

Wolftank-Adisa (WAH GY) | Utilities/Renewables

January 18, 2024

Capital Markets Update with focus on hydrogen

Yesterday, Wolftank hosted a virtual Capital Markets Update event with focus on hydrogen. The company is seeing a great deal of customer interest in its hydrogen refuelling solutions. Wolftank provided a detailed overview of hydrogen projects that have already been awarded and projects for which the tendering process is currently underway. Wolftank puts the gross margins for the hydrogen projects at around 40-45%, which is above the group gross margin of around 34%. The financial targets for 2023 and 2024 were confirmed. Investment case unchanged: In the hydrogen sector, the company can offer solutions for the development of a hydrogen distribution infrastructure with its extensive expertise in the areas of process software, compression technology and temperature control. In the medium term, there are also major growth opportunities for Wolftank in the areas of environmental and industrial coatings, which should benefit from the fact that conventional tanks and refuelling stations are largely obsolete, leading to an increased need for maintenance, repair, refurbishment and ultimately dismantling.

- The company first sees buses, industrial trucks and trains as the main areas of application for its hydrogen mobility solutions.
- For 2024, Wolftank expects revenues from ongoing hydrogen projects to exceed EUR 16m. The projected figure for 2025 is around EUR 18m.
- Projects currently in the tendering process could add over EUR 80m for 2025ff.

Buy



unchanged

Price*

EUR 12.90

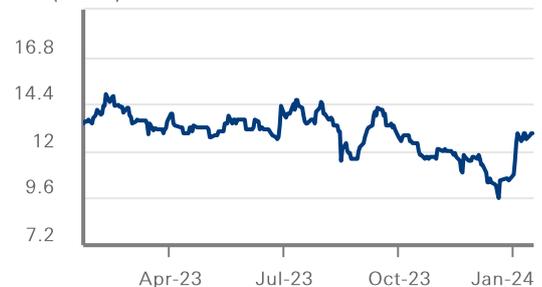
Price target

EUR 23.00 (unchanged)

* XETRA trading price at the close of the previous day unless stated otherwise in the Disclosures

Market Cap (EUR m) ¹	62
Enterprise Value (EUR m) ¹	59
Free Float (%) ¹	49.0

Price (in EUR)¹



Fundamentals (in EUR m) ¹	2020	2021	2022	2023e	2024e	2025e
Sales	35	45	63	83	101	113
EBITDA	0	2	4	6	9	10
EBIT	-2	-1	0	4	7	8
EPS adj. (EUR)	-1.84	-0.67	-0.42	0.28	0.72	0.91
DPS (EUR)	0.00	0.00	0.00	0.00	0.00	0.06
BVPS (EUR)	4.84	3.17	4.65	4.54	5.17	6.00
Net Debt incl. Provisions	20	11	8	3	-3	-10
Ratios ¹	2020	2021	2022	2023e	2024e	2025e
EV/EBITDA	108.4	60.4	18.6	8.8	6.5	5.0
EV/EBIT	-16.9	-67.6	1016.4	15.1	8.8	6.5
P/E adj.	-4.8	-26.8	-32.1	36.9	17.8	14.2
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0	0.5
EBITDA margin (%)	0.8	3.4	5.8	7.3	9.0	9.2
EBIT margin (%)	-5.1	-3.0	0.1	4.3	6.6	7.1
Net debt/EBITDA	70.6	7.6	2.1	0.5	-0.4	-0.9
PBV	1.8	5.7	2.9	2.3	2.5	2.2

¹Sources: Bloomberg, Metzler Research

Performance (in %) ¹	1m	3m	12m
Share	25.2	7.5	-4.4
Rel. to SDAX	27.4	1.8	-4.2

Changes in estimates (in %) ¹	2023e	2024e	2025e
Sales	0.0	0.0	0.0
EBIT	0.0	0.0	0.0
EPS	0.0	0.0	0.0

Sponsored Research



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These are the key takeaways of the Capital Markets Update event:

-The company briefly described its history, its business areas and its focus on emission-free mobility. The financial targets for 2023 and 2024 were confirmed unchanged.

-It is important to the management that the company is undergoing a transformation in the area of hydrogen refuelling stations, moving away from being a custom manufacturer to becoming a series manufacturer. For now, the company sees buses, industrial trucks and railways as the main mobility application areas.

-Wolf tank believes that the availability of hydrogen is a given, also in view of the emerging acceptance of CCU/CCS solutions (blue hydrogen) and the fact that there is already a very large market for grey hydrogen. The public investment budgets for H2 refuelling station infrastructure of around EUR 500 million in Italy, around EUR 1 billion in Germany, around EUR 300m in Austria and around EUR 200-300m in Spain, for example, should also support the stimulation of its market.

-The company is seeing a great deal of customer interest in its H2 refuelling solutions. It puts the leads recorded in its currently accessible overall market at around EUR 450 million. The resulting submitted offers amount to EUR 237 million. The company calculates that there is an order probability of over 75% for around EUR 188 million. Wolf tank has already received orders totalling just under EUR 76 million, of which around EUR 38 million have been realised.

-The company provided an overview of H2 projects that have already been awarded and projects for which the tendering process is currently underway.

Wolf tank's H2 project pipeline

Customer/Project	Application	Execution period	Expected sales (EURm)		
			2023	2024	2025ff
Specific projects (already awarded)					
TPER (Italy)	Bus refuelling	2023-2025	2.4	10.5	11.6
Siram Veolia (Italy)	Train refuelling	2023-2025	0.2	3	5.9
BMW (Leipzig)	Intralogistics	2024	0.9	1.9	
Kion (Germany)	Intralogistics	2024		0.8	
Postbus Villach (Austria)	Renting containerised refuelling station	2022-2025	0.29	0.17	0.17
Hotel (Mallorca/Spain)	Funding project	2023-2024		0.02	0.04
Projects in the tender process					
SASA I (Italy)	Bus refuelling	2024-2025			2.9
SASA II (Italy)	Bus refuelling	2024-2025			24-35
SAPIO (Italy)	Bus refuelling	2024-2025		0.3	5-9
SAILH2 (Spain)	Funding project	2024		1.9	
ACTIVA (Spain)	105 H2 refuelling stations	2024-2030			>35

Sources: Wolf tank-Adisa

-Wolf tank puts the gross margins for the hydrogen projects at around 40-45%.

company note

Key Data

Company profile

CEO: Dr. Peter Werth

CFO: Christian Pukljak COO: Dr. Matteo Ciarapica

Innsbruck

The core competencies of the Wolf tank Group include engineering, construction and operating services related to refueling facilities and the storage and transport of fuels.

Major shareholders

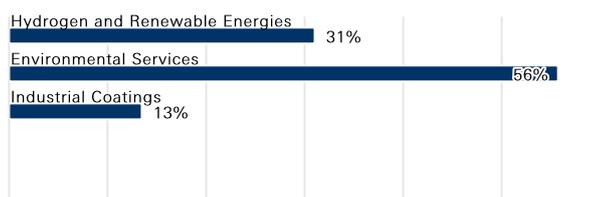
Management Board (13%), Dr. A. v. Aufschneider (7%), Eiffel Investment Group SA (8%), Paladin Asset Management (8%), MuM Industriebeteiligungen (15%)

Key figures

P&L (in EUR m)	2020	%	2021	%	2022	%	2023e	%	2024e	%	2025e	%
Sales	35	-32.4	45	27.4	63	40.6	83	33.0	101	20.9	113	11.9
EBITDA	0	-93.9	2	436.3	4	140.5	6	67.4	9	50.1	10	14.3
EBITDA margin (%)	0.8	-91.0	3.4	320.8	5.8	71.1	7.3	25.9	9.0	24.2	9.2	2.2
EBIT	-2	-236.5	-1	25.4	0	104.9	4	n.m.	7	88.2	8	19.5
EBIT margin (%)	-5.1	-302.0	-3.0	41.5	0.1	103.5	4.3	n.m.	6.6	55.7	7.1	6.8
Financial result	-1	-30.9	-1	-35.8	-1	49.8	-1	-83.5	-1	0.0	-1	7.6
EBT	-3	-648.9	-3	2.9	-1	76.6	2	445.7	5	139.7	7	26.1
Taxes	-1	-218.5	0	127.7	1	537.1	1	-41.9	1	149.0	2	26.8
Tax rate (%)	18.0	n.a.	-5.1	n.a.	-139.5	n.a.	23.4	n.a.	24.3	n.a.	24.5	n.a.
Net income	-2	n.m.	-3	-24.5	-2	46.6	2	201.5	4	149.0	5	26.8
Minority interests	-0	-191.5	0	142.4	0	512.2	0	-30.0	0	114.3	1	33.3
Net Income after minorities	-2	n.m.	-3	-33.3	-2	37.3	1	173.7	3	154.4	4	25.9
Number of shares outstanding (m)	1	2.7	4	264.3	4	0.0	5	9.6	5	0.0	5	0.0
EPS adj. (EUR)	-1.84	n.m.	-0.67	63.4	-0.42	37.3	0.28	167.2	0.72	154.4	0.91	25.9
DPS (EUR)	0.00	n.a.	0.00	n.a.	0.00	n.a.	0.00	n.a.	0.00	n.a.	0.06	n.a.
Dividend yield (%)	0.0	n.a.	0.0	n.a.	0.0	n.a.	0.0	n.a.	0.0	n.a.	0.5	n.a.
Cash Flow (in EUR m)	2020	%	2021	%	2022	%	2023e	%	2024e	%	2025e	%
Gross Cash Flow	-0	94.7	5	n.m.	0	-94.3	4	n.m.	6	48.8	7	14.7
Increase in working capital	0	n.a.	0	n.a.	0	n.a.	-2	n.a.	-2	n.a.	-1	n.a.
Capital expenditures	1	-24.3	2	64.3	2	8.7	2	-40.0	2	13.3	2	-5.9
D+A/Capex (%)	148.5	n.a.	123.7	n.a.	141.9	n.a.	166.7	n.a.	141.2	n.a.	150.0	n.a.
Free cash flow (Metzler definition)	-1	51.2	3	277.7	-2	-185.6	5	307.7	6	39.2	6	0.0
Free cash flow yield (%)	-13.8	n.a.	3.3	n.a.	-3.7	n.a.	9.2	n.a.	10.4	n.a.	10.4	n.a.
Dividend paid	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Free cash flow (post dividend)	-5	-382.4	11	321.9	4	-65.2	5	25.5	6	39.2	6	0.0
Balance sheet (in EUR m)	2020	%	2021	%	2022	%	2023e	%	2024e	%	2025e	%
Assets	51	15.2	62	21.1	63	1.7	71	12.8	70	-1.4	73	4.3
Goodwill	5	76.6	7	31.2	6	-13.1	8	38.1	8	0.0	8	0.0
Shareholders' equity	8	-7.7	16	115.2	23	42.2	24	5.1	27	12.4	31	14.7
Equity/total assets (%)	14.7	n.a.	26.2	n.a.	36.6	n.a.	34.1	n.a.	38.9	n.a.	42.8	n.a.
Net Debt incl. Provisions	20	43.7	11	-42.4	8	-32.3	3	-59.8	-3	-206.7	-10	-193.7
thereof pension provisions	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	n.a.
Gearing (%)	262.9	n.a.	70.4	n.a.	33.5	n.a.	12.8	n.a.	-12.2	n.a.	-31.2	n.a.
Net debt/EBITDA	70.6	n.a.	7.6	n.a.	2.1	n.a.	0.5	n.a.	-0.4	n.a.	-0.9	n.a.

Structure

Sales by segments 2022



Sources: Bloomberg, Metzler Research

company note

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Recommendations for each financial instrument or issuer - mentioned in this document - published by Metzler in the past twelve months

Date of dissemination	Metzler recommendation *		Current price **	Price target *	Author ***
	Previous	Current			
Issuer/Financial Instrument (ISIN): Wolfbank-Adisa (AT0000A25NJ6)					
01.12.2023	Buy	Buy	11.70 EUR	23.00 EUR	Hoymann, Guido
26.09.2023	Buy	Buy	13.30 EUR	23.00 EUR	Hoymann, Guido
30.06.2023	Buy	Buy	13.30 EUR	25.90 EUR	Hoymann, Guido
15.05.2023	Buy	Buy	13.00 EUR	25.90 EUR	Hoymann, Guido
06.02.2023	Buy	Buy	14.10 EUR	25.90 EUR	Hoymann, Guido

* Effective until the price target and/or investment recommendation is updated (FI/FX recommendations are valid solely at the time of publication)

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*** All authors are financial analysts

Wolfbank-Adisa

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Compiled: January 18, 2024 08:18 AM CET

Initial release: January 18, 2024 08:18 AM CET

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