

KEMPOWER

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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Difficult start to the year, but signs of a turnaround visible

The normalization of order intake and strong electric vehicle sales in January are early signs that the DC charging market will return to long-term trend growth by H2'2025. The first part of the year will continue to be difficult due to a weak order book. Evidence of a recovery in the demand outlook strengthens the risk/reward ratio and we raise our recommendation to Accumulate (was Reduce) and our target price to EUR 13.0 (was EUR 9.5).

Order intake slightly stronger than expected

The main feature of the Q4 figures was the normalization of order intake (68 MEUR, +2% y/y) after a weak Q1-Q3. Revenue were also slightly better than expected, although down 13% year-on-year. High customer inventory levels continue to impact demand in Europe. In Q4, North American revenue continued to grow strongly (37% y/y) and already accounted for 10% of Kempower's top line and 15% of its order intake. In line with guidance and expectations, adjusted EBIT amounted to 0.8 MEUR, turning positive after three loss-making quarters, although lower than in the previous year (Q4'23: 5.5 MEUR). Gross margin of 49.6% was close to expectations and remained at a strong level, despite a year-on-year decline from the record high comparison period (Q4'23: 53.1%). Cash flow from operating activities was clearly positive (12.4 MEUR, Q4'23: 0.7 MEUR) and the year-end net cash position of 24 MEUR was slightly above our forecast (22 MEUR).

Market could return to trend growth in second half of 2025

Kempower's new 2025 guidance estimates revenue growth of 10-30%, a step down from our and consensus's previous expectations (24% and 30%, respectively). We have lowered our 2025-26 revenue forecasts by only 1-2%, supported by good order intake, and we believe the company has the potential to reach the upper end of the guidance range (our forecast of 22%). On the earnings day, the January sales figures for electric cars were also released, with a significant improvement in Europe (21%

y/y growth in January 2024: -1%). Orders in a single quarter and sales in a single month are not sure signs of a broader turnaround. However, these fit well into the major market trends. A major turnaround in sales of fully electric passenger cars is underway, supported by stricter EU emission limits and the introduction of cheaper electric vehicles. Kempower's Q1 will be sluggish due to a weak order book (-14% y/y) and the company guided for Q1 EBIT to still be in the red. However, steadily declining customer inventories and a nascent market turnaround provide a good foundation for the DC charger market to return to strong trend growth. According to a recent estimate commissioned by Kempower, the DC charger market is expected to continue growing at 30% p.a. until 2030, supported by the continued electrification of commercial vehicles, in addition to the factors mentioned above. We slightly raised our long-term growth assumptions, supported by signs of a market turnaround.

Turning to Accumulate, but valuation risk is still high

Kempower's earnings-based valuation is high relative to its earnings in the coming years, which we forecast to remain moderate in 2025-26 (EBIT: -2 MEUR and 25 MEUR). The relatively stable development of the company's high gross margin, despite a tougher competitive environment, supports the expectation of high value creation in the medium term, which brings the earnings-based valuation multiples down to favorable levels in the 2027-28 forecasts (EV/EBIT 15x and 9x). Based on our current fair estimate of the EV/EBIT multiple at 15x, the discounted value of the stock would be EUR 13.3 in 2028 in our base case (2025-28 average growth 24% p.a., 2028e EBIT: 11.3%). Our DCF model with a terminal EBIT margin of 11% gives a fair value of EUR 14.1 per share. The difficulty in forecasting growth and the company's high operating leverage increase valuation risk, but we see the risk/reward ratio turning positive given the recent signs of a market turnaround and Kempower's relatively strong market position.

Recommendation

Accumulate

(was Reduce)

Target price:

EUR 13.00

(was EUR 9.50)

Share price:

EUR 11.48

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	223.7	272.9	354.8	439.9
growth-%	-21%	22%	30%	24%
EBIT adj.	-26.4	-1.9	24.7	40.1
EBIT-% adj.	-11.8 %	-0.7 %	7.0 %	9.1 %
Net income	-23.3	-1.2	19.7	32.0
EPS (adj.)	-0.38	-0.02	0.36	0.58

P/E (adj.)	neg.	neg.	32.2	19.8
P/B	4.8	5.7	4.9	3.9
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	neg.	neg.	24.7	14.7
EV/EBITDA	neg.	54.1	15.7	10.6
EV/S	2.3	2.3	1.7	1.3

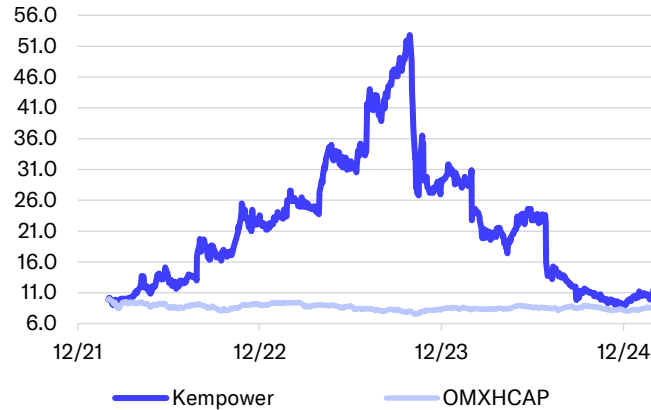
Source: Inderes

Guidance

(New guidance)

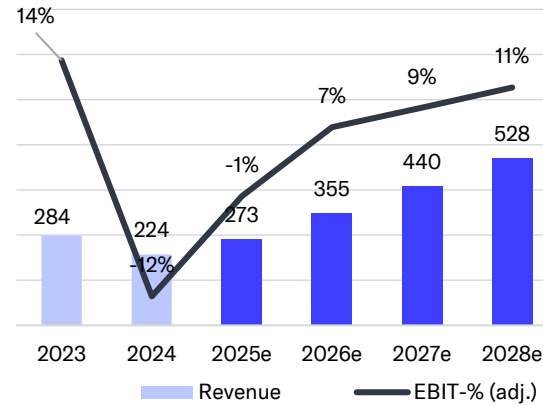
2025 revenue is expected to grow 10-30% (revenue 2024: 223.7 MEUR). 2025 operative EBIT is expected to improve significantly from year 2024, but Q1'2025 operative EBIT will be negative.

Share price



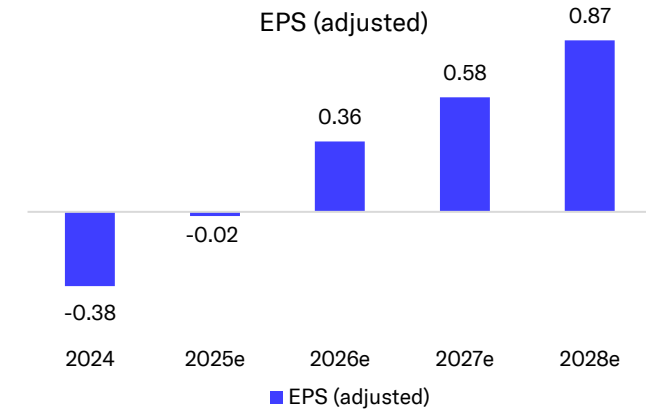
Source: Millstream Market Data AB

Revenue and EBIT-%



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Electrification of transport creates a huge need for efficient and versatile charging capacity in the medium term
- Competitive products offer strong margins and have enabled market share growth
- Increasing the customer base and expanding into new markets could allow Kempower to become one of the major global manufacturers
- Investments in product development

Risk factors

- Restoring profitability requires significant growth or additional savings
- Uncertainty about long-term profitability levels in the industry
- Changes in technological competitiveness could threaten growth and pricing
- Slowdown in demand growth and narrowing technological gaps are likely trends in the long term
- A high valuation based on long-term earnings growth carries significant risk

Valuation	2025e	2026e	2027e
Share price	11.5	11.5	11.5
Number of shares, millions	55.3	55.3	55.3
Market cap	635	635	635
EV	620	610	590
P/E (adj.)	neg.	32.2	19.8
P/E	neg.	32.2	19.8
P/B	5.7	4.9	3.9
P/S	2.3	1.8	1.4
EV/Sales	2.3	1.7	1.3
EV/EBITDA	54.1	15.7	10.6
EV/EBIT (adj.)	neg.	24.7	14.7
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Order intake gradually returning to normal

Revenue declined less than expected

Kempower's Q4 revenue decreased by 13% year-on-year, but still exceeded our forecast by 6%. Revenue decreased in the Nordic countries and the rest of Europe but increased in North America. We believe that the top-line decline was driven by weak order development in previous quarters due to high customer inventory levels and slower-than-expected progress in the electrification of transportation. However, revenue increased significantly compared to previous quarters, partly due to the completion of the transition to new technology products at the end of the third quarter.

Slight pick-up in orders

Kempower's order intake in Q4 was 67.8 MEUR, a slight increase year-on-year (Q4'23: 66.7 MEUR). Order intake came in a hefty 6% ahead of our forecast and a more pronounced 11% ahead of consensus. North America

already accounted for 15% of the order intake (10% of revenue). Due to the high revenue recognition, the order book at the end of the period was down slightly year-on-year, at 95.0 MEUR (2023: 110.6 MEUR), which naturally has a negative impact on the revenue outlook for the next few quarters.

As expected, the result rose into the black

Kempower guided for an operating profit of around zero in Q4, and that is what happened. Adjusted EBIT was 0.8 MEUR (Q4'23: 5.5 MEUR) and in line with expectations. Gross margin in Q4 was quite strong at 49.6%, although significantly weaker than in the strong comparison period (Q4'23: 53.1%). Fixed operating expenses (personnel expenses + other operating expenses) amounted to 34.4 MEUR, slightly lower compared to Q2-Q3 (35-36 MEUR). In Q3, the company implemented cost savings and headcount reductions to improve its cost structure in a weaker demand environment.

Balance sheet position slightly stronger than forecast

Kempower had net cash of 23.8 MEUR at the end of 2024 (2023: 74.6 MEUR), which was slightly better than our forecast (21.7 MEUR). Net cash has decreased during 2024 not only due to losses, but also due to the increase in lease liabilities recognized on the balance sheet, as the company commissioned new facilities in Lahti during the year. Operating cash flow in Q4 was already clearly positive (12.4 MEUR) and improved year-on-year (Q4'23: 0.7 MEUR), although at the full-year level it remained clearly negative (-23.4 MEUR). The company does not pay dividends, but the purpose of the balance sheet is to support the growth of business.

Estimates MEUR / EUR	Q4'23	Q4'24	Q4'24e	Q4'24e	Consensus		Difference (%)	2024e
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Actualized
Revenue	82.8	71.7	67.8	69.1			6%	220
Order intake	66.7	67.8	67.8	61.0			6%	215
Gross margin	53.1 %	49.6 %	49.7 %	49.7 %			-0.5pp	48.9 %
EBIT (adj.)	5.5	0.8	0.7	0.9			21%	-26.5
EPS (reported)	0.10	0.01	-0.01	0.01			262%	
Revenue growth-%	119.0 %	-13.4 %	-18.1 %	-16.5 %			4.7 pp	-22.5 %
EBIT-% (adj.)	6.7 %	1.1 %	1.0 %	1.3 %			0.1 pp	-12.1 %

Source: Inderes & Modular Finance (consensus: 8 forecasts)

Watch the Q4 webcast below:



Growth shows signs of recovery, profitability still weak in the coming years

We have lowered our forecasts for the next few years, but slightly raised our long-term assumptions

- According to Kempower's new guidance, revenue in 2025 is expected to increase by 10-30% compared to 2024. EBIT is expected to improve significantly from 2024, but Q1 EBIT will be negative.
- According to the company, customer inventory levels will limit demand in H1'2025, but demand is expected to recover in the second half of the year.
- The growth guidance is slightly more moderate than our previous projections, but the difference is not large. The slightly better-than-expected development of order intake is also a small positive factor for our forecasts. The company also reported that new customer acquisition was active and successful in Q4. Kempower's charger installation volumes increased by 30% in 2024 (customers installed chargers that were in their warehouses), which partially supports the idea of continued structural growth in the construction of charging infrastructure. We lowered our 2025-26 revenue forecasts by 1% and now expect growth of 22%, slightly above the midpoint of the guidance range.
- We expect adjusted EBIT to improve close to break-even, but to remain slightly negative at -2 MEUR in 2025. Our Q1 EBIT forecast is -6.6 MEUR. We also lowered our 2026 earnings forecasts due to slightly higher-than-expected fixed costs in Q4.
- We have slightly increased our long-term growth forecasts based on the budding recovery in the EV market and Kempower's recent customer wins. A relatively stable gross margin for the rest of the year also slightly strengthens the outlook for the company's competitiveness, which has been questioned due to the threat of price competition.

Estimate revisions	2024e	2024e	Change	2025e	2025e	Change	2026e	2026e	Change
MEUR / EUR	Inderes	Actualized	%	Old	New	%	Old	New	%
Revenue	220	224	2%	275	273	-1%	363	355	-2%
EBITDA	-18.4	-18.1	2%	19.4	11.5	-41%	44.2	38.9	-12%
EBIT (excl. NRIs)	-26.5	-26.4	1%	9.0	-1.9	-121%	32.6	24.7	-24%
EBIT	-28.9	-28.9	0%	9.0	-1.9	-121%	32.6	24.7	-24%
PTP	-28.4	-28.3	0%	9.5	-1.5	-116%	33.1	25.0	-24%
EPS (excl. NRIs)	-0.39	-0.38	5%	0.14	-0.02	-116%	0.47	0.36	-24%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

Detailed estimates

MEUR	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e	2029e	2030e	Terminal period
Order intake			7	37	209	275	218	293						
- growth %				427%	459%	32%	-21%	34%						
Order book			4	14	119	111	95	115						
				261%	768%	-7%	-14%	21%						
Revenue	0	0	3	27	104	284	224	273	355	440	528	607	668	
- growth %		68%	909%	730%	278%	174%	-21%	22%	30%	24%	20%	15%	10%	3%
Revenue by geography														
Nordics	0	0	2	23	58	114	98	93	101	108	116			
- growth %					150%	97%	-14%	-5%	9%	7%	7%			
Rest of Europe	0	0	1	4	41	144	95	123	163	200	238			
- growth %					893%	254%	-34%	30%	33%	23%	19%			
North America	0	0	0	0	2	11	21	42	69	104	140			
- growth %							84%	101%	64%	51%	35%			
Rest of World	0	0	0	0	4	14	10	15	22	27	34			
- growth %							-26%	50%	40%	25%	25%			
Gross margin %			54.5%	47.1%	46.5%	52.1%	48.7%	48.8%	47.8%	47.0%	46.2%	45.6%	45.0%	
Fixed costs				-13	-39	-101	-127	-122	-131	-151	-171	-193	-208	
EBITDA	-0.6	-2.2	-2.1	0.5	9.5	47.1	-18.0	11.5	38.9	55.5	72.6	84.4	92.7	
- % of revenue				1.8%	9.2%	16.6%	-8.0%	4.2%	11.0%	12.6%	13.7%	13.9%	13.9%	
Depreciation and amortization	0.0	0.0	-0.1	-1.1	-3.4	-6.5	-10.8	-13.4	-14.2	-15.4	-12.7	-14.0	-14.7	
EBIT	-0.6	-2.2	-2.2	-0.7	6.1	40.6	-28.8	-1.9	24.7	40.1	59.9	70.5	78.0	
- % of revenue				-2.6%	5.9%	14.3%	-12.9%	-0.7%	7.0%	9.1%	11.3%	11.6%	11.7%	11.0%
Financing expenses				-0.2	-1.3	2.5	0.6	0.4	0.3	0.5	0.8	0.8	0.8	
Taxes				1.1	-1.2	-9.3	5.0	0.3	-5.2	-8.5	-12.7	-15.0	-16.5	
- Tax rate %				122%	25%	22%	18%	21%	21%	21%	21%	21%	21%	21%
Net profit				0.3	3.6	33.7	-23.2	-1.2	19.7	32.0	48.0	56.3	62.2	
EPS (EUR)				0.01	0.07	0.61	-0.38	-0.02	0.36	0.58	0.87	1.02	1.13	
Investments (incl. capitalization of leasing contracts)			0	4	23	23	29	17	19	19	20	21	21	
Net working capital			3	4	21	18	27	33	41	48	55	64	70	
Net cash assets			1	89	58	75	24	15	24	45	78	119	168	
Headcount (at the end of year)	5	17	38	136	375	737	786	805						

Source: Inderes

Valuation and investment profile 1/2

In the long game, the stock's valuation is attractive

Kempower's share price rally in 2022-23 was based on strong evidence of earnings growth and the market's expectation that the company's large opex investments in 2023-2024 will pay off quickly. The equity story changed as the industry inventory cycle unfolded and also as demand for electric vehicles waned, although this is likely to be a temporary phenomenon. We believe that it will take several years for the major investments of recent years, such as the expansion of the organization and the opening of new factories, to become profitable. Earnings forecasts for 2025-26 are weak due to low factory utilization, so the stock's valuation is based on the company's long-term earnings growth prospects. This increases the risk of the investment, as it is difficult to predict changes in the dynamics of a new and growing industry.

With our earnings forecasts for 2027-28, the valuation already falls to relatively cheap levels (EV/EBIT 15x and 9x), assuming that the market continues to grow strongly thereafter. Our estimates assume an EBIT margin of 11.3% in 2028, which we believe is a credible level of profitability for a globally competitive electrical equipment manufacturer. If profitability were to improve to the company's long-term target of at least 15%, there would be significant upside to the valuation.

Market growth should return to strength within 1-2 years

We see small but concrete signs of a positive market turnaround, which we believe will partially reduce the high level of forecasting uncertainty of the recent past and thus improve the risk/reward ratio. Sales of electric cars could return to significant growth in 2025 as the EU tightens

emission limits, as evidenced by January sales figures (full-electric car registrations +21% y/y). Launches of lower-cost electric car models and technological developments are the main structural drivers behind the recovery in market growth, although the economic cycle and interest rate changes may also have a small positive impact in the short term. In its Q4 report, Kempower maintained its market growth forecast, supported by new consulting research, and expects the DC charger market to grow by approximately 30% p.a. until 2030. Our average growth assumption for the company is 20% p.a. in 2025-30, which may be influenced by market share gains in new markets (especially the US), but also by possible changes in the competitive dynamics of the industry, which are difficult to predict.

The evolution of the competitive dynamics is a key consideration for long-term value creation

We believe Kempower's competitiveness in the market remains relatively strong. Between 2022 and 2023, the company managed to increase its market share very rapidly and its product margins were among the best in the market. Competitors have also been hit by stagnant new sales in the market through 2024, and we estimate that Kempower's market share in Europe has been stable recently, with a high share of total sales. In North America, a new market for the company, market share has increased and we expect this trend to continue in the coming years as customer acquisition continues.

Valuation	2025e	2026e	2027e
Share price	11.5	11.5	11.5
Number of shares, millions	55.3	55.3	55.3
Market cap	635	635	635
EV	620	610	590
P/E (adj.)	neg.	32.2	19.8
P/E	neg.	32.2	19.8
P/B	5.7	4.9	3.9
P/S	2.3	1.8	1.4
EV/Sales	2.3	1.7	1.3
EV/EBITDA	54.1	15.7	10.6
EV/EBIT (adj.)	neg.	24.7	14.7
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Valuation and investment profile 2/2

The company's satellite-type charging solution is different from other typical solutions on the market, although competitors have recently introduced somewhat similar satellite-type solutions whose technical performance and value to customers are still difficult to assess. During 2024, Kempower launched charging solutions based on new core technology, which will strengthen the company's competitiveness in the short term.

Scenario-based valuation

In our baseline scenario, we forecast Kempower's revenue to reach 528 MEUR and its EBIT margin to reach 11.3% in 2028. With a 15x EV/EBIT multiple, the share price would then rise to EUR 17.6. Discounted to the present day, this would be equivalent to a value of EUR 13.3 per share.

In our positive scenario, the company would achieve its revenue and longer-term profitability targets, which would increase the share value to EUR 39 (EUR 30 discounted to today's level).

In a negative scenario, revenue growth would remain sluggish, leading the company to reduce its production network and possibly even abandon its growth plans in the US. This would bring the EBIT margin to a positive 5% with extensive additional cost reductions. At 13x EV/EBIT, the stock would have a discounted value of only EUR 3.0 per share, weighed down by, among other things, the 2025-26 losses and the additional cost of cost cutting. In the negative scenario, the company would not become one of the big players in the industry but would remain a niche player serving a specific customer base.

DCF

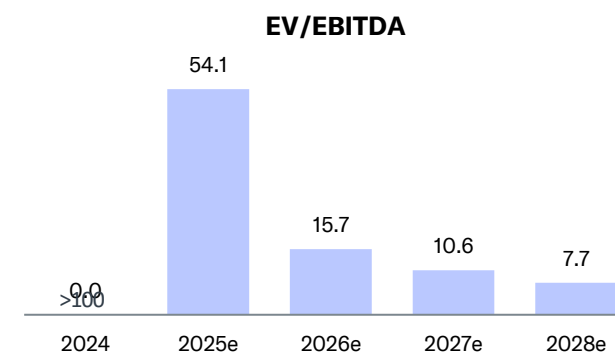
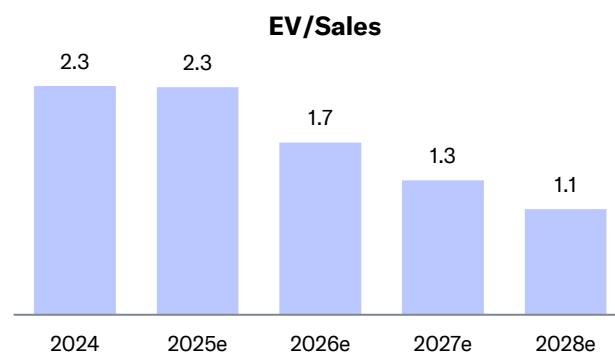
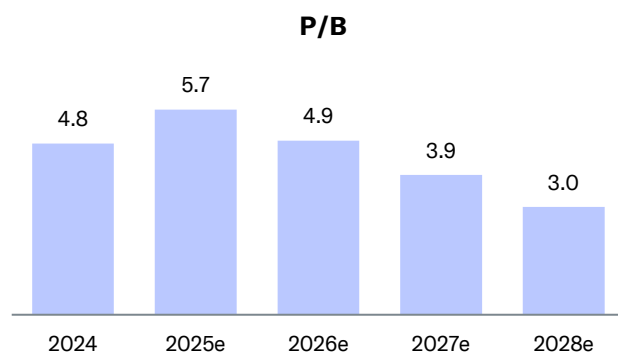
Our cash flow-based valuation indicates a fair value of EUR 14.1 per Kempower share (total market cap 778 MEUR). The long-term EBIT margin we use in the calculation is 11% of revenue and the weighted average cost of capital (WACC) is 9.1%. The weight of the terminal period in the cash flows is high at 71%, which increases the valuation risk.

MEUR 2028e	Negative scenario	Baseline scenario	Positive scenario
Revenue	300	528	750
EBIT-%	5.0%	11.3%	15.0%
EBIT	15	60	113
EV/EBIT multiple (x)	13x	15x	18x
EV	195	899	2025
Cumulative cash flow 25-28e	2	52	122
Cash assets 2024	24	24	24
Market cap 2028e (MEUR)	221	975	2171
Share price 2028e (EUR)	4.0	17.6	39.3
Discounted present value (EUR)	3.0	13.3	29.6
Difference to current price	-74%	16%	158%

Valuation table

Valuation	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e
Share price	9.68	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5
Number of shares, millions	55.3	55.3	55.3	55.3	55.3	55.3	55.3	55.3	55.3
Market cap	535	635	635	635	635	635	635	635	635
EV	511	620	610	590	557	516	468	414	350
P/E (adj.)	neg.	neg.	32.2	19.8	13.2	11.3	10.2	9.3	8.4
P/E	neg.	neg.	32.2	19.8	13.2	11.3	10.2	9.3	8.4
P/B	4.8	5.7	4.9	3.9	3.0	2.4	1.9	1.6	1.3
P/S	2.4	2.3	1.8	1.4	1.2	1.0	1.0	0.9	0.8
EV/Sales	2.3	2.3	1.7	1.3	1.1	0.9	0.7	0.6	0.4
EV/EBITDA	neg.	54.1	15.7	10.6	7.7	6.1	5.1	4.1	3.2
EV/EBIT (adj.)	neg.	neg.	24.7	14.7	9.3	7.3	6.0	4.8	3.7
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 2025e
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e
Tesla	1021780	994628	99.0	127.2	65.2	65.7	10.6	10.4	104.3	132.7			19.9
Wallbox	107	303					1.9	1.8					1.3
Zaptec	108	118	14.2	57.3	11.1	24.0	1.0	1.0	17.3				1.7
Alfen	299	375	9.1		7.1	17.2	0.8	0.8	10.4				1.7
ABB	99693	101480	20.5	19.3	17.6	16.6	3.3	3.2	27.8	25.2	1.7	1.8	7.5
Sinexcel Electric	1147	1141	20.7	18.6	18.4	17.0	3.3	2.6	22.6	20.3	0.9	1.0	6.0
Kempower (Inderes)	635	620	-324.3	24.7	54.1	15.7	2.3	1.7	-531.6	32.2	0.0	0.0	5.7
Average			32.7	55.6	23.9	28.1	3.0	2.9	36.5	59.4	1.3	1.4	6.4
Median			20.5	38.3	17.6	17.2	1.9	1.8	22.6	25.2	1.3	1.4	3.9
Diff-% to median			-1679%	-35%	207%	-9%	18%	-4%	-2448%	28%	-100%	-100%	48%

Source: Refinitiv / Inderes

Income statement

Income statement	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	104	284	42.6	57.1	52.3	71.7	224	51.5	69.1	70.6	81.7	273	355	440	528
EBITDA	9.5	47.1	-8.6	-6.9	-6.4	3.9	-18.1	-3.4	4.3	3.6	7.1	11.5	38.9	55.5	72.6
Depreciation	-3.4	-6.5	-2.3	-2.5	-2.8	-3.2	-10.8	-3.2	-3.3	-3.4	-3.5	-13.4	-14.2	-15.4	-12.7
EBIT (excl. NRI)	6.7	40.7	-10.8	-8.5	-7.9	0.8	-26.4	-6.6	1.0	0.2	3.6	-1.9	24.7	40.1	59.9
EBIT	6.1	40.6	-10.9	-9.5	-9.2	0.7	-28.9	-6.6	1.0	0.2	3.6	-1.9	24.7	40.1	59.9
Net financial items	-1.3	2.5	0.3	-0.1	0.3	0.1	0.6	0.1	0.1	0.1	0.1	0.4	0.3	0.5	0.8
PTP	4.8	43.1	-10.6	-9.5	-8.9	0.8	-28.3	-6.5	1.1	0.3	3.7	-1.5	25.0	40.6	60.7
Taxes	-1.4	-9.3	1.9	1.7	1.6	-0.2	5.0	1.3	-0.2	-0.1	-0.7	0.3	-5.2	-8.5	-12.7
Net earnings	3.4	33.8	-8.8	-7.8	-7.2	0.5	-23.3	-5.2	0.9	0.2	3.0	-1.2	19.7	32.0	48.0
EPS (adj.)	0.07	0.61	-0.16	-0.12	-0.11	0.01	-0.38	-0.09	0.02	0.00	0.05	-0.02	0.36	0.58	0.87
EPS (rep.)	0.06	0.61	-0.16	-0.14	-0.13	0.01	-0.42	-0.09	0.02	0.00	0.05	-0.02	0.36	0.58	0.87

Key figures	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	278.1 %	173.7 %	-23.6 %	-21.2 %	-28.0 %	-13.4 %	-21.1 %	21.0 %	21.0 %	35.0 %	13.9 %	22.0 %	30.0 %	24.0 %	20.0 %
Adjusted EBIT growth-%			-256.5 %	-161.1 %	-154.9 %		-164.8 %	-38.4 %	-111.5 %	-102.2 %	348.1 %	-92.8 %	-1391.1 %	62.4 %	49.5 %
EBITDA-%			-20.1 %	-12.2 %	-12.2 %	5.4 %	-8.1 %	-6.7 %	6.2 %	5.1 %	8.6 %	4.2 %	11.0 %	12.6 %	13.7 %
Adjusted EBIT-%			-25.3 %	-14.9 %	-15.1 %	1.1 %	-11.8 %	-12.9 %	1.4 %	0.2 %	4.4 %	-0.7 %	7.0 %	9.1 %	11.3 %
Net earnings-%			-20.6 %	-13.7 %	-13.8 %	0.8 %	-10.4 %	-10.2 %	1.2 %	0.3 %	3.6 %	-0.4 %	5.6 %	7.3 %	9.1 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	44.2	67.4	69.3	71.7	75.8
Goodwill	0.0	0.0	0.0	0.0	0.0
Intangible assets	1.8	4.2	6.6	9.0	11.4
Tangible assets	38.2	54.0	55.6	57.6	59.3
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	1.4	0.1	0.1	0.1	0.1
Deferred tax assets	2.8	9.1	7.0	5.0	5.0
Current assets	194	163	199	279	330
Inventories	51.6	57.5	70.2	89.4	109
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	42.1	40.5	49.4	60.7	70.9
Cash and equivalents	99.8	65.4	79.8	129	151
Balance sheet total	238	231	269	350	406

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	133	112	111	130	162
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	42.4	21.5	20.3	40.0	72.1
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	90.4	90.3	90.3	90.3	90.3
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	24.4	31.2	45.3	69.1	70.1
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	3.8	6.0	6.0	6.0	6.0
Interest bearing debt	20.5	25.1	39.2	63.0	64.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.1	0.1	0.1	0.1	0.1
Current liabilities	80.4	87.7	113	151	173
Interest bearing debt	4.7	16.5	25.8	41.4	42.1
Payables	75.7	71.2	86.9	109	131
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	238	231	269	350	406

DCF-calculation

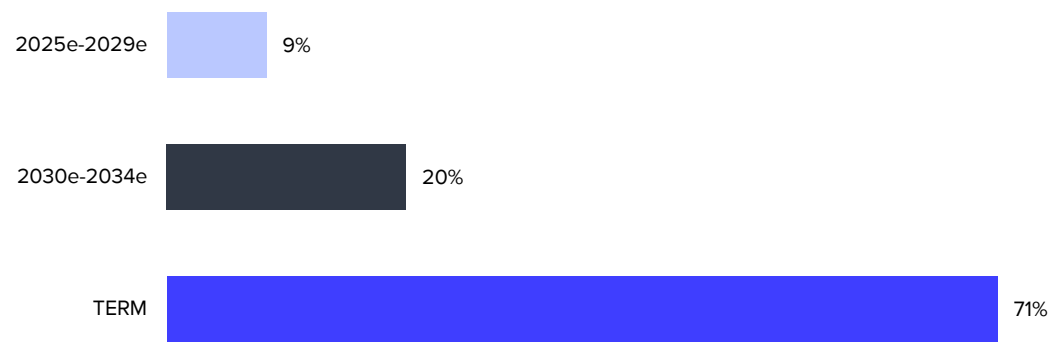
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-21.1 %	22.0 %	30.0 %	24.0 %	20.0 %	15.0 %	10.0 %	10.0 %	10.0 %	10.0 %	3.0 %	3.0 %
EBIT-%	-12.9 %	-0.7 %	7.0 %	9.1 %	11.3 %	11.6 %	11.7 %	11.7 %	11.7 %	11.0 %	11.0 %	11.0 %
EBIT (operating profit)	-28.9	-1.9	24.7	40.1	59.9	70.5	78.0	85.8	94.4	97.8	101	
+ Depreciation	10.8	13.4	14.2	15.4	12.7	14.0	14.7	14.9	15.8	16.6	17.2	
- Paid taxes	-1.3	2.4	-3.2	-8.5	-12.7	-15.0	-16.5	-18.2	-20.0	-20.7	-21.3	
- Tax, financial expenses	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-8.8	-5.9	-8.0	-7.6	-7.0	-8.3	-6.4	-7.0	-3.7	-3.6	-2.5	
Operating cash flow	-28.1	8.1	27.6	39.5	53.0	61.3	69.9	75.6	86.7	90.2	94.2	
+ Change in other long-term liabilities		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX		-17.4	-18.5	-19.5	-20.3	-21.0	-21.5	-22.0	-22.0	-22.0	-19.0	
Free operating cash flow		-9.3	9.1	20.0	32.6	40.3	48.4	53.7	64.7	68.2	75.2	
+/- Other		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF		-9.3	9.1	20.0	32.6	40.3	48.4	53.7	64.7	68.2	75.2	1268
Discounted FCFF		-8.6	7.7	15.5	23.3	26.3	29.0	29.5	32.6	31.5	31.8	536
Sum of FCFF present value		755	763	755	740	717	690	661	632	599	568	536
Enterprise value DCF		755										
- Interest bearing debt		-41.6										
+ Cash and cash equivalents		65.4										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		778										
Equity value DCF per share		14.1										

WACC

Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	3.0 %
Equity Beta	1.55
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	9.9 %
Weighted average cost of capital (WACC)	9.1 %

Source: Inderes

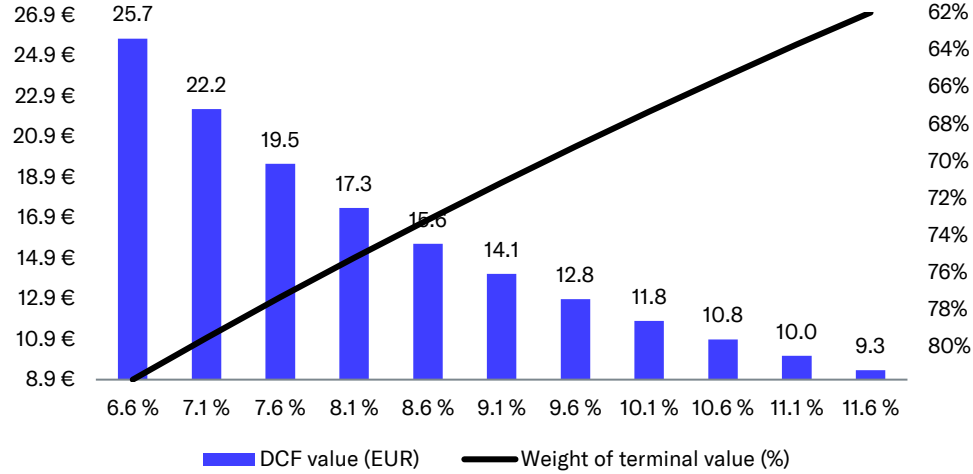
Cash flow distribution



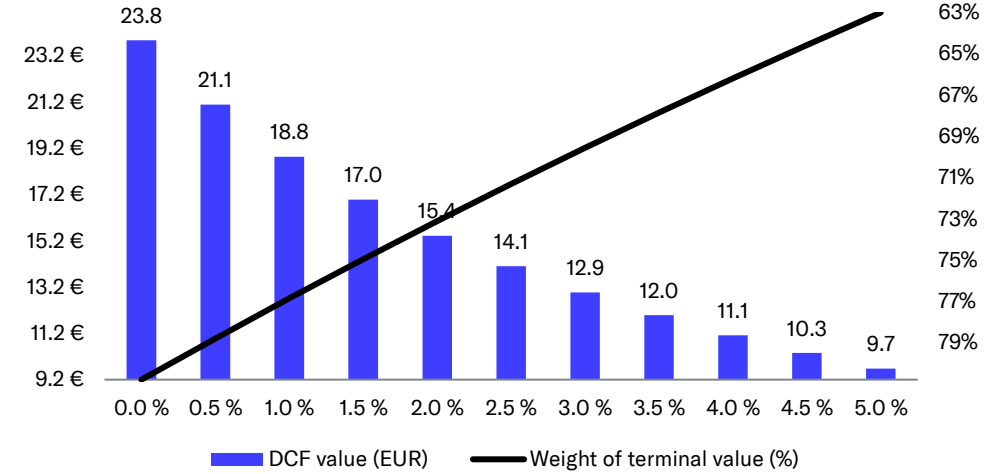
■ 2025e-2029e ■ 2030e-2034e ■ TERM

DCF sensitivity calculations and key assumptions in graphs

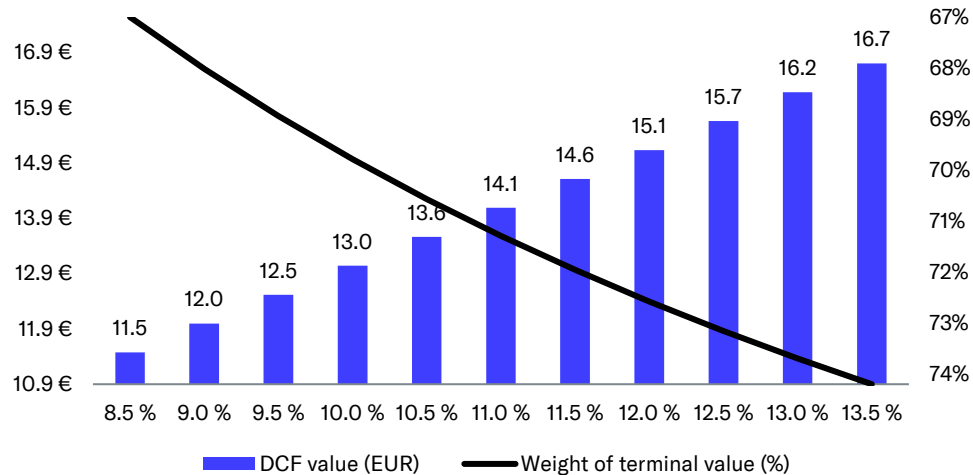
Sensitivity of DCF to changes in the WACC-%



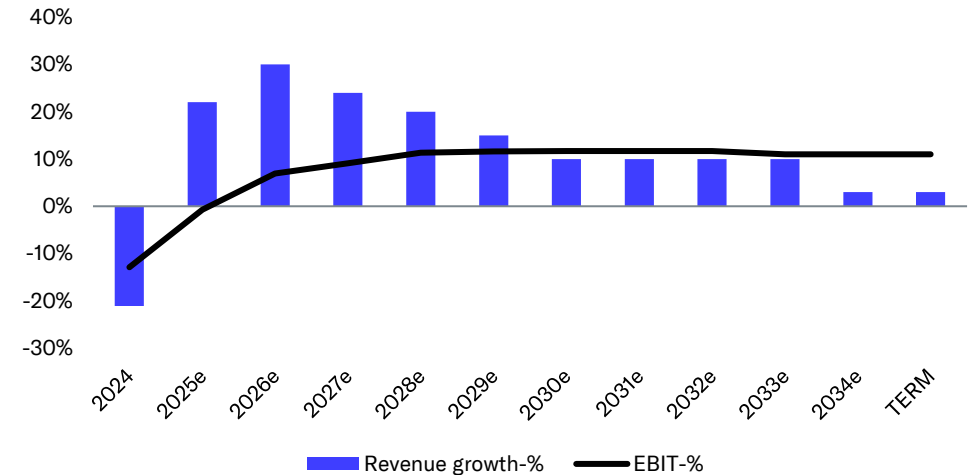
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



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

Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	103.6	283.6	223.7	272.9	354.8	EPS (reported)	0.06	0.61	-0.42	-0.02	0.36
EBITDA	9.5	47.1	-18.1	11.5	38.9	EPS (adj.)	0.07	0.61	-0.38	-0.02	0.36
EBIT	6.1	40.6	-28.9	-1.9	24.7	OCF / share	-0.16	0.70	-0.51	0.15	0.50
PTP	4.8	43.1	-28.3	-1.5	25.0	FCF / share	-0.53	0.29	-0.97	-0.17	0.17
Net Income	3.4	33.8	-23.3	-1.2	19.7	Book value / share	1.81	2.40	2.02	2.00	2.36
Extraordinary items	-0.6	-0.1	-2.5	0.0	0.0	Dividend / share	0.00	0.00	0.00	0.00	0.00
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	154.2	237.7	230.8	268.7	350.3	Revenue growth-%	278%	174%	-21%	22%	30%
Equity capital	100.7	132.9	111.9	110.7	130.4	EBITDA growth-%	1800%	396%	-138%	-163%	239%
Goodwill	0.0	0.0	0.0	0.0	0.0	EBIT (adj.) growth-%	-1217%	507%	-165%	-93%	-1391%
Net debt	-58.3	-74.6	-23.8	-14.8	-24.1	EPS (adj.) growth-%	1287%	718%	-161%	-94%	-1753%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	9.2 %	16.6 %	-8.1 %	4.2 %	11.0 %
EBITDA	9.5	47.1	-18.1	11.5	38.9	EBIT (adj.)-%	6.5 %	14.4 %	-11.8 %	-0.7 %	7.0 %
Change in working capital	-17.2	2.8	-8.8	-5.9	-8.0	EBIT-%	5.9 %	14.3 %	-12.9 %	-0.7 %	7.0 %
Operating cash flow	-8.6	38.5	-28.1	8.1	27.6	ROE-%	3.5 %	28.9 %	-19.0 %	-1.1 %	16.4 %
CAPEX	-23.2	-24.2	-27.7	-17.4	-18.5	ROI-%	5.7 %	29.6 %	-18.5 %	-1.2 %	12.0 %
Free cash flow	-29.7	15.8	-53.6	-9.3	9.1	Equity ratio	65.3 %	55.9 %	48.5 %	41.2 %	37.2 %
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	-57.9 %	-56.1 %	-21.3 %	-13.4 %	-18.5 %
EV/S	10.0	5.3	2.3	2.3	1.7						
EV/EBITDA	>100	32.1	neg.	54.1	15.7						
EV/EBIT (adj.)	>100	37.2	neg.	neg.	24.7						
P/E (adj.)	>100	46.9	neg.	neg.	32.2						
P/B	10.8	11.9	4.8	5.7	4.9						
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %						

Source: Inderes

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Date	Recommendation	Target	Share price
8/15/2022	Accumulate	20.00 €	18.35 €
10/30/2022	Accumulate	22.00 €	19.64 €
2/15/2023	Reduce	27.00 €	27.56 €
4/14/2023	Accumulate	30.00 €	27.30 €
4/20/2023	Accumulate	32.00 €	28.80 €
7/19/2023	Accumulate	43.00 €	41.68 €
7/25/2023	Reduce	43.00 €	42.84 €
9/18/2023	Accumulate	52.00 €	46.10 €
10/19/2023	Accumulate	44.00 €	37.88 €
10/31/2023	Buy	44.00 €	29.59 €
2/9/2024	Buy	41.00 €	28.72 €
2/15/2024	Buy	32.00 €	22.72 €
3/25/2024	Buy	32.00 €	19.55 €
4/25/2024	Buy	28.00 €	17.37 €
7/12/2024	Reduce	19.00 €	22.40 €
7/24/2024	Accumulate	16.00 €	13.17 €
9/2/2024	Reduce	10.00 €	12.00 €
10/3/2024	Reduce	10.00 €	11.60 €
10/31/2024	Reduce	10.00 €	9.86 €
2/12/2025	Accumulate	13.00 €	11.48 €



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