

Wolftank-Adisa Holding AG

Austria | Industrial Goods & Services | MCap EUR 78.9m

8 June 2022

UPDATE



Another cooperation agreement in the LNG and hydrogen refueling space

What's it all about?

Wolftank announced yet another cooperation agreement – this time with Molgas Energia Italia. The two companies plan to jointly establish a double-digit number of LNG and hydrogen refueling stations on the European market. Molgas is one of the leading companies in Southern Europe, distributing liquefied natural gas (LNG) and delivering it to places not reached by gas pipelines. It now aims to strengthen its presence across Europe. The cooperation with Molgas follows a spree of other partnerships Wolftank has established in recent months with the “who-is-who” of the hydrogen and LNG infrastructure space. Besides the (huge) economic impact of each of these partnerships, the fact that such renowned names are relying on Wolftank’s expertise show that the company’s offering is actually valued and perceived by clients. In our view, this once again reflects the quality and growth prospects of the group, which is why we reiterate our BUY recommendation with unchanged PT of EUR 26.30.

BUY (BUY)

Target price	EUR 26.30 (26.30)
Current price	EUR 18.00
Up/downside	46.1%



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Wolftank-Adisa Holding AG

Austria | Industrial Goods & Services | MCap EUR 78.9m | EV EUR 84.3m

BUY (BUY)

Target price EUR 26.30 (26.30)
Current price EUR 18.00
Up/downside 46.1%

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Another cooperation in the LNG and hydrogen refueling space

Cooperation agreement with Molgas Energia Italia Wolftank reported yet another cooperation agreement – this time with Southern European energy services company Molgas Energia Italia. The Molgas Group is a leading company in the energy services sector, distributing liquefied natural gas (LNG) and delivering it to places not reached by gas pipelines. It now aims to strengthen its presence across Europe. For this purpose, Molgas is teaming up with Wolftank. The two companies plan to jointly establish a double-digit number of LNG and hydrogen refueling stations in the initial target markets Spain, Italy, Germany, France, Austria and Slovakia.

3-fold positive implication In our view, the fact that Wolftank was able to strike yet another lucrative cooperation agreement with a renowned player in the hydrogen and LNG space shows that customers are actually valuing and perceiving the services Wolftank has on offer. In fact, via strong partnerships, Wolftank has grown to a veritable player in this structurally growing and politically as well as environmentally important market. Most recently, Wolftank entered into cooperation agreements with Italian telecom provider TIM, with SFC Energy, the Q8 Group, the gas supplier Snam, and has acquired a 50% stake in the Italian company Mares, all helping Wolftank to expand its positioning in the field of renewable energies. The agreement with Molgas alone could provide significant tailwind for Wolftank. Commissioning new LNG and hydrogen refueling stations could easily cost between EUR 1-2m per station. Hence, hypothetically 50 new refueling stations, would provide up to EUR 100m additional sales in the coming years (eAR) and recurring maintenance revenues.

Outlook remains bright Not only since the war in the Ukraine, hydrogen and LNG technologies are important parts in Europe's aim to become carbon neutral and likewise independent from Russian oil and gas imports. Consequently, we see significant growth for Wolftank in the years to come. In fact, the cooperation with Molgas underlines that Wolftank is the "go-to" place when it comes to hydrogen refueling stations. Wolftank therefore remains one of our top-picks in this field as the company has all the necessary products and services on offer in order to facilitate the structural shift towards a fossil free future. We therefore reiterate our BUY recommendation with unchanged PT of EUR 26.30.

Wolftank-Adisa Holding AG	2019	2020	2021	2022E	2023E	2024E
Sales	51.8	35.0	44.6	78.8	86.7	92.8
<i>Growth yoy</i>	na	-32.4%	27.4%	76.6%	10.0%	7.0%
EBITDA	4.6	0.3	1.5	8.3	10.1	12.2
EBIT	1.3	-1.8	-1.3	5.4	7.2	9.3
Net profit	-0.0	-2.2	-3.0	3.0	4.4	6.1
Net debt (net cash)	11.4	12.8	5.4	5.9	5.0	-1.4
Net debt/EBITDA	2.5x	45.4x	3.6x	0.7x	0.5x	-0.1x
EPS recurring	-0.01	-0.61	-0.67	0.69	1.01	1.40
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	28.2%	28.4%	35.0%	33.0%	33.5%	34.0%
EBITDA margin	8.9%	0.8%	3.4%	10.5%	11.6%	13.1%
EBIT margin	2.5%	-5.1%	-3.0%	6.9%	8.3%	10.1%
ROCE	5.3%	-7.2%	-4.4%	14.8%	18.1%	21.0%
EV/EBITDA	19.7x	325.7x	56.1x	10.3x	8.4x	6.4x
EV/EBIT	68.8x	-50.9x	-62.8x	15.7x	11.8x	8.3x
PER	-1,489.3x	-29.3x	-26.7x	26.0x	17.8x	12.9x
FCF yield	-7.0%	-3.3%	2.8%	2.6%	0.7%	8.1%

Source: Company data, AlsterResearch



Source: Company data, AlsterResearch

High/low 52 weeks 36.60 / 12.00
Price/Book Ratio 5.7x

Ticker / Symbols

ISIN AT0000A25NJ6
WKN A2PBHR
Bloomberg WAH:GR

Changes in estimates

		Sales	EBIT	EPS
2022E	old	78,8	5,4	0,69
	Δ	0,0%	-0,1%	0,8%
2023E	old	86,7	7,1	0,98
	Δ	0,0%	0,2%	2,9%
2024E	old	92,8	9,4	1,36
	Δ	0,0%	-0,8%	2,7%

Key share data

Number of shares: (in m pcs) 4.38
Book value per share: (in EUR) 3.17
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.

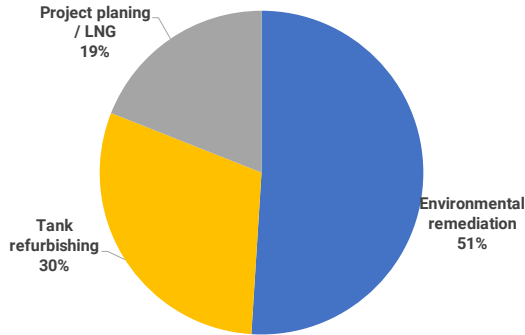
Half year results

P&L data	1H2019	2H2019	1H2020	2H2020	1H2021	2H2021
Sales	26,1	25,8	12,9	22,2	20,3	24,4
yoy growth in %	na	na	-50,7%	-14,0%	57,5%	10,0%
Gross profit	8,1	6,6	3,9	6,0	5,8	9,8
Gross margin in %	31,0%	25,4%	30,6%	27,0%	28,9%	40,1%
EBITDA	2,9	1,7	0,3	-0,1	-0,2	1,7
EBITDA margin in %	11,2%	6,5%	2,6%	-0,2%	-1,1%	7,1%
EBIT	2,1	-0,8	-0,4	-1,4	-1,6	0,2
EBIT margin in %	8,2%	-3,2%	-3,3%	-6,2%	-7,8%	1,0%
EBT	2	-1,23	-0,8	-2,1	-2,0	-0,8
taxes paid	-0,31	-0,13	-0,01	-0,5	-0,1	0,2
tax rate in %	-17,6%	10,3%	1,0%	24,5%	3,0%	-25,1%
net profit	1,44	-1,35	-0,79	-1,5	-1,9	-1,0
yoy growth in %	na	na	na	na	na	na
EPS	0,41	-0,42	-0,22	-0,39	-0,48	-0,19

Source: Company data; AlsterResearch

Investment case in six charts

Sales by segment 2020



Wolf tank's track record

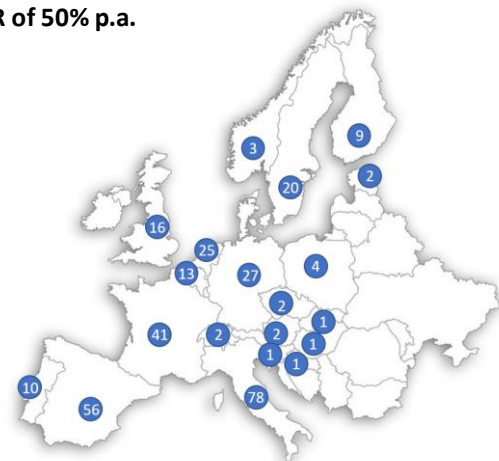


Blue chip clients

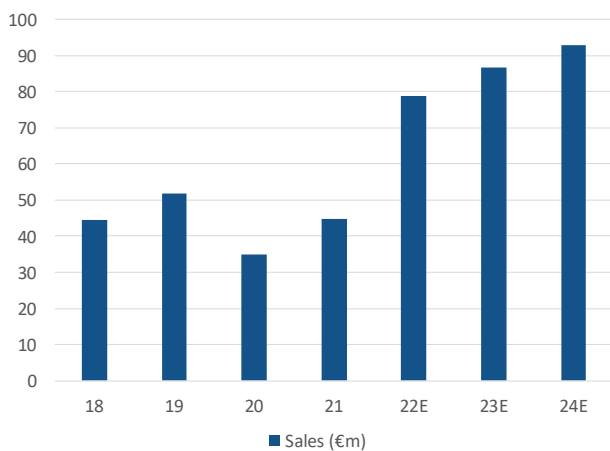


LNG Map Europe

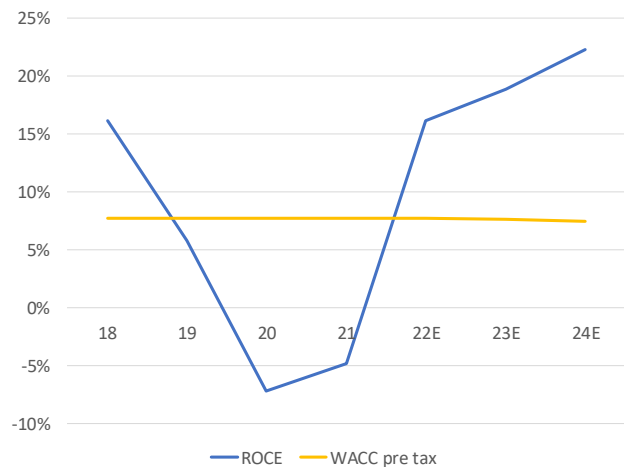
CAGR of 50% p.a.



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 26.38 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 7.4% 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 defensible 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 0.86. Unlevering and correcting for mean reversion yields an asset beta of 0.83. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.5% this yields cost of equity of 9.4%. 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 7.5%.

DCF (EUR m) (except per share data and beta)	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	Terminal value
NOPAT	4.0	5.3	6.9	6.5	7.1	7.6	8.2	8.8	
Depreciation & Amort.	2.9	2.9	2.8	2.8	2.9	2.9	3.1	3.2	
Change in working capital	-1.5	-4.5	-0.5	-0.4	-0.4	-0.4	-0.4	-0.5	
Chg. in long-term provisions	0.2	0.2	0.1	0.1	0.2	0.2	0.2	0.2	
Capex	-2.4	-2.6	-2.8	-3.0	-3.2	-3.4	-3.6	-3.9	
Cash flow	3.2	1.3	6.5	6.2	6.5	6.9	7.3	7.8	144.1
Present value	3.1	1.1	5.4	4.8	4.7	4.6	4.6	4.6	83.1
WACC	7.6%	7.5%	7.5%	7.4%	7.4%	7.4%	7.4%	7.4%	7.5%

DCF per share derived from	
Total present value	116.0
Mid-year adj. total present value	120.3
Net debt / cash at start of year	5.4
Financial assets	0.7
Provisions and off b/s debt	0.1
Equity value	115.6
No. of shares outstanding	4.4
Discounted cash flow / share	26.38
upside/(downside)	46.6%

Share price	18.00
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DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2021E - 2028E)	7.4%
Terminal value growth (2028E - infinity)	2.0%
Terminal year ROCE	19.7%
Terminal year WACC	7.5%

Terminal WACC derived from	
Cost of borrowing (before taxes)	5.0%
Long-term tax rate	25.0%
Equity beta	0.86
Unlevered beta (industry or company)	0.83
Target debt / equity	0.5
Relevered beta	1.15
Risk-free rate	2.0%
Equity risk premium	6.5%
Cost of equity	9.4%

Sensitivity analysis DCF		Long term growth					Share of present value	
		1.0%	1.5%	2.0%	2.5%	3.0%		
Change in WACC (%-points)	1.0%	19.8	20.9	22.0	23.4	25.0	2021E - 2024E	12.5%
	0.5%	21.4	22.6	24.0	25.7	27.7	2025E - 2028E	15.9%
	0.0%	23.2	24.7	26.4	28.4	30.9	terminal value	71.6%
	-0.5%	25.3	27.1	29.2	31.8	35.0		
	-1.0%	27.8	30.0	32.6	35.9	40.2		

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 18.27 per share based on 2022E and 35.88 EUR per share on 2026E estimates. **We value Wolfbank-Adisa Holding AG onhalf way 2023/24E adj. FCF yield, which derive at a fair value of EUR 26.02.** 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	2022E	2023E	2024E	2025E	2026E
EBITDA	8.3	10.1	12.2	13.0	13.9
- Maintenance capex	2.9	2.9	2.8	2.8	2.9
- Minorities	0.3	0.4	0.6	0.6	0.7
- tax expenses	0.8	1.2	1.7	2.8	3.3
= Adjusted Free Cash Flow	4.3	5.5	7.0	6.8	7.1
Actual Market Cap	78.9	78.9	78.9	78.9	78.9
+ Net debt (cash)	5.9	5.0	-1.4	-7.6	-14.6
+ Pension provisions	0.3	0.3	0.4	0.4	0.4
+ Off balance sheet financing	0.0	0.0	0.0	0.0	0.0
- Financial assets	0.7	0.7	0.7	0.7	0.7
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
<i>EV Reconciliations</i>	5.5	4.7	-1.7	-7.9	-14.9
= Actual EV'	84.3	83.5	77.1	70.9	63.9
Adjusted RW_FCF yield	5.1%	6.6%	9.1%	9.5%	11.1%
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	85.5	110.0	140.8	135.3	142.3
- <i>EV Reconciliations</i>	5.5	4.7	-1.7	-7.9	-14.9
Fair Market Cap	80.0	105.4	142.5	143.2	157.2
No. of shares (million)	4.4	4.4	4.4	4.4	4.4
Fair value per share in EUR	18.27	24.05	32.53	32.70	35.88
Premium (-) / discount (+)	1.5%	33.6%	80.7%	81.7%	99.4%

Sensitivity analysis fair value						
Adjusted hurdle rate	3.0%	31.3	40.8	54.0	53.3	57.5
	4.0%	23.1	30.3	40.6	40.4	44.0
	5.0%	18.3	24.1	32.5	32.7	35.9
	6.0%	15.0	19.9	27.2	27.5	30.5
	7.0%	12.7	16.9	23.3	23.9	26.6

Source: Company data; AlsterResearch

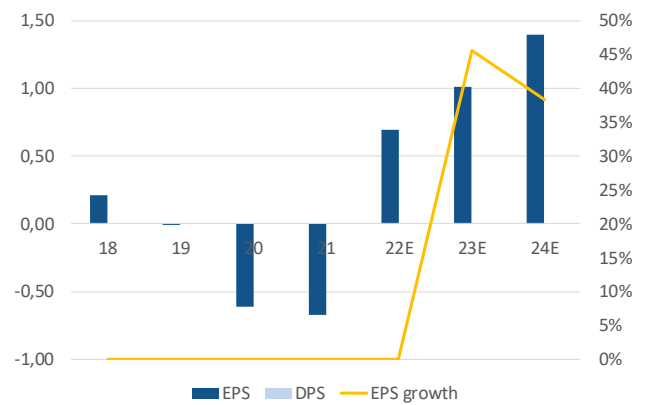
Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 6.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments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

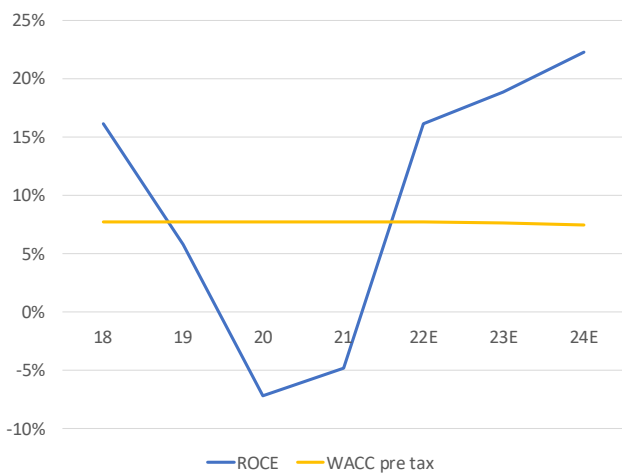
Sales vs. EBITDA margin development



EPS, DPS in EUR & yoy EPS growth



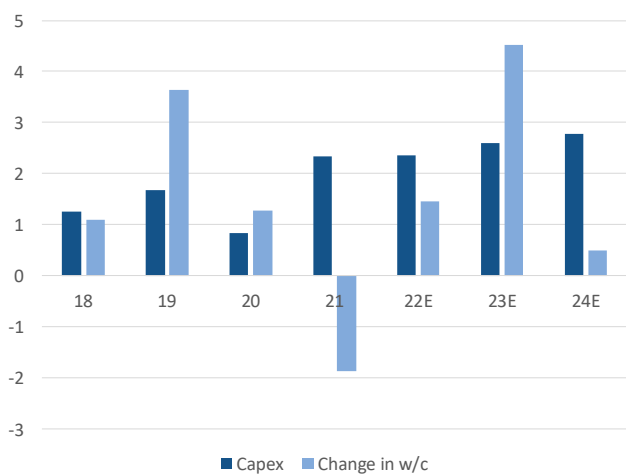
ROCE vs. WACC (pre tax)



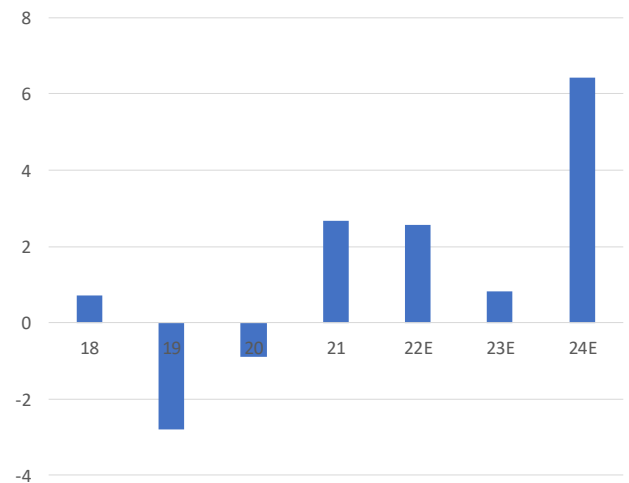
Net debt and net debt/EBITDA



Capex & chg in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; AlsterResearch

Financials

Profit and loss (EUR m)	2019	2020	2021	2022E	2023E	2024E
Net sales	51.8	35.0	44.6	78.8	86.7	92.8
Sales growth	na	-32.4%	27.4%	76.6%	10.0%	7.0%
Change in finished goods and work-in-process	-1.9	-0.6	1.2	0.0	0.0	0.0
Total sales	49.9	34.4	45.8	78.8	86.7	92.8
Material expenses	35.3	24.5	30.2	52.8	57.7	61.2
Gross profit	14.6	9.9	15.6	26.0	29.0	31.5
Other operating income	0.7	1.1	1.3	2.4	2.6	2.8
Personnel expenses	6.5	7.2	7.9	12.2	13.0	13.4
Other operating expenses	4.2	3.6	7.5	7.9	8.6	8.8
EBITDA	4.6	0.3	1.5	8.3	10.1	12.2
Depreciation	3.3	2.1	2.8	2.9	2.9	2.8
EBITA	1.3	-1.8	-1.3	5.4	7.2	9.3
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	1.3	-1.8	-1.3	5.4	7.2	9.3
Financial result	-0.8	-1.0	-1.4	-1.2	-1.1	-0.9
Recurring pretax income from continuing operations	0.5	-2.8	-2.8	4.2	6.1	8.4
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	0.5	-2.8	-2.8	4.2	6.1	8.4
Taxes	0.4	-0.5	0.1	0.8	1.2	1.7
Net income from continuing operations	0.1	-2.3	-2.9	3.3	4.9	6.7
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	0.1	-2.3	-2.9	3.3	4.9	6.7
Minority interest	-0.1	0.1	-0.0	-0.3	-0.4	-0.6
Net profit (reported)	-0.0	-2.2	-3.0	3.0	4.4	6.1
Average number of shares	3.51	3.61	4.38	4.38	4.38	4.38
EPS reported	-0.01	-0.61	-0.67	0.69	1.01	1.40

Profit and loss (common size)	2019	2020	2021	2022E	2023E	2024E
Net sales	100%	100%	100%	100%	100%	100%
Change in finished goods and work-in-process	-4%	-2%	3%	0%	0%	0%
Total sales	96%	98%	103%	100%	100%	100%
Material expenses	68%	70%	68%	67%	67%	66%
Gross profit	28%	28%	35%	33%	34%	34%
Other operating income	1%	3%	3%	3%	3%	3%
Personnel expenses	13%	20%	18%	16%	15%	14%
Other operating expenses	8%	10%	17%	10%	10%	9%
EBITDA	9%	1%	3%	11%	12%	13%
Depreciation	6%	6%	6%	4%	3%	3%
EBITA	3%	-5%	-3%	7%	8%	10%
Amortisation of goodwill and intangible assets	0%	0%	0%	0%	0%	0%
EBIT	3%	-5%	-3%	7%	8%	10%
Financial result	-2%	-3%	-3%	-2%	-1%	-1%
Recurring pretax income from continuing operations	1%	-8%	-6%	5%	7%	9%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	1%	-8%	-6%	5%	7%	9%
Taxes	1%	-1%	0%	1%	1%	2%
Net income from continuing operations	0%	-7%	-7%	4%	6%	7%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	0%	-7%	-7%	4%	6%	7%
Minority interest	-0%	0%	-0%	-0%	-1%	-1%
Net profit (reported)	-0%	-6%	-7%	4%	5%	7%

Source: Company data; AlsterResearch

Balance sheet (EUR m)	2019	2020	2021	2022E	2023E	2024E
Intangible assets (exl. Goodwill)	1.5	1.8	1.8	1.8	1.8	1.8
Goodwill	3.1	5.4	7.1	8.6	8.6	8.6
Property, plant and equipment	6.3	8.6	10.6	11.6	11.3	11.3
Financial assets	0.7	1.0	0.7	0.7	0.7	0.7
FIXED ASSETS	11.6	16.9	20.3	22.8	22.5	22.4
Inventories	6.1	5.4	5.7	8.7	9.5	10.1
Accounts receivable	22.0	22.0	23.9	34.6	38.0	40.7
Other current assets	0.0	1.9	2.8	2.8	2.8	2.8
Liquid assets	4.2	3.1	7.5	9.3	8.1	12.5
Deferred taxes	0.4	1.4	1.4	1.4	1.4	1.4
Deferred charges and prepaid expenses	0.1	0.3	0.3	0.2	0.3	0.3
CURRENT ASSETS	32.7	34.2	41.5	57.0	60.1	67.8
TOTAL ASSETS	44.3	51.0	61.8	79.8	82.6	90.2
SHAREHOLDERS EQUITY	8.0	5.8	13.9	17.2	22.1	28.8
MINORITY INTEREST	0.2	1.7	2.3	2.3	2.3	2.3
Long-term debt	15.6	15.9	7.7	10.0	8.0	6.0
Provisions for pensions and similar obligations	0.2	0.0	0.0	0.3	0.3	0.4
Other provisions	0.9	1.5	1.6	1.5	1.6	1.8
Non-current liabilities	16.7	17.4	9.4	11.8	10.0	8.1
short-term liabilities to banks	0.0	0.0	5.2	5.2	5.2	5.2
Accounts payable	14.3	13.3	18.2	27.5	30.0	31.9
Advance payments received on orders	0.7	1.1	1.6	0.8	0.9	0.9
Other liabilities (incl. from lease and rental contracts)	4.6	10.8	10.5	11.8	8.7	9.3
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	-0.2	0.9	0.7	3.2	3.5	3.7
Current liabilities	19.4	26.2	36.2	48.4	48.2	51.0
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	44.3	51.0	61.8	79.8	82.6	90.2

Balance sheet (common size)	2019	2020	2021	2022E	2023E	2024E
Intangible assets (excl. Goodwill)	3%	4%	3%	2%	2%	2%
Goodwill	7%	11%	12%	11%	10%	10%
Property, plant and equipment	14%	17%	17%	15%	14%	12%
Financial assets	2%	2%	1%	1%	1%	1%
FIXED ASSETS	26%	33%	33%	29%	27%	25%
Inventories	14%	11%	9%	11%	11%	11%
Accounts receivable	50%	43%	39%	43%	46%	45%
Other current assets	0%	4%	5%	4%	3%	3%
Liquid assets	9%	6%	12%	12%	10%	14%
Deferred taxes	1%	3%	2%	2%	2%	2%
Deferred charges and prepaid expenses	0%	1%	0%	0%	0%	0%
CURRENT ASSETS	74%	67%	67%	71%	73%	75%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	18%	11%	22%	22%	27%	32%
MINORITY INTEREST	0%	3%	4%	3%	3%	3%
Long-term debt	35%	31%	13%	13%	10%	7%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	2%	3%	3%	2%	2%	2%
Non-current liabilities	38%	34%	15%	15%	12%	9%
short-term liabilities to banks	0%	0%	8%	6%	6%	6%
Accounts payable	32%	26%	29%	34%	36%	35%
Advance payments received on orders	2%	2%	3%	1%	1%	1%
Other liabilities (incl. from lease and rental contracts)	10%	21%	17%	15%	11%	10%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	-0%	2%	1%	4%	4%	4%
Current liabilities	44%	51%	59%	61%	58%	56%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Cash flow statement (EUR m)	2019	2020	2021	2022E	2023E	2024E
Net profit/loss	0.1	-2.3	-2.9	3.3	4.9	6.7
Depreciation of fixed assets (incl. leases)	3.3	2.1	2.8	2.9	2.9	2.8
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	1.5	3.2	0.2	0.2	0.1
Cash flow from operations before changes in w/c	2.5	1.2	3.1	6.4	7.9	9.7
Increase/decrease in inventory	-0.6	0.7	-0.2	-3.0	-0.8	-0.6
Increase/decrease in accounts receivable	-1.9	-0.0	-1.9	-10.7	-3.5	-2.7
Increase/decrease in accounts payable	-1.2	-1.0	4.9	9.3	2.5	1.9
Increase/decrease in other w/c positions	0.0	-0.9	-0.9	3.0	-2.8	0.9
Increase/decrease in working capital	-3.6	-1.3	1.9	-1.5	-4.5	-0.5
Cash flow from operating activities	-1.1	-0.1	5.0	4.9	3.4	9.2
CAPEX	-1.7	-0.8	-2.3	-2.4	-2.6	-2.8
Payments for acquisitions	0.0	-3.3	-3.0	-3.0	0.0	0.0
Financial investments	0.0	-0.6	0.0	0.0	0.0	0.0
Income from asset disposals	-0.3	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	-2.0	-4.7	-5.3	-5.4	-2.6	-2.8
Cash flow before financing	-3.1	-4.8	-0.3	-0.4	0.8	6.4
Increase/decrease in debt position	-1.8	0.3	-3.0	2.3	-2.0	-2.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	4.8	0.0	11.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	-1.0	3.2	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	1.9	3.5	8.0	2.3	-2.0	-2.0
Increase/decrease in liquid assets	-1.2	-1.2	7.7	1.8	-1.2	4.4
Liquid assets at end of period	-4.1	-5.3	2.3	4.1	3.0	7.4

Source: Company data; AlsterResearch

Regional sales split (EURm)	2019	2020	2021	2022E	2023E	2024E
Domestic	38.9	29.1	35.7	59.1	65.0	69.6
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	10.4	4.2	6.7	17.3	19.1	20.4
Rest of World	2.6	1.8	2.2	2.4	2.6	2.8
Total sales	51.8	35.0	44.6	78.8	86.7	92.8

Regional sales split (common size)	2019	2020	2021	2022E	2023E	2024E
Domestic	75.0%	83.0%	80.0%	75.0%	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	20.0%	12.0%	15.0%	22.0%	22.0%	22.0%
Rest of World	5.0%	5.0%	5.0%	3.0%	3.0%	3.0%
Total sales	100%	100%	100%	100%	100%	100%

Ratios	2019	2020	2021	2022E	2023E	2024E
Per share data						
Earnings per share reported	-0.01	-0.61	-0.67	0.69	1.01	1.40
Cash flow per share	-1.26	-0.59	0.50	0.47	0.12	1.45
Book value per share	2.27	1.60	3.17	3.93	5.04	6.57
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	-1,489.3x	-29.3x	-26.7x	26.0x	17.8x	12.9x
P/CF	-14.3x	-30.3x	36.3x	38.4x	149.4x	12.4x
P/BV	7.9x	11.3x	5.7x	4.6x	3.6x	2.7x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-7.0%	-3.3%	2.8%	2.6%	0.7%	8.1%
EV/Sales	1.7x	2.6x	1.9x	1.1x	1.0x	0.8x
EV/EBITDA	19.7x	325.7x	56.1x	10.3x	8.4x	6.4x
EV/EBIT	68.8x	-50.9x	-62.8x	15.7x	11.8x	8.3x
Income statement (EURm)						
Sales	51.8	35.0	44.6	78.8	86.7	92.8
yoy chg in %	16.3%	-32.4%	27.4%	76.6%	10.0%	7.0%
Gross profit	14.6	9.9	15.6	26.0	29.0	31.5
Gross margin in %	28.2%	28.4%	35.0%	33.0%	33.5%	34.0%
EBITDA	4.6	0.3	1.5	8.3	10.1	12.2
EBITDA margin in %	8.9%	0.8%	3.4%	10.5%	11.6%	13.1%
EBIT	1.3	-1.8	-1.3	5.4	7.2	9.3
EBIT margin in %	2.5%	-5.1%	-3.0%	6.9%	8.3%	10.1%
Net profit	-0.0	-2.2	-3.0	3.0	4.4	6.1
Cash flow statement (EURm)						
CF from operations	-1.1	-0.1	5.0	4.9	3.4	9.2
Capex	-1.7	-0.8	-2.3	-2.4	-2.6	-2.8
Maintenance Capex	3.3	2.1	2.8	2.9	2.9	2.8
Free cash flow	-2.8	-0.9	2.7	2.6	0.8	6.4
Balance sheet (EURm)						
Intangible assets	4.6	7.2	8.9	10.4	10.4	10.4
Tangible assets	6.3	8.6	10.6	11.6	11.3	11.3
Shareholders' equity	8.0	5.8	13.9	17.2	22.1	28.8
Pension provisions	0.2	0.0	0.0	0.3	0.3	0.4
Liabilities and provisions	16.7	17.4	14.5	17.0	15.2	13.3
Net financial debt	11.4	12.8	5.4	5.9	5.0	-1.4
w/c requirements	13.1	12.9	9.7	15.0	16.6	17.9
Ratios						
ROE	1.1%	-40.5%	-20.9%	19.4%	22.0%	23.3%
ROCE	5.3%	-7.2%	-4.4%	14.8%	18.1%	21.0%
Net gearing	143.5%	221.7%	39.1%	34.1%	22.8%	-4.8%
Net debt / EBITDA	2.5x	45.4x	3.6x	0.7x	0.5x	-0.1x

Source: Company data; AlsterResearch

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