

Wolftank-Adisa Holding AG

Austria | Industrial Goods & Services | MCap EUR 76.1m

7 January 2022

UPDATE



JV with Kuwait Petroleum agreed by acquiring 50% in Mares Srl.; PT up

What's it all about?

Last week, Wolftank announced that it has agreed to acquire a 50% stake in Mares Srl – a subsidiary of Kuwait Petroleum Italia. Mares' core business is the construction and servicing of traditional petrol stations as well as soil remediation, which will now be combined with Wolftank's competencies in the area of refueling facilities for renewable energies such as LNG or hydrogen. Besides adding c. EUR 20m in annual sales this deal appeals through its access to Kuwait Petroleum's network of more than 3,000 petrol stations in Europe (under the brand "Q8") which command intensive maintenance work and upgrades to green energy technologies in the future. We therefore believe that Mares will provide a long and steep growth trajectory of proprietary sales and earnings for the Wolftank Group. We therefore upgrade our estimates and reiterate to BUY with new PT of EUR 26.30 (old 25.50).

BUY (BUY)

Target price	EUR 26.30 (25.50)
Current price	EUR 19.10
Up/downside	37.7%

 **ResearchHub** 

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Wolftank-Adisa Holding AG

Austria | Industrial Goods & Services | MCap EUR 76.1m | EV EUR 88.8m

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JV with Kuwait Petroleum agreed by acquiring 50% in Mares Srl.

Just before the closing of the year, **Wolftank signed an agreement to acquire a 50% stake in Mares Srl., a subsidiary of Kuwait Petroleum Italia.** In October Wolftank and Kuwait Petroleum Italia signed a MoU to form a JV for the construction of LNG and hydrogen refueling facilities. Kuwait Petroleum Italia manages more than 3,000 service stations under the brand "Q8".

Mares' core business is the construction and servicing of traditional petrol stations as well as soil remediation. Last year, the company generated sales of c. EUR 20m. Now the business areas of **Mares will be combined and expanded with the know-how of the Wolftank Group** and will also include refueling facilities for renewable energies such as LNG or hydrogen in the future.

Mares will be managed as a joint venture of the Wolftank Group and Kuwait Petroleum Italia. The company will engage in the project development and construction of liquefied natural gas (LNG) and hydrogen refueling facilities in order to expand the European infrastructure for the necessary decarbonization of transport. Wolftank is acquiring the 50% stake in Mares by partly **employing its successfully raised capital which the company collected in November 2021.** Whilst the parties have agreed not to disclose the purchase price, we assume that the JV generated an EBIT of EUR 0.5-0.6m (eAR c. 3% EBIT margin, similar to Wolftank's margin). Applying typical takeover multiples for the 50% stake, we would derive at an acquisition price (EV) in the magnitude of EUR 2.8-3m (EV/EBIT of 10x) **which makes the acquisition value accretive.**

Conclusion: In our view, Wolftank and Mares have complementary business models with highly specialized know-how in the field of refueling systems. Access to more than 3,000 service stations further appeals to this deal as this provides Wolftank significant visibility and capacity utilizations for the years to come. In addition, Wolftank further develops its business model towards sustainable green energy – and therefore a product offering indispensable in the European energy transition process. We have incorporated the acquisition as of 2022E, leading to 11-13% higher EPS estimates. **We reiterate to BUY with upgraded PT of EUR 26.30 (old EUR 25.50).**

Wolftank-Adisa Holding AG	2018	2019	2020	2021E	2022E	2023E
Sales	44.5	51.8	35.0	51.1	79.8	83.8
<i>Growth yoy</i>	na	16.3%	-32.4%	46.0%	56.1%	5.0%
EBITDA	3.4	4.6	0.3	4.1	7.5	9.1
EBIT	1.7	1.3	-1.8	1.6	5.4	6.8
Net profit	0.7	-0.0	-2.2	0.4	2.7	3.7
Net debt (net cash)	12.1	11.4	12.8	8.2	10.4	11.0
Net debt/EBITDA	3.6x	2.5x	45.4x	2.0x	1.4x	1.2x
EPS recurring	0.21	-0.01	-0.61	0.11	0.69	0.92
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	19.5%	28.2%	28.4%	29.0%	29.5%	30.2%
EBITDA margin	7.6%	8.9%	0.8%	8.1%	9.4%	10.9%
EBIT margin	3.7%	2.5%	-5.1%	3.2%	6.8%	8.1%
ROCE	8.0%	5.3%	-7.2%	5.3%	14.8%	17.4%
EV/EBITDA	26.2x	19.1x	315.8x	20.4x	11.6x	9.6x
EV/EBIT	53.3x	66.7x	-49.4x	51.7x	16.0x	12.9x
PER	91.1x	-1,580.3x	-31.1x	176.9x	27.7x	20.8x
FCF yield	0.4%	-6.6%	-2.8%	-0.5%	1.5%	-0.6%

Source: Company data, AlsterResearch



Source: Company data, AlsterResearch

High/low 52 weeks 14.30 / 7.53
Price/Book Ratio 12.0x

Ticker / Symbols

ISIN AT0000A25NJ6
WKN A2PBHR
Bloomberg WAH:GR

Changes in estimates

		Sales	EBIT	EPS
2021E	old	51,1	1,6	0,11
	Δ	0,0%	0,0%	0,0%
2022E	old	58,8	4,7	0,61
	Δ	35,7%	15,8%	13,1%
2023E	old	61,7	5,9	0,83
	Δ	35,7%	15,5%	11,3%

Key share data

Number of shares: (in m pcs) 3.98
Book value per share: (in EUR) 1.60
Ø trading volume: (12 months) 1,000

Major shareholders

MuM Beteiligung / GCI 15.0%
Management 13.0%
Eiffel Investment 8.0%
Free Float 49.1%

Company description

Wolftank is an Austria-based company that operates as an environmental technology company for tank systems and soil remediation. The company focuses on the remediation and monitoring of tank farms and environmental protection services for contaminated soils and facilities, as well as groundwater purification. In addition, Wolftank is active in the commissioning of LNG and hydrogen petrol stations.

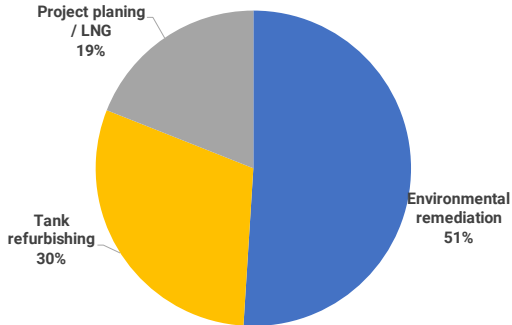
Half year results

P&L data	1H2019	2H2019	1H2020	2H2020	1H2021
Sales	26,1	25,8	12,9	22,2	20,3
yoy growth in %	na	na	-50,7%	-14,0%	57,5%
Gross profit	8,1	6,6	3,9	6,0	5,8
Gross margin in %	31,0%	25,4%	30,6%	27,0%	28,9%
EBITDA	2,9	1,7	0,3	-0,1	-0,2
EBITDA margin in %	11,2%	6,5%	2,6%	-0,2%	-1,1%
EBIT	2,1	-0,8	-0,4	-1,4	-1,6
EBIT margin in %	8,2%	-3,2%	-3,3%	-6,2%	-7,8%
EBT	2	-1,23	-0,8	-2,1	-2,0
taxes paid	-0,31	-0,13	-0,01	-0,5	-0,1
tax rate in %	-17,6%	10,3%	1,0%	24,5%	3,0%
net profit	1,44	-1,35	-0,79	-1,5	-1,9
yoy growth in %	na	na	na	na	na
EPS	0,41	-0,42	-0,22	-0,39	-0,48

Source: Company data; AlsterResearch

Investment case in six charts

Sales by segment 2020



Wolftank's track record

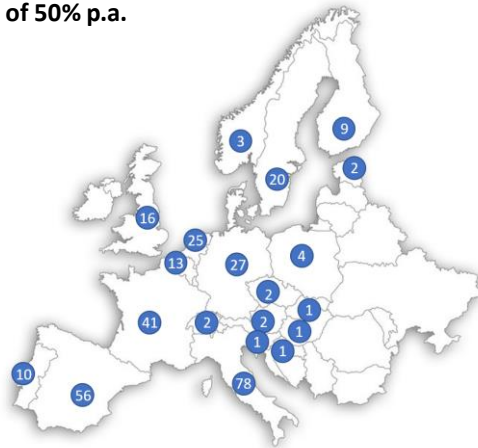


Blue chip clients

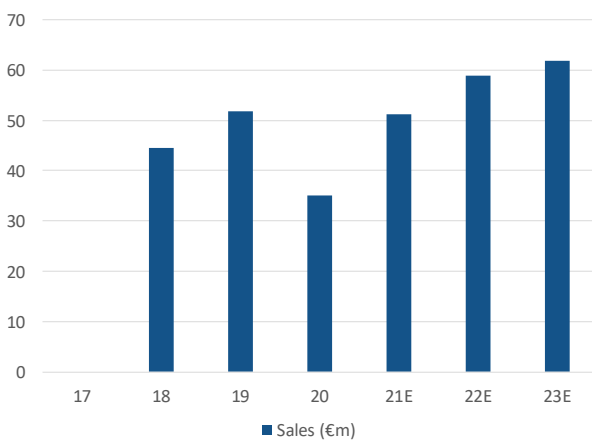


LNG Map Europe

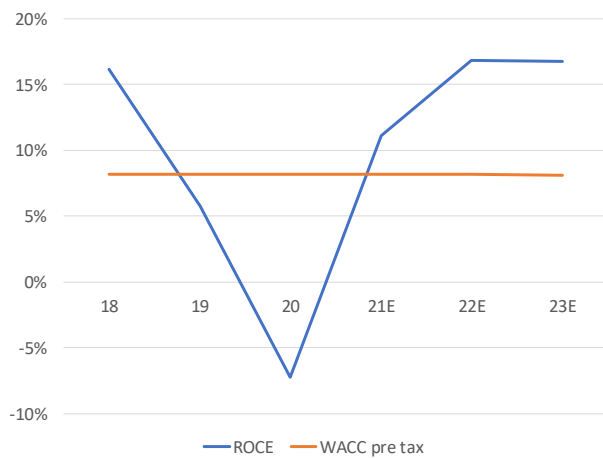
CAGR of 50% p.a.



Sales development



ROCE vs. WACC



Source. Company data; AlsterResearch

SWOT Analysis

Strengths

- structural growth due to rising environmental awareness
- strong product know-how and expertise, patents
- long track record
- long lasting customer loyalty
- cost-efficiency of refurbishment (50% less than new tanks)
- blue chip client base
- During recessions customers tend to postpone orders rather than cancelling them

Weaknesses

- illiquid stock
- pricing pressure and potentially low bargaining power
- regional cluster risk (Italy)

Opportunities

- Growing market renovation/remodelling LNG stations
- Expansion towards China and USA
- Acquisition of smaller competitors

Threats

- Niche market
- Increasing customer concentration

Valuation

DCF Model

The DCF model results in a **fair value of EUR 26.26 per share**:

Top-line growth: We expect Woltank-Adisa Holding AG to continue benefitting from structural growth. Hence our growth estimates for 2021-28E is in the range of 12.6% p.a. The long-term growth rate is set at 2.0%.

EBIT margins. The scalable business model should allow for EBIT margins of 14% by 2023E, which look defendable given high competitive quality based on scale geography and expertise. Accordingly, we model approx. 14% EBIT margins in the long-term.

WACC. The averaged 1-, 3- and 5-year historical equity beta is calculated as 0.60. Unlevering and correcting for mean reversion yields an asset beta of 0.67. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.5% this yields cost of equity of 8.0%. 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 6.6%.

DCF (EUR m) (except per share data and beta)	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	Terminal value
NOPAT	1.1	3.5	4.4	5.8	6.2	6.7	7.2	7.7	
Depreciation & Amort.	2.5	2.1	2.4	2.4	2.5	2.6	2.7	2.9	
Change in working capital	-0.5	-2.5	-4.6	-1.1	-0.7	-0.8	-0.8	-0.9	
Chg. in long-term provisions	-0.3	0.7	0.1	0.1	0.1	0.2	0.2	0.2	
Capex	-1.5	-2.4	-2.5	-2.7	-2.9	-3.1	-3.3	-3.5	
Cash flow	1.3	1.3	-0.3	4.6	5.3	5.6	6.0	6.3	141.0
Present value	1.3	1.3	-0.2	3.8	4.1	4.1	4.1	4.1	90.3
WACC	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.6%

DCF per share derived from

Total present value	112.8
Mid-year adj. total present value	116.4
Net debt / cash at start of year	12.8
Financial assets	1.0
Provisions and off b/s debt	0.1
Equity value	104.6
No. of shares outstanding	4.0

Discounted cash flow / share	26.26
upside/(downside)	37.5%

Share price	19.10
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DCF avg. growth and earnings assumptions

Planning horizon avg. revenue growth (2021E - 2028E)	12.6%
Terminal value growth (2028E - infinity)	2.0%
Terminal year ROCE	19.8%
Terminal year WACC	6.6%

Terminal WACC derived from

Cost of borrowing (before taxes)	5.0%
Long-term tax rate	25.0%
Equity beta	0.60
Unlevered beta (industry or company)	0.67
Target debt / equity	0.5
Relevered beta	0.92
Risk-free rate	2.0%
Equity risk premium	6.5%
Cost of equity	8.0%

Sensitivity analysis DCF

Change in WACC (%-points)		Long term growth					Share of present value	
		1.5%	2.0%	2.5%	3.0%	3.5%	2021E - 2024E	2025E - 2028E terminal value
1.0%		19.2	20.7	22.6	24.9	27.7	5.4%	80.0%
0.5%		21.3	23.2	25.6	28.5	32.2	14.6%	
0.0%		23.9	26.3	29.2	33.1	38.1		
-0.5%		27.0	30.0	34.0	39.1	46.3		
-1.0%		30.9	34.9	40.2	47.6	58.5		

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 5.33 per share based on 2021E and 32.32 EUR per share on 2025E estimates. **We value Wolfbank-Adisa Holding AG on 2023E adj. FCF yield, which derive at a fair value of EUR 16.50.** It thus supports the DCF based fair value calculations.

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	2021E	2022E	2023E	2024E	2025E
EBITDA	4.1	7.5	9.1	11.4	12.2
- Maintenance capex	2.5	2.1	2.4	2.4	2.5
- Minorities	0.0	0.3	0.4	0.5	0.6
- tax expenses	0.2	1.3	1.7	2.4	2.7
= Adjusted Free Cash Flow	1.4	3.9	4.7	6.0	6.5
Actual Market Cap	76.1	76.1	76.1	76.1	76.1
+ Net debt (cash)	8.2	10.4	11.0	6.5	1.3
+ Pension provisions	0.2	0.3	0.3	0.4	0.4
+ Off balance sheet financing	0.0	0.0	0.0	0.0	0.0
- Financial assets	1.0	1.0	1.0	1.0	1.0
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
<i>EV Reconciliations</i>	7.4	9.7	10.3	5.9	0.7
= Actual EV'	83.5	85.8	86.4	82.0	76.7
Adjusted RW_FCF yield	1.7%	4.5%	5.4%	7.4%	8.4%
base hurdle rate	6.0%	6.0%	6.0%	6.0%	6.0%
ESG adjustment	1.0%	1.0%	1.0%	1.0%	1.0%
adjusted hurdle rate	5.0%	5.0%	5.0%	5.0%	5.0%
Fair EV	28.6	77.3	93.4	120.9	129.4
- <i>EV Reconciliations</i>	7.4	9.7	10.3	5.9	0.7
Fair Market Cap	21.2	67.6	83.1	115.0	128.7
No. of shares (million)	4.0	4.0	4.0	4.0	4.0
Fair value per share in EUR	5.33	16.97	20.87	28.88	32.32
Premium (-) / discount (+)	-72.1%	-11.2%	9.3%	51.2%	69.2%

Sensitivity analysis fair value						
Adjusted hurdle rate	3.0%	10.1	29.9	36.5	49.1	54.0
	4.0%	7.1	21.8	26.7	36.5	40.4
	5.0%	5.3	17.0	20.9	28.9	32.3
	6.0%	4.1	13.7	17.0	23.8	26.9
	7.0%	3.3	11.4	14.2	20.2	23.0

Source: Company data; AlsterResearch

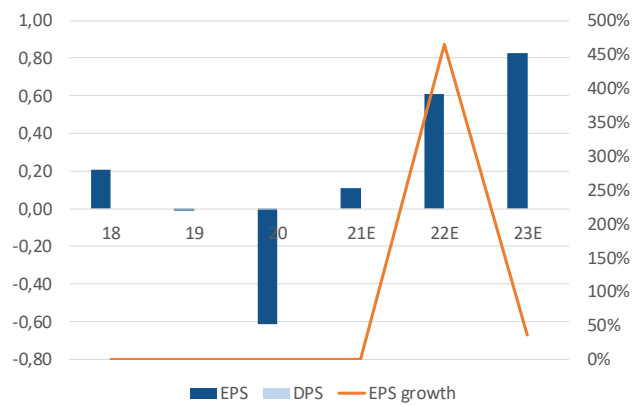
Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 6.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments might be applicable, based on the overall Leeway ESG Score. 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.**

Financials in six charts

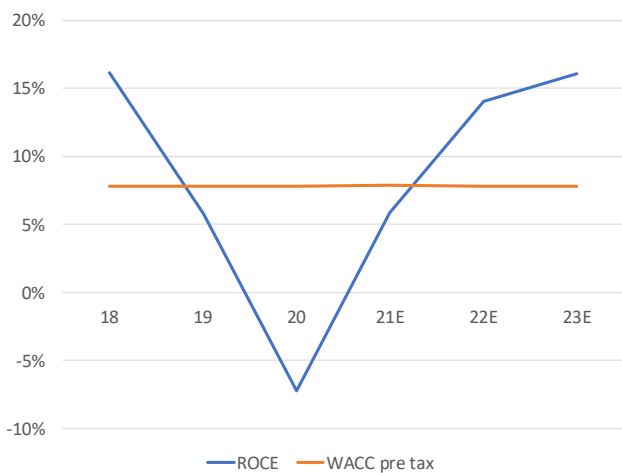
Sales vs. EBITDA margin development



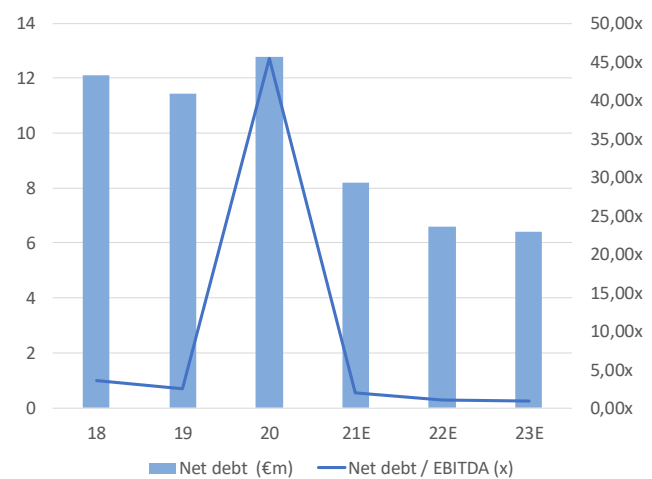
EPS, DPS in EUR & yoy EPS growth



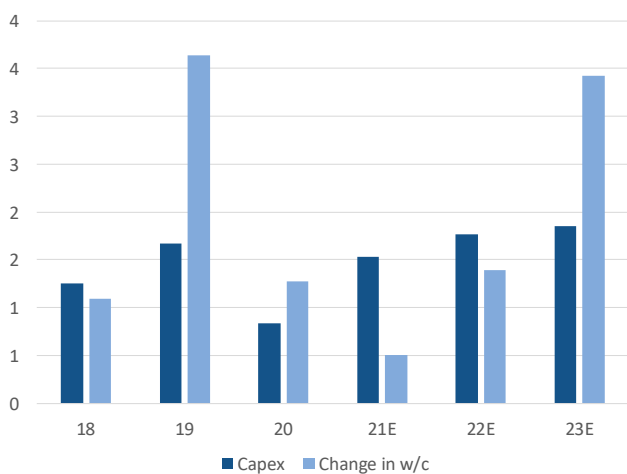
ROCE vs. WACC (pre tax)



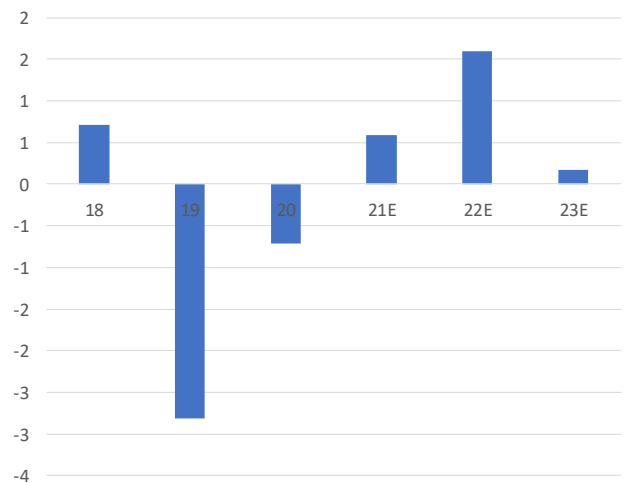
Net debt and net debt/EBITDA



Capex & chg in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; AlsterResearch

Financials

Profit and loss (EUR m)	2018	2019	2020	2021E	2022E	2023E
Net sales	44.5	51.8	35.0	51.1	79.8	83.8
Sales growth	na	16.3%	-32.4%	46.0%	56.1%	5.0%
Change in finished goods and work-in-process	-0.2	-1.9	-0.6	0.0	0.0	0.0
Total sales	44.4	49.9	34.4	51.1	79.8	83.8
Material expenses	35.7	35.3	24.5	36.3	56.3	58.5
Gross profit	8.7	14.6	9.9	14.8	23.5	25.3
Other operating income	1.4	0.7	1.1	0.3	0.5	0.5
Personnel expenses	4.7	6.5	7.2	7.4	11.0	10.9
Other operating expenses	2.0	4.2	3.6	3.6	5.5	5.8
EBITDA	3.4	4.6	0.3	4.1	7.5	9.1
Depreciation	1.7	3.3	2.1	2.5	2.1	2.4
EBITA	1.7	1.3	-1.8	1.6	5.4	6.8
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	1.7	1.3	-1.8	1.6	5.4	6.8
Financial result	-0.8	-0.8	-1.0	-1.0	-1.1	-1.0
Recurring pretax income from continuing operations	0.9	0.5	-2.8	0.6	4.3	5.8
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	0.9	0.5	-2.8	0.6	4.3	5.8
Taxes	0.4	0.4	-0.5	0.2	1.3	1.7
Net income from continuing operations	0.4	0.1	-2.3	0.4	3.0	4.0
Result from discontinued operations (net of tax)	0.2	0.0	0.0	0.0	0.0	0.0
Net income	0.7	0.1	-2.3	0.4	3.0	4.0
Minority interest	0.0	-0.1	0.1	-0.0	-0.3	-0.4
Net profit (reported)	0.7	-0.0	-2.2	0.4	2.7	3.7
Average number of shares	3.10	3.51	3.61	3.98	3.98	3.98
EPS reported	0.21	-0.01	-0.61	0.11	0.69	0.92

Profit and loss (common size)	2018	2019	2020	2021E	2022E	2023E
Net sales	100%	100%	100%	100%	100%	100%
Change in finished goods and work-in-process	-0%	-4%	-2%	0%	0%	0%
Total sales	100%	96%	98%	100%	100%	100%
Material expenses	80%	68%	70%	71%	70%	70%
Gross profit	20%	28%	28%	29%	30%	30%
Other operating income	3%	1%	3%	1%	1%	1%
Personnel expenses	11%	13%	20%	14%	14%	13%
Other operating expenses	4%	8%	10%	7%	7%	7%
EBITDA	8%	9%	1%	8%	9%	11%
Depreciation	4%	6%	6%	5%	3%	3%
EBITA	4%	3%	-5%	3%	7%	8%
Amortisation of goodwill and intangible assets	0%	0%	0%	0%	0%	0%
EBIT	4%	3%	-5%	3%	7%	8%
Financial result	-2%	-2%	-3%	-2%	-1%	-1%
Recurring pretax income from continuing operations	2%	1%	-8%	1%	5%	7%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	2%	1%	-8%	1%	5%	7%
Taxes	1%	1%	-1%	0%	2%	2%
Net income from continuing operations	1%	0%	-7%	1%	4%	5%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	1%	0%	-7%	1%	4%	5%
Minority interest	0%	-0%	0%	-0%	-0%	-0%
Net profit (reported)	1%	-0%	-6%	1%	3%	4%

Source: Company data; AlsterResearch

Balance sheet (EUR m)	2018	2019	2020	2021E	2022E	2023E
Intangible assets (exl. Goodwill)	1.8	1.5	1.8	1.8	1.8	1.8
Goodwill	3.0	3.1	5.4	5.4	6.9	6.9
Property, plant and equipment	6.3	6.3	8.6	7.7	9.5	9.6
Financial assets	0.3	0.7	1.0	1.0	1.0	1.0
FIXED ASSETS	11.5	11.6	16.9	15.9	19.2	19.4
Inventories	5.5	6.1	5.4	6.0	9.2	9.6
Accounts receivable	20.1	22.0	22.0	22.4	35.0	36.7
Other current assets	0.0	0.0	1.9	1.9	1.9	1.9
Liquid assets	3.4	4.2	3.1	9.8	9.6	7.0
Deferred taxes	0.3	0.4	1.4	1.4	1.4	1.4
Deferred charges and prepaid expenses	0.3	0.1	0.3	0.2	0.2	0.3
CURRENT ASSETS	29.6	32.7	34.2	41.6	57.4	56.9
TOTAL ASSETS	41.1	44.3	51.0	57.5	76.6	76.3
SHAREHOLDERS EQUITY	3.2	8.0	5.8	10.2	13.2	17.2
MINORITY INTEREST	0.1	0.2	1.7	1.7	1.7	1.7
Long-term debt	15.5	15.6	15.9	18.0	20.0	18.0
Provisions for pensions and similar obligations	0.2	0.2	0.0	0.2	0.3	0.3
Other provisions	1.6	0.9	1.5	1.0	1.5	1.6
Non-current liabilities	17.2	16.7	17.4	19.2	21.8	19.9
short-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	15.5	14.3	13.3	15.7	23.9	24.8
Advance payments received on orders	1.2	0.7	1.1	0.5	0.8	0.8
Other liabilities (incl. from lease and rental contracts)	3.8	4.6	10.8	10.2	12.0	8.4
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	0.0	-0.2	0.9	0.0	3.2	3.4
Current liabilities	20.5	19.4	26.2	26.4	39.8	37.4
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	41.1	44.3	51.0	57.5	76.6	76.3

Balance sheet (common size)	2018	2019	2020	2021E	2022E	2023E
Intangible assets (excl. Goodwill)	4%	3%	4%	3%	2%	2%
Goodwill	7%	7%	11%	9%	9%	9%
Property, plant and equipment	15%	14%	17%	13%	12%	13%
Financial assets	1%	2%	2%	2%	1%	1%
FIXED ASSETS	28%	26%	33%	28%	25%	25%
Inventories	13%	14%	11%	10%	12%	13%
Accounts receivable	49%	50%	43%	39%	46%	48%
Other current assets	0%	0%	4%	3%	2%	2%
Liquid assets	8%	9%	6%	17%	13%	9%
Deferred taxes	1%	1%	3%	3%	2%	2%
Deferred charges and prepaid expenses	1%	0%	1%	0%	0%	0%
CURRENT ASSETS	72%	74%	67%	72%	75%	75%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	8%	18%	11%	18%	17%	23%
MINORITY INTEREST	0%	0%	3%	3%	2%	2%
Long-term debt	38%	35%	31%	31%	26%	24%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	4%	2%	3%	2%	2%	2%
Non-current liabilities	42%	38%	34%	33%	28%	26%
short-term liabilities to banks	0%	0%	0%	0%	0%	0%
Accounts payable	38%	32%	26%	27%	31%	33%
Advance payments received on orders	3%	2%	2%	1%	1%	1%
Other liabilities (incl. from lease and rental contracts)	9%	10%	21%	18%	16%	11%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	0%	-0%	2%	0%	4%	4%
Current liabilities	50%	44%	51%	46%	52%	49%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Cash flow statement (EUR m)	2018	2019	2020	2021E	2022E	2023E
Net profit/loss	0.7	0.1	-2.3	0.4	3.0	4.0
Depreciation of fixed assets (incl. leases)	1.7	3.3	2.1	2.5	2.1	2.4
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	0.7	-0.9	1.6	-0.3	0.7	0.1
Cash flow from operations before changes in w/c	3.1	2.5	1.4	2.6	5.7	6.5
Increase/decrease in inventory	0.0	-0.6	0.7	-0.5	-3.3	-0.4
Increase/decrease in accounts receivable	-2.4	-1.9	-0.0	-0.5	-12.6	-1.7
Increase/decrease in accounts payable	1.0	-1.2	-1.0	2.4	8.2	0.9
Increase/decrease in other w/c positions	0.3	0.0	-0.9	-1.9	5.1	-3.4
Increase/decrease in working capital	-1.1	-3.6	-1.3	-0.5	-2.5	-4.6
Cash flow from operating activities	2.0	-1.1	0.1	2.1	3.2	1.9
CAPEX	-1.3	-1.7	-0.8	-1.5	-2.4	-2.5
Payments for acquisitions	0.0	0.0	-3.3	0.0	-3.0	0.0
Financial investments	0.0	0.0	-0.6	0.0	0.0	0.0
Income from asset disposals	0.4	-0.3	0.0	0.0	0.0	0.0
Cash flow from investing activities	-0.9	-2.0	-4.7	-1.5	-5.4	-2.5
Cash flow before financing	1.1	-3.1	-4.6	0.6	-2.2	-0.6
Increase/decrease in debt position	-1.8	-1.8	0.3	2.1	2.0	-2.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	4.8	0.0	4.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.1	-1.0	3.2	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	-1.7	1.9	3.5	6.1	2.0	-2.0
Increase/decrease in liquid assets	-0.7	-1.2	-1.1	6.7	-0.2	-2.6
Liquid assets at end of period	-2.9	-4.1	-5.1	1.5	1.4	-1.2

Source: Company data; AlsterResearch

Regional sales split (EURm)	2018	2019	2020	2021E	2022E	2023E
Domestic	37.9	38.9	29.1	40.9	59.8	62.8
Europe (ex domestic)	0.0	0.0	0.0	0.0	0.0	0.0
The Americas	0.0	0.0	0.0	0.0	0.0	0.0
Asia	4.5	10.4	4.2	7.7	17.6	18.4
Rest of World	2.2	2.6	1.8	2.6	2.4	2.5
Total sales	44.5	51.8	35.0	51.1	79.8	83.8

Regional sales split (common size)	2018	2019	2020	2021E	2022E	2023E
Domestic	85.0%	75.0%	83.0%	80.0%	75.0%	75.0%
Europe (ex domestic)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
The Americas	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asia	10.0%	20.0%	12.0%	15.0%	22.0%	22.0%
Rest of World	5.0%	5.0%	5.0%	5.0%	3.0%	3.0%
Total sales	100%	100%	100%	100%	100%	100%

Ratios	2018	2019	2020	2021E	2022E	2023E
Per share data						
Earnings per share reported	0.21	-0.01	-0.61	0.11	0.69	0.92
Cash flow per share	0.08	-1.26	-0.54	-0.10	0.29	-0.11
Book value per share	1.04	2.27	1.60	2.56	3.32	4.33
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	91.1x	-1,580.3x	-31.1x	176.9x	27.7x	20.8x
P/CF	233.8x	-15.2x	-35.2x	-196.9x	66.6x	-167.0x
P/BV	18.4x	8.4x	12.0x	7.5x	5.8x	4.4x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	0.4%	-6.6%	-2.8%	-0.5%	1.5%	-0.6%
EV/Sales	2.0x	1.7x	2.5x	1.7x	1.1x	1.0x
EV/EBITDA	26.2x	19.1x	315.8x	20.4x	11.6x	9.6x
EV/EBIT	53.3x	66.7x	-49.4x	51.7x	16.0x	12.9x
Income statement (EURm)						
Sales	44.5	51.8	35.0	51.1	79.8	83.8
yoy chg in %	Infinity%	16.3%	-32.4%	46.0%	56.1%	5.0%
Gross profit	8.7	14.6	9.9	14.8	23.5	25.3
Gross margin in %	19.5%	28.2%	28.4%	29.0%	29.5%	30.2%
EBITDA	3.4	4.6	0.3	4.1	7.5	9.1
EBITDA margin in %	7.6%	8.9%	0.8%	8.1%	9.4%	10.9%
EBIT	1.7	1.3	-1.8	1.6	5.4	6.8
EBIT margin in %	3.7%	2.5%	-5.1%	3.2%	6.8%	8.1%
Net profit	0.7	-0.0	-2.2	0.4	2.7	3.7
Cash flow statement (EURm)						
CF from operations	2.0	-1.1	0.1	2.1	3.2	1.9
Capex	-1.3	-1.7	-0.8	-1.5	-2.4	-2.5
Maintenance Capex	1.7	3.3	2.1	2.5	2.1	2.4
Free cash flow	0.7	-2.8	-0.7	0.6	0.8	-0.6
Balance sheet (EURm)						
Intangible assets	4.8	4.6	7.2	7.2	8.7	8.7
Tangible assets	6.3	6.3	8.6	7.7	9.5	9.6
Shareholders' equity	3.2	8.0	5.8	10.2	13.2	17.2
Pension provisions	0.2	0.2	0.0	0.2	0.3	0.3
Liabilities and provisions	17.2	16.7	17.4	19.2	21.8	19.9
Net financial debt	12.1	11.4	12.8	8.2	10.4	11.0
w/c requirements	8.9	13.1	12.9	12.2	19.5	20.7
Ratios						
ROE	20.2%	1.1%	-40.5%	4.3%	22.8%	23.3%
ROCE	8.0%	5.3%	-7.2%	5.3%	14.8%	17.4%
Net gearing	375.8%	143.5%	221.7%	80.2%	78.4%	63.6%
Net debt / EBITDA	3.6x	2.5x	45.4x	2.0x	1.4x	1.2x

Source: Company data; AlsterResearch

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