

Enapter AG

Germany | Industrial Goods & Services | MCap EUR 101.2m

28 February 2025

UPDATE



Prelim FY24: Slower growth, solid demand; PT cut; Spec. BUY

Spec. BUY (BUY)

Target price	EUR 7.00 (9.00)
Current price	EUR 3.48
Up/downside	101.1%

 ResearchHub 



What's it all about?

Enapter announced its preliminary FY24 results, with revenue and EBITDA generally in line with expectations. Despite the challenges in the hydrogen market, the company reported strong demand for its advanced AEM technology, outperforming competitors using PEM. The second-half FY24 revenue decline was mainly due to a one-off payment from a US deal in the prior year, while organic growth remained positive. The expanding order backlog provides a solid basis for our revised FY25 revenue estimates, which now seem more secure. However, given the results, weaker-than-expected FY25 guidance, and ongoing market uncertainties, we have adjusted our revenue and EBITDA forecasts. As a result, we have reduced our PT to EUR 7.00 based on more conservative estimates and changed our rating from BUY to Spec. BUY, reflecting the continuing uncertainty in the hydrogen market and Enapter's relatively high debt burden.

MAIN AUTHOR

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

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Germany | Industrial Goods & Services | MCap EUR 101.2m | EV EUR 127.2m

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Prelim FY24: Slower growth, solid demand; PT cut; Spec. BUY

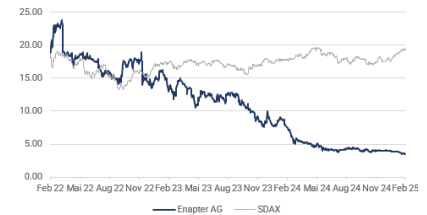
Prelim FY24 results. Enapter announced its preliminary FY24 results, showing a 32.7% yoy decline in revenue to EUR 21.3m. This result was broadly in line with the company's revised guidance of EUR 22-24m for FY24, which was reduced in November last year, and almost reached the lower end of this range. In terms of EBITDA, Enapter reported EUR -8.6m, slightly below the guidance range of EUR -7m to -8m for FY24, reflecting higher start-up costs from the expansion of multicore production. Enapter's order intake reached EUR 53m, signaling robust demand even in a challenging hydrogen market. While this figure fell short of our more optimistic projections, it remains strong relative to industry trends. Competitors have reported only modest order intake in 2024, with book-to-bill ratios between 0.4x and 1x. In contrast, Enapter has demonstrated a significantly stronger performance, achieving a book-to-bill ratio of 2.5x (mwb est.), highlighting its competitive positioning.

Mixed results for H2 24. According to the preliminary FY24 figures, H2 24 revenues came in at EUR 13m, down from EUR 26.8m in H2 23, reflecting a 51.6% yoy decline. However, excluding the one-off EUR 15m payment from a US distribution deal in H2 23, the revised figures indicate an organic yoy revenue growth of 9.8%. EBITDA came in slightly weaker than anticipated at EUR -5.6m, compared to our estimate of EUR -4 to -5m for H2 24. The order backlog increased from around EUR 29m in H1 24 to EUR 52.4m by the end of 2024, with EUR 29m scheduled for FY25. This supports our revenue expectation of EUR 39.4m for FY25 (adjusted mwb est.), which now seems assured.

Guidance FY25 and adjustment of our estimates. We have updated our expectations to align with Enapter's guidance for FY25, which projects revenue between EUR 39m and EUR 42m, with EBITDA ranging from EUR -2m to around breakeven. Given the current market conditions and ongoing challenges, we have also adjusted our mid-term revenue and EBITDA forecasts for FY26 and the following years. This revision reflects the uncertainty surrounding the timing of a more substantial recovery in the hydrogen market, which is crucial for determining the company's performance in the near term. Until the market shows clearer signs of growth, we are taking a more cautious approach in our projections.

Enapter AG	2021	2022	2023	2024E	2025E	2026E
Sales	8.4	14.7	31.6	21.3	39.4	70.8
<i>Growth yoy</i>	307.8%	73.8%	115.4%	-32.7%	85.0%	80.0%
EBITDA	-7.6	-10.6	1.5	-8.6	-2.0	10.6
EBIT	-8.6	-12.9	-2.7	-13.0	-6.7	6.1
Net profit	-8.7	-13.0	-7.2	-18.3	-13.6	-1.3
Net debt (net cash)	-15.0	-1.2	25.2	32.3	45.1	53.9
Net debt/EBITDA	2.0x	0.1x	17.0x	-3.8x	-22.9x	5.1x
EPS reported	-0.38	-0.51	-0.26	-0.63	-0.47	-0.05
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	13.1%	21.7%	65.6%	54.0%	42.0%	40.0%
EBITDA margin	-90.2%	-72.1%	4.7%	-40.4%	-5.0%	15.0%
EBIT margin	-102.1%	-87.6%	-8.5%	-61.3%	-17.0%	8.6%
ROCE	-16.2%	-13.9%	-2.2%	-11.1%	-5.9%	4.5%
EV/Sales	10.2x	6.8x	4.0x	6.3x	3.7x	2.2x
EV/EBITDA	-11.3x	-9.4x	85.6x	-15.5x	-74.4x	14.6x
EV/EBIT	-10.0x	-7.8x	-47.4x	-10.2x	-21.9x	25.5x
PER	-9.2x	-6.8x	-13.2x	-5.5x	-7.4x	-75.0x

Source: Company data, mwb research



Source: Company data, mwb research

High/low 52 weeks 7.69 / 3.14
Price/Book Ratio 1.2x

Ticker / Symbols

ISIN DE000A255G02
WKN A255G0
Bloomberg H20:GR

Changes in estimates

		Sales	EBIT	EPS
2024E	old	23.4	-11.9	-0.59
	Δ	-9.1%	na%	na%
2025E	old	67.8	-8.1	-0.52
	Δ	-42.0%	na%	na%
2026E	old	143.1	13.7	0.27
	Δ	-50.5%	-55.6%	na%

Key share data

Number of shares: (in m pcs) 29.07
Book value per share: (in EUR) 2.95
Ø trading vol.: (12 months) 25,102

Major shareholders

BluGreen (Sebastian Schmidt) 47.6%
Svelland Global 15.3%
Morgan Stanley 5.0%
CVI Investment (Jefrey Yass) 4.5%
Sergei Storozhenko 4.4%
Johnson Matthey Plc 3.6%
Free Float 19.5%

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.

Strong long-term outlook: Spec. BUY, PT EUR 7.00 – High Risk, High Reward

Following Enapter’s preliminary FY24 results, we have revised our expectations and adjusted our revenue and EBITDA forecasts. While the company continues to show solid demand for its advanced AEM technologies, especially compared to competitors using other technologies like PEM, the slower-than-expected recovery of the hydrogen market remains a key risk. Additionally, Enapter’s high net debt of EUR 32m (mwb est.) by the end of 2024 restricts its financial flexibility, adding uncertainty to its near-term prospects. Despite these challenges, Enapter’s strong order intake and impressive demand performance compared to competitors highlight its long-term growth potential. The stock is currently very cheap, with a Price/Book ratio of just 1.2x, which is highly favorable for a growth company, especially when the hydrogen market recovers. Given the current market conditions and the company’s reduced flexibility due to its debt load, we are changing our rating **from BUY to Spec. BUY**. Investors who believe in the long-term potential of the hydrogen market and are willing to accept the high risks associated with an investment, are likely to be rewarded with higher returns. Accordingly, we have adjusted the **price target to EUR 7.00 from EUR 9.00**, offering an upside potential of over 100%, based on our more conservative estimates.

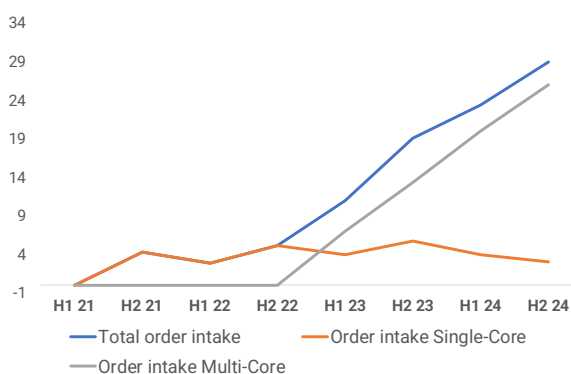
If the hydrogen market gains momentum, Enapter’s potential could rise significantly, unlocking substantial opportunities and would lead to higher estimates, ultimately resulting in higher price targets.

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	H2 2023	H1 2024
Sales	2.1	2.0	6.4	3.3	11.4	4.8	26.8	8.3
yoy growth in %	na%	218.0%	210.5%	64.5%	76.7%	43.8%	136.3%	73.5%
Gross profit	-7.6	0.5	0.6	0.0	3.1	0.6	na	2.6
Gross margin in %	-367.4%	26.1%	9.1%	1.4%	27.6%	12.5%	na%	31.7%
EBITDA	-3.4	-3.6	-3.8	-6.8	-2.5	-7.0	8.5	-3.0
EBITDA margin in %	-166.3%	-176.3%	-59.0%	-204.4%	-22.3%	-147.2%	31.7%	-36.0%
EBIT	-3.4	-3.9	-4.7	-7.6	-5.2	-8.6	5.9	-5.2
EBIT margin in %	-166.3%	-195.8%	-72.7%	-229.7%	-46.2%	-180.3%	22.0%	-63.2%
EBT	-3.5	-4.0	-4.7	-7.7	-5.3	-9.9	3.6	-7.9
taxes paid	0.0	0.0	-0.0	0.0	0.0	0.0	0.9	0.7
tax rate in %	-0.1%	-0.1%	0.3%	-0.1%	-0.3%	-0.0%	23.7%	-8.6%
net profit	-3.5	-4.0	-4.7	-7.7	-5.3	-9.9	2.8	-7.9
yoy growth in %	na%	na%	na%	na%	na%	na%	na%	na%
EPS	-0.92	-0.17	-0.20	-0.31	-0.20	-0.37	0.10	-0.29

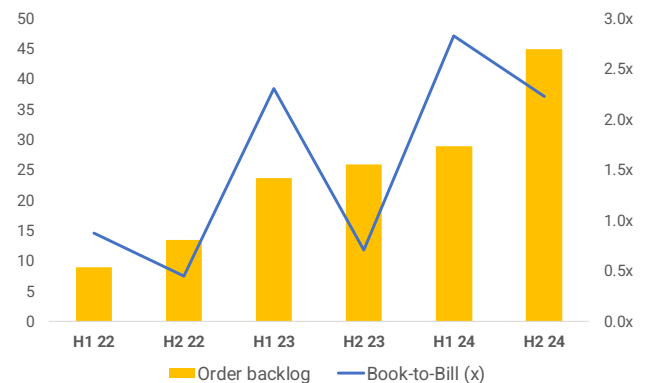
Source: Company data; mwb research

Order Intake and Expectation, mwb est. (in EURm)



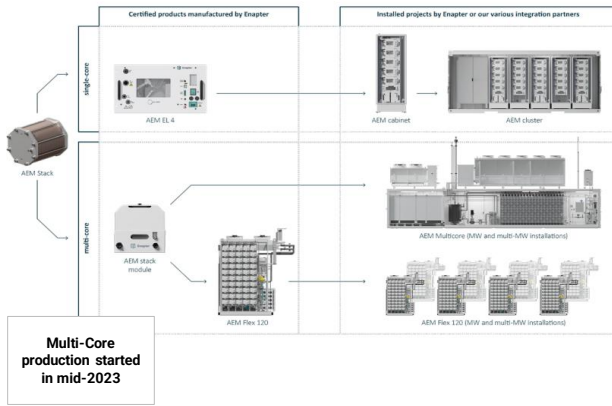
Source: Company data; mwb research

Order Backlog and Expectation, mwb est. (in EURm)

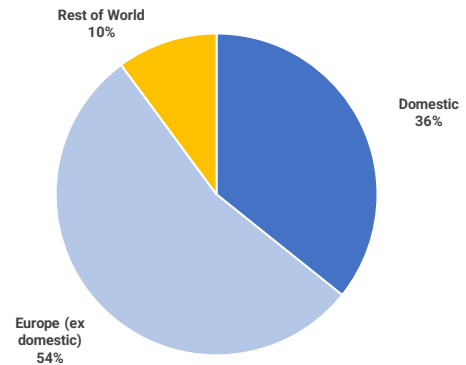


Investment case in six charts

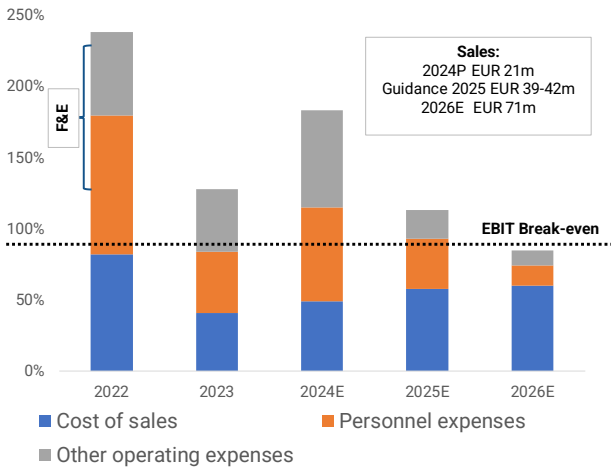
AEM's patented electrolysis systems



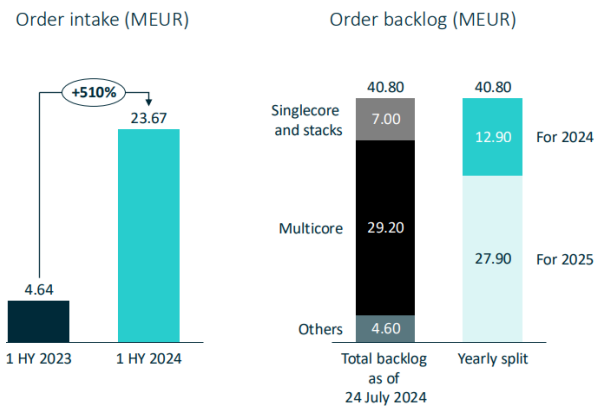
Regional sales split 2023 in %



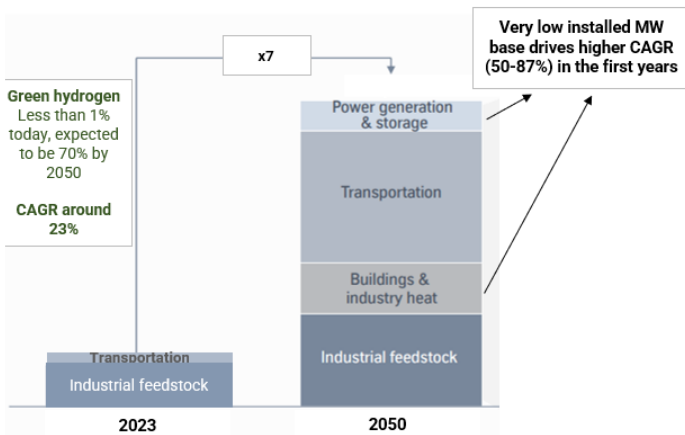
Cost outlook mwb est. (as % of total sales)



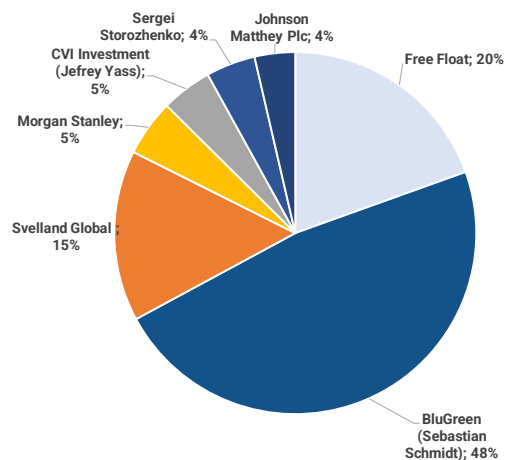
Electrolyser Orders



Hydrogen area outlook



Major Shareholders



Source: Company data; mwb research

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

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 -8.28 per share based on 2024E and EUR 3.81 per share on 2028E 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	2024E	2025E	2026E	2027E	2028E
EBITDA	-8.6	-2.0	10.6	21.1	35.8
- Maintenance capex	4.4	4.7	4.6	8.5	20.2
- Minorities	0.0	0.0	0.0	0.0	0.0
- tax expenses	1.7	1.2	0.2	3.1	3.9
= Adjusted FCF	-14.7	-7.9	5.8	9.4	11.7
Actual Market Cap	101.2	101.2	101.2	101.2	101.2
+ Net debt (cash)	32.3	45.1	53.9	63.0	58.4
+ 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	1.8	1.8	1.8	1.8	1.8
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
<i>EV Reconciliations</i>	30.5	43.4	52.2	61.2	56.6
= Actual EV'	131.7	144.5	153.3	162.4	157.8
Adjusted FCF yield	-11.2%	-5.5%	3.8%	5.8%	7.4%
base hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
ESG adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
adjusted hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
Fair EV	-210.1	-113.3	83.5	134.2	167.4
- <i>EV Reconciliations</i>	30.5	43.4	52.2	61.2	56.6
Fair Market Cap	-240.6	-156.7	31.4	73.0	110.7
No. of shares (million)	29.1	29.1	29.1	29.1	29.1
Fair value per share in EUR	-8.28	-5.39	1.08	2.51	3.81
Premium (-) / discount (+)	-337.8%	-254.9%	-69.0%	-27.9%	9.4%

Sensitivity analysis FV						
	5.0%	-11.2	-6.9	2.2	4.4	6.1
Adjusted hurdle rate	6.0%	-9.5	-6.0	1.6	3.3	4.8
	7.0%	-8.3	-5.4	1.1	2.5	3.8
	8.0%	-7.4	-4.9	0.7	1.9	3.1
	9.0%	-6.7	-4.5	0.4	1.5	2.5

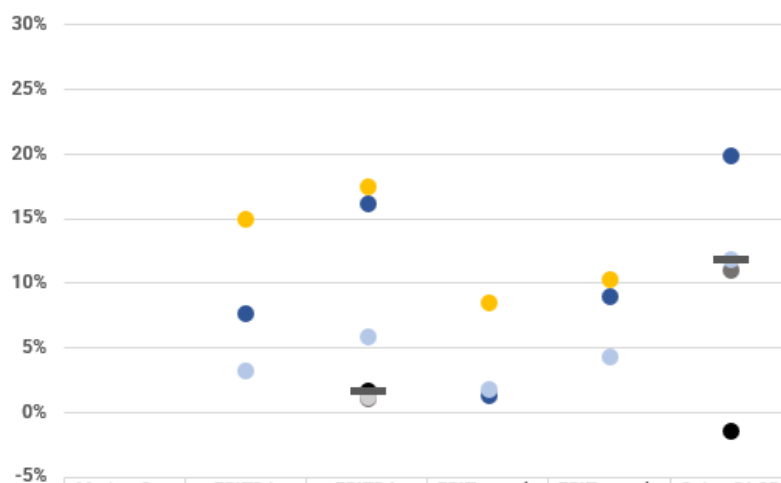
Source: Company data; mwb research

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 February 2025 the median market cap of the peer group was EUR 344.2m, compared to EUR 101.2m 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



28-Feb-25

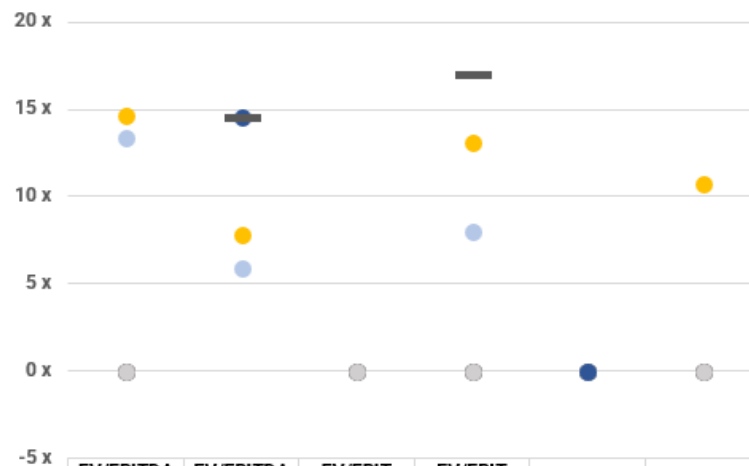
	Market Cap (EURm)	EBITDA margin 2026	EBITDA margin 2027	EBIT margin 2026	EBIT margin 2027	Sales CAGR 2023-2026
● NEL ASA	344	-6.8%	1.7%	-19.1%	-7.6%	-1.4%
● Plug Power Inc.	1,462	-11.1%	1.1%	-30.0%	-15.4%	11.0%
● ITM Power PLC	215	-17.4%	1.2%	-30.0%	-8.0%	79.4%
● PowerCell Sweden AB	165	7.7%	16.2%	1.4%	9.0%	19.9%
● thyssenkrupp nucera AG & Co. KGaA	1,088	3.3%	6.0%	1.9%	4.4%	11.9%
● Enapter AG	101	15.0%	17.5%	8.6%	10.4%	52.1%
– Peer Group Median	344	-6.8%	1.7%	-19.1%	-7.6%	11.9%

Source: FactSet, mwb research

Comparable company analysis operates under the assumption that similar companies will have similar valuation multiples. We use the following multiples: EV/EBIT 2026, EV/EBIT 2027, P/E 2026 and P/E 2027.

Applying these to Enapter AG results in a range of fair values from EUR 4.44 to EUR 10.99.

Peer Group – Multiples and valuation



28-Feb-25	EV/EBITDA 2026	EV/EBITDA 2027	EV/EBIT 2026	EV/EBIT 2027	P/E 2026	P/E 2027
● NEL ASA	0.0x	55.1x	0.0x	0.0x	0.0x	0.0x
● Plug Power Inc.	0.0x	124.2x	0.0x	0.0x	0.0x	0.0x
● ITM Power PLC	0.0x	-7.4x	0.0x	0.0x	0.0x	0.0x
● PowerCell Sweden AB	40.7x	14.5x	224.3x	26.1x	0.0x	43.8x
● thyssenkrupp nucera AG & Co. KGaA	13.3x	5.9x	23.1x	8.0x	48.2x	24.2x
● Enapter AG	14.6x	7.8x	25.5x	13.1x	-75.0x	10.8x
– Peer Group Median	27.0x	14.5x		17.0x	48.2x	34.0x
Fair Value (EUR)	8.02	8.67		5.49	-2.24	10.99

Source: FactSet, mwb research

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.

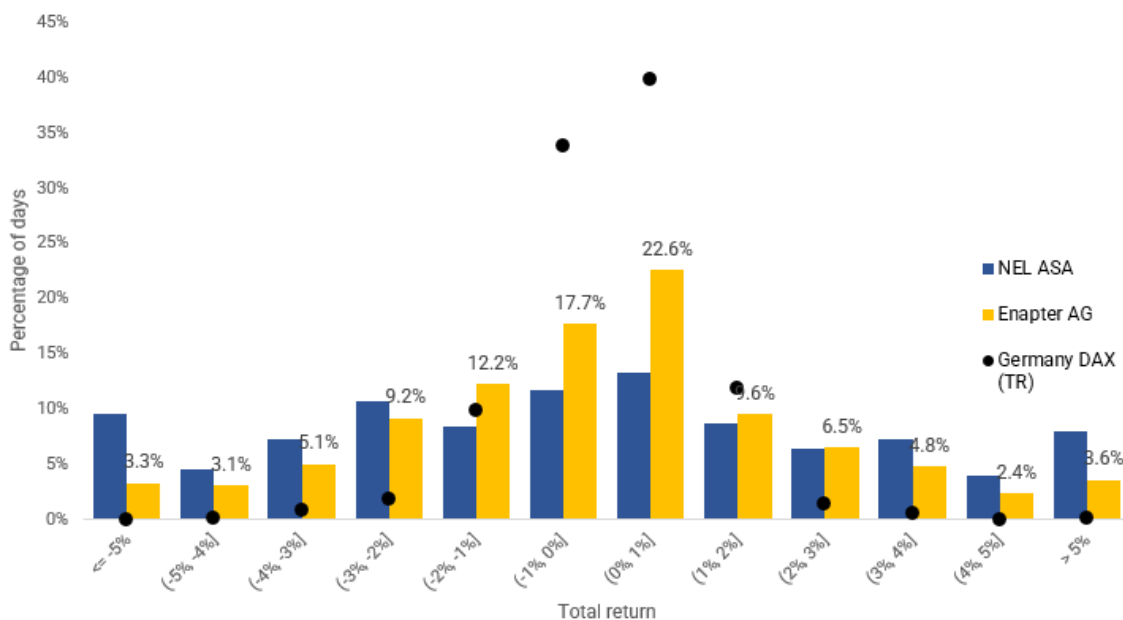
Powercell Sweden AB (publ) is a Sweden-based company active in the field of clean energy. It is engaged in the development, manufacture and sales of power systems with fuel cell and reformer technology. Its systems work both fossil and renewable fuels and convert them to hydrogen, which drives the power 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: mwb research)

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 Germany DAX (TR). 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 09/12/2022 with a share price decline of -20.0%. The best day was 29/12/2023 when the share price increased by 17.1%.

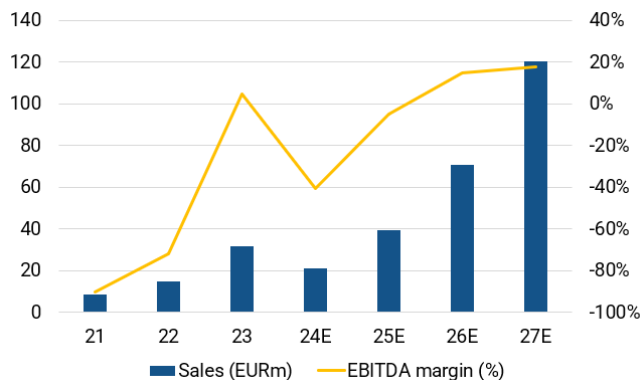
Risk – Daily Returns Distribution (trailing 3 years)



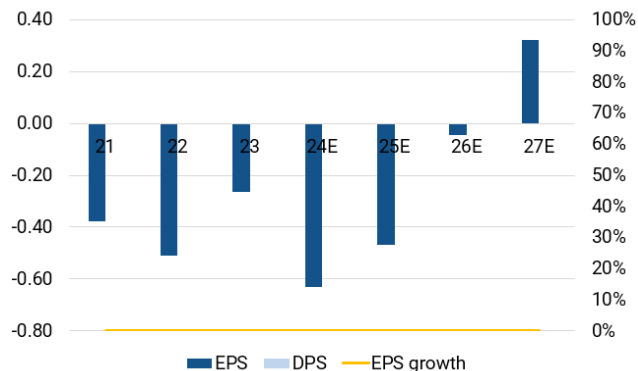
Source: FactSet, mwb research

Financials in six charts

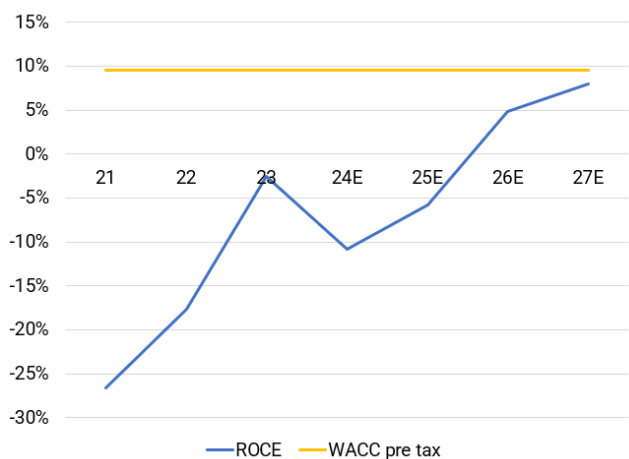
Sales vs. EBITDA margin development



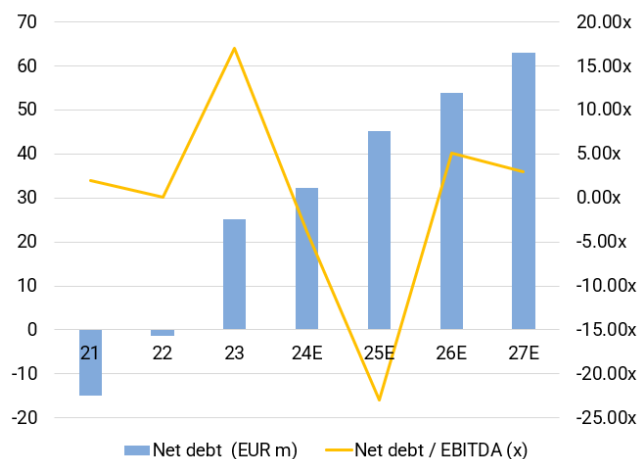
EPS, DPS in EUR & yoy EPS growth



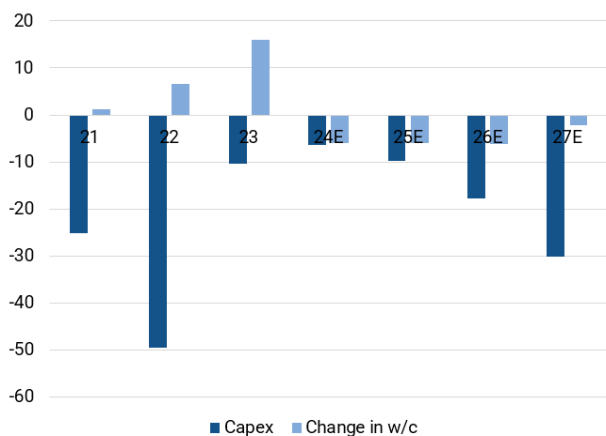
ROCE vs. WACC (pre tax)



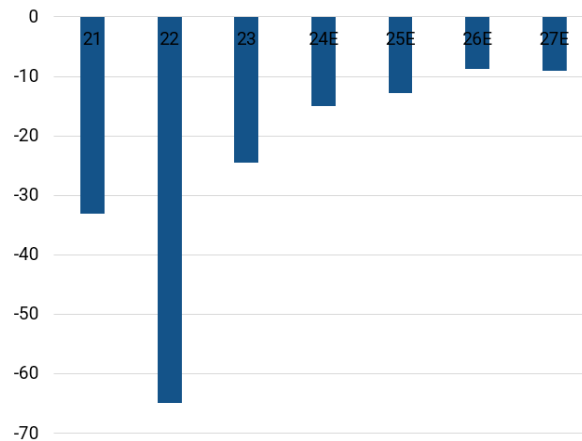
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; mwb research

Financials

Profit and loss (EURm)	2021	2022	2023	2024E	2025E	2026E
Net sales	8.4	14.7	31.6	21.3	39.4	70.8
Sales growth	307.8%	73.8%	115.4%	-32.7%	85.0%	80.0%
Change in finished goods and work-in-process	0.5	0.5	2.1	0.6	0.0	0.0
Total sales	9.0	15.2	33.7	21.9	39.4	70.8
Material expenses	7.9	12.0	13.0	10.4	22.8	42.5
Gross profit	1.1	3.2	20.7	11.5	16.5	28.3
Other operating income	4.7	9.2	8.2	8.5	3.1	0.0
Personnel expenses	7.6	14.3	13.6	14.0	13.8	10.3
Other operating expenses	5.8	8.6	13.9	14.5	7.9	7.4
EBITDA	-7.6	-10.6	1.5	-8.6	-2.0	10.6
Depreciation	1.0	2.3	4.2	4.4	4.7	4.6
EBITA	-8.6	-12.9	-2.7	-13.0	-6.7	6.1
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-8.6	-12.9	-2.7	-13.0	-6.7	6.1
Financial result	-0.1	-0.1	-3.6	-3.6	-5.7	-7.2
Recurring pretax income from continuing operations	-8.7	-13.0	-6.3	-16.6	-12.4	-1.1
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-8.7	-13.0	-6.3	-16.6	-12.4	-1.1
Taxes	-0.0	0.0	0.9	1.7	1.2	0.2
Net income from continuing operations	-8.7	-13.0	-7.2	-18.3	-13.6	-1.3
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-8.7	-13.0	-7.2	-18.3	-13.6	-1.3
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-8.7	-13.0	-7.2	-18.3	-13.6	-1.3
Average number of shares	23.11	25.51	27.20	29.07	29.07	29.07
EPS reported	-0.38	-0.51	-0.26	-0.63	-0.47	-0.05

Profit and loss (common size)	2021	2022	2023	2024E	2025E	2026E
Net sales	100%	100%	100%	100%	100%	100%
Change in finished goods and work-in-process	6%	4%	7%	3%	0%	0%
Total sales	106%	104%	107%	103%	100%	100%
Material expenses	93%	82%	41%	49%	58%	60%
Gross profit	13%	22%	66%	54%	42%	40%
Other operating income	56%	63%	26%	40%	8%	0%
Personnel expenses	90%	97%	43%	66%	35%	15%
Other operating expenses	69%	59%	44%	68%	20%	11%
EBITDA	-90%	-72%	5%	-40%	-5%	15%
Depreciation	12%	16%	13%	21%	12%	6%
EBITA	-102%	-88%	-8%	-61%	-17%	9%
Amortisation of goodwill and intangible assets	0%	0%	0%	0%	0%	0%
EBIT	-102%	-88%	-8%	-61%	-17%	9%
Financial result	-1%	-1%	-11%	-17%	-14%	-10%
Recurring pretax income from continuing operations	-103%	-88%	-20%	-78%	-31%	-2%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	-103%	-88%	-20%	-78%	-31%	-2%
Taxes	-0%	0%	3%	8%	3%	0%
Net income from continuing operations	-103%	-88%	-23%	-86%	-35%	-2%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	-103%	-88%	-23%	-86%	-35%	-2%
Minority interest	0%	0%	0%	0%	0%	0%
Net profit (reported)	-103%	-88%	-23%	-86%	-35%	-2%

Source: Company data; mwb research

Balance sheet (EURm)	2021	2022	2023	2024E	2025E	2026E
Intangible assets (excl. Goodwill)	7.1	10.3	12.0	14.1	16.1	19.6
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	25.0	68.8	72.9	72.7	75.9	85.5
Financial assets	0.1	1.2	1.8	1.8	1.8	1.8
FIXED ASSETS	32.2	80.2	86.6	88.6	93.7	106.8
Inventories	3.6	8.4	11.3	8.6	9.4	11.6
Accounts receivable	2.8	9.7	23.3	12.8	17.2	28.1
Other current assets	0.0	0.2	5.6	5.6	5.6	5.6
Liquid assets	19.6	5.1	14.6	12.7	9.9	26.1
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	3.9	4.2	0.0	3.2	5.9	10.6
CURRENT ASSETS	29.9	27.6	54.8	42.9	48.0	82.1
TOTAL ASSETS	62.1	107.8	141.4	131.5	141.7	188.9
SHAREHOLDERS EQUITY	46.5	86.5	80.3	70.0	56.3	55.0
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	3.3	2.8	38.7	40.0	45.0	60.0
Provisions for pensions and similar obligations	0.0	0.0	0.8	0.0	0.0	0.0
Other provisions	1.9	2.4	2.1	2.1	2.0	1.4
Non-current liabilities	5.2	5.3	41.5	42.1	47.0	61.4
short-term liabilities to banks	1.3	1.0	1.1	5.0	10.0	20.0
Accounts payable	6.4	11.2	5.5	7.1	13.8	19.8
Advance payments received on orders	0.1	0.3	0.7	1.1	3.9	14.2
Other liabilities (incl. from lease and rental contracts)	0.8	1.5	11.4	5.3	9.8	17.7
Deferred taxes	0.0	0.0	0.9	0.9	0.9	0.9
Deferred income	1.8	2.1	0.0	0.0	0.0	0.0
Current liabilities	10.4	16.1	19.6	19.4	38.4	72.5
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	62.1	107.8	141.4	131.5	141.7	188.9

Balance sheet (common size)	2021	2022	2023	2024E	2025E	2026E
Intangible assets (excl. Goodwill)	11%	10%	8%	11%	11%	10%
Goodwill	0%	0%	0%	0%	0%	0%
Property, plant and equipment	40%	64%	52%	55%	54%	45%
Financial assets	0%	1%	1%	1%	1%	1%
FIXED ASSETS	52%	74%	61%	67%	66%	57%
Inventories	6%	8%	8%	7%	7%	6%
Accounts receivable	5%	9%	16%	10%	12%	15%
Other current assets	0%	0%	4%	4%	4%	3%
Liquid assets	32%	5%	10%	10%	7%	14%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	6%	4%	0%	2%	4%	6%
CURRENT ASSETS	48%	26%	39%	33%	34%	43%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	75%	80%	57%	53%	40%	29%
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	5%	3%	27%	30%	32%	32%
Provisions for pensions and similar obligations	0%	0%	1%	0%	0%	0%
Other provisions	3%	2%	1%	2%	1%	1%
Non-current liabilities	8%	5%	29%	32%	33%	33%
short-term liabilities to banks	2%	1%	1%	4%	7%	11%
Accounts payable	10%	10%	4%	5%	10%	10%
Advance payments received on orders	0%	0%	1%	1%	3%	7%
Other liabilities (incl. from lease and rental contracts)	1%	1%	8%	4%	7%	9%
Deferred taxes	0%	0%	1%	1%	1%	0%
Deferred income	3%	2%	0%	0%	0%	0%
Current liabilities	17%	15%	14%	15%	27%	38%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; mwb research

Cash flow statement (EURm)	2021	2022	2023	2024E	2025E	2026E
Net profit/loss	-8.7	-13.0	-7.2	-18.3	-13.6	-1.3
Depreciation of fixed assets (incl. leases)	1.0	2.3	4.2	4.4	4.7	4.6
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	0.9	1.8	5.0	-0.7	-0.2	-0.6
Cash flow from operations before changes in w/c	-6.8	-8.9	2.0	-14.6	-9.1	2.7
Increase/decrease in inventory	-2.3	-4.8	-2.9	2.7	-0.8	-2.3
Increase/decrease in accounts receivable	-5.6	-6.1	-14.8	10.4	-4.4	-10.9
Increase/decrease in accounts payable	6.8	4.5	0.7	1.6	6.6	6.0
Increase/decrease in other w/c positions	-0.1	-0.1	0.9	-8.9	4.7	13.4
Increase/decrease in working capital	-1.2	-6.5	-16.0	5.9	6.1	6.3
Cash flow from operating activities	-8.0	-15.5	-14.1	-8.7	-3.0	8.9
CAPEX	-25.1	-49.5	-10.4	-6.4	-9.8	-17.7
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	-0.0	-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	-25.1	-49.5	-10.4	-6.4	-9.8	-17.7
Cash flow before financing	-33.1	-65.0	-24.5	-15.0	-12.8	-8.8
Increase/decrease in debt position	2.3	-0.8	34.0	5.2	10.0	25.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	48.3	53.0	0.0	8.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	-2.2	-1.8	0.0	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	48.4	50.4	34.0	13.2	10.0	25.0
Increase/decrease in liquid assets	15.4	-14.5	9.5	-1.9	-2.8	16.2
Liquid assets at end of period	19.6	5.1	14.6	12.7	9.9	26.1

Source: Company data; mwb research

Regional sales split (EURm)	2021	2022	2023	2024E	2025E	2026E
Domestic	4.3	7.8	11.3	7.6	14.1	25.3
Europe (ex domestic)	1.4	2.7	17.1	11.5	21.3	38.4
The Americas	0.0	0.4	0.0	0.0	0.0	0.0
Asia	0.0	2.4	0.0	0.0	0.0	0.0
Rest of World	2.8	1.4	3.2	2.1	4.0	7.2
Total sales	8.4	14.7	31.6	21.3	39.4	70.8

Regional sales split (common size)	2021	2022	2023	2024E	2025E	2026E
Domestic	51.3%	52.9%	35.7%	35.7%	35.7%	35.7%
Europe (ex domestic)	16.0%	18.3%	54.2%	54.2%	54.2%	54.2%
The Americas	0.0%	3.0%	0.0%	0.0%	0.0%	0.0%
Asia	0.0%	16.1%	0.0%	0.0%	0.0%	0.0%
Rest of World	32.7%	9.6%	10.1%	10.1%	10.1%	10.1%
Total sales	100%	100%	100%	100%	100%	100%

Source: Company data; mwb research

Ratios	2021	2022	2023	2024E	2025E	2026E
Per share data						
Earnings per share reported	-0.38	-0.51	-0.26	-0.63	-0.47	-0.05
Cash flow per share	-0.35	-0.61	-0.52	-0.45	-0.27	0.15
Book value per share	2.01	3.39	2.95	2.41	1.94	1.89
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	-9.2x	-6.8x	-13.2x	-5.5x	-7.4x	-75.0x
P/CF	-10.1x	-5.7x	-6.7x	-7.7x	-13.1x	23.2x
P/BV	1.7x	1.0x	1.2x	1.4x	1.8x	1.8x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-9.9%	-17.4%	-14.9%	-13.0%	-7.6%	4.3%
EV/Sales	10.2x	6.8x	4.0x	6.3x	3.7x	2.2x
EV/EBITDA	-11.3x	-9.4x	85.6x	-15.5x	-74.4x	14.6x
EV/EBIT	-10.0x	-7.8x	-47.4x	-10.2x	-21.9x	25.5x
Income statement (EURm)						
Sales	8.4	14.7	31.6	21.3	39.4	70.8
yoy chg in %	307.8%	73.8%	115.4%	-32.7%	85.0%	80.0%
Gross profit	1.1	3.2	20.7	11.5	16.5	28.3
Gross margin in %	13.1%	21.7%	65.6%	54.0%	42.0%	40.0%
EBITDA	-7.6	-10.6	1.5	-8.6	-2.0	10.6
EBITDA margin in %	-90.2%	-72.1%	4.7%	-40.4%	-5.0%	15.0%
EBIT	-8.6	-12.9	-2.7	-13.0	-6.7	6.1
EBIT margin in %	-102.1%	-87.6%	-8.5%	-61.3%	-17.0%	8.6%
Net profit	-8.7	-13.0	-7.2	-18.3	-13.6	-1.3
Cash flow statement (EURm)						
CF from operations	-8.0	-15.5	-14.1	-8.7	-3.0	8.9
Capex	-25.1	-49.5	-10.4	-6.4	-9.8	-17.7
Maintenance Capex	0.0	0.0	0.0	4.4	4.7	4.6
Free cash flow	-33.1	-65.0	-24.5	-15.0	-12.8	-8.8
Balance sheet (EURm)						
Intangible assets	7.1	10.3	12.0	14.1	16.1	19.6
Tangible assets	25.0	68.8	72.9	72.7	75.9	85.5
Shareholders' equity	46.5	86.5	80.3	70.0	56.3	55.0
Pension provisions	0.0	0.0	0.8	0.0	0.0	0.0
Liabilities and provisions	6.6	6.3	42.7	47.1	57.0	81.4
Net financial debt	-15.0	-1.2	25.2	32.3	45.1	53.9
w/c requirements	-0.1	6.6	28.3	13.2	8.9	5.8
Ratios						
ROE	-18.7%	-15.0%	-8.9%	-26.2%	-24.2%	-2.5%
ROCE	-16.2%	-13.9%	-2.2%	-11.1%	-5.9%	4.5%
Net gearing	-32.2%	-1.4%	31.4%	46.1%	80.1%	98.1%
Net debt / EBITDA	2.0x	0.1x	17.0x	-3.8x	-22.9x	5.1x

Source: Company data; mwb research

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