

HEXICON

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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Delays in divestments extend funding uncertainty

Hexicon's Q4 report contained no major surprises. In the context of a challenging operating environment, the company continues to experience long divestment processes and negotiations. As a result, we expect the establishment of a long-term ownership structure for the MunmuBaram project, which could provide near-term financing and improve cash flow for project development, to be delayed until around summer 2025. In our view, the company needs additional capital in the coming months, forcing Hexicon to explore other financing options on uncertain terms. Against this backdrop, we believe the near-term risk/reward is unfavorable. Therefore, we reiterate our Sell recommendation and keep our target price of SEK 0.14 per share unchanged.

Low revenues but cost development going in the right direction

Hexicon's Q4 revenue increased to 4.7 MSEK, above our estimate of 0.7 MSEK. However, in absolute terms, the increase was relatively modest. While the company demonstrated better cost control than expected, the lack of divestments and, therefore, a low revenue base kept Q4 EBIT negative at -11.9 MSEK. At the end of 2024, Hexicon's cash position stood at 23 MSEK, with all available loan facilities fully drawn. Given the high cash burn and the need to repay the 75 MSEK credit facility by June 2025, additional capital will be required soon. While we expect divestments to be part of the financial solution, the likely delay of the MunmuBaram project means they may not be sufficient. As a result, we anticipate the company will seek additional funding through either an equity issue or increased debt. In our view, raising capital through additional debt may not be viable given the already high level of debt. On the other hand, an equity issue at the current valuation would be both expensive and dilutive for shareholders. In our view, the optimal solution, if feasible, would be a directed issue to a strategic partner who could facilitate Hexicon's project development and business

expansion.

We made only minor estimate changes for the coming years

In Hexicon's Q4 report, the company stated that a new ownership structure for the MunmuBaram project is unlikely to be established in the near future due to the current political landscape and the upcoming re-election. In light of this, we revised our previous estimate that the project would be partially divested by Q1'25 to Q2/Q3'25. However, it's important to note that despite this delay, we expect the company to defer rather than lose revenue, pushing it into future quarters. As a result, our full-year revenue estimates for 2025–26 remain largely unchanged, with only a slight positive adjustment due to higher consulting fee revenues. Furthermore, due to Hexicon's refined focus on prioritizing projects that can be divested in the short term, the company has shown better cost control than we initially expected. As a result, we lowered our cost estimates, primarily for the current year. While this positively impacts the operating result, the overall effect remains relatively small in absolute terms.

Financing risks weigh on the risk/reward ratio

Based on our SOTP valuation, we have estimated a value per share ranging from SEK 0.07 to 0.37 per share, with the lower end of the range represented by a negative scenario and the upper end by a more positive scenario (more details about the different scenarios in the valuation section). Given the weak operating environment, the uncertainty around the timing of a possible divestment, and the need for short-term financing, we believe that the drivers currently justify a valuation towards the lower end of the range. Although there are promising growth prospects and value creation opportunities in the longer term, we believe that the current valuation does not offer enough upside potential to justify the associated risks and uncertainties.

Recommendation

Sell

(prev. Sell)

Target price:

0.14 SEK

(prev. 0.14 SEK)

Share price:

0.16

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	9.8	272.9	534.3	748.5
growth-%	72%	2684%	96%	40%
EBIT adj.	-91.4	141.1	383.0	564.4
EBIT-% adj.	-932.7 %	51.7 %	71.7 %	75.4 %
Net Income	-258.3	20.1	309.7	520.5
EPS (adj.)	-0.71	0.06	0.85	1.43

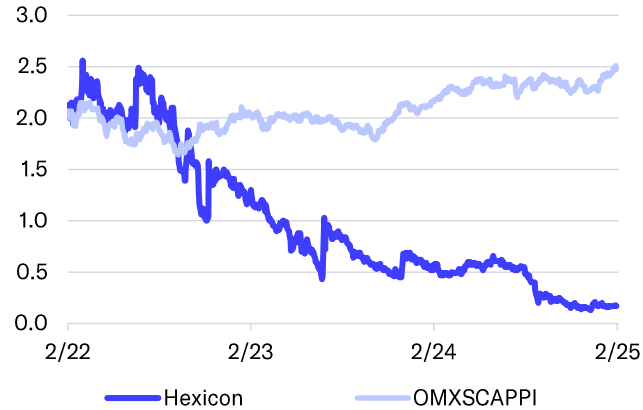
P/E (adj.)	neg.	3.0	0.2	0.1
P/B	neg.	neg.	1.3	0.1
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	neg.	6.2	1.7	0.4
EV/EBITDA	neg.	5.2	1.5	0.4
EV/S	79.4	3.2	1.2	0.3

Source: Inderes

Guidance

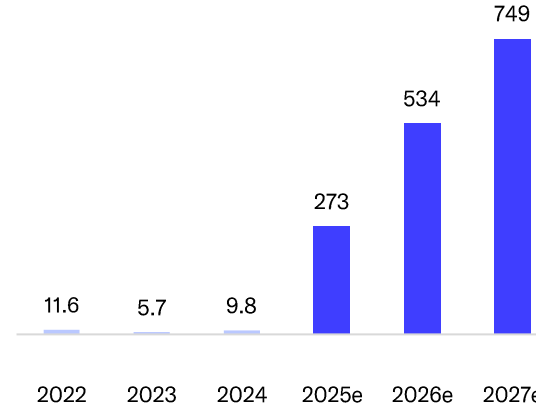
(Hexicon does not provide guidance)

Share price



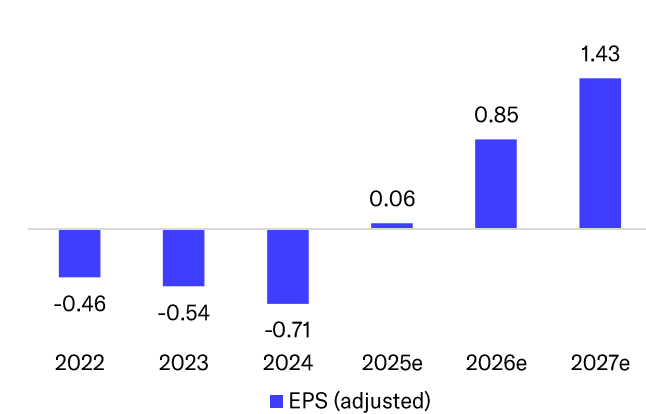
Source: Millstream Market Data AB

Revenue



Source: Inderes

Earnings per share



Source: Inderes

Value drivers

- Value of Hexicon's project development portfolio
- Proprietary TwinWind technology with patents in over 20 countries
- Organization's expertise and experience in floating offshore project development
- Market knowledge and global network of partners
- The floating offshore market is expected to grow substantially during this decade

Risk factors

- Delays in development projects or failure of projects to reach FID
- Inability to sell projects on favorable terms or at an appropriate time
- Deterioration in the market value of the project portfolio
- High debt level, somewhat mitigated by the loan structure
- Failure of TwinWind technology to achieve commercial viability

Valuation	2025e	2026e	2027e
Share price	0.16	0.16	0.16
Number of shares, millions	363.8	363.8	363.8
Market cap	60	60	60
EV	870	635	233
P/E (adj.)	3.0	0.2	0.1
P/E	3.0	0.2	0.1
P/B	neg.	1.3	0.1
P/S	0.2	0.1	0.1
EV/Sales	3.2	1.2	0.3
EV/EBITDA	5.2	1.5	0.4
EV/EBIT (adj.)	6.2	1.7	0.4
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Running out of cash

Lack of divestments resulted in continued low revenue

Hexicon's Q4 revenue increased to 4.7 MSEK (Q4'23: 0.7 MSEK), above our estimate of 0.7 MSEK. However, in absolute terms the increase was modest. The main revenue driver during the quarter, as expected, was consulting fees earned from development projects. In the bigger picture, however, Hexicon's investment case and the path to cash flow neutrality are largely dependent on the successful development and divestment of its project portfolio. Therefore, we do not place too much emphasis on the quarterly revenue numbers. Instead, we focus on the progress of potential divestments, in particular, the important MunmuBaram project.

In this context, Hexicon achieved a significant milestone during the quarter, with the approval of two out of three Electricity Business Licenses (EBLs) for the project. While the approval of the third EBL is still pending, this allows the company to focus on establishing a long-term ownership

structure for the next, more capital-intensive phase of the project. However, in its Q4 report, the company stated that a potential divestment is likely to be further delayed due to the political landscape and the upcoming re-election in South Korea. While we view it positively that the company is waiting for the right moment to divest rather than selling at a low price, we have postponed our divestment estimate from Q1 to around Q2/Q3 this year. All in all, this prolonged divestment process is, of course, negative news, as the company urgently requires additional capital.

Better cost control than expected

Hexicon's Q4 EBIT remained negative at -11.9 MSEK, showing a better cost awareness than we expected. The operating loss decreased significantly year-on-year, partly because expenses in the MunmuBaram project have been capitalized since Q3'23 and the pace of development has been slightly reduced due to the structural change in ownership. In the lower lines of the income statement, EPS

decreased to SEK -0.34 per share (Q4'23: -0.11), which was below our expectations due to higher accrued interest than expected.

Cash flow and financial position

In Q4'24, operating cash flow was strong at 20.2 MSEK, mainly due to positive working capital developments. However, high investments in ongoing projects and technology development kept free cash flow negative at -16.7 MSEK. Hexicon's cash position stood at 23 MSEK, with all available loan facilities fully drawn. Given the high cash burn and the need to repay the 75 MSEK credit facility by June 2025, additional capital will be required soon. While we expect divestments to be part of the financial solution, the likely delay of the MunmuBaram project means they may not be sufficient. As a result, we anticipate the company will seek additional funding through either an equity issue or increased debt.

Estimates MSEK/SEK	Q4'23	Q4'24	Q4'24e	Q4'24e	Consensus		Difference (%)	2024
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Actual
Revenue	0.7	4.7	0.7				526%	9.8
EBITDA	-24.1	-4.7	-32.2				85%	-73.3
EBIT	-32.4	-11.9	-37.1				68%	-91.4
PTP	-41.4	-124.7	-58.1				-115%	-258.7
EPS (reported)	-0.11	-0.34	-0.16				-115%	
Revenue growth-%	-93.8 %	544.3 %	2.9 %				541.3 pp	71.5 %
EBIT-% (adj.)	-4537.8 %	-258.7 %	-5044.9 %				4786.2 pp	-932.7 %

Source: Inderes

No major estimates changes for the coming years

Estimate revisions

- In Hexicon's Q4 report, the company stated that a new ownership structure for the MunmuBaram project is unlikely to be established in the near future due to the current political landscape and the upcoming re-election. In light of this, we postponed our previous estimate that the project would be partially divested by Q1'25 to Q2/Q3'25. However, it's important to note that despite this delay, we expect the company to defer rather than lose revenue, pushing it into future quarters. As a result, our full-year revenue estimates for 2025–26 remain largely unchanged, with only a slight positive adjustment due to higher consulting fee revenues
- Due to Hexicon's refined focus on prioritizing projects that can be divested in the short term, the company has shown better cost control than we initially expected. As a result, we lowered our cost estimates, primarily for the current year. While this positively impacts the operating result, the overall effect remains relatively small in absolute terms. Our absolute EPS estimates, however, remain largely unchanged due to an increase in financial expenses as we expect the company to still carry a high level of debt
- In the broader context, we continue to view project divestments, particularly the divestment of the MunmuBaram project, as the primary growth driver for 2025. However, estimating the revenue Hexicon will generate from the sale of a portion of the project involves uncertain assumptions, such as the portion of the project to be sold, the price of that portion, and the deal structure. Given the short timeframe between acquiring the remaining 80% of the MunmuBaram project and our revised Q2/Q3'25 divestment estimate, we believe it will be challenging to significantly increase the project's value within this period. Additionally, the weak market environment and the company's urgent financing needs may limit its negotiating power. On the other hand, Hexicon acquired the remaining shares from Shell at a relatively attractive price per MW, which suggests the company has the potential to generate value through the divestment

Estimate revisions	2024	2024e	Change	2025e	2025e	Change	2026e	2026e	Change
MSEK/SEK	Inderes	Actualized	%	Old	New	%	Old	New	%
Revenue	5.9	9.8	65%	268	273	2%	529	534	1%
EBITDA	-100.8	-73.3	27%	149	168	13%	407	412	1%
EBIT (excl. NRIs)	-116.6	-91.4	22%	126	141	12%	372	383	3%
EBIT	-116.6	-91.4	22%	126	141	12%	372	383	3%
PTP	-192.1	-258.7	-35%	56.7	50.1	-12%	309	310	0%
EPS (excl. NRIs)	-0.53	-0.71	-35%	0.05	0.06	9%	0.85	0.85	0%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

Investment returns are overshadowed by financing risks

Sum-of-the-parts valuation

To value Hexicon, we rely primarily on a sum-of-the-parts (SOTP) calculation. However, as the SOTP valuation is very sensitive to the assumptions used, we also use different scenarios: a positive, a negative and a baseline scenario reflecting our current estimates.

In the baseline scenario, we expect Hexicon to divest the important MunmuBaram project in its current form (750 MW) and succeed in establishing a new long-term partnership structure for the project. We anticipate that the ownership structure will involve a consortium of multiple stakeholders, likely two to three partners in addition to Hexicon as a minority shareholder. However, due to the loss-making operations and us expecting the partial divestment to occur around Q2/Q3'25, as well as the need to repay a 75 MSEK credit facility by the end of June this year, we still believe that the company will need additional financing. Therefore, in the baseline scenario, we account for a share issue of 100 MSEK at SEK 0.12 per share (~30% discount to the current share price). As a result, our SOTP valuation gives a value of SEK 0.14 per share.

In the negative scenario, we also expect Hexicon to divest the MunmuBaram project with its current licenses. However, this scenario accounts for the possibility that the current weak operating environment may delay the establishment of a new long-term partnership structure for the project, with a potential divestment occurring in 2026. Thus, in a negative scenario, we estimate that the company will need to raise more capital than in our baseline scenario. Therefore, we have adjusted net debt and the number of shares to reflect a hypothetical share issue of 150 MSEK at a SEK 0.10 per share (~40% discount to

current price). Our SOTP valuation gives a value of SEK 0.07 per share.

In the positive scenario, we expect Hexicon to receive regulatory approval also for the third EBL in the MunmuBaram project, as well as establish the long-term partner structure without needing to raise additional capital. This would mean, e.g., that the company successfully divests any of its other projects, or that Hexicon renegotiates to extend the current credit facility until the MunmuBaram project is divested. In addition, this scenario requires that Hexicon divests a larger share of its project portfolio or at a higher price than in the baseline scenario. In this positive scenario, our SOTP valuation arrives at a value of SEK 0.37 per share. However, we consider this scenario quite unrealistic, given all the factors that would need to come together in such a short time frame.

Valuation summary

Our estimated value per share ranges from SEK 0.07 to 0.37, which is roughly in line with our previous range (SEK 0.06-0.37). In our view, it will be difficult for the company to overcome the downward pressure from the expected equity issue, the high cash burn, and the question marks concerning the price and timing of a divestment of the key MunmuBaram project. Therefore, we believe that the drivers currently justify a valuation towards the lower end of the range. Consequently, we reiterate our Sell recommendation and target price of SEK 0.14. This valuation is also supported by our DCF (SEK 0.16 per share), given that a discount should be applied as we anticipate an increase in the number of shares from a potential equity issue.

Valuation	2025e	2026e	2027e
Share price	0.16	0.16	0.16
Number of shares, millions	363.8	363.8	363.8
Market cap	60	60	60
EV	870	635	233
P/E (adj.)	3.0	0.2	0.1
P/E	3.0	0.2	0.1
P/B	neg.	1.3	0.1
P/S	0.2	0.1	0.1
EV/Sales	3.2	1.2	0.3
EV/EBITDA	5.2	1.5	0.4
EV/EBIT (adj.)	6.2	1.7	0.4
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

SOTP valuation (MSEK)	Negative	Base	Positive
PV of project portfolio	874	1,011	1,232
Earn outs	-209	-209	-345
Group costs	-164	-188	-209
Value of TwinWind	186	186	186
Net debt ¹	581	631	731
PV per share¹ (SEK)	0.07	0.14	0.37

Source: Inderes

¹) Adjusted for hypothetical equity issues of 150 MSEK at 0.10 SEK/share in a negative scenario and an equity issue of 100 MSEK at 0.12 SEK/share in a baseline scenario.

Valuation table

Valuation	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	3.00	1.46	0.69	0.13	0.16	0.16	0.16	0.16
Number of shares, millions	315.3	363.8	363.8	363.8	363.8	363.8	363.8	363.8
Market cap	1091	530	252	47	60	60	60	60
EV	803	524	421	778	870	635	233	-21.8
P/E (adj.)	neg.	neg.	neg.	neg.	3.0	0.2	0.1	0.2
P/E	neg.	neg.	neg.	neg.	3.0	0.2	0.1	0.2
P/B	3.4	2.6	>100	neg.	neg.	1.3	0.1	0.1
P/S	47.2	45.8	44.1	4.8	0.2	0.1	0.1	0.1
EV/Sales	34.8	45.3	73.6	79.4	3.2	1.2	0.3	neg.
EV/EBITDA	neg.	neg.	neg.	neg.	5.2	1.5	0.4	neg.
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	6.2	1.7	0.4	neg.
Payout ratio (%)	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 %

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	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e
Eolus Vind	125	315	8.3	8.7	8.1	8.4	1.3	1.8	4.3	4.6	4.9	5.3	0.7
Arise	145	216	9.2	7.4	7.1	5.9	3.6	3.7	5.9	6.2	4.1	4.1	0.7
PNE	973	1870	44.9	44.0	25.5	21.7	7.6	6.3		98.0	0.3	0.3	4.9
Enersense	41	84	6.1	7.6	2.8	4.0	0.2	0.2	6.3	13.6		2.0	0.9
Hexicon (Inderes)	5	78	6.2	1.7	5.2	1.5	3.2	1.2	3.0	0.2	0.0	0.0	-0.2
Average			17.1	16.9	10.9	10.0	3.2	3.0	5.5	30.6	3.1	2.9	1.8
Median			8.7	8.2	7.6	7.2	2.5	2.7	5.9	9.9	4.1	3.0	0.8
Diff-% to median			-29%	-80%	-32%	-79%	29%	-56%	-50%	-98%	-100%	-100%	-127%

Source: Refinitiv / Inderes

Income statement

Income statement	2022	2023	2024	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	11.6	5.7	9.8	1.2	1.8	161	109	273	534	749	595
EBITDA	-125.6	-167.4	-73.3	-15.7	-18.9	129	73.9	168	412	600	330
Depreciation	-35.5	-23.0	-18.1	-6.8	-6.8	-6.8	-6.8	-27.2	-29.3	-36.0	-41.1
EBIT (excl. NRI)	-161.1	-190.4	-91.4	-22.5	-25.7	122	67.1	141	383	564	288
EBIT	-161.1	-190.4	-91.4	-22.5	-25.7	122	67.1	141	383	564	288
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	-9.7	-8.2	-167.3	-18.0	-20.0	-25.0	-28.0	-91.0	-73.3	-43.9	-12.4
PTP	-170.8	-198.6	-258.7	-40.5	-45.7	97.1	39.1	50.1	310	520	276
Taxes	0.5	0.4	0.4	0.0	0.0	-21.4	-8.6	-30.0	0.0	0.0	0.0
Minority interest	3.4	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	-166.9	-198.0	-258.3	-40.5	-45.7	75.8	30.5	20.1	310	520	276
EPS (adj.)	-0.46	-0.54	-0.71	-0.11	-0.13	0.21	0.08	0.06	0.85	1.43	0.76
EPS (rep.)	-0.46	-0.54	-0.71	-0.11	-0.13	0.21	0.08	0.06	0.85	1.43	0.76

Key figures	2022	2023	2024	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	-49.9 %	-50.6 %	71.5 %	140.0 %	100.0 %	4124.2 %	2277.1 %	2684.3 %	95.8 %	40.1 %	-20.4 %
Adjusted EBIT growth-%		18.2 %	-52.0 %	13.0 %	-3.7 %	-471.3 %	-664.3 %	-254.4 %	171.5 %	47.3 %	-48.9 %
EBITDA-%	-1085.1 %	-2929.6 %	-748.0 %	-1308.9 %	-1051.7 %	80.3 %	67.6 %	61.7 %	77.2 %	80.2 %	55.3 %
Adjusted EBIT-%	-1391.8 %	-3332.2 %	-932.7 %	-1874.5 %	-1428.8 %	76.1 %	61.4 %	51.7 %	71.7 %	75.4 %	48.4 %
Net earnings-%	-1442.1 %	-3465.4 %	-2635.7 %	-3374.5 %	-2539.9 %	47.2 %	27.9 %	7.4 %	58.0 %	69.5 %	46.4 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	365	472	564	629	683
Goodwill	11.9	11.9	11.9	11.9	11.9
Intangible assets	146	174	201	209	216
Tangible assets	49.4	30.5	35.4	58.2	75.1
Associated companies	156	248	308	343	373
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	1.8	7.6	7.6	7.6	7.6
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
Current assets	137	128	186	276	404
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	15.4	105	105	105	105
Receivables	0.0	0.0	54.6	118	225
Cash and equivalents	121	23.0	27.3	53.4	74.9
Balance sheet total	502	599	751	905	1087

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	1.2	-285.0	-264.9	44.8	565
Share capital	3.6	3.6	3.6	3.6	3.6
Retained earnings	-576.4	-825.3	-805.2	-495.5	25.0
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	-4.4	0.0	0.0	0.0	0.0
Other equity	579	538	538	538	538
Minorities	-0.7	-0.8	-0.8	-0.8	-0.8
Non-current liabilities	129	623	472	368	177
Deferred tax liabilities	3.8	3.8	3.8	3.8	3.8
Provisions	33.2	35.7	35.7	35.7	35.7
Interest bearing debt	73.5	569	419	315	124
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	18.7	13.8	13.8	13.8	13.8
Current liabilities	371	261	543	492	344
Interest bearing debt	306	184	419	315	124
Payables	6.4	6.7	54.6	107	150
Other current liabilities	58.5	70.3	70.3	70.3	70.3
Balance sheet total	502	599	751	905	1087

DCF-calculation

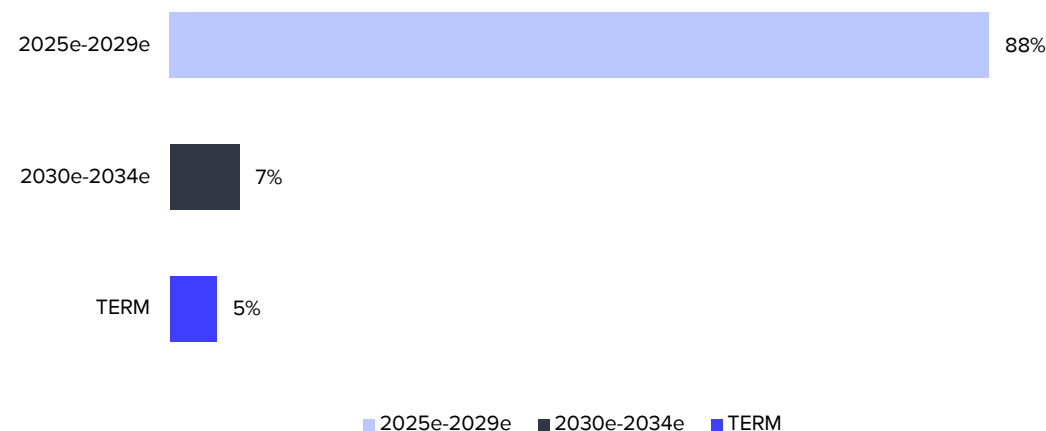
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	71.5 %	2684.3 %	95.8 %	40.1 %	-20.4 %	-26.2 %	15.0 %	10.0 %	5.0 %	5.0 %	2.0 %	2.0 %
EBIT-%	-932.7 %	51.7 %	71.7 %	75.4 %	48.4 %	26.8 %	20.0 %	15.0 %	15.0 %	15.0 %	12.0 %	12.0 %
EBIT (operating profit)	-91.4	141	383	564	288	118	101	83.4	87.6	92.0	75.0	
+ Depreciation	18.1	27.2	29.3	36.0	41.1	43.1	44.7	46.0	47.0	47.8	48.5	
- Paid taxes	0.4	-30.0	0.0	0.0	0.0	0.0	0.0	-17.2	-18.0	-18.9	-15.5	
- Tax, financial expenses	-0.3	-18.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
+ 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	-77.1	-6.7	-10.7	-64.2	15.3	6.8	-7.9	-6.1	-3.3	-3.5	-1.5	
Operating cash flow	-150.3	113	402	536	345	168	138	106	113	117	107	
+ Change in other long-term liabilities	-2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-32.6	-59.6	-59.6	-59.6	-52.6	-52.6	-52.6	-52.6	-52.6	-52.6	-52.6	
Free operating cash flow	-185.2	53.2	342	477	292	115	85.3	53.6	60.6	64.7	54.0	
+/- Other	0.0	-60.0	-35.0	-30.0	-25.0	-25.0	-25.0	-25.0	-25.0	-25.0	-25.0	
FCFF	-185.2	-6.8	307	447	267	89.9	60.3	28.6	35.6	39.7	29.0	192
Discounted FCFF		-5.9	228	282	144	41.2	23.6	9.5	10.1	9.6	6.0	39.5
Sum of FCFF present value		787	793	566	283	139	98.2	74.6	65.1	55.0	45.4	39.5
Enterprise value DCF		787										
- Interest bearing debt		-753.8										
+ Cash and cash equivalents		23.0										
-Minorities		-0.2										
-Dividend/capital return		0.0										
Equity value DCF		56.5										
Equity value DCF per share		0.16										

WACC

Tax-% (WACC)	20.6 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	12.0 %
Equity Beta	2.50
Market risk premium	4.75%
Liquidity premium	5.00%
Risk free interest rate	2.5 %
Cost of equity	19.4 %
Weighted average cost of capital (WACC)	17.4 %

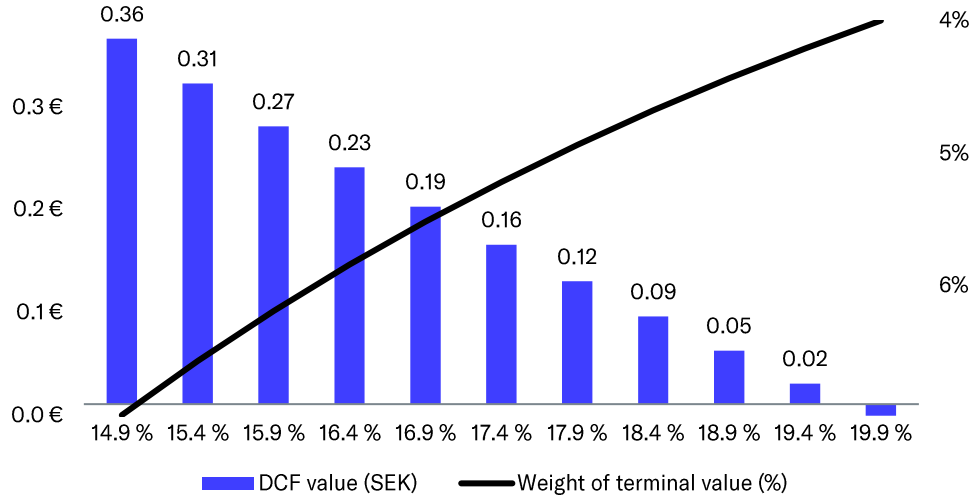
Source: Inderes

Cash flow distribution

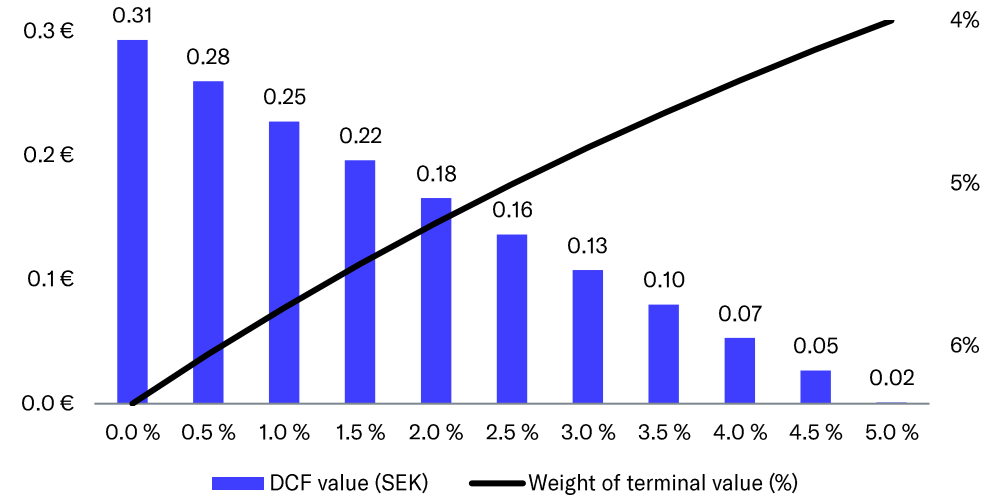


DCF sensitivity calculations and key assumptions in graphs

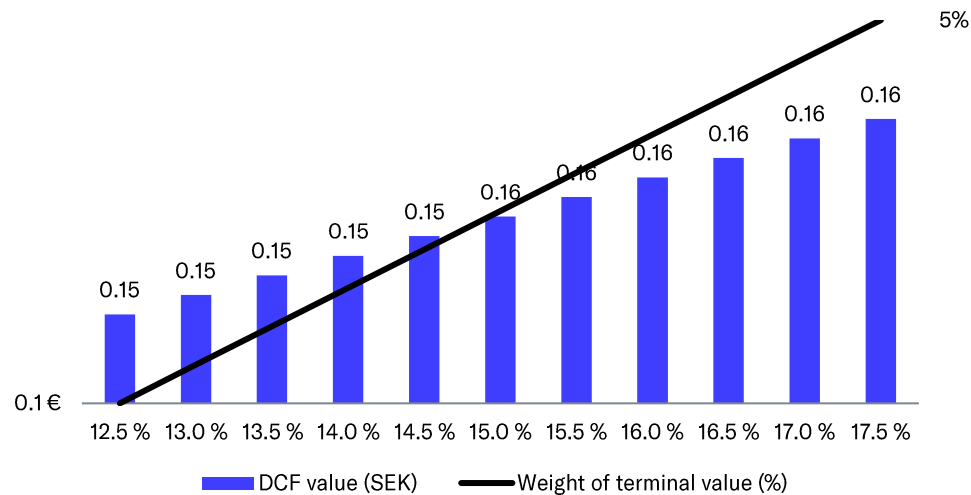
Sensitivity of DCF to changes in the WACC-%



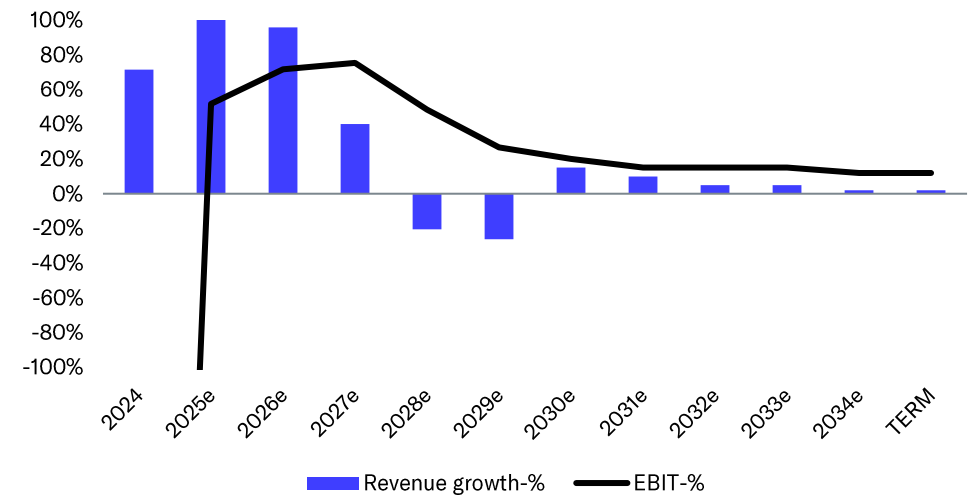
Sensitivity of DCF to changes in the risk-free rate



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	11.6	5.7	9.8	272.9	534.3	EPS (reported)	-0.46	-0.54	-0.71	0.06	0.85
EBITDA	-125.6	-167.4	-73.3	168.2	412.4	EPS (adj.)	-0.46	-0.54	-0.71	0.06	0.85
EBIT	-161.1	-190.4	-91.4	141.1	383.0	OCF / share	-0.50	-0.27	-0.41	0.31	1.10
PTP	-170.8	-198.6	-258.7	50.1	309.7	FCF / share	-0.79	-0.38	-0.51	-0.02	0.84
Net Income	-166.9	-198.0	-258.3	20.1	309.7	Book value / share	0.56	0.01	-0.78	-0.73	0.13
Extraordinary items	0.0	0.0	0.0	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	451.6	501.6	599.2	750.5	904.9	Revenue growth-%	-50%	-51%	72%	2684%	96%
Equity capital	199.3	1.2	-285.0	-264.9	44.8	EBITDA growth-%	175%	33%	-56%	-330%	145%
Goodwill	11.7	11.9	11.9	11.9	11.9	EBIT (adj.) growth-%	224%	18%	-52%	-254%	171%
Net debt	3.9	258.6	730.8	809.9	576.2	EPS (adj.) growth-%	182%	19%	30%	-108%	1441%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	-1085.1 %	-2929.6 %	-748.0 %	61.7 %	77.2 %
EBITDA	-125.6	-167.4	-73.3	168.2	412.4	EBIT (adj.)-%	-1391.8 %	-3332.2 %	-932.7 %	51.7 %	71.7 %
Change in working capital	-55.6	67.4	-77.1	-6.7	-10.7	EBIT-%	-1391.8 %	-3332.2 %	-932.7 %	51.7 %	71.7 %
Operating cash flow	-181.1	-99.8	-150.3	112.8	401.7	ROE-%	-63.5 %	-193.5 %	183.0 %	-7.3 %	-283.6 %
CAPEX	-101.5	-33.2	-32.6	-59.6	-59.6	ROI-%	-52.4 %	-56.8 %	-21.5 %	27.1 %	61.4 %
Free cash flow	-287.8	-138.1	-185.2	-6.8	307.1	Equity ratio	44.1 %	0.2 %	-47.6 %	-35.3 %	5.0 %
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	2.0 %	21424.1 %	-256.5 %	-305.8 %	1285.2 %
EV/S	45.3	73.6	79.4	3.2	1.2						
EV/EBITDA	neg.	neg.	neg.	5.2	1.5						
EV/EBIT (adj.)	neg.	neg.	neg.	6.2	1.7						
P/E (adj.)	neg.	neg.	neg.	3.0	0.2						
P/B	2.6	>100	neg.	neg.	1.3						
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %						

Source: Inderes

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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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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2024-04-29	Reduce	0.56 SEK	0.58 SEK
2024-05-30	Reduce	0.56 SEK	0.53 SEK
2024-08-22	Reduce	0.50 SEK	0.48 SEK
2024-10-10	Reduce	0.23 SEK	0.25 SEK
2024-12-02	Sell	0.14 SEK	0.17 SEK
2025-02-20	Sell	0.14 SEK	0.16 SEK



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