-8.7	-13.0	-16.9	-15.8	-5.0
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-3.6	-8.7	-13.0	-16.9	-15.8	-5.0
Average number of shares	2.96	23.11	25.51	27.20	27.20	27.20
EPS reported	-1.21	-0.38	-0.51	-0.62	-0.58	-0.18

Profit and loss (common size)	2020	2021	2022	2023E	2024E	2025E
Net sales	100%	100%	100%	100%	100%	100%
Change in finished goods and work-in-process	12%	6%	4%	0%	0%	0%
Total sales	112%	106%	104%	100%	100%	100%
Material expenses	112%	93%	82%	76%	70%	67%
Gross profit	-0%	13%	22%	24%	30%	33%
Other operating income	136%	56%	63%	30%	10%	0%
Personnel expenses	162%	90%	97%	55%	27%	12%
Other operating expenses	114%	69%	59%	32%	25%	14%
EBITDA	-141%	-90%	-72%	-33%	-11%	7%
Depreciation	30%	12%	16%	17%	8%	6%
EBITA	-171%	-102%	-88%	-50%	-20%	1%
Amortisation of goodwill and intangible assets	0%	0%	0%	0%	0%	0%
EBIT	-171%	-102%	-88%	-50%	-20%	1%
Financial result	-1%	-1%	-1%	-5%	-8%	-6%
Recurring pretax income from continuing operations	-172%	-103%	-88%	-55%	-27%	-5%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	-172%	-103%	-88%	-55%	-27%	-5%
Taxes	0%	-0%	0%	0%	0%	-1%
Net income from continuing operations	-172%	-103%	-88%	-55%	-27%	-4%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	-172%	-103%	-88%	-55%	-27%	-4%
Minority interest	0%	0%	0%	0%	0%	0%
Net profit (reported)	-172%	-103%	-88%	-55%	-27%	-4%

Source: Company data; AlsterResearch

Balance sheet (EURm)	2020	2021	2022	2023E	2024E	2025E
Intangible assets (exl. Goodwill)	4.0	7.1	10.3	14.9	20.6	27.1
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	3.9	25.0	68.8	78.8	85.6	90.9
Financial assets	0.0	0.1	1.2	1.2	1.2	1.2
FIXED ASSETS	7.9	32.2	80.2	94.8	107.3	119.1
Inventories	1.3	3.6	8.4	8.9	13.2	23.8
Accounts receivable	0.2	2.8	9.7	16.8	28.5	56.7
Other current assets	0.0	0.0	0.2	0.2	0.2	0.2
Liquid assets	4.2	19.6	5.1	3.7	34.2	82.9
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.9	3.9	4.2	4.6	8.7	19.4
CURRENT ASSETS	6.6	29.9	27.6	34.2	84.7	182.9
TOTAL ASSETS	14.5	62.1	107.8	129.0	192.1	302.1
SHAREHOLDERS EQUITY	8.7	46.5	86.5	69.5	53.8	48.7
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	0.6	3.3	2.8	28.3	80.0	135.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	0.8	1.9	2.4	4.6	5.8	6.5
Non-current liabilities	1.4	5.2	5.3	32.9	85.8	141.5
short-term liabilities to banks	1.5	1.3	1.0	2.6	8.0	15.0
Accounts payable	0.9	6.4	11.2	15.9	27.6	52.4
Advance payments received on orders	0.2	0.1	0.3	0.6	2.9	12.9
Other liabilities (incl. from lease and rental contracts)	1.8	0.8	1.5	3.0	5.7	12.8
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	0.0	1.8	2.1	4.4	8.4	18.8
Current liabilities	4.5	10.4	16.1	26.6	52.6	111.9
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	14.5	62.1	107.8	129.0	192.1	302.1

Balance sheet (common size)	2020	2021	2022	2023E	2024E	2025E
Intangible assets (excl. Goodwill)	27%	11%	10%	12%	11%	9%
Goodwill	0%	0%	0%	0%	0%	0%
Property, plant and equipment	27%	40%	64%	61%	45%	30%
Financial assets	0%	0%	1%	1%	1%	0%
FIXED ASSETS	54%	52%	74%	73%	56%	39%
Inventories	9%	6%	8%	7%	7%	8%
Accounts receivable	1%	5%	9%	13%	15%	19%
Other current assets	0%	0%	0%	0%	0%	0%
Liquid assets	29%	32%	5%	3%	18%	27%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	6%	6%	4%	4%	5%	6%
CURRENT ASSETS	46%	48%	26%	27%	44%	61%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	60%	75%	80%	54%	28%	16%
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	4%	5%	3%	22%	42%	45%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	5%	3%	2%	4%	3%	2%
Non-current liabilities	9%	8%	5%	25%	45%	47%
short-term liabilities to banks	10%	2%	1%	2%	4%	5%
Accounts payable	7%	10%	10%	12%	14%	17%
Advance payments received on orders	2%	0%	0%	0%	2%	4%
Other liabilities (incl. from lease and rental contracts)	12%	1%	1%	2%	3%	4%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	0%	3%	2%	3%	4%	6%
Current liabilities	31%	17%	15%	21%	27%	37%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Cash flow statement (EURm)	2020	2021	2022	2023E	2024E	2025E
Net profit/loss	-3.6	-8.7	-13.0	-16.9	-15.8	-5.0
Depreciation of fixed assets (incl. leases)	0.6	1.0	2.3	5.3	4.8	7.6
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.3	0.9	1.8	2.1	1.2	0.7
Cash flow from operations before changes in w/c	-2.6	-6.8	-8.9	-9.5	-9.8	3.3
Increase/decrease in inventory	-0.4	-2.3	-4.8	-0.5	-4.3	-10.6
Increase/decrease in accounts receivable	-0.0	-5.6	-6.1	-7.1	-11.7	-28.2
Increase/decrease in accounts payable	1.0	6.8	4.5	4.7	11.6	24.8
Increase/decrease in other w/c positions	-0.0	-0.1	-0.1	3.8	4.8	16.8
Increase/decrease in working capital	0.5	-1.2	-6.5	1.0	0.4	2.8
Cash flow from operating activities	-2.1	-8.0	-15.5	-8.5	-9.3	6.1
CAPEX	-4.0	-25.1	-49.5	-19.9	-17.3	-19.4
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.3	-0.0	-0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	-3.8	-25.1	-49.5	-19.9	-17.3	-19.4
Cash flow before financing	-5.9	-33.1	-65.0	-28.4	-26.7	-13.3
Increase/decrease in debt position	1.2	2.3	-0.8	27.1	57.1	62.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	6.2	48.3	53.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	1.5	-2.2	-1.8	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	8.8	48.4	50.4	27.1	57.1	62.0
Increase/decrease in liquid assets	2.9	15.4	-14.5	-1.3	30.4	48.7
Liquid assets at end of period	4.2	19.6	5.1	3.7	34.2	82.9

Source: Company data; AlsterResearch

Regional sales split (EURm)	2020	2021	2022	2023E	2024E	2025E
Domestic	0.5	4.3	7.8	16.2	30.6	68.5
Europe (ex domestic)	0.8	1.4	2.7	5.6	10.6	23.7
The Americas	0.0	0.0	0.4	0.9	1.7	3.9
Asia	0.0	0.0	2.4	4.9	9.3	20.9
Rest of World	0.7	2.8	1.4	2.9	5.5	12.4
Total sales	2.1	8.4	14.7	30.6	57.8	129.4

Regional sales split (common size)	2020	2021	2022	2023E	2024E	2025E
Domestic	26.5%	51.3%	52.9%	52.9%	52.9%	52.9%
Europe (ex domestic)	37.3%	16.0%	18.3%	18.3%	18.3%	18.3%
The Americas	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%
Asia	0.0%	0.0%	16.1%	16.1%	16.1%	16.1%
Rest of World	36.2%	32.7%	9.6%	9.6%	9.6%	9.6%
Total sales	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Ratios	2020	2021	2022	2023E	2024E	2025E
Per share data						
Earnings per share reported	-1.21	-0.38	-0.51	-0.62	-0.58	-0.18
Cash flow per share	-0.72	-0.35	-0.61	-0.51	-0.52	-0.06
Book value per share	2.95	2.01	3.39	2.56	1.98	1.79
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	-7.3x	-23.4x	-17.3x	-14.2x	-15.2x	-47.8x
P/CF	-12.2x	-25.5x	-14.5x	-17.4x	-17.0x	-155.9x
P/BV	3.0x	4.4x	2.6x	3.4x	4.5x	4.9x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-8.2%	-3.9%	-6.9%	-5.8%	-5.9%	-0.6%
EV/Sales	114.8x	26.6x	16.3x	8.7x	5.1x	2.4x
EV/EBITDA	-81.4x	-29.5x	-22.5x	-26.4x	-45.4x	35.7x
EV/EBIT	-67.1x	-26.1x	-18.6x	-17.3x	-26.0x	310.7x
Income statement (EURm)						
Sales	2.1	8.4	14.7	30.6	57.8	129.4
yoy chg in %	122.7%	307.8%	73.8%	108.6%	88.7%	124.0%
Gross profit	-0.0	1.1	3.2	7.3	17.5	42.5
Gross margin in %	-0.4%	13.1%	21.7%	24.0%	30.3%	32.9%
EBITDA	-2.9	-7.6	-10.6	-10.1	-6.5	8.6
EBITDA margin in %	-141.1%	-90.2%	-72.1%	-33.0%	-11.2%	6.7%
EBIT	-3.5	-8.6	-12.9	-15.4	-11.3	1.0
EBIT margin in %	-171.2%	-102.1%	-87.6%	-50.3%	-19.5%	0.8%
Net profit	-3.6	-8.7	-13.0	-16.9	-15.8	-5.0
Cash flow statement (EURm)						
CF from operations	-2.1	-8.0	-15.5	-8.5	-9.3	6.1
Capex	-4.0	-25.1	-49.5	-19.9	-17.3	-19.4
Maintenance Capex	0.0	0.0	0.0	5.3	4.8	7.6
Free cash flow	-6.2	-33.1	-65.0	-28.4	-26.7	-13.3
Balance sheet (EURm)						
Intangible assets	4.0	7.1	10.3	14.9	20.6	27.1
Tangible assets	3.9	25.0	68.8	78.8	85.6	90.9
Shareholders' equity	8.7	46.5	86.5	69.5	53.8	48.7
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	2.9	6.6	6.3	35.5	93.8	156.5
Net financial debt	-2.1	-15.0	-1.2	27.2	53.8	67.1
w/c requirements	0.3	-0.1	6.6	9.1	11.3	15.2
Ratios						
ROE	-40.8%	-18.7%	-15.0%	-24.3%	-29.4%	-10.3%
ROCE	-30.5%	-16.2%	-13.9%	-14.7%	-7.6%	0.5%
Net gearing	-24.4%	-32.2%	-1.4%	39.1%	100.1%	137.8%
Net debt / EBITDA	0.7x	2.0x	0.1x	-2.7x	-8.3x	7.8x

Source: Company data; AlsterResearch

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Contacts

SRH AlsterResearch AG
Mittelweg 142
20148 Hamburg

Tel: +49 40 309 293-52
E-Mail: info@alsterresearch.com

Team Assistant

HANNAH GABERT
Team Assistant
Tel: +49 40 309 293-52
E-Mail: h.gabert@alsterresearch.com

Sales

MARKUS KÖNIG-WEISS
Head of Sales
Tel: +49 40 309 293-52
E-Mail: mkw@alsterresearch.com

Research

HARALD HOF
Senior Analyst
Tel: +49 40 309 293-53
E-Mail: h.hof@alsterresearch.com

LEON MÜHLENBRUCH
Analyst
Tel: +49 40 309 293-57
E-Mail: l.muehlenbruch@alsterresearch.com

LEVENT YILMAZ
Senior Analyst
Tel: +49 40 309 293-77
E-Mail: l.yilmaz@alsterresearch.com

THOMAS WISSLER
Senior Analyst
Tel: +49 40 309 293-58
E-Mail: t.wissler@alsterresearch.com

DR. OLIVER WOJAHN, CFA
Senior Analyst
Tel: +49 40 309 293-55
E-Mail: o.wojahn@alsterresearch.com

ALEXANDER ZIENKOWICZ
Senior Analyst
Tel: +49 40 309 293-56
E-Mail: a.zienkowicz@alsterresearch.com

mwb fairtrade Wertpapierhandelsbank AG
Rottenbucher Straße 28
82166 Gräfelfing

Tel: +49 89 85852-0
Fax: +49 89 85852-505
E-Mail: info@mwbfairtrade.com

Equity Capital Markets / Trading

KAI JORDAN
Member of the Board
Tel: +49 40 36 0995-22
E-Mail: kjordan@mwbfairtrade.com

ALEXANDER DEUSS
Head of Institutional Sales
Tel: +49 40 36 0995-22
E-Mail: adeuss@mwbfairtrade.com

SASCHA GUENON
Head of Designated Sponsoring
Tel: +49 40 360 995 - 23
E-Mail: sguenon@mwbfairtrade.com

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