

Metacon

Company report

05.11.2024 08:55 CET



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Short-term funding powers strategy execution

The recently announced capital raise reduces the financing risks and secures the company's financing until late 2025. Due to the overall structure of the raise, we expect it to succeed. With short-term funding soon secured, Metacon can again focus on executing its commercialization plans. After updating our valuation, with the assumption that the rights issue will be fully subscribed, we reiterate our Reduce recommendation but lower our target price to SEK 0.23 per share (prev. SEK 0.48 per share), mostly due to higher-than-expected dilution.

Short-term financing should soon be secured with a 130 MSEK capital raise

The announced capital raise consists of a rights issue totaling 130 MSEK (we estimate net proceeds of around 118 MSEK). Each share held grant subscription rights for one new share from November 22 to December 6, and the subscription price is set at SEK 0.20 per share. We view this capital raise positively, as it mitigates the short-term financing risks we had previously flagged. In our opinion, the valuation below our updated base scenario, along with the significant portion of guaranteed commitments, should help make the raise successful, providing the company with the necessary runway to demonstrate further commercial progress.

We expect absolute revenue to continue at low levels, as the company gears up for larger deliveries

Metacon will release its Q3'24 results on November 19 at 8:00 am CET. We expect revenue to fall to 6.0 MSEK, a 53% drop year-on-year, primarily due to challenging comparisons and new larger projects that have not yet been started to any great extent. Costs should scale down with revenue, but with low revenue and gross margin, we anticipate an adjusted operating loss of -8.1 MSEK. Given that Metacon does not disclose order intake and there is limited visibility into current order book, we will focus our attention on forward-looking comments regarding the demand outlook and delivery timelines in the upcoming report.

We keep our forecasts intact for now and expects larger deliveries to materialize next year

Our estimates remain roughly unchanged, although finance expenses are adjusted somewhat lower. In the big picture, we estimate annual revenue growth to be a steep at around 115% from a low base to 2,700 MSEK+ in 2030 and EBIT margin to strengthen from a loss-making investment phase to ~5% in 2027 and towards 11% in 2033. Our estimates assume that the rights issue will be fully subscribed, which will cover financing needs until late 2025. However, with potential additional working capital and investment needs, the company might raise new capital around summer 2025.

We still wait for a better investment opportunity due to the insufficient risk/reward

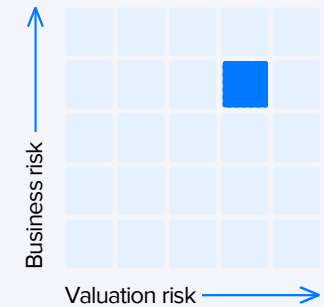
With short-term funding soon in check, Metacon can focus on fulfilling the large-scale order from Motor Oil, advancing the production of its catalytic reactors, and establishing its European Gigafactory, with clear signs of progress anticipated to emerge starting in 2025. However, given the uncertainty of whether the company will continue to receive larger orders regularly and at what level of profitability, the forecast risks remain high. Considering these factors, we believe a valuation around the midpoint of our estimated value per share range (SEK 0.07-0.55) is justified. Due to our still high required return, we wait for a more attractive risk/reward. We also highlight that rights issues tend to bring some short-term selling pressure for stocks, which can serve as a negative short-term share price driver for Metacon.

Recommendation

Reduce
(prev. Reduce)

0.23 SEK
(prev. 0.48 SEK)

Share price:
0.22



Key indicators

	2023	2024e	2025e	2026e
Revenue	60.1	28.1	335.0	770.5
growth-%	-6%	-53%	1091%	130%
EBIT adj.	-62.7	-65.2	-32.8	-28.8
EBIT-% adj.	-104.3 %	-231.6 %	-9.8 %	-3.7 %
Net Income	-77.8	-78.8	-53.8	-52.2
EPS (adj.)	-0.20	-0.05	-0.03	-0.03

P/E (adj.)	neg.	neg.	neg.	neg.
P/B	3.0	1.9	2.7	4.8
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	neg.	neg.	neg.	neg.
EV/EBITDA	neg.	neg.	neg.	neg.
EV/S	4.7	8.8	1.1	0.6

Source: Inderes

Guidance

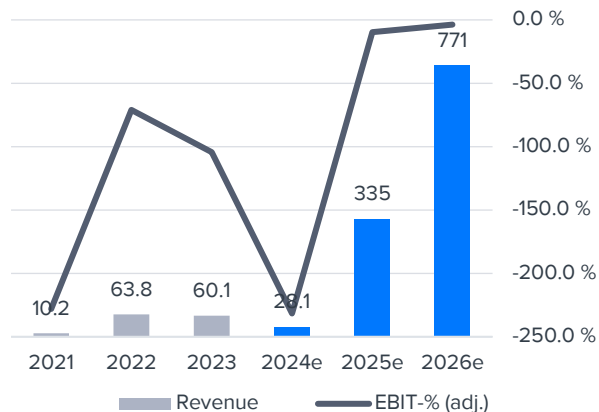
Metacon does not provide guidance

Share price



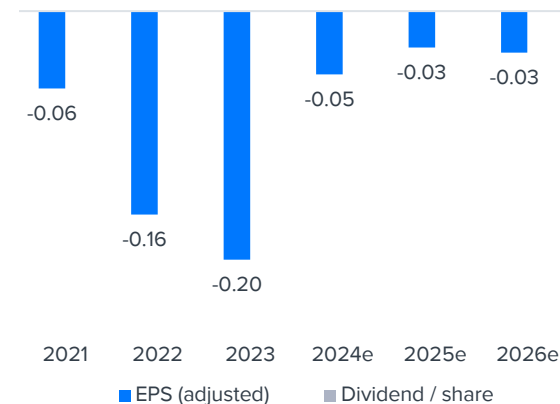
Source: Millistream Market Data AB

Revenue and EBIT-%



Source: Inderes

Earnings per share



Source: Inderes



Value drivers

- Metacon's target market is expected to grow significantly due to the demand for green hydrogen
- Proprietary reformer technology enabling green hydrogen production from biogas
- Electrolyzer distribution and manufacturing agreement with PERIC
- Potential licensing of reformer technology could bring in high-margin revenue
- A handful of larger projects could significantly increase revenues



Risk factors

- Unprofitable operations that are currently funded through equity issues
- Predicting revenue and profitability development is challenging because the company and the market are still in the early stages of development
- Lower order inflow and delays to current orders would put further strain on the company's equity story
- Termination of agreements with PERIC due to commercial or geopolitical reasons

Valuation	2024e	2025e	2026e
Share price	0.22	0.22	0.22
Number of shares, millions	1374.9	1489.8	1489.8
Market cap	302	327	327
EV	247	377	498
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	1.9	2.7	4.8
P/S	10.7	1.0	0.4
EV/Sales	8.8	1.1	0.6
EV/EBITDA	neg.	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Still negative cash flow but short-term financing should soon be secured

We expect absolute revenue to be low

We estimate Metacon's Q3 revenue to decrease to 6.0 MSEK, down from 20.1 MSEK in Q3'23, representing a 53% decline. This reduction is primarily due to challenging year-over-year comparisons, as last year's quarter included the completion of several large electrolysis and hydrogen refueling station projects.

In Q3 this year, we expect revenue to be mainly driven by deliveries from Metacon's existing order book. Given the extended lead times seen in recent quarters, which have impacted delivery schedules, we believe there is potential for revenue from previously announced orders. However, in the latest quarter, the company indicated that many of the earlier projects, likely including the electrolysis sales in Slovakia, have either been completed or are nearing completion. Consequently, and given our expectation that larger projects, such as the Motor Oil order, have yet to commence, we expect overall sales to be low for the quarter.

Profitability still in the red with limited revenues

We expect Metacon's Q3 adjusted operating profit to remain negative at -8.1 MSEK due to the still low absolute level of revenue and gross margin, which does not yet cover the fixed costs. However, we expect raw material and consumable costs to scale down with revenue, given their variable nature. Thus, we estimate the operating loss to decrease. Given the company's relatively low debt levels, our net income estimate is roughly aligned with the operating profit.

In terms of cash flow, we anticipate a negative operating result will put pressure on cash flow. As of the end of Q2, Metacon had a cash position of 39 MSEK. With an estimated quarterly burn rate of approximately 25 MSEK, this would reduce the cash position to around 14 MSEK by the end of Q3'24. However, the company has recently announced a rights issue of up to 138 MSEK and a bridge loan of 50 MSEK to maintain liquidity until the rights issue is finalized. As we have previously

communicated, we view this capital raise positively, as it mitigates the short-term financing risks we had flagged. More details on the conditions of the raise are discussed later in the report.

We hope to receive better visibility into the existing order book

Revenue growth remains the primary positive driver for Metacon. We expect significant growth in 2025-26, driven mainly by major announced projects in Romania and Poland, along with the large-scale order from Motor Oil. However, limited transparency around the order book, particularly regarding delivery timelines and potential margin capture, presents challenges to revenue and cash flow visibility. Enhancing this visibility will be essential to assessing future capital needs beyond the current capital raise. Accordingly, we seek any updates on the current order book, as well as updates regarding the demand and order intake.

Estimates MSEK / SEK	Q3'23	Q3'24	Q3'24e	Q3'24e	Consensus		2024e
	Comparison	Actualized	Inderes	Consensus	Low	High	Inderes
Revenue	20.1		6.0				28.1
EBITDA	-16.9		-7.7				-64.0
EBIT (adj.)	-17.0		-8.1				-65.2
EBIT	-19.6		-10.7				-75.6
PTP	-19.9		-11.6				-77.3
EPS (reported)	-0.06		-0.02				-0.06
Revenue growth-%	-1.8 %		-70.0 %				-53.2 %
EBIT-% (adj.)	-84.8 %		-133.7 %				-231.6 %

Source: Inderes

Estimates: Capital raise added in full, finance expenses adjusted lower

Estimate revisions	2024e	2024	Change	2025e	2025e	Change	2026e	2026e	Change
MSEK / SEK	Old	New	%	Old	New	%	Old	New	%
Revenue	28.1	28.1	0%	335	335	0%	771	771	0%
EBITDA	-64.0	-64.0	0%	-21.8	-21.8	0%	-11.6	-11.6	0%
EBIT (excl. NRIs)	-65.2	-65.2	0%	-33.0	-32.8	0%	-28.7	-28.8	0%
EBIT	-75.6	-75.6	0%	-43.8	-43.7	0%	-32.3	-32.4	0%
PTP	-78.8	-78.8	0%	-55.3	-53.8	3%	-62.7	-52.2	17%
EPS (excl. NRIs)	-0.10	-0.05	50%	-0.06	-0.03	48%	-0.07	-0.03	56%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

Rights issue lowers short-term financing risks

Rights issue of up to 130 MSEK

The rights issue is directed towards existing shareholders and gives the shareholders the ability to participate in proportion to their shareholding. The terms are as follows: All existing shareholders will receive one (1) subscription right for each share held on the record date of November 20, 2024, meaning November 20 is the last day to trade Metacon's shares including the subscription rights. The subscription period will last from November 22 to December 6, and the subscription price is set at 0.20 SEK per share. If fully subscribed, the number of outstanding shares will roughly double from 687 million to 1,375 million. Shareholders who do not participate in the rights issue will experience a dilution of ~50%. Metacon has received subscription commitments from existing shareholders and members of the Board of Directors and management of about 2%. In addition, guarantors have provided guarantee undertakings which, in aggregate, amount to 108 MSEK or ~79%. No guarantee commitment covers the subscription of and payment for shares in the rights issue in excess of 110 MSEK, or 80% of the rights issue. A guarantee fee of 12% of the guaranteed amount will be paid in cash to the guarantors based on current market conditions.

The rights issue is subject to the approval of the EGM to be held on November 15, 2024. As the company is in need of financing and the terms appear at first glance to be reasonable and accessible to all owners, we expect approval at the EGM. In addition to the rights issue, the company has entered into a 50 MSEK bridge loan agreement to secure the execution of the previously announced large order from Motor Oil. Approximately 50% of the net proceeds from the rights issue will be used to repay the bridge loan, including interest and an arrangement fee. The remainder of the net proceeds will be used for

international expansion and commercialization, as well as to strengthen Metacon's working capital and manufacturing capabilities. This includes, but is not limited to, establishing the manufacturing of Metacon's catalytic reactors and starting the construction of an alkaline pressurized electrolysis plant in Sweden, alternatively elsewhere in Europe, with an expected fully developed capacity of 1 GW.

We find it positive that the immediate funding risks are solved

The capital raise was widely anticipated from our side, with the primary uncertainty being the terms under which the additional funds would be obtained. In our opinion, the valuation below our base scenario, along with the significant portion of guaranteed commitments, should help make it successful, providing the company with the necessary runway to demonstrate further commercial progress.

Assuming full subscription of the rights issue, we estimate net proceeds of around 118 MSEK after accounting for guarantee fees and transaction costs. With an estimated quarterly burn rate of approximately 25 MSEK, along with interest and arrangement fees for the bridge loan, we anticipate that this funding will cover financing needs through Q3/Q4'25. Including net proceeds from outstanding warrants, it is likely that financing needs will extend into late 2025. However, as previously indicated, the company could initiate an additional raise around summer 2025, depending on how fast it scales production capacity or secures large new orders requiring additional working capital. That said, if the delivery schedule for the large Motor Oil order remains on track and similar-sized orders are secured, we expect accelerated growth by 2025, positioning Metacon well for future capital raises.

Preliminary timetable for the Rights Issue (RI)

EGM to approve RI	15 Nov, 2024
Last day of trading with the right to participate in the RI	18 Nov, 2024
First day of trading excluding the right to participate in the RI	19 Nov, 2024
Record date for the right to participate in the RI	20 Nov, 2024
Estimated date for publication of prospectus	20 Nov. 2024
Trading in subscription rights will take place	22 Nov. - 3 Dec. 2024
Subscription period	22 Nov. - 6 Dec. 2024
Estimated day for announcement of the outcome of the RI	6 Dec. 2024
Trading in paid subscribed shares (BTA)	22 Nov. - 19 Dec. 2024

The risk/reward profile is not attractive enough

Great potential, but high risks associated with it

In our valuation methods, we assume the rights issue is completed in full. The unit rights have some value in themselves, as they provide the ability to subscribe for shares below the current share price. However, this impact is quite small, so we will not adjust our valuation after the share trades without unit rights.

We believe that Metacon's investment story relies on expectations related to the commercialization potential of the company's product portfolio and significant future business volumes. Metacon has already assembled a complementary product portfolio and successfully secured some large orders. At this stage, simply delivering on its current order book could significantly boost Metacon's revenues. However, there is limited visibility into the progress of existing orders, particularly those in Poland and Romania, as well as the future order flow. While securing a few large orders increases the likelihood of a commercial breakthrough, it does not guarantee a consistent order pipeline. Consequently, there is a wide range of potential outcomes for Metacon, both positive and negative.

No support from a peer valuation perspective

Metacon's sales-based multiples for 2024 appear quite high, with a P/S ratio of 10.8 and an EV/S ratio of 8.8. We believe the market is looking beyond 2024, viewing it as a transition year due to the company's shift towards targeting larger industrial customers, which we consider reasonable. In 2025, Metacon is valued at EV/S 1.1x, which is lower than the peer group median of around 1.9x. This spread is quite large in our opinion, but the forecast risk is also very high and depends on a lot of assumptions. In addition, there is a significant discrepancy within the peer group in terms of company size and their stages of commercialization. Given that Metacon is smaller and

earlier in its commercial phase compared to its peers, a discount is justified. Assuming this, Metacon's share does not appear to be significantly mispriced relative to its peers.

We wait for more attractive signals

Utilizing valuation methods that predominantly rely on the company's long-term potential, we reach a per share value in the range of SEK 0.07-0.55 (prev. SEK 0.16-0.96). The lower bound of this range is based on an EV/S multiple of 1.0x applied to the average of the 2025 and 2026 negative scenarios, while the upper bound is based on an EV/S multiple of 2.0x applied to the average of the 2025 and 2026 positive scenarios (see next page). This range is also supported by our DCF.

Metacon is undoubtedly making strides in the right direction, aligning with our criteria of securing larger orders and establishing the supply chain and capabilities for its European Gigafactory. Additionally, with short-term funding in check, Metacon can refocus on executing its growth strategy, where clear signs of success could start emerging in 2025. However, given the uncertainty of whether the company will continue to receive larger orders regularly and at what level of profitability, the forecast risks remain high, making it difficult to lean toward the upper end of the fair value range. Considering these factors, we set our target price roughly in the middle of our valuation range at SEK 0.23 per share. This assumes that the financing needs are covered, deliveries to Motor Oil remain on track and that Metacon manages to increase its order intake in the coming years. Due to the still high required return, we reiterate our Reduce recommendation. Rights issues also typically come with selling pressure, which brings some unfavorable short-term drivers, especially for less traded stocks.

Valuation	2024e	2025e	2026e
Share price	0.22	0.22	0.22
Number of shares, millions	1374.9	1489.8	1489.8
Market cap	302	328	328
EV	248	378	499
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	1.9	2.7	4.8
P/S	10.8	1.0	0.4
EV/Sales	8.8	1.1	0.6
EV/EBITDA	neg.	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Estimated future valuation ranges

2025e, MSEK	Negative	Base	Positive
Revenue	170	335	500
EV/S	1.0x	1.5x	2.0x
EV	170	486	1,000
Net debt ^{1, 2}	125	125	125
Market cap	45	361	875
Per share ^{1, 2}	0.02	0.19	0.47
Discounted to present	0.02	0.16	0.39

2026e, MSEK	Negative	Base	Positive
Revenue	391	771	1,150
EV/S	1.0x	1.5x	2.0x
EV	391	1,117	2,300
Net debt ²	21	21	21
Market cap	370	1,096	2,279
Per share ²	0.16	0.49	1.01
Discounted to present	0.12	0.34	0.71

Source: Inderes

1. We assume the rights issue is completed in full. The 2025 scenario also incorporates the exercise of the warrants issued in conjunction with the 2024 rights issue.
2. To account for potential equity issues, we have adjusted net debt and the number of shares to reflect hypothetical shares issue of 75 MSEK in 2025 and 75 MSEK in 2026. Issues are conducted at 0.20 SEK/share (10% discount to current share price).

Valuation table

Valuation	2019	2020	2021	2022	2023	2024e	2025e	2026e	2027e
Share price	1.16	5.15	3.04	1.13	0.83	0.22	0.22	0.22	0.22
Number of shares, millions	194.3	233.2	265.4	342.6	342.6	1374.9	1489.8	1489.8	1489.8
Market cap	225	1201	807	387	284	302	327	327	327
EV	227	1131	768	285	284	247	377	498	560
P/E (adj.)	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	8.5
P/E	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	8.5
P/B	6.6	13.3	3.5	2.3	3.0	1.9	2.7	4.8	3.0
P/S	>100	>100	79.2	6.1	4.7	10.7	1.0	0.4	0.2
EV/Sales	>100	>100	75.4	4.5	4.7	8.8	1.1	0.6	0.4
EV/EBITDA	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	6.1
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.	neg.	neg.	neg.	7.9
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Inderes

Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
			2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e
Thyssenkrupp Nucera	1,187	493			61.9		0.6	0.5		193.0			1.6
Plug Power	1,628	1,904					2.5	1.7					0.6
Bloom Energy Corp	2,116	3,013	63.7	26.1	27.0	15.7	2.2	1.9	98.1	26.0			4.9
ITM Power	320	59					2.7	1.5					1.3
Nel ASA	595	454					3.5	2.9					1.4
Green Hydrogen Systems	60	223					10.9	5.0					1.0
Hydrogen Pro	46	28			11.1		0.7	0.3					1.5
McPhy Energy													
PowerCell	201	198			84.9		6.8	5.3					10.1
Enapter	120	155					4.4	2.3					1.6
Ceres Power Holdings PLC	492	344					5.2	4.8					2.6
Metacon (Inderes)	26	21	-3.8	-11.5	-3.8	-17.3	8.8	1.1	-4.4	-7.6	0.0	0.0	1.9
Average			63.7	26.1	27.0	43.4	3.8	2.5	98.1	109.5			2.7
Median			63.7	26.1	27.0	38.8	2.7	1.9	98.1	109.5			1.6
Diff.% to median			-106%	-144%	-114%	-145%	225%	-41%	-105%	-107%			23%

Source: Refinitiv / Inderes

Income statement

Income statement	2021	2022	2023	Q1'24	Q2'24	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
Revenue	10.2	63.8	60.1	7.3	11.3	6.0	3.5	28.1	335	771	1541
EBITDA	-22.4	-35.2	-62.1	-14.5	-28.6	-7.7	-13.2	-64.0	-21.8	-11.6	92.5
Depreciation	-16.7	-12.2	-11.3	-2.7	-3.0	-3.0	-3.0	-11.6	-21.9	-20.9	-21.9
EBIT (excl. NRI)	-23.2	-45.3	-62.7	-14.6	-28.9	-8.1	-13.5	-65.2	-32.8	-28.8	70.5
EBIT	-39.1	-47.4	-73.4	-17.2	-31.6	-10.7	-16.1	-75.6	-43.7	-32.4	70.5
Share of profits in assoc. compan.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net financial items	4.7	-3.1	-4.4	-0.9	-0.4	-1.0	-1.0	-3.2	-10.1	-19.8	-32.0
PTP	-34.4	-50.4	-77.8	-18.1	-32.0	-11.6	-17.1	-78.8	-53.8	-52.2	38.6
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority interest	3.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	-30.5	-50.4	-77.8	-18.1	-32.0	-11.6	-17.1	-78.8	-53.8	-52.2	38.6
EPS (adj.)	-0.06	-0.16	-0.20	-0.01	-0.02	-0.01	-0.01	-0.05	-0.03	-0.03	0.03
EPS (rep.)	-0.13	-0.17	-0.23	-0.01	-0.02	-0.01	-0.01	-0.06	-0.04	-0.04	0.03

Key figures	2021	2022	2023	Q1'24	Q2'24	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
Revenue growth-%	150.2 %	526.6 %	-5.8 %	-48.6 %	-55.0 %	-70.0 %	400%	-53.2 %	1090.9 %	130.0 %	100.0 %
Adjusted EBIT growth-%		94.8 %	38.4 %	14.0 %	91.2 %	-52.7 %	-23.5 %	4.0 %	-49.6 %	-12.4 %	-345.0 %
EBITDA-%	-219.8 %	-55.1 %	-103.3 %	-198.6 %	-253.4 %	-127.7 %	-376.0 %	-227.5 %	-6.5 %	-1.5 %	6.0 %
Adjusted EBIT-%	-228.2 %	-70.9 %	-104.3 %	-200.5 %	-256.1 %	-133.7 %	-386.2 %	-231.6 %	-9.8 %	-3.7 %	4.6 %
Net earnings-%	-299.9 %	-79.0 %	-129.5 %	-247.9 %	-283.2 %	-192.7 %	-487.9 %	-280.1 %	-16.0 %	-6.8 %	2.5 %

Source: Inderes

Balance sheet

Assets	2022	2023	2024e	2025e	2026e
Non-current assets	49.9	51.5	51.6	70.4	94.5
Goodwill	34.0	24.9	14.5	3.6	0.0
Intangible assets	1.1	2.4	3.6	4.4	5.2
Tangible assets	6.5	17.4	26.8	55.6	82.5
Associated companies	6.2	6.2	6.2	6.2	6.2
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	2.1	0.6	0.6	0.6	0.6
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
Current assets	140	84.5	168	228	316
Inventories	13.3	17.2	30.9	67.0	116
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	21.7	40.3	39.4	93.8	162
Cash and equivalents	105	27.0	97.9	67.0	38.5
Balance sheet total	190	136	220	298	410

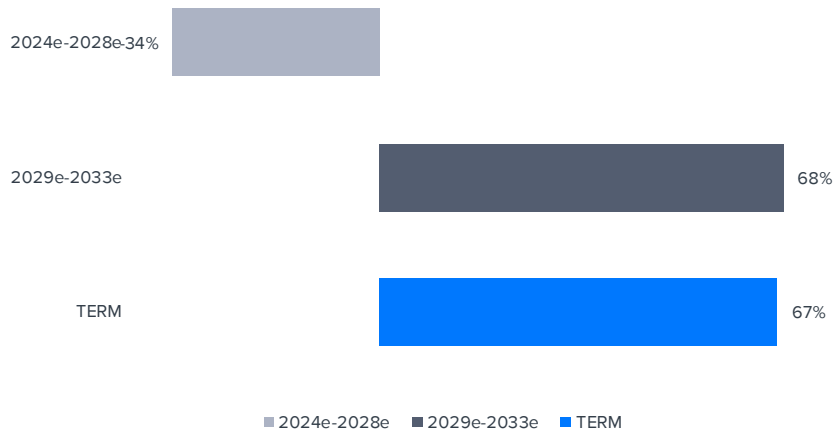
Source: Inderes

Liabilities & equity	2022	2023	2024e	2025e	2026e
Equity	172	94.8	157	121	68.7
Share capital	3.4	3.4	13.7	14.9	14.9
Retained earnings	0.0	0.0	-78.8	-132.6	-184.7
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	168	91.4	222	239	239
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	4.4	6.7	44.5	119	211
Deferred tax liabilities	0.2	0.3	0.3	0.3	0.3
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	2.5	5.1	42.9	117	210
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	1.8	1.3	1.3	1.3	1.3
Current liabilities	14.0	34.5	18.4	58.6	131
Interest bearing debt	0.6	21.6	0.0	0.0	0.0
Payables	6.2	10.9	3.4	43.6	116
Other current liabilities	7.1	2.0	15.0	15.0	15.0
Balance sheet total	190	136	220	298	410

DCF calculation

DCF model	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	TERM
Revenue growth-%	-5.8 %	-53.2 %	1090.9 %	130.0 %	100.0 %	35.0 %	20.0 %	10.0 %	8.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	-122.1%	-268.7 %	-13.0 %	-4.2 %	4.6 %	8.3 %	10.7 %	11.0 %	11.3 %	10.9 %	11.2 %	11.2 %
EBIT (operating profit)	-73.4	-75.6	-43.7	-32.4	70.5	173.5	267.5	302.2	334.4	330.5	345.7	
+ Depreciation	11.3	11.4	21.9	20.9	21.9	24.1	32.1	41.0	51.1	62.7	80.1	
- Paid taxes	0.1	0.0	0.0	0.0	0.0	0.0	-47.9	-57.4	-67.6	-69.1	-72.9	
- Tax, financial expenses	0.0	0.0	0.0	0.0	0.0	0.0	-7.7	-5.4	-1.9	0.0	0.0	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.5	0.6	1.0	1.6	
- Change in working capital	-22.9	-7.3	-50.3	-44.6	-69.3	-80.9	-62.4	-37.4	-38.9	-39.3	-40.7	
Operating cash flow	-84.9	-71.5	-72.1	-56.1	23.1	116.7	182.1	243.6	277.8	285.9	313.9	
+ Change in other long-term liabilities	-0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-12.9	-11.6	-40.7	-44.9	-53.1	-63.5	-76.0	-90.9	-108.8	-130.3	-156.0	
Free operating cash flow	-98.3	-83.1	-112.8	-101.0	-30.0	53.2	106.1	152.6	169.0	155.6	157.9	
+/- Other	0.0	108.8	16.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-98.3	25.7	-96.0	-101.0	-30.0	53.2	106.1	152.6	169.0	155.6	157.9	1,015.0
Discounted FCFF		25.1	-79.5	-70.9	-17.9	26.9	45.5	55.5	52.1	40.7	35.1	225.4
Sum of FCFF present value		338.0	312.9	392.4	463.3	481.1	454.2	408.8	353.3	301.2	260.4	225.4
Enterprise value DCF		338.0										
- Interest bearing debt		-26.7										
+ Cash and cash equivalents		27.0										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		338.3										
Equity value DCF per share		0.25										

Cash flow distribution

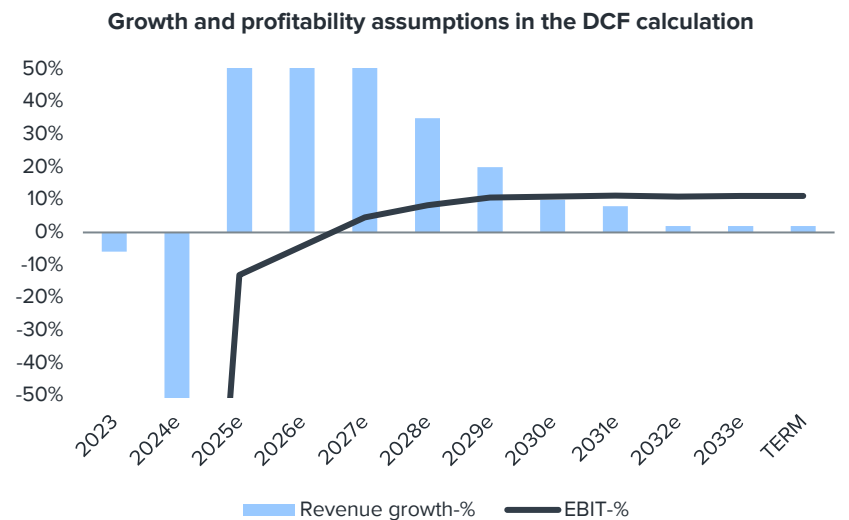
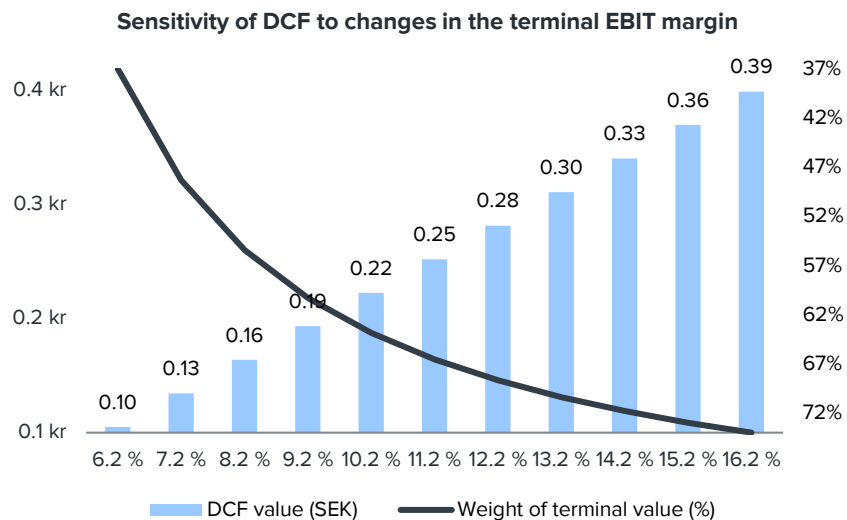
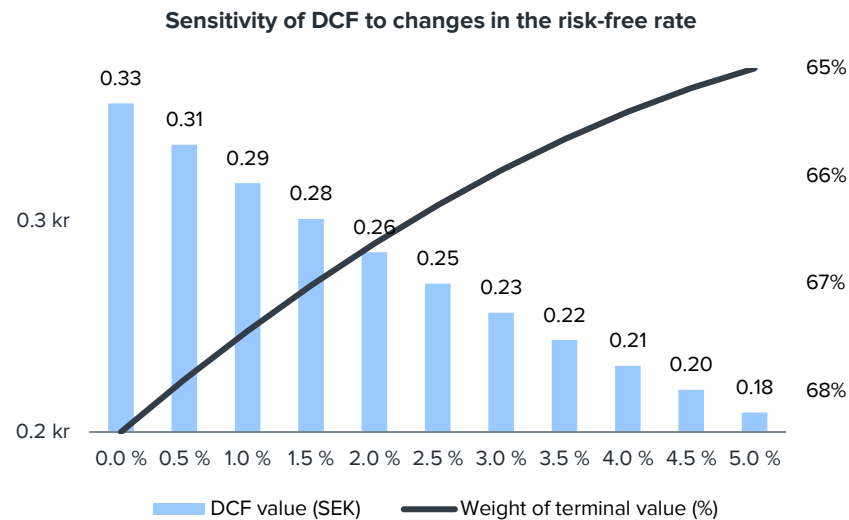
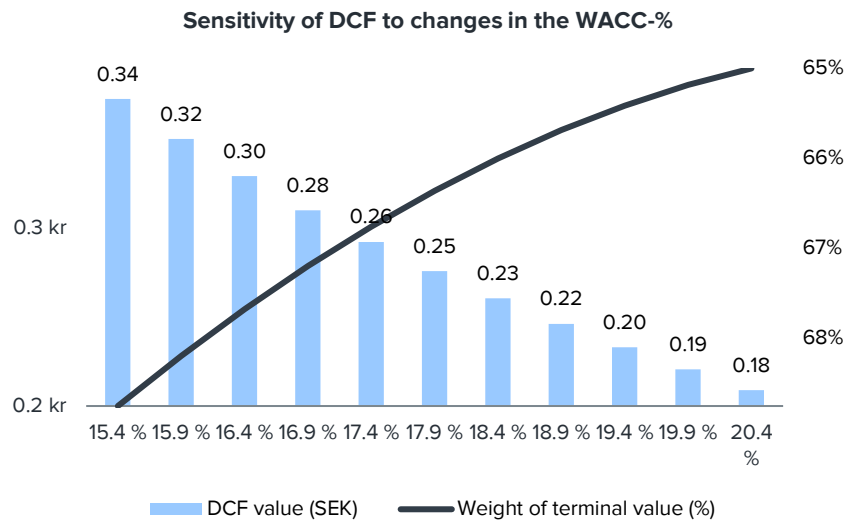


WACC

Tax-% (WACC)	20.6 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	10.0 %
Equity Beta	2.90
Market risk premium	4.75%
Liquidity premium	2.70%
Risk free interest rate	2.5 %
Cost of equity	19.0 %
Weighted average cost of capital (WACC)	17.9 %

Source: Inderes

DCF sensitivity calculations and key assumptions in graphs



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2021	2022	2023	2024e	2025e	Per share data	2021	2022	2023	2024e	2025e
Revenue	10.2	63.8	60.1	28.1	335.0	EPS (reported)	-0.13	-0.17	-0.23	-0.06	-0.04
EBITDA	-22.4	-35.2	-62.1	-64.2	-21.8	EPS (adj.)	-0.06	-0.16	-0.20	-0.05	-0.03
EBIT	-39.1	-47.4	-73.4	-75.6	-43.7	OCF / share	-0.12	-0.15	-0.25	-0.05	-0.05
PTP	-34.4	-50.4	-77.8	-78.8	-53.8	FCF / share	-0.88	-0.17	-0.29	0.02	-0.06
Net Income	-30.5	-50.4	-77.8	-78.8	-53.8	Book value / share	0.96	0.57	0.28	0.11	0.08
Extraordinary items	-15.9	-2.1	-10.7	-10.4	-10.9	Dividend / share	0.00	0.00	0.00	0.00	0.00
Balance sheet	2021	2022	2023	2024e	2025e	Growth and profitability	2021	2022	2023	2024e	2025e
Balance sheet total	241.5	190.1	136.0	219.9	298.3	Revenue growth-%	150%	527%	-6%	-53%	1091%
Equity capital	230.8	171.7	94.8	157.0	120.9	EBITDA growth-%	96%	57%	77%	3%	-66%
Goodwill	169.0	34.0	24.9	14.5	3.6	EBIT (adj.) growth-%	87%	95%	38%	4%	-50%
Net debt	-39.2	-102.1	-0.3	-55.0	50.2	EPS (adj.) growth-%	17%	162%	22%	-75%	-42%
Cash flow	2021	2022	2023	2024e	2025e	EBITDA-%	-219.8 %	-55.1 %	-103.3 %	-228.1 %	-6.5 %
EBITDA	-22.4	-35.2	-62.1	-64.2	-21.8	EBIT (adj.)-%	-228.2 %	-70.9 %	-104.3 %	-231.6 %	-9.8 %
Change in working capital	-5.9	-10.0	-22.9	-7.3	-50.3	EBIT-%	-383.9 %	-74.2 %	-122.1 %	-268.7 %	-13.0 %
Operating cash flow	-28.2	-45.0	-84.9	-71.5	-72.1	ROE-%	-19.0 %	-25.1 %	-58.4 %	-62.6 %	-38.7 %
CAPEX	-183.8	-9.2	-12.9	-11.6	-40.7	ROI-%	-23.7 %	-23.1 %	-49.6 %	-46.6 %	-19.2 %
Free cash flow	-212.0	-52.8	-98.3	25.7	-96.0	Equity ratio	95.5 %	90.3 %	69.7 %	71.4 %	40.5 %
						Gearing	-17.0 %	-59.5 %	-0.3 %	-35.0 %	41.6 %
Valuation multiples	2021	2022	2023	2024e	2025e						
EV/S	75.4	4.5	4.7	8.8	1.1						
EV/EBITDA	neg.	neg.	neg.	neg.	neg.						
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.						
P/E (adj.)	neg.	neg.	neg.	neg.	neg.						
P/B	3.5	2.3	3.0	1.9	2.7						
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %						

Source: Inderes

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return of the share is very attractive

Accumulate The 12-month risk-adjusted expected shareholder return of the share is attractive

Reduce The 12-month risk-adjusted expected shareholder return of the share is weak

Sell The 12-month risk-adjusted expected shareholder return of the share is very weak

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Date	Recommendation	Target	Share price
2024-03-15	Reduce	0.18 SEK	0.17 SEK
2024-04-02	Reduce	0.17 SEK	0.16 SEK
Analyst change, 2024-04-25			
2024-05-17	Reduce	0.21 SEK	0.24 SEK
2024-08-23	Reduce	0.48 SEK	0.53 SEK
2024-11-05	Reduce	0.23 SEK	0.22 SEK



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