

# SPINNOVA

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This is a translated version of "Suzano iski teknisen tyrmäyksen" report, published on 3/3/2025



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# COMPANY REPORT



# TKO'd by Suzano

We lower our recommendation for Spinnova to Reduce (was Accumulate) and our target price for the company to EUR 0.45 (was EUR 1.10). Suzano's decision to pull out of the planned investments in Spinnova's fiber production technology was a major disappointment and redefined the company's strategy and investment story all at once in a way that makes building a winning recipe from existing ingredients far from easy. Due to the significant uncertainty about the company's future direction, the share can no longer be recommended as an investment, even though the company's enterprise value fell to negative after Friday's share price crash.

## Suzano pulls out of technology investments

Spinnova announced on Friday that Suzano has decided to withdraw its planned investment in Spinnova's fiber production facilities. We commented on the news [here](#) on Friday. The decision is dramatic for Spinnova, as Suzano, which relies on wood pulp, the raw material furthest along the development path in our forecasts, and which has a strong investment muscle, was by far Spinnova's largest customer over the entire forecast horizon, with a cumulative revenue share of more than 50%. It is a small consolation that Suzano's virtually exclusive position as a user of applications for wood-based raw materials is likely to expire.

## Options are far from clear

We estimate that Spinnova could seek to develop its own MFC processing capability, find new partners to develop fiber production focused on wood pulp-based material, and continue development work focused on other raw materials as currently planned. However, the key challenge in our view would be to find willing and able players to invest up to hundreds of millions of euros in manufacturing. In our assessment, the company does not have the financial means to engage in the production business itself. Spinnova still had a net cash position of 41 MEUR

at the end of 2024 and the company's enterprise value with the current net cash position is clearly negative. Therefore, we believe that the sale of the IPR, which contains intrinsic value, would be the option with the positive expected value and the lowest risk in the short term. While we believe that Spinnova must even consider pursuing this very radical solution (or at least explore its feasibility), we think that the company will still seek other options.

## Forecasts have been reworked

We have removed all Suzano projects from our Spinnova forecasts and only included other pulp-related revenue streams in the company's forecasts from the mid-2030s. In addition, we have written down the Woodspin stake (19.4 MEUR at the end of 2024) on a non-cash basis. Based on our current projections, Spinnova will not reach positive cash flow in this decade (previously positive cash flow in 2029). Therefore, according to our projections, the company will need additional financing by the turn of the decade at the latest. Our forecasts are subject to considerable uncertainty and could change significantly depending on the content of the strategy update.

## Situation is too uncertain

The current negative valuation of Spinnova is not something to get excited about, though, as the cash burn is likely to continue for years, assuming the company continues its technology commercialization efforts. At the same time, outlining the upside of the good scenario is a shot in the dark due to the change in strategy, while the probability of the weakest scenario (i.e. failure to commercialize on its own) has increased. Therefore, despite the negative enterprise value, we do not recommend the stock for investment purposes until the situation becomes clearer. Thus, we are now quickly withdrawing our badly mistaken recommendations, which we knew to be risky from the start.

## Recommendation

**Reduce**  
(was Accumulate)

## Target price:

**EUR 0.45**  
(was EUR 1.10)

**Share price:**  
**EUR 0.47**

## Business risk



## Valuation risk



|                    | 2024   | 2025e  | 2026e  | 2027e |
|--------------------|--------|--------|--------|-------|
| <b>Revenue</b>     | 0.8    | 0.6    | 1.0    | 6.0   |
| <b>growth-%</b>    | -93%   | -21%   | 74%    | 478%  |
| <b>EBIT adj.</b>   | -18.3  | -35.7  | -11.2  | -7.4  |
| <b>EBIT-% adj.</b> | -2408% | -5950% | -1072% | -123% |
| <b>Net Income</b>  | -16.8  | -34.7  | -11.2  | -7.6  |
| <b>EPS (adj.)</b>  | -0.32  | -0.66  | -0.21  | -0.15 |

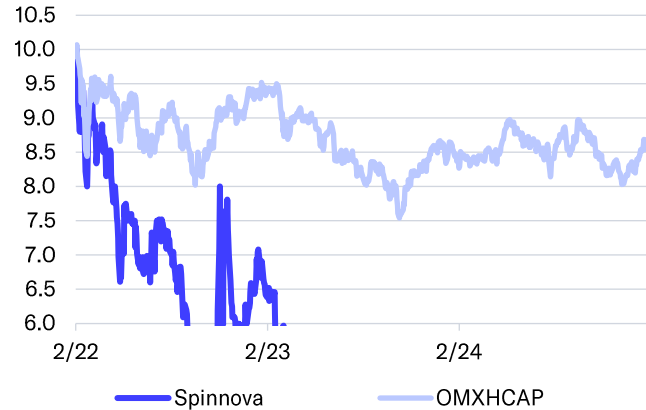
|                         |       |       |       |       |
|-------------------------|-------|-------|-------|-------|
| <b>P/E (adj.)</b>       | neg.  | neg.  | neg.  | neg.  |
| <b>P/B</b>              | 0.7   | 0.7   | 1.0   | 1.4   |
| <b>Dividend yield-%</b> | 0.0 % | 0.0 % | 0.0 % | 0.0 % |
| <b>EV/EBIT (adj.)</b>   | neg.  | 0.0   | neg.  | neg.  |
| <b>EV/EBITDA</b>        | neg.  | 0.0   | neg.  | neg.  |
| <b>EV/S</b>             | 12.9  | neg.  | 9.9   | 2.9   |

Source: Inderes

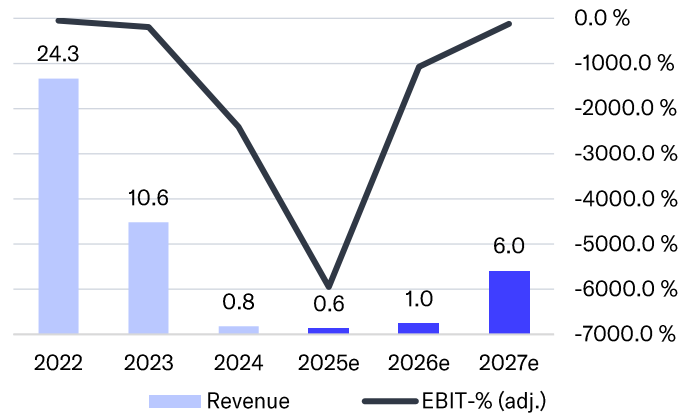
## Guidance

(No guidance)

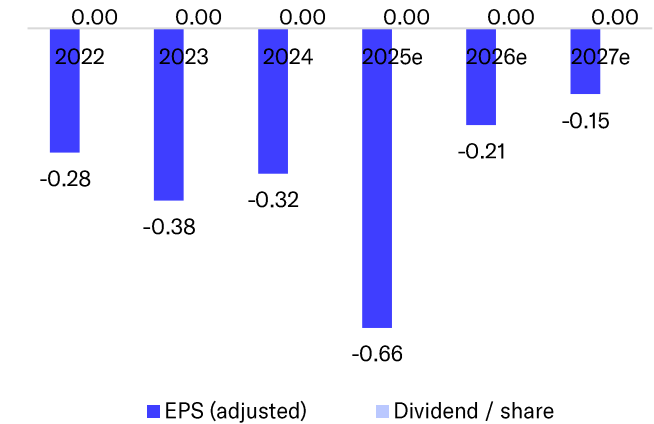
## Share price



## Revenue and EBIT-%



## EPS and dividend



## Value drivers

- Differentiation enabled by unique technology
- Excellent environmental performance of the fiber
- Large target market
- An inherently scalable and capital-light business model makes profitable growth highly valuable
- Increased confidence in commercialization success

## Risk factors

- Need for acute strategic overhaul following Suzano's withdrawal from investment
- Ability to find customers interested in large-scale manufacturing investments for the technology
- Failure to reduce technology investment and operating costs
- Postponement of investments due to external factors
- Slowdown in sustainability trend in consumer markets

| Valuation                         | 2025e | 2026e | 2027e |
|-----------------------------------|-------|-------|-------|
| <b>Share price</b>                | 0.47  | 0.47  | 0.47  |
| <b>Number of shares, millions</b> | 52.3  | 52.3  | 52.3  |
| <b>Market cap</b>                 | 24    | 24    | 24    |
| <b>EV</b>                         | -0.5  | 10    | 18    |
| <b>P/E (adj.)</b>                 | neg.  | neg.  | neg.  |
| <b>P/E</b>                        | neg.  | neg.  | neg.  |
| <b>P/B</b>                        | 0.7   | 1.0   | 1.4   |
| <b>P/S</b>                        | 40.8  | 23.4  | 4.0   |
| <b>EV/Sales</b>                   | neg.  | 9.9   | 2.9   |
| <b>EV/EBITDA</b>                  | 0.0   | neg.  | neg.  |
| <b>EV/EBIT (adj.)</b>             | 0.0   | neg.  | neg.  |
| <b>Payout ratio (%)</b>           | 0.0 % | 0.0 % | 0.0 % |
| <b>Dividend yield-%</b>           | 0.0 % | 0.0 % | 0.0 % |

Source: Inderes

# A strategy process with tough questions ahead

## Suzano pulls out of technology investments

Spinnova announced on Friday that Suzano has decided to withdraw its planned investment in Spinnova's fiber production facilities. We commented on the news [here](#) on Friday. After the setbacks at the end of the year, the news was no longer a big surprise, but it was nevertheless a huge disappointment. The decision is dramatic for Spinnova, as Suzano, which relies on wood pulp, the raw material furthest along the development path in our forecasts, and which has a strong investment muscle, was by far Spinnova's largest customer over the entire forecast horizon, with a cumulative revenue share of more than 50%. Spinnova will therefore have to start a strategic review of its options for the future. At the same time, Spinnova and Suzano should agree on the future of Woodspin, which is jointly owned by the two companies. To spice up an already complex brew, Suzano remains the largest owner of Spinnova for the time being, with a stake of around 19%. The positive aspect we see in this situation

is that Suzano's virtually exclusive position as a user of applications for wood-based raw materials is likely to expire. However, in our view, this is little consolation given the problematic nature of the issues at stake for Spinnova.

## Options are far from clear

We estimate that Spinnova could seek to develop its own MFC processing capability, find new partners to develop fiber production focused on wood pulp-based material, and continue development work focused on other raw materials as currently planned. However, the key challenge in our view would be to find willing and able players to invest up to hundreds of millions of euros in manufacturing, as this would be a risky business for raw-material producers, while brands that need new fibers to meet their emission reduction targets have so far been content to sit on the sidelines and remain rather passive. In our assessment, the company does not have the financial means to engage in the production business itself.

Spinnova still had a net cash position of 41 MEUR at the end of 2024 and the company's enterprise value with the current net cash position is clearly negative. Therefore, we believe that the sale of the IPR, which contains intrinsic value, would be the option with the positive expected value and the lowest risk in the short term. However, the technology is already well advanced, so we believe that interest from third parties in the technology is realistic. The price tag achievable from the current negotiating position is very difficult to estimate, but in principle we believe that selling the IPR now would only be a loss-limiting solution, especially from the perspective of the long-term owner. While we believe that Spinnova will have to consider even this very radical solution, we think that the company will still seek other options first.

Spinnova has no time to waste with the cash burn and the positive cash flow moving further and further away. We therefore expect to hear about the strategic choices already before the summer.

# Forecasts overturned due to Suzano's decision

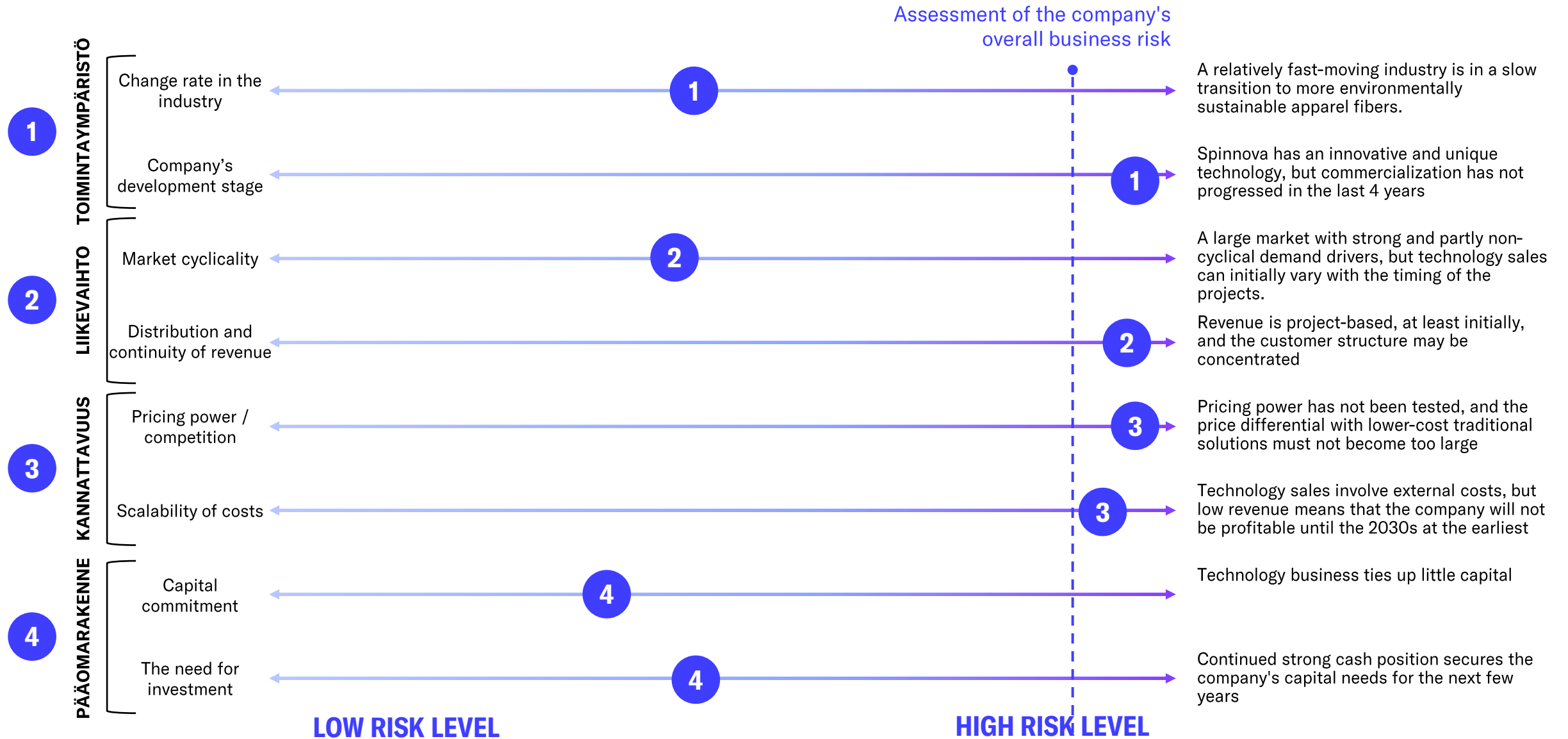
## Estimate revisions

- We have removed all Suzano projects from our forecasts over the entire forecast horizon (4 in total). We expect that the company will be able to replace some of the lost Suzano prospects with other pulp-based solutions in the 2030s, as the near-term negotiations will allow Spinnova to free itself from the virtual exclusivity in wood pulp material that Suzano has enjoyed.
- A strategic review will also be launched for Woodspin, which is half-owned by Suzano and Spinnova. Woodspin, which has been used for technology development and pre-industrial production, has been, and we believe will continue to be, dependent on owner financing. This could be a problematic situation, as Suzano probably has no strategic interest in Woodspin after its decision, but on the other hand Spinnova's options to buy Suzano out of Woodspin are limited. In line with the precautionary principle, we have written down Spinnova's investment in Woodspin (19.4 MEUR) in our forecasts at this stage. The write-down would of course not have a cash impact.
- In the revision, our estimates fell well below Spinnova's targets across all indicators. However, in our view, it is virtually certain that the company will have to make negative changes to its targets in the context of the strategy review. Taking into account our new estimates and the potential for additional savings, we estimate that Spinnova's cash and other liquidity (incl. the 8 MEUR product development loan from Business Finland) will be sufficient for at least 3 years. The company has no immediate financing needs, but we estimate that Spinnova may require additional external financing before the cash flow turnaround.

| Estimate revisions | 2024e | 2024e | Change | 2025e | 2025e | Change | 2026e | 2026e | Change |
|--------------------|-------|-------|--------|-------|-------|--------|-------|-------|--------|
| MEUR / EUR         | Old   | New   | %      | Old   | New   | %      | Old   | New   | %      |
| Revenue            | 0.7   | 0.8   | 15%    | 2.5   | 0.6   | -76%   | 20.5  | 1.0   | -95%   |
| EBITDA             | -15.8 | -15.6 |        | -13.5 | -33.1 |        | -1.2  | -9.3  |        |
| EBIT (excl. NRIs)  | -18.5 | -18.3 |        | -16.4 | -35.7 |        | -4.4  | -11.2 |        |
| EBIT               | -18.5 | -18.3 |        | -16.4 | -35.7 |        | -4.4  | -11.2 |        |
| PTP                | -17.1 | -16.5 |        | -16.4 | -34.7 |        | -4.5  | -11.2 |        |
| EPS (excl. NRIs)   | -0.33 | -0.32 |        | -0.31 | -0.66 |        | -0.09 | -0.21 |        |
| DPS                | 0.00  | 0.00  |        | 0.00  | 0.00  |        | 0.00  | 0.00  |        |

Source: Inderes

# Risk profile of the business



# We retreat from a failed recommendation

## The risk level is very high

In our opinion, it is essential in Spinnova's valuation to assess the value creation potential of its business, its likelihood of achieving the potential and the market's readiness to price this. We would also like to point out that Spinnova's valuation and market pricing is sensitive to the market situation, as investors' readiness to price companies through long-term potential can vary significantly, depending on, e.g., interest rate levels, the general willingness to take risks and the pace at which the company's story unfolds.

In our view, there has been no significant change in overall risk appetite relative to our previous expectations. Suzano's withdrawal has increased Spinnova's risks, especially in the worst-case scenario (i.e. commercialization failure), and investors' willingness to look into the distant future has also been understandably weakened by the severe setback. For these reasons, our required return is very high, and we have increased it slightly further in this update.

## Forecasts brought DCF value down to around share price level

The DCF model offers an indication of the company's valuation based on its long-term potential. In the current situation, the model's assumptions contain extreme uncertainty and its positive cash flows are mostly concentrated well into the 2030s. The DCF value for equity for Spinnova is about EUR 0.5 per share, which is roughly in line with the stock market price. Thus, the DCF no longer provides an attractive price signal, due in particular to the decline and shift in forecasts.

## Difficult to justify buying when the future is unclear

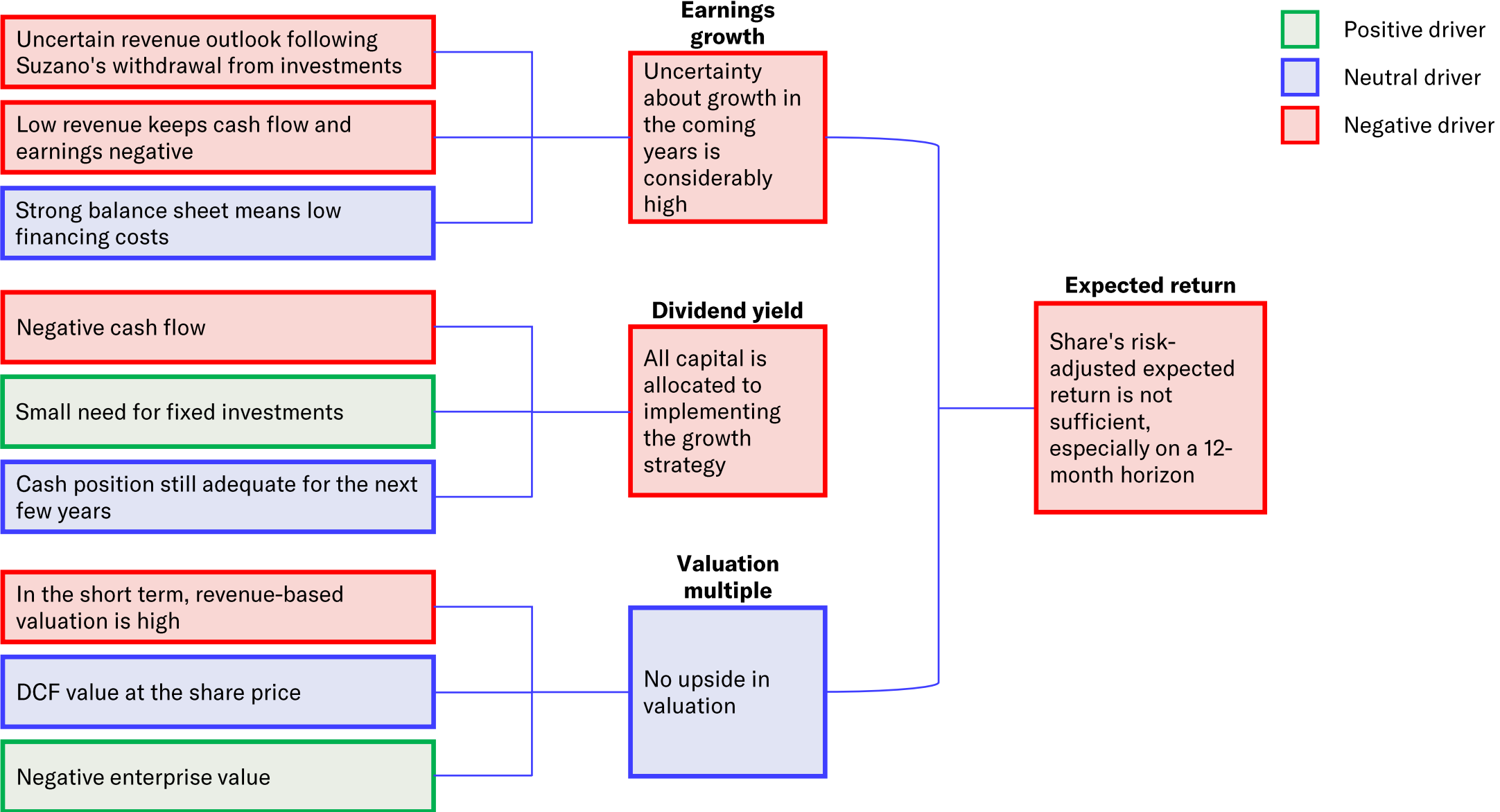
In less than 4 years as a public company, Spinnova has built a path to commercialization, but the path to a stage of sustainable growth is increasingly uncertain. Spinnova's investment story is at a critical juncture, as investor confidence has collapsed due to repeated setbacks and the company will not be able to prove the techno-economic performance of its technology in the near future following Suzano's withdrawal. As a result, the basis for a more rapid scaling up of the business (incl. especially the reduction of investment and production costs) from the turn of the decade cannot be established.

In view of the company's overall picture, we lower our recommendation for Spinnova to Reduce (was Accumulate) and our target price to EUR 0.50 (was EUR 1.10). With the current negative enterprise value (EV at the end of 2024), the bar for the near-term trajectory is low, although for highly cash-burning companies, the absolute support for the share price created by the EV may remain illusory if the company continues to attempt to commercialize on its own, in line with our baseline scenario. In our view, the stock's upside over the 12-month horizon rests on a scenario of a successful IPR sale and cash savings, but given the potential and likelihood of this scenario, we do not believe it represents an attractive expected value for the stock. Therefore, in our view, the current situation does not justify buying the stock. With this, we are withdrawing badly wounded from our recommendation, which we identified as high risk from the start, as developments over the past year or so have been roughly in line with the worst-case scenario we outlined at the initiation of our coverage.

| Valuation                  | 2025e | 2026e | 2027e |
|----------------------------|-------|-------|-------|
| Share price                | 0.47  | 0.47  | 0.47  |
| Number of shares, millions | 52.3  | 52.3  | 52.3  |
| Market cap                 | 24    | 24    | 24    |
| EV                         | -0.5  | 10    | 18    |
| P/E (adj.)                 | neg.  | neg.  | neg.  |
| P/E                        | neg.  | neg.  | neg.  |
| P/B                        | 0.7   | 1.0   | 1.4   |
| P/S                        | 40.8  | 23.4  | 4.0   |
| EV/Sales                   | neg.  | 9.9   | 2.9   |
| EV/EBITDA                  | 0.0   | neg.  | neg.  |
| EV/EBIT (adj.)             | 0.0   | neg.  | neg.  |
| Payout ratio (%)           | 0.0 % | 0.0 % | 0.0 % |
| Dividend yield-%           | 0.0 % | 0.0 % | 0.0 % |

Source: Inderes

# Total shareholder return drivers 2024a-2028e





# Valuation table

| Valuation                  | 2020  | 2021  | 2022  | 2023  | 2024  | 2025e        | 2026e        | 2027e        | 2028e        |
|----------------------------|-------|-------|-------|-------|-------|--------------|--------------|--------------|--------------|
| Share price                |       | 13.4  | 6.50  | 2.40  | 0.97  | <b>0.47</b>  | <b>0.47</b>  | <b>0.47</b>  | <b>0.47</b>  |
| Number of shares, millions | 0.00  | 51.3  | 51.3  | 51.3  | 52.3  | <b>52.3</b>  | <b>52.3</b>  | <b>52.3</b>  | <b>52.3</b>  |
| Market cap                 |       | 689   | 334   | 123   | 51    | <b>24</b>    | <b>24</b>    | <b>24</b>    | <b>24</b>    |
| EV                         | -1.4  | 589   | 257   | 69    | 10    | <b>-0.5</b>  | <b>10</b>    | <b>18</b>    | <b>26</b>    |
| P/E (adj.)                 |       | neg.  | neg.  | neg.  | neg.  | <b>neg.</b>  | <b>neg.</b>  | <b>neg.</b>  | <b>neg.</b>  |
| P/E                        |       | neg.  | neg.  | neg.  | neg.  | <b>neg.</b>  | <b>neg.</b>  | <b>neg.</b>  | <b>neg.</b>  |
| P/B                        | 0.0   | 6.1   | 3.3   | 1.4   | 0.7   | <b>0.7</b>   | <b>1.0</b>   | <b>1.4</b>   | <b>2.2</b>   |
| P/S                        | 0.0   | >100  | 13.7  | 11.6  | 66.6  | <b>40.8</b>  | <b>23.4</b>  | <b>4.0</b>   | <b>3.0</b>   |
| EV/Sales                   | neg.  | 97.2  | 10.6  | 6.4   | 12.9  | <b>neg.</b>  | <b>9.9</b>   | <b>2.9</b>   | <b>3.1</b>   |
| EV/EBITDA                  | 0.3   | neg.  | neg.  | neg.  | neg.  | <b>0.0</b>   | <b>neg.</b>  | <b>neg.</b>  | <b>neg.</b>  |
| EV/EBIT (adj.)             | 0.3   | neg.  | neg.  | neg.  | neg.  | <b>0.0</b>   | <b>neg.</b>  | <b>neg.</b>  | <b>neg.</b>  |
| Payout ratio (%)           | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | <b>0.0 %</b> | <b>0.0 %</b> | <b>0.0 %</b> | <b>0.0 %</b> |
| Dividend yield-%           |       | 0.0 % | 0.0 % | 0.0 % | 0.0 % | <b>0.0 %</b> | <b>0.0 %</b> | <b>0.0 %</b> | <b>0.0 %</b> |

Source: Inderes

# Peer group valuation

| Peer group valuation<br>Company | Market cap<br>MEUR | EV<br>MEUR | EV/S<br>2025e | 2026e       | P/B<br>2025e |
|---------------------------------|--------------------|------------|---------------|-------------|--------------|
| Betolar                         | 18                 | 14         | 7.2           | 2.1         | 7.5          |
| Aiforia                         | 106                | 95         | 15.8          | 8.6         | 11.5         |
| Biorettec                       | 61                 | 57         | 7.4           | 4.1         | 52.0         |
| Optomed                         | 83                 | 75         | 3.4           | 2.3         | 4.0          |
| Nightingale                     | 112                | 48         | 6.0           | 4.4         | 2.8          |
| <b>Spinnova (Inderes)</b>       | <b>24</b>          | <b>0</b>   | <b>-0.8</b>   | <b>9.9</b>  | <b>0.7</b>   |
| <b>Average</b>                  |                    |            | <b>8.0</b>    | <b>4.3</b>  | <b>15.6</b>  |
| <b>Median</b>                   |                    |            | <b>7.2</b>    | <b>4.1</b>  | <b>7.5</b>   |
| <b>Diff-% to median</b>         |                    |            | <b>-111%</b>  | <b>141%</b> | <b>-91%</b>  |

Source: Refinitiv / Inderes

# Income statement

| Income statement        | H1'23        | H2'23        | 2023         | H1'24        | H2'24        | 2024         | H1'25e       | H2'25e       | 2025e        | 2026e        | 2027e        | 2028e        |
|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Revenue</b>          | <b>8.8</b>   | <b>1.8</b>   | <b>10.6</b>  | <b>0.4</b>   | <b>0.4</b>   | <b>0.8</b>   | <b>0.3</b>   | <b>0.3</b>   | <b>0.6</b>   | <b>1.0</b>   | <b>6.0</b>   | <b>8.2</b>   |
| Group                   | 8.8          | 1.8          | 10.6         | 0.4          | 0.4          | 0.8          | 0.3          | 0.3          | 0.6          | 1.0          | 6.0          | 8.2          |
| <b>EBITDA</b>           | <b>-9.7</b>  | <b>-8.7</b>  | <b>-18.4</b> | <b>-8.6</b>  | <b>-7.0</b>  | <b>-15.6</b> | <b>-27.6</b> | <b>-5.5</b>  | <b>-33.1</b> | <b>-9.3</b>  | <b>-5.6</b>  | <b>-4.3</b>  |
| Depreciation            | -1.3         | -1.2         | -2.5         | -1.3         | -1.4         | -2.7         | -1.3         | -1.3         | -2.6         | -1.9         | -1.9         | -1.9         |
| <b>EBIT (excl. NRI)</b> | <b>-11.0</b> | <b>-9.9</b>  | <b>-20.9</b> | <b>-9.9</b>  | <b>-8.4</b>  | <b>-18.3</b> | <b>-28.9</b> | <b>-6.8</b>  | <b>-35.7</b> | <b>-11.2</b> | <b>-7.4</b>  | <b>-6.3</b>  |
| <b>EBIT</b>             | <b>-11.0</b> | <b>-9.9</b>  | <b>-20.9</b> | <b>-9.9</b>  | <b>-8.4</b>  | <b>-18.3</b> | <b>-28.9</b> | <b>-6.8</b>  | <b>-35.7</b> | <b>-11.2</b> | <b>-7.4</b>  | <b>-6.3</b>  |
| Group                   | -11.0        | -9.9         | -20.9        | -9.9         | -8.4         | -18.3        | -28.9        | -6.8         | -35.7        | -11.2        | -7.4         | -6.3         |
| Net financial items     | 0.5          | 1.1          | 1.6          | 0.9          | 0.9          | 1.8          | 0.5          | 0.5          | 1.0          | 0.0          | -0.2         | -0.5         |
| <b>PTP</b>              | <b>-10.4</b> | <b>-8.8</b>  | <b>-19.3</b> | <b>-9.0</b>  | <b>-7.5</b>  | <b>-16.5</b> | <b>-28.4</b> | <b>-6.3</b>  | <b>-34.7</b> | <b>-11.2</b> | <b>-7.6</b>  | <b>-6.8</b>  |
| Taxes                   | -0.1         | -0.2         | -0.3         | -0.2         | -0.1         | -0.3         | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Minority interest       | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Net earnings</b>     | <b>-10.6</b> | <b>-9.0</b>  | <b>-19.6</b> | <b>-9.2</b>  | <b>-7.7</b>  | <b>-16.8</b> | <b>-28.4</b> | <b>-6.3</b>  | <b>-34.7</b> | <b>-11.2</b> | <b>-7.6</b>  | <b>-6.8</b>  |
| <b>EPS (adj.)</b>       | <b>-0.21</b> | <b>-0.18</b> | <b>-0.38</b> | <b>-0.18</b> | <b>-0.15</b> | <b>-0.32</b> | <b>-0.54</b> | <b>-0.12</b> | <b>-0.66</b> | <b>-0.21</b> | <b>-0.15</b> | <b>-0.13</b> |
| <b>EPS (rep.)</b>       | <b>-0.21</b> | <b>-0.18</b> | <b>-0.38</b> | <b>-0.18</b> | <b>-0.15</b> | <b>-0.32</b> | <b>-0.54</b> | <b>-0.12</b> | <b>-0.66</b> | <b>-0.21</b> | <b>-0.15</b> | <b>-0.13</b> |

| Key figures             | H1'23 | H2'23 | 2023  | H1'24  | H2'24  | 2024   | H1'25e | H2'25e | 2025e  | 2026e  | 2027e | 2028e |
|-------------------------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|-------|-------|
| <b>Revenue growth-%</b> | 16%   | -89%  | -56%  | -96%   | -78%   | -93%   | -17%   | -25%   | -21%   | 74%    | 478%  | 35%   |
| <b>EBITDA-%</b>         | -110% | -477% | -173% | -2372% | -1758% | -2049% | -9200% | -1833% | -5517% | -888%  | -92%  | -53%  |
| <b>Adjusted EBIT-%</b>  | -125% | -546% | -197% | -2736% | -2111% | -2408% | -9633% | -2267% | -5950% | -1072% | -123% | -77%  |
| <b>Net earnings-%</b>   | -120% | -496% | -184% | -2528% | -1920% | -2209% | -9467% | -2100% | -5783% | -1071% | -126% | -83%  |

Source: Inderes

# Balance sheet

| Assets                     | 2023        | 2024        | 2025e       | 2026e       | 2027e       |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Non-current assets</b>  | <b>33.9</b> | <b>34.4</b> | <b>13.9</b> | <b>13.4</b> | <b>13.1</b> |
| Goodwill                   | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Intangible assets          | 11.7        | 10.3        | 9.7         | 9.3         | 9.0         |
| Tangible assets            | 3.1         | 3.1         | 2.6         | 2.5         | 2.5         |
| Associated companies       | 18.9        | 20.9        | 1.5         | 1.5         | 1.5         |
| Other investments          | 0.1         | 0.1         | 0.1         | 0.1         | 0.1         |
| Other non-current assets   | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Deferred tax assets        | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| <b>Current assets</b>      | <b>64.7</b> | <b>48.9</b> | <b>32.3</b> | <b>21.6</b> | <b>24.4</b> |
| Inventories                | 0.0         | 0.0         | 0.0         | 0.0         | 0.2         |
| Other current assets       | 1.0         | 1.2         | 1.2         | 1.2         | 1.2         |
| Receivables                | 2.3         | 0.4         | 0.1         | 0.2         | 1.2         |
| Cash and equivalents       | 61.5        | 47.2        | 30.9        | 20.2        | 21.7        |
| <b>Balance sheet total</b> | <b>98.6</b> | <b>83.3</b> | <b>46.2</b> | <b>35.1</b> | <b>37.4</b> |

Source: Inderes

| Liabilities & equity           | 2023        | 2024        | 2025e       | 2026e       | 2027e       |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Equity</b>                  | <b>87.3</b> | <b>71.2</b> | <b>36.5</b> | <b>25.3</b> | <b>17.7</b> |
| Share capital                  | 0.1         | 0.1         | 0.1         | 0.1         | 0.1         |
| Retained earnings              | -47.8       | -64.0       | -98.7       | -109.9      | -117.5      |
| 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                   | 135         | 135         | 135         | 135         | 135         |
| Minorities                     | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| <b>Non-current liabilities</b> | <b>5.7</b>  | <b>6.0</b>  | <b>6.0</b>  | <b>6.0</b>  | <b>13.0</b> |
| Deferred tax liabilities       | 0.7         | 1.0         | 1.0         | 1.0         | 1.0         |
| Provisions                     | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Interest bearing debt          | 5.0         | 5.1         | 5.0         | 5.0         | 12.0        |
| Convertibles                   | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Other long term liabilities    | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| <b>Current liabilities</b>     | <b>5.6</b>  | <b>6.1</b>  | <b>3.7</b>  | <b>3.8</b>  | <b>6.8</b>  |
| Interest bearing debt          | 2.0         | 1.3         | 1.0         | 1.0         | 3.0         |
| Payables                       | 1.6         | 2.2         | 0.1         | 0.2         | 1.2         |
| Other current liabilities      | 2.0         | 2.6         | 2.6         | 2.6         | 2.6         |
| <b>Balance sheet total</b>     | <b>98.6</b> | <b>83.3</b> | <b>46.2</b> | <b>35.1</b> | <b>37.4</b> |

# DCF-calculation

| DCF model                               | 2024         | 2025e        | 2026e        | 2027e       | 2028e       | 2029e       | 2030e       | 2031e       | 2032e       | 2033e       | 2034e       | 2035e       | 2036e       | 2037e       | 2038e       | 2039e       | 2040e       | TERM       |
|---|--------------|--------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|
| Revenue growth-%                        | -92.8 %      | -21.3 %      | 74.2 %       | 478.5 %     | 35.3 %      | 85.5 %      | 21.5 %      | 49.3 %      | -2.9 %      | 81.3 %      | 21.6 %      | 21.6 %      | 9.9 %       | 8.8 %       | 11.1 %      | 3.3 %       | 2.0 %       | 2.0 %      |
| EBIT-%                                  | -2408.0 %    | -5950.0 %    | -1072.0 %    | -122.6 %    | -76.6 %     | -15.6 %     | -15.0 %     | 1.2 %       | 7.1 %       | 31.5 %      | 34.5 %      | 34.5 %      | 36.7 %      | 38.5 %      | 40.3 %      | 37.3 %      | 12.5 %      | 12.5 %     |
| <b>EBIT (operating profit)</b>          | <b>-18.3</b> | <b>-35.7</b> | <b>-11.2</b> | <b>-7.4</b> | <b>-6.3</b> | <b>-2.4</b> | <b>-2.8</b> | <b>0.3</b>  | <b>1.9</b>  | <b>15.3</b> | <b>20.3</b> | <b>23.8</b> | <b>27.1</b> | <b>31.6</b> | <b>30.2</b> | <b>10.3</b> | <b>10.5</b> |            |
| + Depreciation                          | 2.7          | 2.6          | 1.9          | 1.9         | 1.9         | 2.1         | 3.0         | 3.9         | 4.5         | 5.0         | 5.5         | 5.9         | 6.3         | 6.6         | 6.9         | 7.1         | 7.3         |            |
| - Paid taxes                            | 0.0          | 0.0          | 0.0          | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | -4.7        | -5.3        | -6.2        | -6.0        | -2.0        | -2.0        |            |
| - Tax, financial expenses               | 0.0          | 0.0          | 0.0          | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | -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         | 0.1         | 0.1         | 0.1         | 0.1         | 0.1         | 0.1         |            |
| - Change in working capital             | 2.8          | -1.8         | 0.0          | -0.2        | -0.1        | -0.2        | -0.1        | -0.3        | 0.0         | -0.7        | -0.3        | -0.2        | -0.2        | -0.2        | -0.1        | 0.0         | 0.0         |            |
| <b>Operating cash flow</b>              | <b>-11.8</b> | <b>-15.5</b> | <b>-9.3</b>  | <b>-5.7</b> | <b>-4.4</b> | <b>-0.5</b> | <b>0.1</b>  | <b>4.0</b>  | <b>6.4</b>  | <b>19.7</b> | <b>25.5</b> | <b>24.8</b> | <b>27.8</b> | <b>31.6</b> | <b>31.0</b> | <b>15.3</b> | <b>15.7</b> |            |
| + 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         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |            |
| - Gross CAPEX                           | -1.2         | -1.5         | -1.5         | -1.5        | -3.0        | -4.5        | -6.0        | -6.5        | -7.0        | -7.0        | -7.5        | -7.5        | -8.0        | -8.0        | -8.0        | -8.0        | -7.7        |            |
| <b>Free operating cash flow</b>         | <b>-13.1</b> | <b>-17.0</b> | <b>-10.8</b> | <b>-7.2</b> | <b>-7.4</b> | <b>-5.0</b> | <b>-5.9</b> | <b>-2.5</b> | <b>-0.6</b> | <b>12.7</b> | <b>18.0</b> | <b>17.3</b> | <b>19.8</b> | <b>23.6</b> | <b>23.0</b> | <b>7.3</b>  | <b>8.0</b>  |            |
| +/- Other                               | 0.0          | 0.0          | 0.0          | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |            |
| FCFF                                    | -13.1        | -17.0        | -10.8        | -7.2        | -7.4        | -5.0        | -5.9        | -2.5        | -0.6        | 12.7        | 18.0        | 17.3        | 19.8        | 23.6        | 23.0        | 7.3         | 8.0         |            |
| <b>Discounted FCFF</b>                  |              | <b>-14.6</b> | <b>-7.8</b>  | <b>-4.3</b> | <b>-3.7</b> | <b>-2.1</b> | <b>-2.1</b> | <b>-0.7</b> | <b>-0.1</b> | <b>2.6</b>  | <b>3.1</b>  | <b>2.5</b>  | <b>2.4</b>  | <b>2.4</b>  | <b>1.9</b>  | <b>0.5</b>  | <b>0.5</b>  | <b>2.7</b> |
| Sum of FCFF present value               |              | -17.1        | -2.5         | 5.3         | 9.6         | 13.4        | 15.4        | 17.5        | 18.2        | 18.4        | 15.8        | 12.7        | 10.3        | 7.9         | 5.6         | 3.6         | 3.1         | 2.7        |
| <b>Enterprise value DCF</b>             |              | <b>-17.1</b> |              |             |             |             |             |             |             |             |             |             |             |             |             |             |             |            |
| - Interest bearing debt                 |              | -6.4         |              |             |             |             |             |             |             |             |             |             |             |             |             |             |             |            |
| + Cash and cash equivalents             |              | 47.2         |              |             |             |             |             |             |             |             |             |             |             |             |             |             |             |            |
| -Minorities                             |              | 0.0          |              |             |             |             |             |             |             |             |             |             |             |             |             |             |             |            |
| -Dividend/capital return                |              | 0.0          |              |             |             |             |             |             |             |             |             |             |             |             |             |             |             |            |
| <b>Equity value DCF</b>                 |              | <b>23.8</b>  |              |             |             |             |             |             |             |             |             |             |             |             |             |             |             |            |
| <b>Equity value DCF per share</b>       |              | <b>0.5</b>   |              |             |             |             |             |             |             |             |             |             |             |             |             |             |             |            |

## WACC

|  |               |
|--|---------------|
| Tax-% (WACC)                                   | 20.0 %        |
| Target debt ratio (D/(D+E))                    | 5.0 %         |
| Cost of debt                                   | 10.0 %        |
| Equity Beta                                    | 3.75          |
| Market risk premium                            | 4.75%         |
| Liquidity premium                              | 0.00%         |
| Risk free interest rate                        | 2.5 %         |
| <b>Cost of equity</b>                          | <b>20.3 %</b> |
| <b>Weighted average cost of capital (WACC)</b> | <b>19.7 %</b> |

Source: Inderes

# Summary

| Income statement          | 2022  | 2023  | 2024  | 2025e        | 2026e        | Per share data           | 2022    | 2023     | 2024      | 2025e            | 2026e            |
|---------------------------|-------|-------|-------|--------------|--------------|--------------------------|---------|----------|-----------|------------------|------------------|
| Revenue                   | 24.3  | 10.6  | 0.8   | <b>0.6</b>   | <b>1.0</b>   | EPS (reported)           | -0.28   | -0.38    | -0.32     | <b>-0.66</b>     | <b>-0.21</b>     |
| EBITDA                    | -11.4 | -18.4 | -15.6 | <b>-33.1</b> | <b>-9.3</b>  | EPS (adj.)               | -0.28   | -0.38    | -0.32     | <b>-0.66</b>     | <b>-0.21</b>     |
| EBIT                      | -12.3 | -20.9 | -18.3 | <b>-35.7</b> | <b>-11.2</b> | OCF / share              | -0.13   | -0.39    | -0.23     | <b>-0.30</b>     | <b>-0.18</b>     |
| PTP                       | -14.1 | -19.3 | -16.5 | <b>-34.7</b> | <b>-11.2</b> | FCF / share              | -0.21   | -0.48    | -0.25     | <b>-0.32</b>     | <b>-0.21</b>     |
| Net Income                | -14.1 | -19.6 | -16.8 | <b>-34.7</b> | <b>-11.2</b> | Book value / share       | 1.95    | 1.70     | 1.36      | <b>0.70</b>      | <b>0.48</b>      |
| Extraordinary items       | 0.0   | 0.0   | 0.0   | <b>0.0</b>   | <b>0.0</b>   | Dividend / share         | 0.00    | 0.00     | 0.00      | <b>0.00</b>      | <b>0.00</b>      |
| Balance sheet             | 2022  | 2023  | 2024  | 2025e        | 2026e        | Growth and profitability | 2022    | 2023     | 2024      | 2025e            | 2026e            |
| Balance sheet total       | 115.0 | 98.6  | 83.3  | <b>46.2</b>  | <b>35.1</b>  | Revenue growth-%         | 300%    | -56%     | -93%      | <b>-21%</b>      | <b>74%</b>       |
| Equity capital            | 100.0 | 87.3  | 71.2  | <b>36.5</b>  | <b>25.3</b>  | EBITDA growth-%          | 85%     | 62%      | -15%      | <b>112%</b>      | <b>-72%</b>      |
| Goodwill                  | 0.0   | 0.0   | 0.0   | <b>0.0</b>   | <b>0.0</b>   | EBIT (adj.) growth-%     | 77%     | 70%      | -12%      | <b>95%</b>       | <b>-69%</b>      |
| Net debt                  | -76.3 | -54.4 | -40.9 | <b>-24.9</b> | <b>-14.2</b> | EPS (adj.) growth-%      | -8%     | 39%      | -16%      | <b>106%</b>      | <b>-68%</b>      |
| Cash flow                 | 2022  | 2023  | 2024  | 2025e        | 2026e        | EBITDA-%                 | -46.8 % | -173.1 % | -2049.3 % | <b>-5516.7 %</b> | <b>-888.0 %</b>  |
| EBITDA                    | -11.4 | -18.4 | -15.6 | <b>-33.1</b> | <b>-9.3</b>  | EBIT (adj.)-%            | -50.7 % | -196.7 % | -2408.0 % | <b>-5950.0 %</b> | <b>-1072.0 %</b> |
| Change in working capital | 4.6   | -1.7  | 2.8   | <b>-1.8</b>  | <b>0.0</b>   | EBIT-%                   | -50.7 % | -196.7 % | -2408.0 % | <b>-5950.0 %</b> | <b>-1072.0 %</b> |
| Operating cash flow       | -6.8  | -19.8 | -11.8 | <b>-15.5</b> | <b>-9.3</b>  | ROE-%                    | -13.2 % | -20.9 %  | -21.2 %   | <b>-64.5 %</b>   | <b>-36.3 %</b>   |
| CAPEX                     | -4.0  | -5.0  | -1.2  | <b>-1.5</b>  | <b>-1.5</b>  | ROI-%                    | -10.8 % | -20.8 %  | -21.3 %   | <b>-58.5 %</b>   | <b>-29.0 %</b>   |
| Free cash flow            | -10.7 | -24.8 | -13.1 | <b>-17.0</b> | <b>-10.8</b> | Equity ratio             | 87.0 %  | 88.6 %   | 85.5 %    | <b>79.0 %</b>    | <b>72.1 %</b>    |
| Valuation multiples       | 2022  | 2023  | 2024  | 2025e        | 2026e        | Gearing                  | -76.3 % | -62.3 %  | -57.4 %   | <b>-68.4 %</b>   | <b>-56.0 %</b>   |
| EV/S                      | 10.6  | 6.4   | 12.9  | <b>neg.</b>  | <b>9.9</b>   |                          |         |          |           |                  |                  |
| EV/EBITDA                 | neg.  | neg.  | neg.  | <b>0.0</b>   | <b>neg.</b>  |                          |         |          |           |                  |                  |
| EV/EBIT (adj.)            | neg.  | neg.  | neg.  | <b>0.0</b>   | <b>neg.</b>  |                          |         |          |           |                  |                  |
| P/E (adj.)                | neg.  | neg.  | neg.  | <b>neg.</b>  | <b>neg.</b>  |                          |         |          |           |                  |                  |
| P/B                       | 3.3   | 1.4   | 0.7   | <b>0.7</b>   | <b>1.0</b>   |                          |         |          |           |                  |                  |
| Dividend-%                | 0.0 % | 0.0 % | 0.0 % | <b>0.0 %</b> | <b>0.0 %</b> |                          |         |          |           |                  |                  |

Source: Inderes

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|            |  |
|------------|--|
| Buy        | The 12-month risk-adjusted expected shareholder 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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## Recommendation history (>12 mo)

| Date       | Recommendation | Target | Share price |
|------------|----------------|--------|-------------|
| 5/30/2024  | Accumulate     | 2.00 € | 1.61 €      |
| 8/22/2024  | Accumulate     | 2.00 € | 1.60 €      |
| 11/28/2024 | Accumulate     | 1.10 € | 0.88 €      |
| 12/14/2025 | Accumulate     | 1.10 € | 0.89 €      |
| 3/3/2025   | Reduce         | 0.50 € | 0.47 €      |



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