

Wolftank Adisa Holding AG

Austria | Industrial Goods & Services | MCap EUR 54.5m

1 December 2023

UPDATE



Yet another order – the tip of the iceberg is getting bigger; BUY

What's it all about?

Wolftank Group secures a significant contract from Siram Veolia to construct a hydrogen refueling infrastructure for a Northern Italian railway company. As part of the Veolia Group, Siram Veolia is committed to environmental transformation. The project involves designing and building a state-of-the-art hydrogen refueling system for trains, with the first hydrogen-powered train expected in 2024 and full system operation by April 2025. The contract, valued at EUR 19.5m (of which c. 50% dedicated to Wolftank), reinforces the company's position in the hydrogen space. Their strategy of partnering with key hydrogen players in Europe is proving successful, aligning with the European Union's commitment to carbon neutrality by 2050. Given these positive developments we reiterate our BUY rating with an unchanged PT of EUR 22.00, anticipating further orders and potential upgrades to our estimates in the future.

BUY (BUY)

Target price	EUR 22.00 (22.00)
Current price	EUR 11.30
Up/downside	94.7%

 **ResearchHub** 



SCAN ME

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Wolftank Adisa Holding AG

Austria | Industrial Goods & Services | MCap EUR 54.5m | EV EUR 61.8m

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Yet another order – the tip of the iceberg is getting bigger; BUY

Another large-scale order Wolftank Group ("Wolftank") has once again been awarded a major contract for the construction of a hydrogen refuelling infrastructure. The contract was awarded by Siram Veolia, a leading Italian environmental services company with over 130 locations and a team of over 4,000 employees. Siram Veolia is part of the multi-billion (and publicly traded) French Veolia Group, which is committed to environmental transformation. Wolftank has been contracted to design and build a hydrogen refuelling infrastructure for a railway company in Northern Italy (near Lake Iseo). The new project involves the design and construction of a state-of-the-art hydrogen refuelling system for trains equipped with Wolftank's advanced technologies and software solutions. The system is expected to be fully operational by April 2025. According to the company, the total volume of the tender of the railway company amounted to EUR 19.5m, of which Wolftank can capture about 1/2 (eAR). For us, this announcement comes with several positive implications:

- The order from Siram Veolia is another milestone for Wolftank's growing public transport fuelling portfolio. Just recently, Wolftank won a major order from Italian public transport operator TPER (read [here](#)). It is therefore becoming increasingly clear that Wolftank has established itself as a key player in the hydrogen space, with blue chip customers placing their trust in Wolftank's technology and execution capabilities.
- In addition, we believe that the company's strategy of partnering with other hydrogen players in Europe is finally paying off. In recent months, Wolftank has signed several cooperation and/or framework agreements with Apex Group, ARTHUR BUS, Molgas, SFC Energy AG and TPER.
- The European Union's clear commitment to become carbon neutral by 2050 is increasingly reflected in the order intake. As such the recent orders – even large in size – should only be seen as the tip of the iceberg and that this just constitutes the beginning of a hydrogen revolution in Europe. Recent comments from CEO Dr. Peter Werth that current customer inquiries exceed the annual sales volume by several years should also be seen in this context.

-continued-

Wolftank Group	2020	2021	2022	2023E	2024E	2025E
Sales	35.0	44.6	62.7	82.5	109.7	124.0
<i>Growth yoy</i>	-32.4%	27.4%	40.6%	31.5%	33.0%	13.0%
EBITDA	0.3	1.5	3.6	5.9	8.2	10.0
EBIT	-1.8	-1.3	0.0	2.7	5.3	7.0
Net profit	-2.2	-3.0	-1.9	1.1	3.1	4.0
Net debt (net cash)	12.8	11.4	4.9	9.7	8.5	2.7
Net debt/EBITDA	45.4x	7.6x	1.4x	1.7x	1.0x	0.3x
EPS reported	-0.61	-0.67	-0.43	0.23	0.65	0.83
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%	36.4%	36.0%	35.6%
EBITDA margin	0.8%	3.4%	5.7%	7.1%	7.5%	8.1%
EBIT margin	-5.1%	-3.0%	0.1%	3.3%	4.8%	5.6%
ROCE	-7.2%	-3.7%	0.1%	7.2%	13.5%	17.2%
EV/Sales	1.9x	1.5x	1.0x	0.8x	0.6x	0.5x
EV/EBITDA	239.3x	43.9x	17.2x	11.0x	7.7x	5.8x
EV/EBIT	-37.4x	-49.2x	1,244.5x	23.9x	12.0x	8.3x
PER	-18.4x	-16.8x	-26.5x	48.9x	17.5x	13.7x

Source: Company data, AlsterResearch



Source: Company data, AlsterResearch

High/low 52 weeks 14.60 / 10.80
Price/Book Ratio 2.8x

Ticker / Symbols

ISIN AT0000A25NJ6
WKN A2PBHR
Bloomberg WAH:GR

Changes in estimates

		Sales	EBIT	EPS
2023E	old	82.5	2.7	0.23
	Δ	0.0%	0.0%	0.0%
2024E	old	109.7	5.3	0.65
	Δ	0.0%	0.0%	0.0%
2025E	old	124.0	7.0	0.83
	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) 64

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.

Conclusion. The new order clearly is good news for Wolf tank and helps de-risk our forecasts for the next couple of years. What's more, we tend to see even upgrade potential to our estimates, with the potential for additional orders in the months to come. With hydrogen remaining in the investment spotlight, we see Wolf tank as an ideal vehicle to participate from this trend. We therefore reiterate our BUY rating with unchanged PT of EUR 22.00.

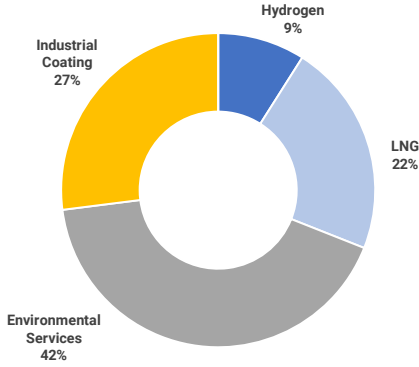
The following table displays the quarterly performance of **Wolf tank Adisa Holding AG**:

P&L data	H2 2019	H1 2020	H2 2020	H1 2021	H2 2021	H1 2022	H2 2022	H1 2023
Sales	25.8	12.9	22.2	20.3	24.4	29.0	33.8	30.1
yoy growth in %	na%	-50.7%	-14.0%	57.5%	10.0%	43.0%	38.6%	3.8%
Gross profit	6.6	10.4	18.8	17.8	20.7	26.3	4.9	10.4
Gross margin in %	25.4%	81.0%	84.9%	88.1%	84.7%	90.8%	14.5%	34.7%
EBITDA	1.7	-0.8	1.4	0.0	1.5	1.4	2.2	1.0
EBITDA margin in %	6.5%	-6.5%	6.1%	0.2%	6.0%	4.8%	6.5%	3.5%
EBIT	-0.8	-0.8	-1.0	-1.3	-0.0	-0.3	0.3	-0.6
EBIT margin in %	-3.2%	-6.5%	-4.3%	-6.6%	-0.1%	-0.9%	0.9%	-2.0%
EBT	-1.2	-2.0	-0.9	-2.0	-0.8	-0.6	-0.1	-1.0
taxes paid	-0.1	0.1	-0.7	0.1	0.1	0.5	0.4	-0.3
tax rate in %	10.3%	-7.4%	77.2%	-3.0%	-10.3%	-81.4%	-570.7%	31.0%
net profit	-1.4	-2.2	-0.0	-1.9	-1.0	-1.0	-0.9	-1.6
yoy growth in %	na%	na%	na%	na%	na%	na%	na%	na%
EPS	-0.42	-0.61	-0.00	-0.48	-0.21	-0.23	-0.20	-0.33

Source: Company data; AlsterResearch

Investment case in six charts

Segmental breakdown 2022 in %



Wolf tank's track record



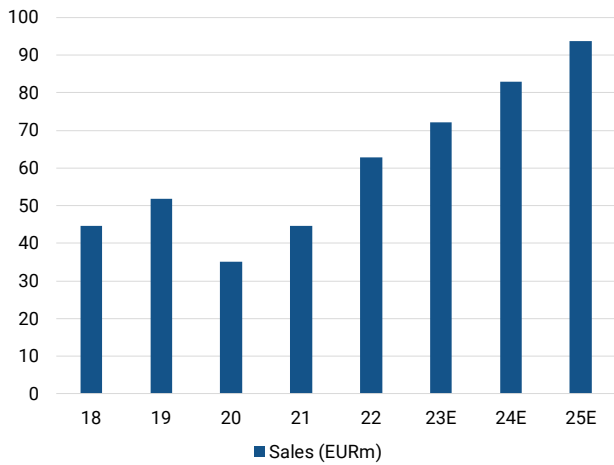
Blue chip clients



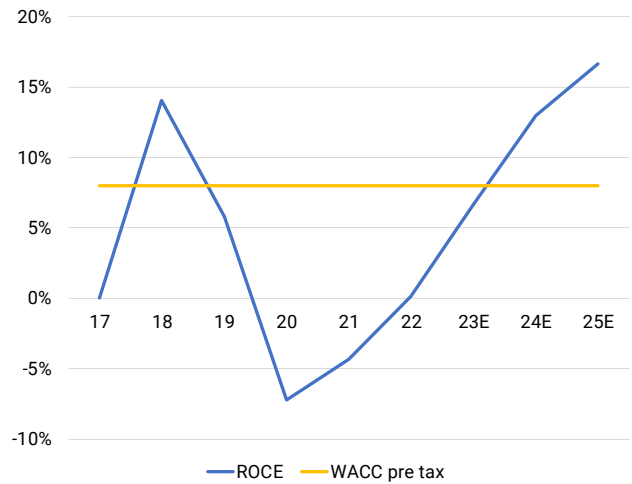
LNG Map Europe



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 22.65 per share**:

Top-line growth: We expect Woltank Adisa Holding AG to grow revenues at a CAGR of 14.3% between 2023E and 2030E. The long-term growth rate is set at 2.0%.

ROCE. Returns on capital are developing from 7.2% in 2023E to 23.5% in 2030E.

WACC. Starting point is a historical equity beta of 1.00. Unlevering and correcting for mean reversion yields an asset beta of 0.88. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.5% this yields cost of equity of 9.9%. 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 7.8%.

DCF (EURm) (except per share data and beta)	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	Terminal value
NOPAT	2.1	4.0	4.6	5.4	6.7	7.8	8.8	10.0	
Depreciation & amortization	3.2	3.0	3.1	3.3	3.5	3.9	4.0	4.3	
Change in working capital	-0.6	-1.9	2.1	-0.7	-0.8	-0.7	-0.8	-0.8	
Chg. in long-term provisions	-2.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
Capex	-2.5	-3.3	-3.7	-4.2	-4.7	-4.4	-4.8	-5.3	
Cash flow	0.2	1.9	6.1	3.8	4.7	6.7	7.4	8.2	143.1
Present value	0.2	1.7	5.2	3.0	3.5	4.6	4.7	4.8	83.9
WACC	7.9%	7.9%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.8%

DCF per share derived from	
Total present value	111.7
Mid-year adj. total present value	115.9
Net debt / cash at start of year	4.9
Financial assets	0.7
Provisions and off b/s debt	2.4
Equity value	109.4
No. of shares outstanding	4.8
Discounted cash flow / share upside/(downside)	22.65 / 100.5%

DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2023E-2030E)	14.3%
Terminal value growth (2030E - infinity)	2.0%
Terminal year ROCE	23.5%
Terminal year WACC	7.8%

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)	0.88
Target debt / equity	0.5
Relevered beta	1.21
Risk-free rate	2.0%
Equity risk premium	6.5%
Cost of equity	9.9%

Share price	11.30
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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%		
2.0%	14.7	15.3	16.1	17.0	18.0	2023E-2026E	9.1%
1.0%	16.9	17.8	18.9	20.1	21.5	2027E-2030E	15.7%
0.0%	19.9	21.1	22.7	24.4	26.6	terminal value	75.1%
-1.0%	23.8	25.7	28.0	30.8	34.3		
-2.0%	29.5	32.4	36.1	41.0	47.5		

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 6.33 per share based on 2023E and EUR 24.66 per share on 2027E 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	2023E	2024E	2025E	2026E	2027E
EBITDA	5.9	8.2	10.0	11.3	13.6
- Maintenance capex	3.2	3.0	3.1	3.3	3.5
- Minorities	0.0	0.2	0.3	0.3	0.4
- tax expenses	0.3	0.8	1.8	2.2	2.9
= Adjusted FCF	2.4	4.2	4.9	5.6	6.8
Actual Market Cap	54.5	54.5	54.5	54.5	54.5
+ Net debt (cash)	9.7	8.5	2.7	-0.7	-5.5
+ Pension provisions	0.3	0.4	0.5	0.6	0.6
+ Off B/S 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>	9.3	8.2	2.6	-0.9	-5.5
= Actual EV'	63.9	62.8	57.1	53.7	49.0
Adjusted FCF yield	3.7%	6.8%	8.6%	10.5%	13.9%
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%
Fair EV	39.9	70.8	81.9	93.6	113.5
- <i>EV Reconciliations</i>	9.3	8.2	2.6	-0.9	-5.5
Fair Market Cap	30.5	62.5	79.3	94.4	119.0
No. of shares (million)	4.8	4.8	4.8	4.8	4.8
Fair value per share in EUR	6.33	12.96	16.43	19.56	24.66
Premium (-) / discount (+)	-44.0%	14.7%	45.4%	73.1%	118.2%

Sensitivity analysis FV						
Adjusted hurdle rate	4.0%	10.5	20.3	24.9	29.3	36.4
	5.0%	8.0	15.9	19.8	23.4	29.4
	6.0%	6.3	13.0	16.4	19.6	24.7
	7.0%	5.1	10.9	14.0	16.8	21.3
	8.0%	4.3	9.3	12.2	14.7	18.8

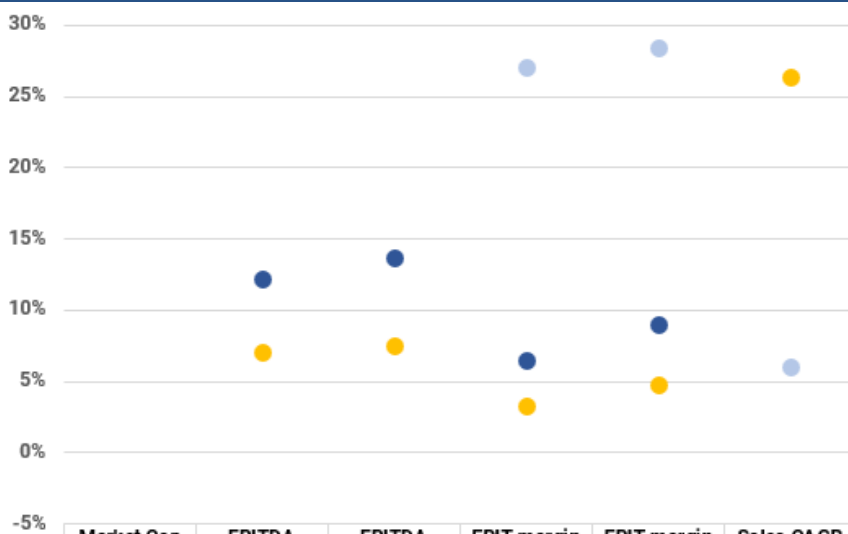
Source: Company data; AlsterResearch

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. 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 **Wolftank Adisa Holding 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 Wolftank Adisa Holding AG consists of the stocks displayed in the chart below. As of 1 December 2023 the median market cap of the peer group was EUR 1,132.3m, compared to EUR 54.5m for Wolftank Adisa Holding AG. In the period under review, the peer group was less profitable than Wolftank Adisa Holding AG. The expectations for sales growth are higher for the peer group than for Wolftank Adisa Holding AG.

Peer Group – Key data



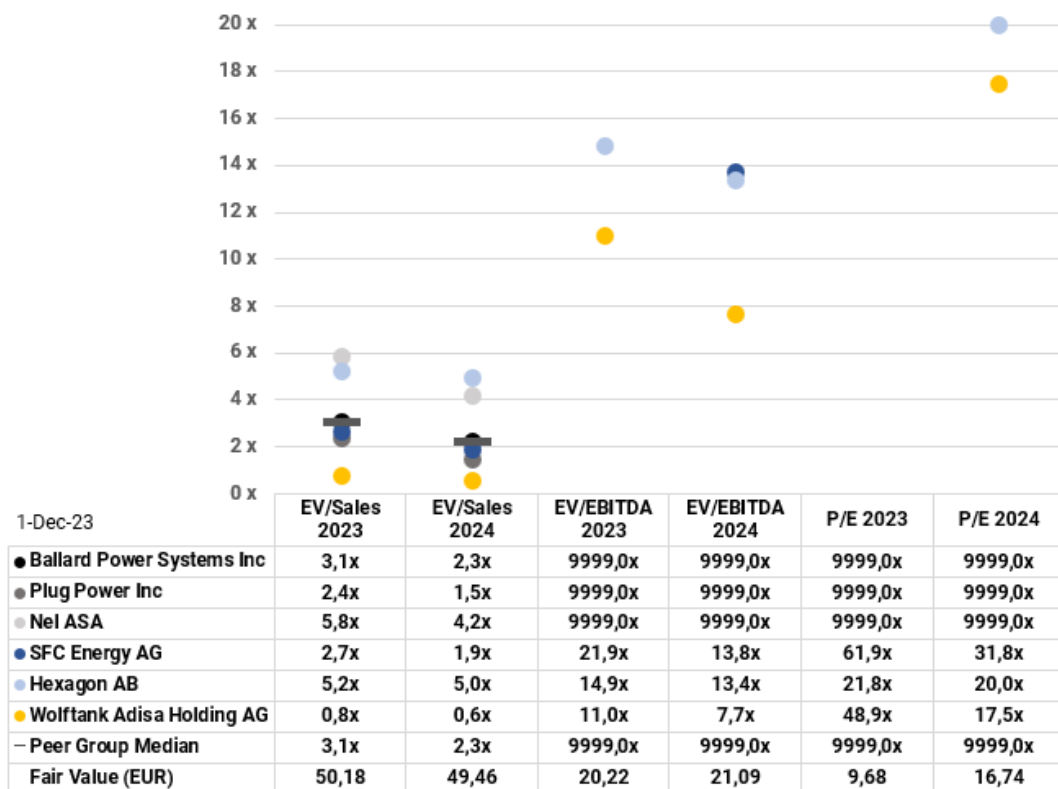
1-Dec-23	Market Cap (EURm)	EBITDA margin 2023	EBITDA margin 2024	EBIT margin 2023	EBIT margin 2024	Sales CAGR 2022-2025
● Ballard Power Systems Inc	956	-152,9%	-109,8%	-168,0%	-128,4%	33,0%
● Plug Power Inc	2.230	-62,5%	-13,5%	-79,6%	-28,3%	50,6%
● Nel ASA	1.132	-31,4%	-16,7%	-44,6%	-25,9%	45,2%
● SFC Energy AG	352	12,2%	13,7%	6,5%	9,0%	37,9%
● Hexagon AB	24.776	35,3%	37,0%	27,1%	28,4%	6,0%
● Wolftank Adisa Holding AG	55	7,1%	7,5%	3,3%	4,8%	26,3%
– Peer Group Median	1.132	-31,4%	-13,5%	-44,6%	-25,9%	37,9%

Source: Sentieo, AlsterResearch

Comparable company analysis operates under the assumption that similar companies will have similar valuation multiples. We use the following multiples: EV/Sales 2023, EV/Sales 2024, EV/EBITDA 2023, EV/EBITDA 2024, P/E 2023 and P/E 2024.

Applying these to Wolf tank Adisa Holding AG results in a range of fair values from EUR 9.68 to EUR 50.18.

Peer Group – Multiples and valuation

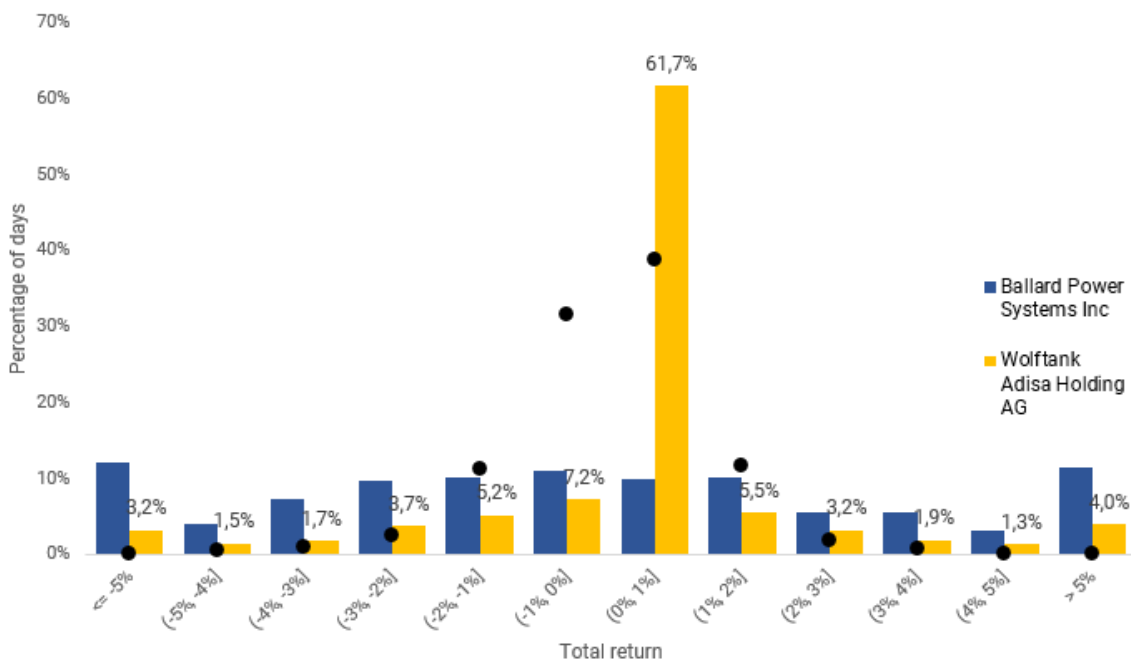


Source: Sentieo, AlsterResearch

Risk

The chart displays the **distribution of daily returns of Wolf tank Adisa Holding AG** over the last 3 years, compared to the same distribution for Ballard Power Systems Inc. We have also included the distribution for the index DAX. 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.

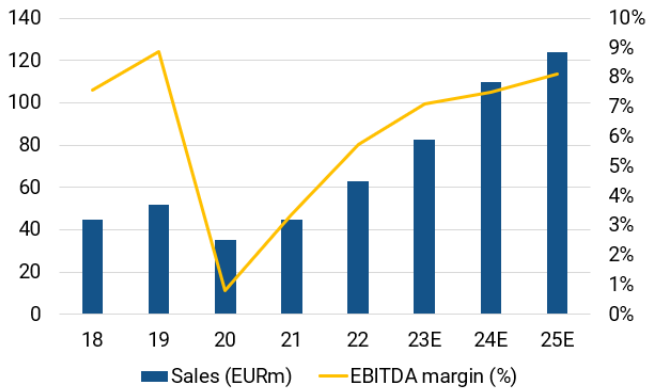
Risk – Daily Returns Distribution (trailing 3 years)



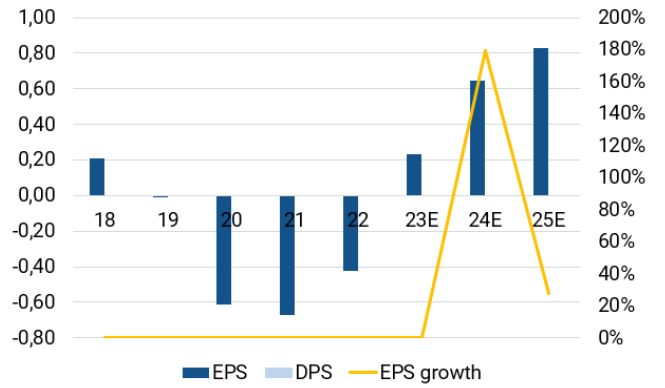
Source: Sentieo, AlsterResearch

Financials in six charts

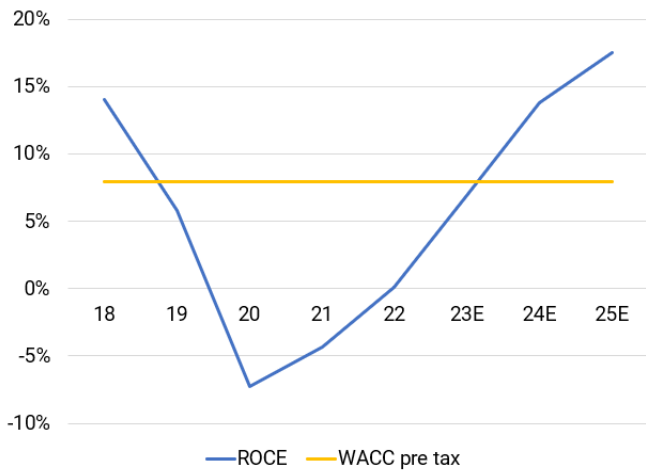
Sales vs. EBITDA margin development



EPS, DPS in EUR & yoy EPS growth



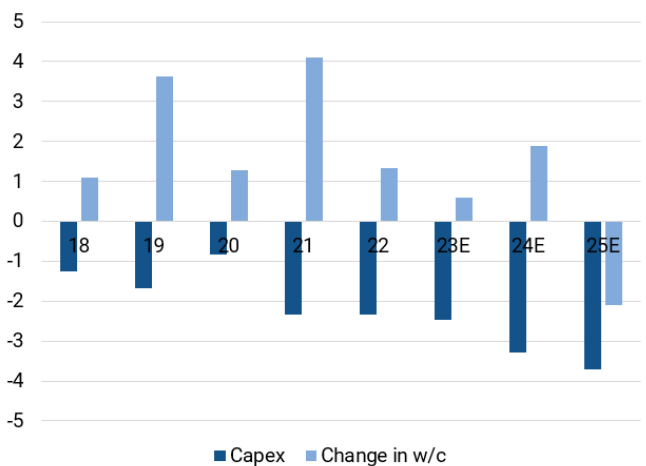
ROCE vs. WACC (pre tax)



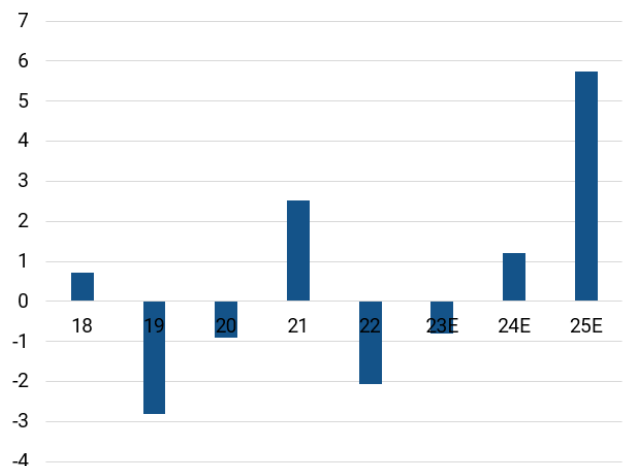
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; AlsterResearch

Financials

Profit and loss (EURm)	2020	2021	2022	2023E	2024E	2025E
Net sales	35.0	44.6	62.7	82.5	109.7	124.0
Sales growth	-32.4%	27.4%	40.6%	31.5%	33.0%	13.0%
Change in finished goods and work-in-process	-0.6	1.2	1.2	1.2	1.1	0.6
Total sales	34.4	45.8	63.9	83.7	110.8	124.6
Material expenses	24.5	30.2	41.0	53.7	71.3	80.5
Gross profit	9.9	15.6	22.9	30.0	39.5	44.1
Other operating income	1.1	1.3	1.4	2.0	2.2	2.5
Personnel expenses	7.2	7.9	13.3	16.9	21.9	24.2
Other operating expenses	3.6	7.5	7.4	9.2	11.5	12.4
EBITDA	0.3	1.5	3.6	5.9	8.2	10.0
Depreciation	2.1	2.8	3.5	3.2	3.0	3.1
EBITA	-1.8	-1.3	0.0	2.7	5.3	7.0
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-1.8	-1.3	0.0	2.7	5.3	7.0
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	1.4	4.2	6.1
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-2.8	-2.8	-0.7	1.4	4.2	6.1
Taxes	-0.5	0.1	0.9	0.3	0.8	1.8
Net income from continuing operations	-2.3	-2.9	-1.6	1.1	3.3	4.2
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-2.3	-2.9	-1.6	1.1	3.3	4.2
Minority interest	0.1	-0.0	-0.3	-0.0	-0.2	-0.3
Net profit (reported)	-2.2	-3.0	-1.9	1.1	3.1	4.0
Average number of shares	3.61	4.38	4.39	4.83	4.83	4.83
EPS reported	-0.61	-0.67	-0.43	0.23	0.65	0.83

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

Source: Company data; AlsterResearch

Balance sheet (EURm)	2020	2021	2022	2023E	2024E	2025E
Intangible assets (exl. Goodwill)	1.8	1.8	1.7	5.7	5.7	5.7
Goodwill	5.4	7.1	6.2	6.2	6.2	6.2
Property, plant and equipment	8.6	10.6	10.5	9.8	10.2	10.8
Financial assets	1.0	0.7	0.7	0.7	0.7	0.7
FIXED ASSETS	16.9	20.3	19.0	22.4	22.7	23.4
Inventories	5.4	5.7	6.4	8.1	10.7	12.1
Accounts receivable	22.0	23.9	20.5	27.1	36.1	40.8
Other current assets	1.9	2.8	2.7	2.7	2.7	2.7
Liquid assets	3.1	7.5	12.7	5.9	5.1	8.3
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	0.5	0.6
CURRENT ASSETS	34.2	41.5	43.8	45.2	56.1	65.4
TOTAL ASSETS	51.0	61.8	62.8	67.5	78.8	88.7
SHAREHOLDERS EQUITY	5.8	13.9	17.8	19.0	22.3	26.6
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	0.4	0.5
Other provisions	1.5	1.6	0.0	0.0	0.0	0.0
Non-current liabilities	17.4	9.4	8.4	4.4	2.5	0.5
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	18.4	24.4	27.6
Advance payments received on orders	1.1	1.6	1.7	2.1	2.7	3.1
Other liabilities (incl. from lease and rental contracts)	10.8	4.5	6.0	8.2	11.0	12.4
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	0.9	0.7	0.8	1.2	1.6	5.0
Current liabilities	26.2	36.2	33.9	41.5	51.3	59.0
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	51.0	61.8	62.8	67.5	78.8	88.7

Balance sheet (common size)	2020	2021	2022	2023E	2024E	2025E
Intangible assets (excl. Goodwill)	4%	3%	3%	8%	7%	6%
Goodwill	11%	12%	10%	9%	8%	7%
Property, plant and equipment	17%	17%	17%	15%	13%	12%
Financial assets	2%	1%	1%	1%	1%	1%
FIXED ASSETS	33%	33%	30%	33%	29%	26%
Inventories	11%	9%	10%	12%	14%	14%
Accounts receivable	43%	39%	33%	40%	46%	46%
Other current assets	4%	5%	4%	4%	3%	3%
Liquid assets	6%	12%	20%	9%	7%	9%
Deferred taxes	3%	2%	1%	1%	1%	1%
Deferred charges and prepaid expenses	1%	0%	1%	1%	1%	1%
CURRENT ASSETS	67%	67%	70%	67%	71%	74%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	11%	22%	28%	28%	28%	30%
MINORITY INTEREST	3%	4%	4%	4%	3%	3%
Long-term debt	31%	13%	10%	6%	3%	0%
Provisions for pensions and similar obligations	0%	0%	4%	0%	1%	1%
Other provisions	3%	3%	0%	0%	0%	0%
Non-current liabilities	34%	15%	13%	7%	3%	1%
short-term liabilities to banks	0%	18%	18%	17%	15%	12%
Accounts payable	26%	29%	22%	27%	31%	31%
Advance payments received on orders	2%	3%	3%	3%	3%	3%
Other liabilities (incl. from lease and rental contracts)	21%	7%	10%	12%	14%	14%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	2%	1%	1%	2%	2%	6%
Current liabilities	51%	59%	54%	61%	65%	67%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

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	3.3	4.2
Depreciation of fixed assets (incl. leases)	2.1	2.8	3.5	3.2	3.0	3.1
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	-2.0	0.1	0.1
Cash flow from operations before changes in w/c	1.2	3.0	1.4	2.3	6.4	7.4
Increase/decrease in inventory	0.7	-0.2	-0.7	-1.7	-2.7	-1.4
Increase/decrease in accounts receivable	-0.0	-1.9	3.4	-6.6	-8.9	-4.7
Increase/decrease in accounts payable	-1.0	4.9	-4.3	4.5	6.0	3.1
Increase/decrease in other w/c positions	-0.9	-6.9	0.3	3.3	3.7	5.0
Increase/decrease in working capital	-1.3	-4.1	-1.3	-0.6	-1.9	2.1
Cash flow from operating activities	-0.1	4.8	0.3	1.7	4.5	9.4
CAPEX	-0.8	-2.3	-2.3	-2.5	-3.3	-3.7
Payments for acquisitions	-3.3	-3.0	-0.1	-4.0	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
Cash flow from investing activities	-4.7	-5.3	-2.5	-6.5	-3.3	-3.7
Cash flow before financing	-4.8	-0.5	-2.2	-4.8	1.2	5.7
Increase/decrease in debt position	4.3	-1.8	1.2	-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	-0.8	-1.2	-0.7	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.1	-0.1	0.0	0.0	0.0
Cash flow from financing activities	3.5	8.0	6.3	-2.0	-2.0	-2.6
Increase/decrease in liquid assets	-1.2	7.5	4.1	-6.8	-0.8	3.1
Liquid assets at end of period	-5.3	2.3	6.4	-0.4	-1.2	1.9

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	75.1	99.8	112.8
The Americas	0.7	0.9	1.3	1.6	2.2	2.5
Asia	2.5	1.8	3.1	4.1	5.5	6.2
Rest of World	0.7	0.9	1.3	1.6	2.2	2.5
Total sales	35.0	44.6	62.7	82.5	109.7	124.0

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%
Total sales	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Ratios	2020	2021	2022	2023E	2024E	2025E
Per share data						
Earnings per share reported	-0.61	-0.67	-0.43	0.23	0.65	0.83
Cash flow per share	-0.02	1.11	0.06	-0.31	0.32	1.32
Book value per share	1.60	3.17	4.07	3.93	4.62	5.50
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	-18.4x	-16.8x	-26.5x	48.9x	17.5x	13.7x
P/CF	-679.6x	10.2x	178.5x	-36.8x	35.6x	8.5x
P/BV	7.1x	3.6x	2.8x	2.9x	2.4x	2.1x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-0.1%	9.8%	0.6%	-2.7%	2.8%	11.7%
EV/Sales	1.9x	1.5x	1.0x	0.8x	0.6x	0.5x
EV/EBITDA	239.3x	43.9x	17.2x	11.0x	7.7x	5.8x
EV/EBIT	-37.4x	-49.2x	1,244.5x	23.9x	12.0x	8.3x
Income statement (EURm)						
Sales	35.0	44.6	62.7	82.5	109.7	124.0
yoy chg in %	-32.4%	27.4%	40.6%	31.5%	33.0%	13.0%
Gross profit	9.9	15.6	22.9	30.0	39.5	44.1
Gross margin in %	28.4%	35.0%	36.4%	36.4%	36.0%	35.6%
EBITDA	0.3	1.5	3.6	5.9	8.2	10.0
EBITDA margin in %	0.8%	3.4%	5.7%	7.1%	7.5%	8.1%
EBIT	-1.8	-1.3	0.0	2.7	5.3	7.0
EBIT margin in %	-5.1%	-3.0%	0.1%	3.3%	4.8%	5.6%
Net profit	-2.2	-3.0	-1.9	1.1	3.1	4.0
Cash flow statement (EURm)						
CF from operations	-0.1	4.8	0.3	1.7	4.5	9.4
Capex	-0.8	-2.3	-2.3	-2.5	-3.3	-3.7
Maintenance Capex	0.0	0.0	0.0	3.2	3.0	3.1
Free cash flow	-0.9	2.5	-2.1	-0.8	1.2	5.7
Balance sheet (EURm)						
Intangible assets	7.2	8.9	7.8	11.8	11.8	11.8
Tangible assets	8.6	10.6	10.5	9.8	10.2	10.8
Shareholders' equity	5.8	13.9	17.8	19.0	22.3	26.6
Pension provisions	0.0	0.0	2.4	0.3	0.4	0.5
Liabilities and provisions	17.4	20.5	20.0	15.9	14.1	11.5
Net financial debt	12.8	11.4	4.9	9.7	8.5	2.7
w/c requirements	12.9	9.7	11.3	14.8	19.7	22.2
Ratios						
ROE	-40.5%	-20.9%	-8.7%	6.0%	14.9%	16.0%
ROCE	-7.2%	-3.7%	0.1%	7.2%	13.5%	17.2%
Net gearing	221.7%	82.2%	27.3%	50.9%	38.0%	10.3%
Net debt / EBITDA	45.4x	7.6x	1.4x	1.7x	1.0x	0.3x

Source: Company data; AlsterResearch

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