

# Wolftank-Adisa Holding AG

Austria | Industrial Goods & Services | MCap EUR 63.7m

26 June 2023

UPDATE



## Planned IPO of thyssenkrupp nucera likely to lift sentiment

### What's it all about?

This week, thyssenkrupp nucera "tk nucera" will begin offering shares in its upcoming IPO. The company supplies high-efficiency electrolysis plants that convert renewable energy and water into green hydrogen for industrial use. In a broad sense, tk nucera operates in the same industry as Wolftank, albeit in a different part of the value chain. In our view, the planned IPO has several positive implications for Wolftank, such as increased investor interest in the hydrogen market in general and its growth prospects in particular. In addition, tk nucera's rich pre-money valuation suggests that Wolftank's own valuation has a long way to go, thus offering tremendous opportunities for investors looking to invest in an already listed, proven hydrogen play. We therefore reiterate our BUY recommendation with an unchanged PT of EUR 20.00.

**BUY** (BUY)

<b>Target price</b>	<b>EUR 20.00 (20.00)</b>
Current price	EUR 13.20
Up/downside	51.5%

 **ResearchHub** 



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# Wolftank-Adisa Holding AG

Austria | Industrial Goods & Services | MCap EUR 63.7m | EV EUR 71.0m

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## Planned IPO of thyssenkrupp nucera likely to lift sentiment

**thyssenkrupp nucera – the new kid on the block** Starting today and until July 5, eligible investors can subscribe for new shares in the planned IPO of “tk nucera”. The price range is set at EUR 19.00-21.50 per share and implies a total market cap of EUR 2.4-2.7bn. tk nucera is a supplier of world-leading technology for high-efficiency electrolysis plants. The Group's alkaline water electrolysis technology converts renewable energy and water into green hydrogen for industrial use and its subsequent downstream applications. The green hydrogen technology thus helps its customers to minimize their carbon footprint and become climate neutral. In H1 '23, the Group had sales of EUR 306m (+74% yoy) and an EBITDA of EUR 15.2m (~5%).

**Same industry / different part of the value chain** Wolftank, on the contrary, is a full service provider in the construction of modular hydrogen and LNG refueling facilities. As a leading expert in environmental technology and as a general contractor in the construction of refueling facilities, Wolftank has in-depth knowledge of system integration and the necessary interface technology in the field of hydrogen production, transport and storage, as well as complete solutions for hydrogen refueling stations. Wolftank has built up an extensive network of partners in the hydrogen infrastructure market, such as the Apex Group, ARTHUR BUS, Molgas and SFC Energy AG.

**Sideline observations** Although tk nucera is not a direct competitor of Wolftank, we see the upcoming IPO as an important milestone for the hydrogen market in general and for the publicly traded players in particular. In our view, this IPO will further increase the attention and importance of the hydrogen market to investors, not least because of the strong growth rates that are becoming apparent. In fact, tk nucera expects demand to increase more than 7-fold by 2050, of which we believe Wolftank will be a major beneficiary. Moreover, as more hydrogen peers go public, the market will become more efficient in "pricing" the various companies as value and momentum become more transparent. In this respect, tk nucera's indicative pre-money valuation of around 4x EV/sales (assuming annualized sales of EUR 612m, no debt and a midpoint valuation of EUR 2.55bn) shows the massive potential Wolftank's stock should have compared to its own EV/sales valuation of below 1x. We therefore see our investment thesis on Wolftank confirmed and reiterate our BUY rating with an unchanged PT of EUR 20.00.

Wolftank Group	2020	2021	2022	2023E	2024E	2025E
Sales	35.0	44.6	62.7	72.1	82.9	93.7
<i>Growth yoy</i>	na	27.4%	40.6%	14.9%	15.0%	13.0%
EBITDA	0.3	1.5	3.6	5.8	7.8	9.3
EBIT	-1.8	-1.3	0.0	2.6	4.9	6.5
Net profit	-2.2	-3.0	-1.9	1.1	2.9	3.7
Net debt (net cash)	12.8	11.4	4.9	4.7	2.0	-3.5
Net debt/EBITDA	45.4x	7.6x	1.4x	0.8x	0.3x	-0.4x
EPS recurring	-0.61	-0.67	-0.43	0.23	0.59	0.77
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	28.4%	35.0%	36.4%	36.2%	35.8%	35.3%
EBITDA margin	0.8%	3.4%	5.7%	8.0%	9.4%	9.9%
EBIT margin	-5.1%	-3.0%	0.1%	3.6%	6.0%	7.0%
ROCE	-7.2%	-3.7%	0.1%	7.0%	12.8%	16.3%
EV/EBITDA	271.9x	50.0x	19.7x	11.9x	8.5x	6.5x
EV/EBIT	-42.5x	-56.0x	1,429.2x	26.3x	13.4x	9.3x
PER	-21.5x	-19.6x	-31.0x	57.5x	22.2x	17.2x
FCF yield	-4.5%	3.5%	-5.6%	-1.3%	3.7%	8.7%

Source: Company data, AlsterResearch



Source: Company data, AlsterResearch

**High/low 52 weeks** 23.00 / 12.35  
**Price/Book Ratio** 3.2x

### Ticker / Symbols

ISIN AT0000A25NJ6  
WKN A2PBHR  
Bloomberg WAH:GR

### Changes in estimates

		Sales	EBIT	EPS
2023E	old	72.1	2.6	0.23
	Δ	0.0%	0.0%	0.0%
2024E	old	82.9	4.9	0.59
	Δ	0.0%	0.0%	0.0%
2025E	old	93.7	6.5	0.77
	Δ	0.0%	0.0%	0.0%

### Key share data

Number of shares: (in m pcs) 4.83  
Book value per share: (in EUR) 4.07  
Ø trading volume: (12 months) 5,000

### Major shareholders

MuM Beteiligung / GCI 14.0%  
Management 12.0%  
Paladin Asset Management 9.0%  
Free Float 45.0%

### 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

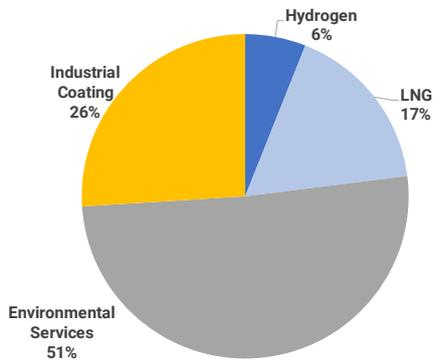
The following table depicts the half year reports of Wolftank (in EURm).

P&L data in EURm	1H2019	2H2019	1H2020	2H2020	1H2021	2H2021	1H2022	2H2022
Sales	26,1	25,8	12,9	22,2	20,3	24,4	29,0	33,7
yoy growth in %	na	na	-50,7%	-14,0%	57,5%	10,0%	43,0%	38,5%
Gross profit	8,1	6,6	3,9	6,0	5,8	9,8	9,2	11,5
Gross margin in %	31,0%	25,4%	30,6%	27,0%	28,9%	40,1%	31,7%	34,2%
EBITDA	2,9	1,7	0,3	-0,1	-0,2	1,7	1,4	2,2
EBITDA margin in %	11,2%	6,5%	2,6%	-0,2%	-1,1%	7,1%	4,8%	6,4%
EBIT	2,1	-0,8	-0,4	-1,4	-1,6	0,2	-0,3	0,3
EBIT margin in %	8,2%	-3,2%	-3,3%	-6,2%	-7,8%	1,0%	-0,9%	1,0%
EBT	2	-1,23	-0,8	-2,1	-2,0	-0,8	-0,6	-0,1
taxes paid	-0,31	-0,13	-0,01	-0,5	-0,1	0,2	-0,5	1,7
tax rate in %	-17,6%	10,3%	1,0%	24,5%	3,0%	-25,1%	81,4%	-1120,8%
net profit	1,44	-1,35	-0,79	-1,5	-1,9	-1,0	-1,0	-0,6
yoy growth in %	na	na	na	na	na	na	na	na
<b>EPS</b>	<b>0,41</b>	<b>-0,42</b>	<b>-0,22</b>	<b>-0,39</b>	<b>-0,48</b>	<b>-0,19</b>	<b>-0,23</b>	<b>-0,14</b>

Source: Company data; AlsterResearch

# Investment case in six charts

## Sales by segment 2021



## Wolf tank's track record

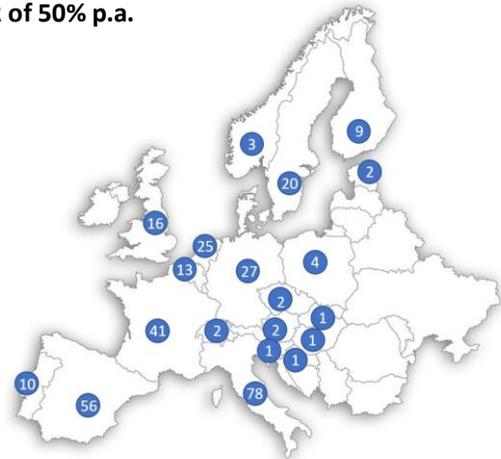


## Blue chip clients

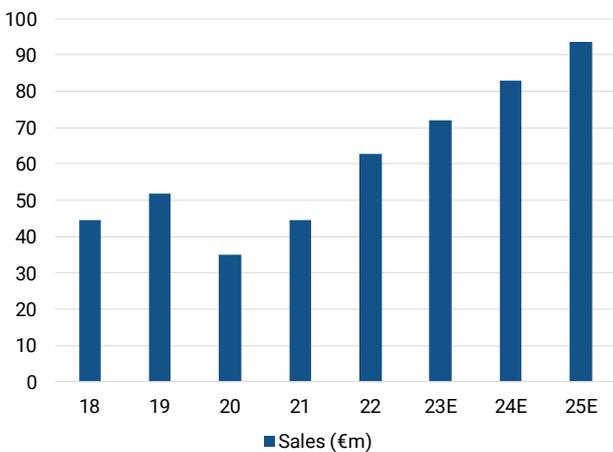


## LNG Map Europe

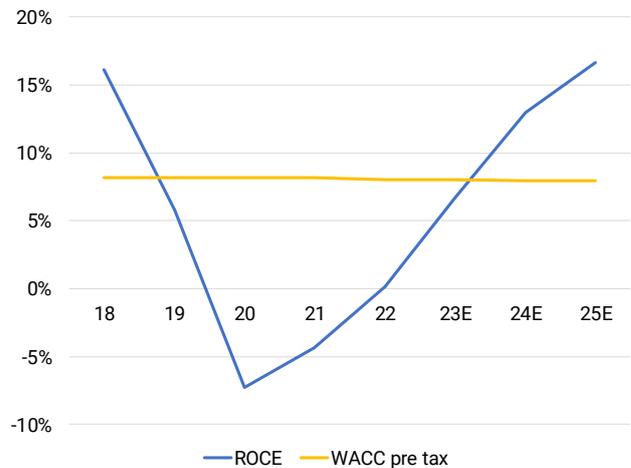
CAGR of 50% p.a.



## 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

- Customers face lengthy approval and financing processes
- 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 20.34 per share**:

**Top-line growth:** We expect Woltank-Adisa Holding AG to continue benefitting from structural growth. Hence our growth estimates for 2023E-2030E is in the range of 13.3% 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 1.00. Unlevering and correcting for mean reversion yields an asset beta of 0.89. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.5% this yields cost of equity of 10.0%. 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 7.9%.

DCF (EUR m) (except per share data and beta)	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	Terminal value
NOPAT	2.1	3.8	4.3	5.1	6.3	7.6	8.5	9.7	
Depreciation & amortization	3.2	2.9	2.7	2.8	2.9	3.1	3.4	3.7	
Change in working capital	0.2	-0.8	1.6	-0.5	-0.6	-0.7	-0.8	-0.9	
Chg. in long-term provisions	-2.1	0.0	0.0	0.0	0.1	0.1	0.1	0.1	
Capex	-2.2	-2.5	-2.8	-3.2	-3.6	-4.1	-4.6	-5.2	
Cash flow	1.2	3.4	5.9	4.2	5.1	6.0	6.6	7.5	128.7
Present value	1.2	3.0	4.9	3.2	3.6	4.0	4.1	4.2	72.6
WACC	8.0%	8.0%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.9%

DCF per share derived from	
Total present value	100.9
Mid-year adj. total present value	104.7
Net debt / cash at start of year	4.9
Financial assets	0.7
Provisions and off b/s debt	2.4
Equity value	98.2
No. of shares outstanding	4.8
<b>Discounted cash flow / share upside/(downside)</b>	<b>20.34</b> <b>54.1%</b>

DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2023E-2030E)	13.3%
Terminal value growth (2030E - infinity)	2.0%
Terminal year ROCE	23.7%
Terminal year WACC	7.9%

Terminal WACC derived from	
Cost of borrowing (before taxes)	5.0%
Long-term tax rate	25.0%
Equity beta	1.00
Unlevered beta (industry or company)	0.89
Target debt / equity	0.5
Relevered beta	1.23
Risk-free rate	2.0%
Equity risk premium	6.5%
Cost of equity	10.0%

<b>Share price</b>	<b>13.20</b>
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Sensitivity analysis DCF									
Change in WACC (%-points)		Long term growth					Share of present value		
		1.0%	1.5%	2.0%	2.5%	3.0%	2023E-2026E	2027E-2030E	terminal value
1.0%		15.3	16.1	17.0	18.1	19.3			
0.5%		16.6	17.5	18.5	19.8	21.3			
0.0%		17.9	19.0	20.3	21.9	23.7			
-0.5%		19.6	20.9	22.5	24.3	26.7			
-1.0%		21.5	23.1	25.0	27.4	30.4			
							12.2%	15.8%	72.0%

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 7.32 per share based on 2023E and 24.94 EUR per share on 2023E estimates. **We value Wolfbank-Adisa Holding AG on 2024E adj. FCF yield, which 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	2023E	2024E	2025E	2026E	2027E
<b>EBITDA</b>	<b>5.8</b>	<b>7.8</b>	<b>9.3</b>	<b>10.5</b>	<b>12.4</b>
- Maintenance capex	3.2	2.9	2.7	2.8	2.9
- Minorities	-0.0	0.2	0.2	0.3	0.4
- tax expenses	0.3	0.8	1.7	2.1	2.7
<b>= Adjusted Free Cash Flow</b>	<b>2.4</b>	<b>4.0</b>	<b>4.6</b>	<b>5.4</b>	<b>6.5</b>
<b>Actual Market Cap</b>	<b>63.7</b>	<b>63.7</b>	<b>63.7</b>	<b>63.7</b>	<b>63.7</b>
+ Net debt (cash)	4.7	2.0	-3.5	-7.4	-12.5
+ Pension provisions	0.3	0.3	0.4	0.4	0.5
+ 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>	4.3	1.7	-3.8	-7.7	-12.7
<b>= Actual EV'</b>	<b>68.0</b>	<b>65.4</b>	<b>59.9</b>	<b>56.0</b>	<b>51.0</b>
<b>Adjusted RW_FCF yield</b>	<b>3.5%</b>	<b>6.1%</b>	<b>7.7%</b>	<b>9.6%</b>	<b>12.7%</b>
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%
<b>Fair EV</b>	<b>39.7</b>	<b>66.4</b>	<b>76.8</b>	<b>89.3</b>	<b>107.7</b>
- <i>EV Reconciliations</i>	4.3	1.7	-3.8	-7.7	-12.7
<b>Fair Market Cap</b>	<b>35.3</b>	<b>64.8</b>	<b>80.6</b>	<b>97.0</b>	<b>120.4</b>
No. of shares (million)	4.8	4.8	4.8	4.8	4.8
<b>Fair value per share in EUR</b>	<b>7.32</b>	<b>13.42</b>	<b>16.69</b>	<b>20.10</b>	<b>24.94</b>
<b>Premium (-) / discount (+)</b>	<b>-44.5%</b>	<b>1.7%</b>	<b>26.4%</b>	<b>52.3%</b>	<b>89.0%</b>

### Sensitivity analysis fair value

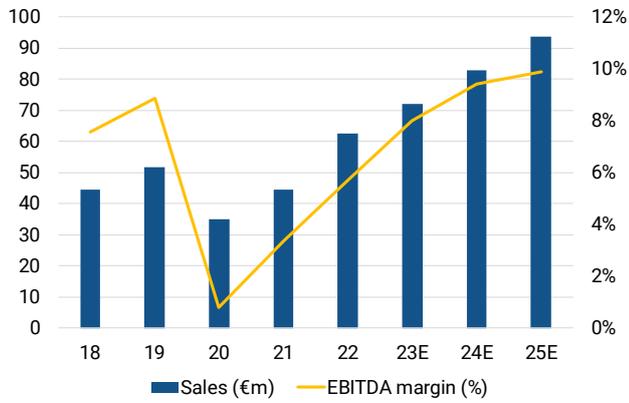
	4.0%	11.4	20.3	24.6	29.4	36.1
<b>Adjusted hurdle rate</b>	5.0%	9.0	16.2	19.9	23.8	29.4
	<b>6.0%</b>	<b>7.3</b>	<b>13.4</b>	<b>16.7</b>	<b>20.1</b>	<b>24.9</b>
	7.0%	6.1	11.5	14.4	17.5	21.8
	8.0%	5.3	10.0	12.7	15.5	19.4

Source: Company data; AlsterResearch

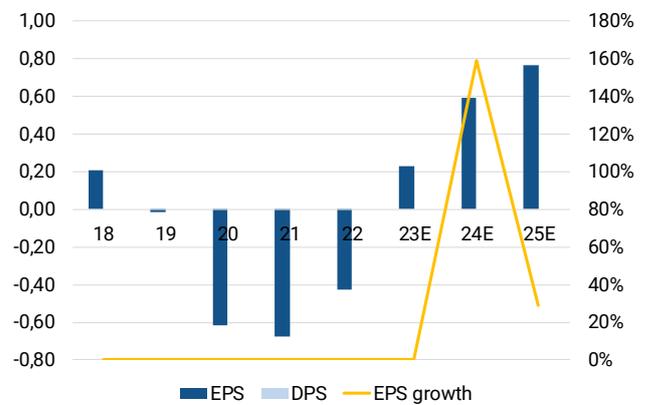
Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 7.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments might be applicable, 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

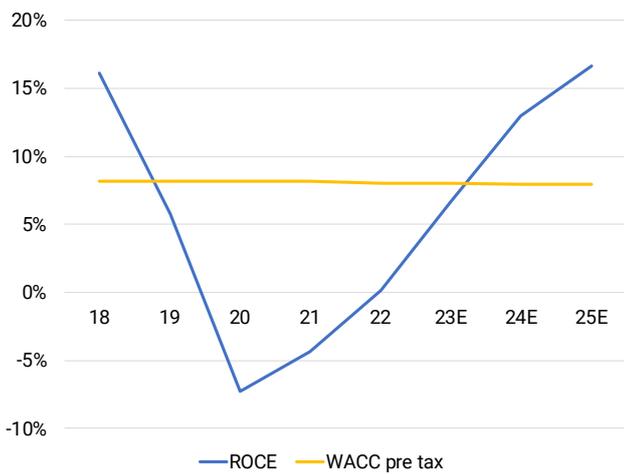
**Sales vs. EBITDA margin development**



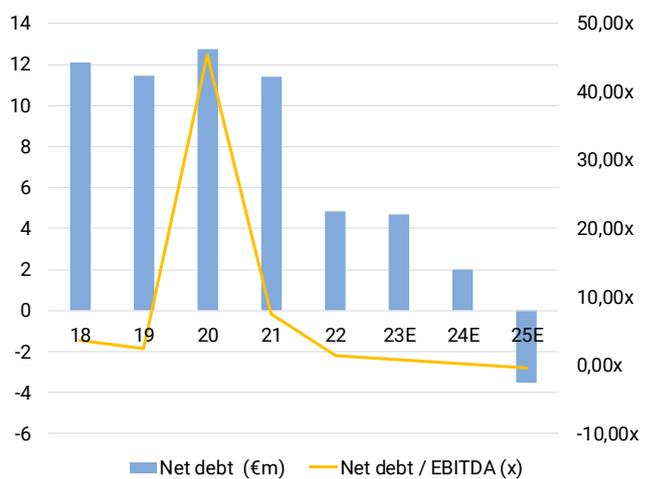
**EPS, DPS in EUR & yoy EPS growth**



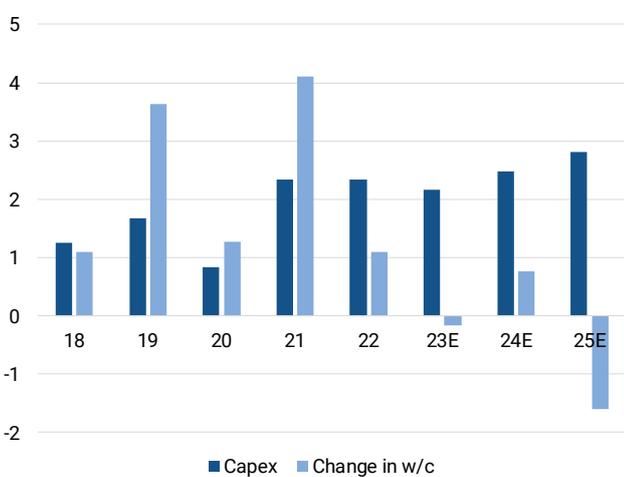
**ROCE vs. WACC (pre tax)**



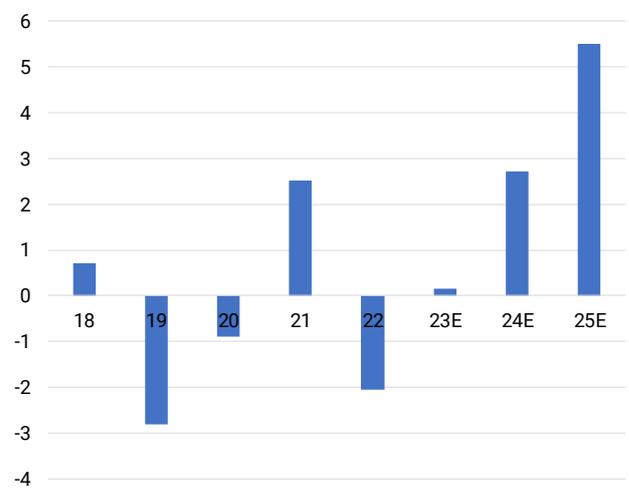
**Net debt and net debt/EBITDA**



**Capex & chg in w/c requirements in EURm**



**Free Cash Flow in EURm**



Source: Company data; AlsterResearch

## Financials

Profit and loss (EURm)	2020	2021	2022	2023E	2024E	2025E
<b>Net sales</b>	<b>35.0</b>	<b>44.6</b>	<b>62.7</b>	<b>72.1</b>	<b>82.9</b>	<b>93.7</b>
Sales growth	na	27.4%	40.6%	14.9%	15.0%	13.0%
Change in finished goods and work-in-process	-0.6	1.2	1.2	1.1	0.8	0.5
<b>Total sales</b>	<b>34.4</b>	<b>45.8</b>	<b>63.9</b>	<b>73.2</b>	<b>83.7</b>	<b>94.1</b>
Material expenses	24.5	30.2	41.0	47.1	54.0	61.1
<b>Gross profit</b>	<b>9.9</b>	<b>15.6</b>	<b>22.9</b>	<b>26.1</b>	<b>29.7</b>	<b>33.1</b>
Other operating income	1.1	1.3	1.4	1.7	1.7	2.0
Personnel expenses	7.2	7.9	13.3	13.7	14.9	16.4
Other operating expenses	3.6	7.5	7.4	8.3	8.7	9.4
<b>EBITDA</b>	<b>0.3</b>	<b>1.5</b>	<b>3.6</b>	<b>5.8</b>	<b>7.8</b>	<b>9.3</b>
Depreciation	2.1	2.8	3.5	3.2	2.9	2.7
EBITA	-1.8	-1.3	0.0	2.6	4.9	6.5
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>-1.8</b>	<b>-1.3</b>	<b>0.0</b>	<b>2.6</b>	<b>4.9</b>	<b>6.5</b>
Financial result	-1.0	-1.4	-0.7	-1.3	-1.1	-0.9
Recurring pretax income from continuing operations	-2.8	-2.8	-0.7	1.3	3.8	5.6
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-2.8	-2.8	-0.7	1.3	3.8	5.6
Taxes	-0.5	0.1	0.9	0.3	0.8	1.7
Net income from continuing operations	-2.3	-2.9	-1.6	1.1	3.1	3.9
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>-2.3</b>	<b>-2.9</b>	<b>-1.6</b>	<b>1.1</b>	<b>3.1</b>	<b>3.9</b>
Minority interest	0.1	-0.0	-0.3	0.0	-0.2	-0.2
Net profit (reported)	-2.2	-3.0	-1.9	1.1	2.9	3.7
Average number of shares	3.61	4.38	4.39	4.83	4.83	4.83
<b>EPS reported</b>	<b>-0.61</b>	<b>-0.67</b>	<b>-0.43</b>	<b>0.23</b>	<b>0.59</b>	<b>0.77</b>

Profit and loss (common size)	2020	2021	2022	2023E	2024E	2025E
<b>Net sales</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Change in finished goods and work-in-process	-2%	3%	2%	2%	1%	1%
<b>Total sales</b>	<b>98%</b>	<b>103%</b>	<b>102%</b>	<b>101%</b>	<b>101%</b>	<b>100%</b>
Material expenses	70%	68%	65%	65%	65%	65%
<b>Gross profit</b>	<b>28%</b>	<b>35%</b>	<b>36%</b>	<b>36%</b>	<b>36%</b>	<b>35%</b>
Other operating income	3%	3%	2%	2%	2%	2%
Personnel expenses	20%	18%	21%	19%	18%	17%
Other operating expenses	10%	17%	12%	12%	11%	10%
<b>EBITDA</b>	<b>1%</b>	<b>3%</b>	<b>6%</b>	<b>8%</b>	<b>9%</b>	<b>10%</b>
Depreciation	6%	6%	6%	4%	3%	3%
EBITA	-5%	-3%	0%	4%	6%	7%
Amortisation of goodwill and intangible assets	0%	0%	0%	0%	0%	0%
<b>EBIT</b>	<b>-5%</b>	<b>-3%</b>	<b>0%</b>	<b>4%</b>	<b>6%</b>	<b>7%</b>
Financial result	-3%	-3%	-1%	-2%	-1%	-1%
Recurring pretax income from continuing operations	-8%	-6%	-1%	2%	5%	6%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	-8%	-6%	-1%	2%	5%	6%
Taxes	-1%	0%	1%	0%	1%	2%
Net income from continuing operations	-7%	-7%	-2%	1%	4%	4%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
<b>Net income</b>	<b>-7%</b>	<b>-7%</b>	<b>-2%</b>	<b>1%</b>	<b>4%</b>	<b>4%</b>
Minority interest	0%	-0%	-0%	0%	-0%	-0%
<b>Net profit (reported)</b>	<b>-6%</b>	<b>-7%</b>	<b>-3%</b>	<b>2%</b>	<b>3%</b>	<b>4%</b>

Source: Company data; AlsterResearch

Balance sheet (EURm)	2020	2021	2022	2023E	2024E	2025E
<b>Intangible assets (excl. Goodwill)</b>	<b>1.8</b>	<b>1.8</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>
Goodwill	5.4	7.1	6.2	6.2	6.2	6.2
Property, plant and equipment	8.6	10.6	10.5	9.5	9.2	9.2
Financial assets	1.0	0.7	0.7	0.7	0.7	0.7
<b>FIXED ASSETS</b>	<b>16.9</b>	<b>20.3</b>	<b>19.0</b>	<b>18.0</b>	<b>17.7</b>	<b>17.7</b>
Inventories	5.4	5.7	6.4	7.1	8.1	9.2
Accounts receivable	22.0	23.9	20.5	23.7	27.3	30.8
Other current assets	1.9	2.8	2.7	2.7	2.7	2.7
Liquid assets	3.1	7.5	12.7	10.9	11.6	14.5
Deferred taxes	1.4	1.4	0.9	0.9	0.9	0.9
Deferred charges and prepaid expenses	0.3	0.3	0.5	0.4	0.4	0.5
<b>CURRENT ASSETS</b>	<b>34.2</b>	<b>41.5</b>	<b>43.8</b>	<b>45.6</b>	<b>51.0</b>	<b>58.6</b>
<b>TOTAL ASSETS</b>	<b>51.0</b>	<b>61.8</b>	<b>62.8</b>	<b>63.7</b>	<b>68.7</b>	<b>76.3</b>
<b>SHAREHOLDERS EQUITY</b>	<b>5.8</b>	<b>13.9</b>	<b>17.8</b>	<b>18.9</b>	<b>22.0</b>	<b>25.9</b>
MINORITY INTEREST	1.7	2.3	2.7	2.7	2.7	2.7
Long-term debt	15.9	7.7	6.1	4.1	2.1	0.0
Provisions for pensions and similar obligations	0.0	0.0	2.4	0.3	0.3	0.4
Other provisions	1.5	1.6	0.0	0.0	0.0	0.0
<b>Non-current liabilities</b>	<b>17.4</b>	<b>9.4</b>	<b>8.4</b>	<b>4.4</b>	<b>2.4</b>	<b>0.4</b>
short-term liabilities to banks	0.0	11.1	11.5	11.5	11.5	11.0
Accounts payable	13.3	18.2	13.9	16.1	18.5	20.9
Advance payments received on orders	1.1	1.6	1.7	1.8	2.1	2.3
Other liabilities (incl. from lease and rental contracts)	10.8	4.5	6.0	7.2	8.3	9.4
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	0.9	0.7	0.8	1.1	1.2	3.7
<b>Current liabilities</b>	<b>26.2</b>	<b>36.2</b>	<b>33.9</b>	<b>37.7</b>	<b>41.6</b>	<b>47.4</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>51.0</b>	<b>61.8</b>	<b>62.8</b>	<b>63.7</b>	<b>68.7</b>	<b>76.3</b>

Balance sheet (common size)	2020	2021	2022	2023E	2024E	2025E
<b>Intangible assets (excl. Goodwill)</b>	<b>4%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>2%</b>	<b>2%</b>
Goodwill	11%	12%	10%	10%	9%	8%
Property, plant and equipment	17%	17%	17%	15%	13%	12%
Financial assets	2%	1%	1%	1%	1%	1%
<b>FIXED ASSETS</b>	<b>33%</b>	<b>33%</b>	<b>30%</b>	<b>28%</b>	<b>26%</b>	<b>23%</b>
Inventories	11%	9%	10%	11%	12%	12%
Accounts receivable	43%	39%	33%	37%	40%	40%
Other current assets	4%	5%	4%	4%	4%	4%
Liquid assets	6%	12%	20%	17%	17%	19%
Deferred taxes	3%	2%	1%	1%	1%	1%
Deferred charges and prepaid expenses	1%	0%	1%	1%	1%	1%
<b>CURRENT ASSETS</b>	<b>67%</b>	<b>67%</b>	<b>70%</b>	<b>72%</b>	<b>74%</b>	<b>77%</b>
<b>TOTAL ASSETS</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>SHAREHOLDERS EQUITY</b>	<b>11%</b>	<b>22%</b>	<b>28%</b>	<b>30%</b>	<b>32%</b>	<b>34%</b>
MINORITY INTEREST	3%	4%	4%	4%	4%	3%
Long-term debt	31%	13%	10%	6%	3%	0%
Provisions for pensions and similar obligations	0%	0%	4%	0%	0%	0%
Other provisions	3%	3%	0%	0%	0%	0%
<b>Non-current liabilities</b>	<b>34%</b>	<b>15%</b>	<b>13%</b>	<b>7%</b>	<b>4%</b>	<b>0%</b>
short-term liabilities to banks	0%	18%	18%	18%	17%	14%
Accounts payable	26%	29%	22%	25%	27%	27%
Advance payments received on orders	2%	3%	3%	3%	3%	3%
Other liabilities (incl. from lease and rental contracts)	21%	7%	10%	11%	12%	12%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	2%	1%	1%	2%	2%	5%
<b>Current liabilities</b>	<b>51%</b>	<b>59%</b>	<b>54%</b>	<b>59%</b>	<b>61%</b>	<b>62%</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Company data; AlsterResearch

Cash flow statement (EURm)	2020	2021	2022	2023E	2024E	2025E
Net profit/loss	-2.3	-2.9	-1.6	1.1	3.1	3.9
Depreciation of fixed assets (incl. leases)	2.1	2.8	3.5	3.2	2.9	2.7
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	1.5	3.0	-0.6	-2.1	0.0	0.0
Cash flow from operations before changes in w/c	1.2	3.0	1.4	2.2	6.0	6.7
Increase/decrease in inventory	0.7	-0.2	0.0	-0.7	-1.1	-1.1
Increase/decrease in accounts receivable	-0.0	-1.9	-2.4	-3.2	-3.6	-3.5
Increase/decrease in accounts payable	-1.0	4.9	1.0	2.2	2.4	2.4
Increase/decrease in other w/c positions	-0.9	-6.9	0.3	1.8	1.5	3.8
Increase/decrease in working capital	-1.3	-4.1	-1.1	0.2	-0.8	1.6
<b>Cash flow from operating activities</b>	<b>-0.1</b>	<b>4.8</b>	<b>0.3</b>	<b>2.3</b>	<b>5.2</b>	<b>8.3</b>
CAPEX	-0.8	-2.3	-2.3	-2.2	-2.5	-2.8
Payments for acquisitions	-3.3	-3.0	-0.1	0.0	0.0	0.0
Financial investments	-0.6	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	-0.1	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-4.7</b>	<b>-5.3</b>	<b>-2.5</b>	<b>-2.2</b>	<b>-2.5</b>	<b>-2.8</b>
Cash flow before financing	-4.8	-0.5	-2.2	0.2	2.7	5.5
Increase/decrease in debt position	0.3	3.0	-1.3	-2.0	-2.0	-2.6
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	11.0	5.9	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	3.2	0.0	0.9	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
<b>Cash flow from financing activities</b>	<b>3.5</b>	<b>8.0</b>	<b>6.3</b>	<b>-2.0</b>	<b>-2.0</b>	<b>-2.6</b>
Increase/decrease in liquid assets	-1.2	7.5	4.1	-1.8	0.7	2.9
<b>Liquid assets at end of period</b>	<b>-5.3</b>	<b>2.3</b>	<b>6.4</b>	<b>4.5</b>	<b>5.2</b>	<b>8.1</b>

Source: Company data; AlsterResearch

Regional sales split (EURm)	2020	2021	2022	2023E	2024E	2025E
Domestic	0.0	0.0	0.0	0.0	0.0	0.0
Europe (ex domestic)	31.2	41.1	57.1	65.6	75.4	85.2
The Americas	0.7	0.9	1.3	1.4	1.7	1.9
Asia	2.5	1.8	3.1	3.6	4.1	4.7
Rest of World	0.7	0.9	1.3	1.4	1.7	1.9
<b>Total sales</b>	<b>35.0</b>	<b>44.6</b>	<b>62.7</b>	<b>72.1</b>	<b>82.9</b>	<b>93.7</b>

Regional sales split (common size)	2020	2021	2022	2023E	2024E	2025E
Domestic	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Europe (ex domestic)	89.0%	92.0%	91.0%	91.0%	91.0%	91.0%
The Americas	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Asia	7.0%	4.0%	5.0%	5.0%	5.0%	5.0%
Rest of World	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
<b>Total sales</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Ratios	2020	2021	2022	2023E	2024E	2025E
<b>Per share data</b>						
Earnings per share reported	-0.61	-0.67	-0.43	0.23	0.59	0.77
Cash flow per share	-0.59	0.46	-0.75	-0.17	0.48	1.15
Book value per share	1.60	3.17	4.07	3.92	4.55	5.37
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
<b>Valuation</b>						
P/E	-21.5x	-19.6x	-31.0x	57.5x	22.2x	17.2x
P/CF	-22.3x	28.8x	-17.7x	-75.6x	27.2x	11.4x
P/BV	8.3x	4.2x	3.2x	3.4x	2.9x	2.5x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-4.5%	3.5%	-5.6%	-1.3%	3.7%	8.7%
EV/Sales	2.2x	1.7x	1.1x	1.0x	0.8x	0.6x
EV/EBITDA	271.9x	50.0x	19.7x	11.9x	8.5x	6.5x
EV/EBIT	-42.5x	-56.0x	1,429.2x	26.3x	13.4x	9.3x
<b>Income statement (EURm)</b>						
Sales	35.0	44.6	62.7	72.1	82.9	93.7
yoy chg in %	-32.4%	27.4%	40.6%	14.9%	15.0%	13.0%
Gross profit	9.9	15.6	22.9	26.1	29.7	33.1
Gross margin in %	28.4%	35.0%	36.4%	36.2%	35.8%	35.3%
EBITDA	0.3	1.5	3.6	5.8	7.8	9.3
EBITDA margin in %	0.8%	3.4%	5.7%	8.0%	9.4%	9.9%
EBIT	-1.8	-1.3	0.0	2.6	4.9	6.5
EBIT margin in %	-5.1%	-3.0%	0.1%	3.6%	6.0%	7.0%
Net profit	-2.2	-3.0	-1.9	1.1	2.9	3.7
<b>Cash flow statement (EURm)</b>						
CF from operations	-0.1	4.8	0.3	2.3	5.2	8.3
Capex	-0.8	-2.3	-2.3	-2.2	-2.5	-2.8
Maintenance Capex	2.1	2.8	3.5	3.2	2.9	2.7
Free cash flow	-0.9	2.5	-2.1	0.2	2.7	5.5
<b>Balance sheet (EURm)</b>						
Intangible assets	7.2	8.9	7.8	7.8	7.8	7.8
Tangible assets	8.6	10.6	10.5	9.5	9.2	9.2
Shareholders' equity	5.8	13.9	17.8	18.9	22.0	25.9
Pension provisions	0.0	0.0	2.4	0.3	0.3	0.4
Liabilities and provisions	17.4	20.5	20.0	15.9	13.9	11.4
Net financial debt	12.8	11.4	4.9	4.7	2.0	-3.5
w/c requirements	12.9	9.7	11.3	12.9	14.8	16.7
<b>Ratios</b>						
ROE	-40.5%	-20.9%	-8.7%	5.7%	13.9%	15.2%
ROCE	-7.2%	-3.7%	0.1%	7.0%	12.8%	16.3%
Net gearing	221.7%	82.2%	27.3%	24.9%	9.1%	-13.6%
Net debt / EBITDA	45.4x	7.6x	1.4x	0.8x	0.3x	-0.4x

Source: Company data; AlsterResearch

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