METACON

5/16/2025 07:30 CEST

Lucas Mattsson
+46 731589485
lucas.mattsson@inderes.com

INDERES CORPORATE CUSTOMER

COMPANY REPORT

Strong quarter with good order momentum

Overall, Metacon's Q1 report was better than expected, and the company has continued to grow its order intake since the end of the quarter, supporting our estimates for sustained growth. That said, we acknowledge the significant risks and uncertainties regarding the company's ability to consistently secure large orders and maintain sufficient working capital to fulfill them. While liquidity is expected to remain tight until June/July 2025, when we anticipate the release of a significant portion of restricted cash tied to previously announced orders, we believe Metacon is well-positioned to secure short-term project financing on reasonable terms, if needed. With improved near-term revenue visibility, where our 2025 revenue estimates are largely "secured" by the existing order book, we believe the current valuation offers an attractive risk/reward profile. As a result, we reiterate our Accumulate recommendation with an increased target price of SEK 0.23 (was SEK 0.16), mainly due to an upward revision of our estimates.

Q1 report beat our expectations

Metacon's Q1 revenue reached 50.1 MSEK, representing a significant increase compared to the previous year, albeit from a low base due to limited project activity during the same period in 2024. The revenue exceeded our expectations, primarily due to a higher-than-anticipated completion rate in the Motor Oil project. While Q1 revenue came in above our expectations, the gross margin was below forecast (21% vs. 27%). However, operating expenses were lower than expected due to effective cost control, resulting in EBITDA roughly in line with our estimates.

While cash flow remained deep in the red, it was slightly better than our expectations. At the end of Q1, the company's cash position amounted to 79.2 MSEK, however, 45.3 MSEK of this remains restricted as collateral for bank guarantees. As we have previously noted, we expect liquidity to remain tight until June/July 2025, when a significant portion of the restricted cash tied to previously announced orders is likely to be released. However, due to lower-than-expected cash burn in Q1, we are now less concerned about the short-term liquidity situation, and we believe the company should be able to bridge the gap until the release of restricted funds.

We revised our estimates due to increased order intake

Although revenue exceeded our expectations, this was primarily driven by higher-than-anticipated recognition of the Motor Oil order. Consequently, we have left our revenue estimates for the project unchanged and now expect slightly lower contributions from it in the coming quarters. However, a newly secured ~20 MSEK order for a wind-to-hydrogen pilot plant has led us to raise our 2025 revenue forecast by around 5%, with a modest increase for 2026. Our 2025 profitability estimates have also improved, supported by higher expected revenue and slightly lower cost assumptions following Q1. The impact on 2026-2027 is, however, limited in absolute terms.

Risk/reward still attractive at current valuation

Our estimated value per share ranges from SEK 0.12-0.47 (was 0.08 to SEK 0.34), which is slightly higher than our previous range mainly due to our increased estimates. The range is also supported by our DCF. In our view, with the recent large-scale orders in hand, Metacon is better positioned to achieve broader commercialization. However, uncertainty remains regarding the company's ability to secure additional large orders on a consistent and profitable basis. Given these factors, we increase our target price to SEK 0.23 (was SEK 0.16) which is still at the lower end of our estimated per-share value range. This is based on the assumption that deliveries to Motor Oil proceed as planned and that order intake will continue to grow in the coming years. As the expected return slightly exceeds our required return, we reiterate our Accumulate recommendation.

Recommendation
Accumulate
(prev. Accumulate)

Target price:
0.23 SEK
(prev. 0.16 SEK)

Share price:
0.195 SEK

Business risk
●●●●○

Valuation risk
●●●●○

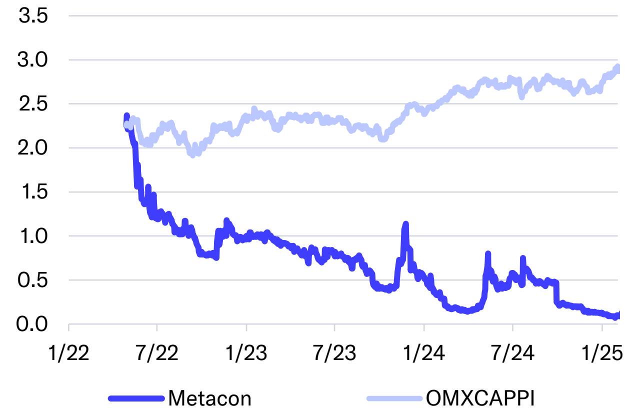
	2024	2025e	2026e	2027e
Revenue	40.4	291.3	666.8	829.5
growth-%	-33%	621%	129%	24%
EBIT adj.	-123.8	-39.4	-43.6	26.8
EBIT-% adj.	-306.4 %	-13.5 %	-6.5 %	3.2 %
Net income	-137.9	-44.1	-56.9	2.8
EPS (adj.)	-0.19	-0.03	-0.04	0.00
P/E (adj.)	neg.	neg.	neg.	92.4
P/B	1.2	2.7	6.6	6.1
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	neg.	neg.	neg.	12.3
EV/EBITDA	neg.	neg.	neg.	7.7
EV/S	1.0	0.8	0.5	0.4

Source: Inderes

Guidance (Unchanged)

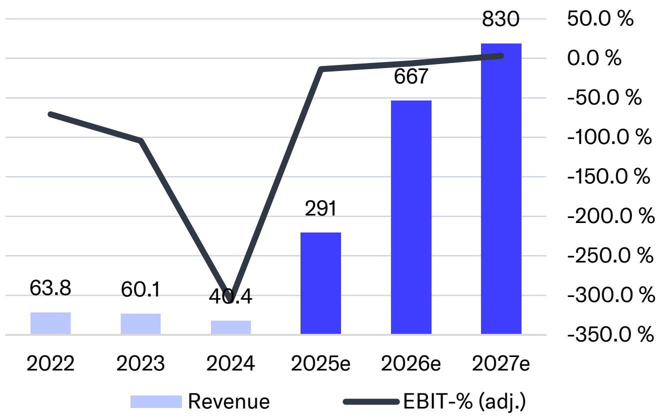
Metacon does not provide guidance

Share price



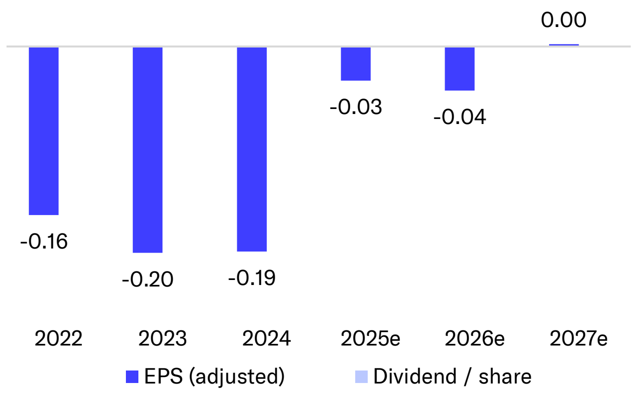
Source: Millistream Market Data AB

Revenue and EBIT-%



Source: Inderes

Earnings per share



Source: Inderes

Value drivers

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

Risk factors

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

Valuation	2025e	2026e	2027e
Share price	0.19	0.19	0.19
Number of shares, millions	1363.6	1363.6	1363.6
Market cap	263	263	263
EV	228	330	331
P/E (adj.)	neg.	neg.	92.4
P/E	neg.	neg.	92.4
P/B	2.7	6.6	6.1
P/S	0.9	0.4	0.3
EV/Sales	0.8	0.5	0.4
EV/EBITDA	neg.	neg.	7.7
EV/EBIT (adj.)	neg.	neg.	12.3
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Metacon delivers a strong quarter

Revenue above our expectations

Metacon's Q1 revenue reached 50.1 MSEK, representing a significant increase compared to the previous year, albeit from a low base due to limited project activity during the same period in 2024. The revenue exceeded our expectations, primarily due to a higher-than-anticipated completion rate in the Motor Oil project, which is currently in a phase where key components are being produced. As we interpret it, this ongoing component manufacturing phase, expected to continue until mid-year, entails considerably higher costs, thereby enabling greater revenue recognition.

That said, given Metacon's project-driven business, we place less weight on single quarterly revenue and focus instead on the Motor Oil project execution and order intake as better indicators of business momentum. In Q1, order intake amounted to approximately 118 MSEK, consisting primarily of the add-on order from Motor Oil.

EBIT slightly above estimates

While Q1 revenue came in above our expectations, the gross margin was below forecast (21% vs. 27%). However, operating expenses were lower than anticipated due to effective cost control, resulting in EBITDA roughly in line with our estimates. Lower-than-expected depreciation further supported the result, bringing EBIT to -15.1 MSEK, beating our estimate, though the absolute difference was modest. Given Metacon's relatively low debt levels, net profit closely tracked EBIT and ended slightly ahead of our expectations.

Strengthened financial position through exercise of warrants

Q1 operating cash flow was negative -50.6 MSEK (Q4 2024: -37.6 MSEK), mainly due to increased working capital requirements, as customer payments were primarily received in earlier periods. While cash flow remained deep in the red, it was slightly better than our expectations. Importantly, the company's cash position was strengthened by 9.2 MSEK (before issuance costs) from the exercise of TO1 series warrants, bringing total cash to 79.2 MSEK at the end of Q1. However, 45.3 MSEK of this remains restricted as collateral for bank guarantees.

As we have previously noted, we expect liquidity to remain tight until June/July 2025, when a significant portion of the restricted cash tied to previously announced orders is likely to be released. However, due to lower-than-expected cash burn in Q1, we are now less concerned about the short-term liquidity situation, and we believe the company should be able to bridge the gap until the release of restricted funds. Even if a minor funding gap were to emerge, with three major orders now secured and clear visibility on when the tied-up capital will be freed, we believe Metacon would be well-positioned to obtain short-term project financing on reasonable terms if needed.

Estimates	Q1'24	Q1'25	Q1'25e	Q1'25e	Consensus		Difference (%)	2025e
MSEK / SEK	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	7.4	50.1	24.7				103%	291
EBITDA	-14.5	-14.8	-15.2				3%	-23.5
EBIT	-17.2	-15.1	-19.4				22%	-39.4
PTP	-18.1	-15.0	-20.9				28%	-44.1
EPS (reported)	-0.03	-0.01	-0.02				35%	-0.03
Revenue growth-%	-47.9 %	577.0 %	233.5 %				343.5 pp	621.0 %
EBIT-% (adj.)	-197.3 %	-30.1 %	-69.7 %				39.5 pp	-13.5 %

Source: Inderes

We have increased our projections based on recent developments

Estimate revisions

- Although Metacon's Q1 revenue exceeded our expectations, this was primarily driven by higher-than-anticipated revenue recognition from the Motor Oil order. However, as the total order value is already known and included in our estimates (most of which is scheduled for delivery in 2025, with the remainder in 2026) we are not making any adjustments to our revenue forecasts for the project.
- That said, our overall revenue estimates have been positively impacted by the inclusion of a recently secured order for a wind power-to-hydrogen pilot plant, valued at approximately 20 MSEK, which we previously commented on here. We expect this order to be delivered in 2025/2026, leading to an upward revision of our revenue forecasts by around 5% for 2025 and a modest increase for 2026.
- Our profitability estimates for 2025 have also improved, partly due to the higher expected sales. Additionally, we have slightly reduced our cost assumptions following lower-than-expected operational expenses in Q1. However, the impact on our 2026-2027 forecasts remains marginal in absolute terms.

Estimate revisions MSEK / SEK	2025e Old	2025 New	Change %	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %
Revenue	277	291	5%	634	667	5%	819	830	1%
EBITDA	-38.7	-23.5	39%	-28.5	-27.1	5%	38.4	42.7	11%
EBIT	-58.5	-39.4	33%	-51.0	-43.6	15%	22.9	26.8	17%
PTP	-75.2	-44.1	41%	-73.2	-56.9	22%	2.2	3.6	67%
EPS (excl. NRIs)	-0.05	-0.03	33%	-0.048	-0.042	14%	0.00	0.00	67%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

Risk/reward still favorable

Metacon's outlook depends on sustained order flow

We believe that Metacon's investment story relies on expectations related to the commercialization potential of the company's product portfolio and significant future business volumes. Metacon has already assembled a complementary product portfolio and successfully secured some large orders. At this stage, simply delivering on its current order book would significantly boost Metacon's revenues. However, the market for green hydrogen and the overall economic outlook remains weak and there is limited visibility on future order flow. While securing a few large orders increases the likelihood of a commercial breakthrough, it does not guarantee a consistent order pipeline. Consequently, there is a wide range of potential outcomes for Metacon, both positive and negative.

Valuation looks attractive from a peer perspective

2024 was a significant year for Metacon, marked by both transition and breakthrough. The company shifted its focus toward larger industrial customers while also achieving a significant order intake of 226 MSEK. The strong order intake momentum has continued in early 2025, with additional orders of around 138 MSEK. In 2025, Metacon is valued at an EV/S of 0.8x, significantly lower than the peer group median of around 3.0x. However, given Metacon's smaller size and earlier stage in its commercial journey, we believe a discount is warranted. That said, the current valuation gap appears quite large, especially considering that our 2025 revenue estimates are largely "secured" through the confirmed orders. Looking ahead to 2026, EV/S declines further to 0.5x due to continued strong revenue growth. However, forecast risks also increase significantly at this stage. Given these factors, we argue that the current discount may be somewhat excessive. Important to note, however, is that since we expect Metacon to remain unprofitable for the next few years, sales-based multiples are the only viable valuation metric. However, as these multiples do not account for cost structure and profitability, they become somewhat less useful in our view.

Valuation summary

We approach the multiple-based valuation by applying a different multiple to three different scenarios for 2025 and 2026. The lower bound of the range is based on an EV/S multiple of 1.0x applied to the average of the 2025 and 2026 negative scenarios, while the upper bound is based on an EV/S multiple of 2.0x applied to the average of the 2025 and 2026 positive scenarios. Our estimated value per share ranges from SEK 0.12-0.47 per share (prev. 0.08-0.34). which is slightly higher than our previous range, mainly due to our increased estimates. This range is also supported by our DCF. In our view, with the recent large-scale orders in hand, Metacon is better positioned to achieve broader commercialization. However, uncertainty remains about the company's ability to secure additional large orders on a consistent and profitable basis. This means that the forecast risks are still high, which makes it difficult to justify the upper end of our valuation range. Given these factors, we maintain our target price at the lower end of the range but raise it to SEK 0.23 per share (was SEK 0.16). This is based on the assumption that deliveries to Motor Oil proceed as planned and order intake continues to grow in the coming years. As the expected return slightly exceeds our required return, we reiterate our Accumulate recommendation.

Valuation	2025e	2026e	2027e
Share price	0.19	0.19	0.19
Number of shares, millions	1363.6	1363.6	1363.6
Market cap	263	263	263
EV	228	330	331
P/E (adj.)	neg.	neg.	92.4
P/E	neg.	neg.	92.4
P/B	2.7	6.6	6.1
P/S	0.9	0.4	0.3
EV/Sales	0.8	0.5	0.4
EV/EBITDA	neg.	neg.	7.7
EV/EBIT (adj.)	neg.	neg.	12.3
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Estimated future valuation ranges

2025e, MSEK	Negative	Base	Positive
Revenue	**146**	**291**	**466**
EV/S	1.0x	1.5x	2.0x
EV	**151**	**422**	**951**
Net debt[1]	-155	-155	-155
Market cap	**306**	**577**	**1,106**
Per share[1]	0.12	0.23	0.45
Discounted to present	**0.11**	**0.21**	**0.40**

2026e, MSEK	Negative	Base	Positive
Revenue	**386**	**772**	**1,235**
EV/S	1.0x	1.5x	2.0x
EV	**401**	**1,119**	**2,520**
Net debt[1]	-219	-219	-219
Market cap	**620**	**1,338**	**2,739**
Per share[1]	0.16	0.34	0.69
Discounted to present	**0.12**	**0.26**	**0.53**

Source: Inderes

1. To account for potential equity issues, we have adjusted net debt and the number of shares to reflect hypothetical shares issue of 150 MSEK in late 2025 and 200 MSEK in 2026. Issues are conducted at 0.14 SEK/share (30% discount to current share price).

Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	5.15	3.04	1.13	0.83	0.13	**0.19**	**0.19**	**0.19**	**0.19**
Number of shares, millions	233.2	265.4	342.6	342.6	1237.4	**1363.6**	**1363.6**	**1363.6**	**1363.6**
Market cap	1201	807	387	284	161	**263**	**263**	**263**	**263**
EV	1131	768	285	284	42	**228**	**330**	**331**	**302**
P/E (adj.)	neg.	neg.	neg.	neg.	neg.	**neg.**	**neg.**	**92.4**	**6.2**
P/E	neg.	neg.	neg.	neg.	neg.	**neg.**	**neg.**	**92.4**	**6.2**
P/B	13.3	3.5	2.3	3.0	1.2	**2.7**	**6.6**	**6.1**	**3.1**
P/S	>100	79.2	6.1	4.7	4.0	**0.9**	**0.4**	**0.3**	**0.3**
EV/Sales	>100	75.4	4.5	4.7	1.0	**0.8**	**0.5**	**0.4**	**0.3**
EV/EBITDA	neg.	neg.	neg.	neg.	neg.	**neg.**	**neg.**	**7.7**	**3.3**
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.	**neg.**	**neg.**	**12.3**	**4.1**
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

The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT 2025e	 2026e	EV/EBITDA 2025e	 2026e	EV/S 2025e	 2026e	P/E 2025e	 2026e	Dividend yield-% 2025e	 2026e	P/B 2025e
Thyssenkrupp Nucera	1,244	559		37.8	466.0	17.9	0.6	0.6	129.3	54.0			1.6
Plug Power	755	994					1.5	1.2					0.4
Bloom Energy Corp	4,194	4,737	44.6	25.1	25.3	16.5	3.0	2.5	43.9	25.8			8.0
ITM Power	322	96					3.6	1.4					1.2
Nel ASA	382	226					3.1	1.8					0.9
Green Hydrogen Systems	13	176					4.0	2.3					0.8
Hydrogen Pro	28	14		1.7		1.0	0.1	0.1		9.6			0.7
PowerCell	136	125		149.7		49.1	3.3	2.6		1416.7			3.9
Enapter	87	120		75.7		15.4	3.1	1.9					1.3
Metacon (Inderes)	**23**	**20**	**-5.8**	**-7.6**	**-9.7**	**-12.1**	**0.8**	**0.5**	**-6.0**	**-4.6**	**0.0**	**0.0**	**2.7**
Average			**44.6**	**58.0**	**245.7**	**20.1**	**2.3**	**1.5**	**86.6**	**376.5**			**2.1**
Median			**44.6**	**37.8**	**245.7**	**17.2**	**3.0**	**1.6**	**86.6**	**39.9**			**1.2**
Diff-% to median			***-113%***	***-120%***	***-104%***	***-171%***	***-74%***	***-69%***	***-107%***	***-112%***			***134%***

Source: Refinitiv / Inderes

Income statement

Income statement	2022	2023	2024	Q1'25	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	**63.8**	**60.1**	**40.4**	**50.1**	**59.3**	**65.3**	**117**	**291**	**667**	**830**	**995**
EBITDA	**-35.2**	**-62.1**	**-123.0**	**-14.8**	**-5.1**	**-6.3**	**2.7**	**-23.5**	**-27.1**	**42.7**	**92.6**
Depreciation	-12.2	-11.3	-11.2	-0.3	-4.7	-5.2	-5.7	-15.9	-16.4	-15.9	-19.2
EBIT (excl. NRI)	**-45.3**	**-62.7**	**-123.8**	**-15.1**	**-9.8**	**-11.5**	**-3.0**	**-39.4**	**-43.6**	**26.8**	**73.3**
EBIT	**-47.4**	**-73.4**	**-134.2**	**-15.1**	**-9.8**	**-11.5**	**-3.0**	**-39.4**	**-43.6**	**26.8**	**73.3**
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	-3.1	-4.4	-3.7	0.1	-1.2	-1.3	-2.3	-4.7	-13.3	-23.2	-20.0
PTP	**-50.4**	**-77.8**	**-137.9**	**-15.0**	**-11.0**	**-12.8**	**-5.3**	**-44.1**	**-56.9**	**3.6**	**53.3**
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.7	-11.0
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	**-50.4**	**-77.8**	**-137.9**	**-15.0**	**-11.0**	**-12.8**	**-5.3**	**-44.1**	**-56.9**	**2.8**	**42.4**
EPS (adj.)	**-0.14**	**-0.16**	**-0.16**	**-0.01**	**-0.01**	**-0.01**	**0.00**	**-0.03**	**-0.04**	**0.00**	**0.03**
EPS (rep.)	**-0.17**	**-0.23**	**-0.21**	**-0.01**	**-0.01**	**-0.01**	**0.00**	**-0.03**	**-0.04**	**0.00**	**0.03**

Key figures	2022	2023	2024	Q1'25	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	526.6 %	-5.8 %	-32.8 %	577.0 %	424.6 %	1044.9 %	629%	621.0 %	128.9 %	24.4 %	20.0 %
Adjusted EBIT growth-%		38.4 %	97.5 %	3.4 %	-66.1 %	-75.3 %	-91.1 %	-68.2 %	10.6 %	-161.5 %	173.5 %
EBITDA-%	-55.1 %	-103.3 %	-304.5 %	-29.5 %	-8.7 %	-9.6 %	2.3 %	-8.1 %	-4.1 %	5.1 %	9.3 %
Adjusted EBIT-%	-70.9 %	-104.3 %	-306.4 %	-30.1 %	-16.6 %	-17.6 %	-2.6 %	-13.5 %	-6.5 %	3.2 %	7.4 %
Net earnings-%	-79.0 %	-129.5 %	-341.3 %	-29.9 %	-18.6 %	-19.6 %	-4.6 %	-15.2 %	-8.5 %	0.3 %	4.3 %

Source: Inderes

Full-year earnings per share are calculated using the number of shares at year-end.

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	**60.6**	**56.3**	**53.0**	**50.0**	**56.1**
Goodwill	34.0	24.9	15.9	9.3	9.3
Intangible assets	2.4	2.7	2.7	2.7	2.7
Tangible assets	17.4	19.6	25.3	28.9	35.0
Associated companies	6.2	6.2	6.2	6.2	6.2
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.6	2.9	2.9	2.9	2.9
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
Current assets	**84.5**	**166**	**190**	**281**	**320**
Inventories	17.2	17.7	58.3	120	133
Other current assets	30.9	21.3	21.3	21.3	21.3
Receivables	9.4	2.2	52.4	107	124
Cash and equivalents	27.0	124	58.3	33.3	41.5
Balance sheet total	**136**	**213**	**237**	**331**	**376**

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	**94.8**	**132**	**97.0**	**40.1**	**43.0**
Share capital	3.4	12.4	13.6	13.6	13.6
Retained earnings	0.0	0.0	-44.1	-101.1	-98.2
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	91.4	120	128	128	128
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	**6.7**	**5.1**	**24.9**	**101**	**111**
Deferred tax liabilities	0.3	0.5	0.5	0.5	0.5
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	5.1	3.5	23.3	99.7	109
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	1.3	1.1	1.1	1.1	1.1
Current liabilities	**34.5**	**75.8**	**115**	**190**	**222**
Interest bearing debt	22.0	1.6	0.0	0.0	0.0
Payables	5.8	17.7	58.3	133	166
Other current liabilities	6.7	56.5	56.5	56.5	56.5
Balance sheet total	**136**	**213**	**237**	**331**	**376**

DCF-calculation

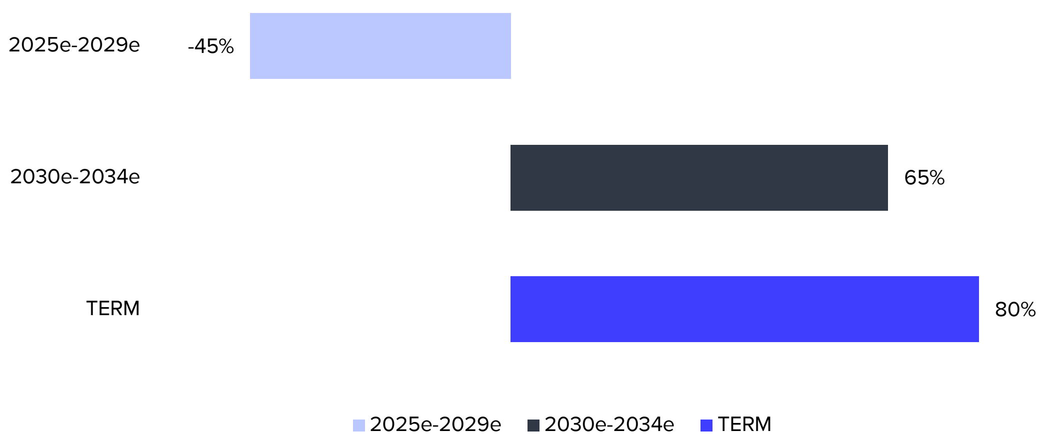
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-32.8 %	621.0 %	128.9 %	24.4 %	20.0 %	18.0 %	15.0 %	12.0 %	8.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	-332.2 %	-13.5 %	-6.5 %	3.2 %	7.4 %	9.0 %	10.0 %	10.0 %	11.0 %	11.0 %	11.0 %	11.0 %
EBIT (operating profit)	**-134.2**	**-39.4**	**-43.6**	**26.8**	**73.3**	**105.7**	**135.1**	**151.3**	**179.7**	**183.3**	**187.0**	
+ Depreciation	11.2	15.9	16.4	15.9	19.2	20.4	23.7	26.8	29.4	32.2	33.6	
- Paid taxes	0.2	0.0	0.0	-0.7	-11.0	-17.7	-23.7	-27.0	-32.9	-33.6	-31.6	
- Tax, financial expenses	0.0	0.0	0.0	-4.8	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-7.2	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	
- Change in working capital	78.0	-50.2	-40.9	2.1	-8.3	-41.4	-61.7	-54.6	-20.6	-5.6	-26.1	
Operating cash flow	**-44.8**	**-73.8**	**-68.1**	**39.3**	**69.2**	**62.9**	**69.3**	**92.4**	**151.5**	**172.2**	**156.0**	
+ Change in other long-term liabilities	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-7.0	-15.0	-20.0	-22.0	-25.0	-27.0	-30.0	-32.0	-35.0	-35.0	-35.0	
Free operating cash flow	**-52.0**	**-88.8**	**-88.1**	**17.3**	**44.2**	**35.9**	**39.3**	**60.4**	**116.5**	**137.2**	**121.0**	
+/- Other	173.7	9.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	121.7	-79.6	-88.1	17.3	44.2	35.9	39.3	60.4	116.5	137.2	121.0	770.0
Discounted FCFF		**-71.7**	**-67.2**	**11.2**	**24.2**	**16.7**	**15.4**	**20.1**	**32.9**	**32.8**	**24.5**	**156.0**
Sum of FCFF present value		195.0	266.7	333.9	322.7	298.5	281.8	266.4	246.3	213.4	180.6	156.0

Enterprise value DCF	**195.0**
- Interest bearing debt	-5.1
+ Cash and cash equivalents	124
-Minorities	0.0
-Dividend/capital return	0.0
Equity value DCF	**314.3**
Equity value DCF per share	**0.23**

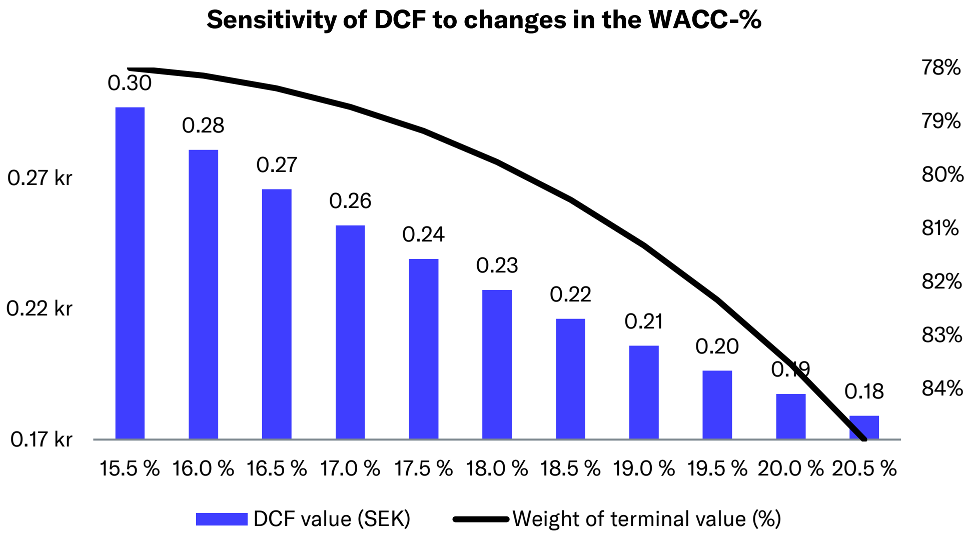
WACC	
Tax-% (WACC)	20.6 %
Target debt ratio (D/(D+E)	10.0 %
Cost of debt	12.0 %
Equity Beta	2.90
Market risk premium	4.75%
Liquidity premium	2.70%
Risk free interest rate	2.5 %
Cost of equity	**19.0 %**
Weighted average cost of capital (WACC)	**18.0 %**

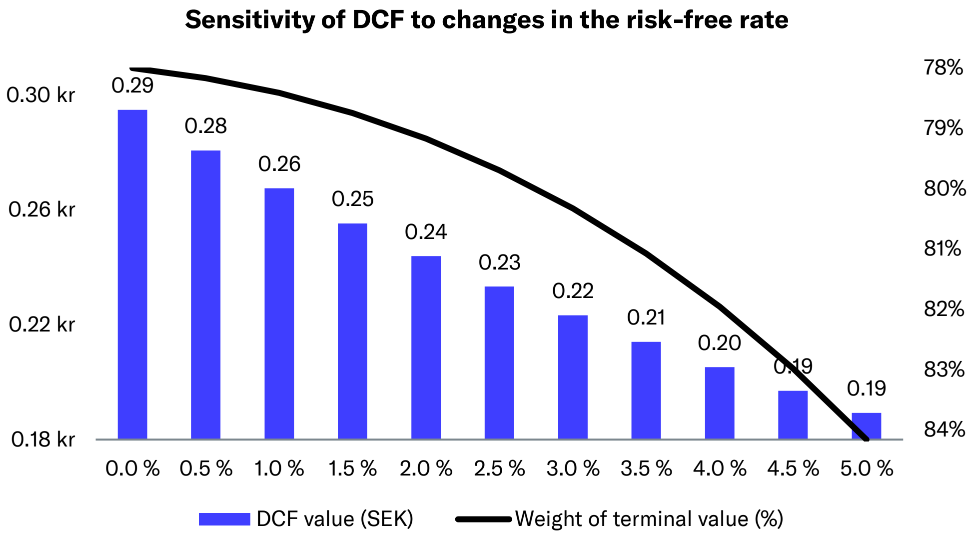
Source: Inderes

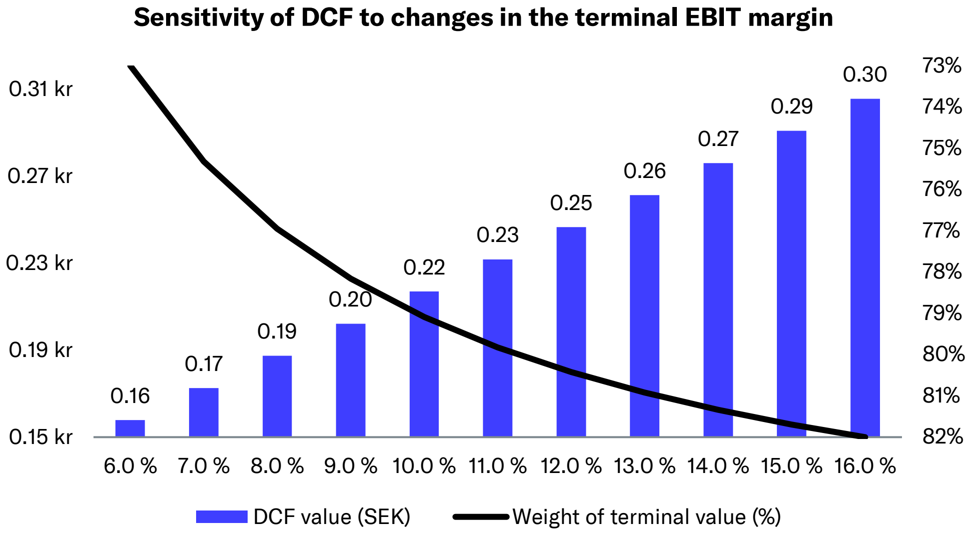
Cash flow distribution

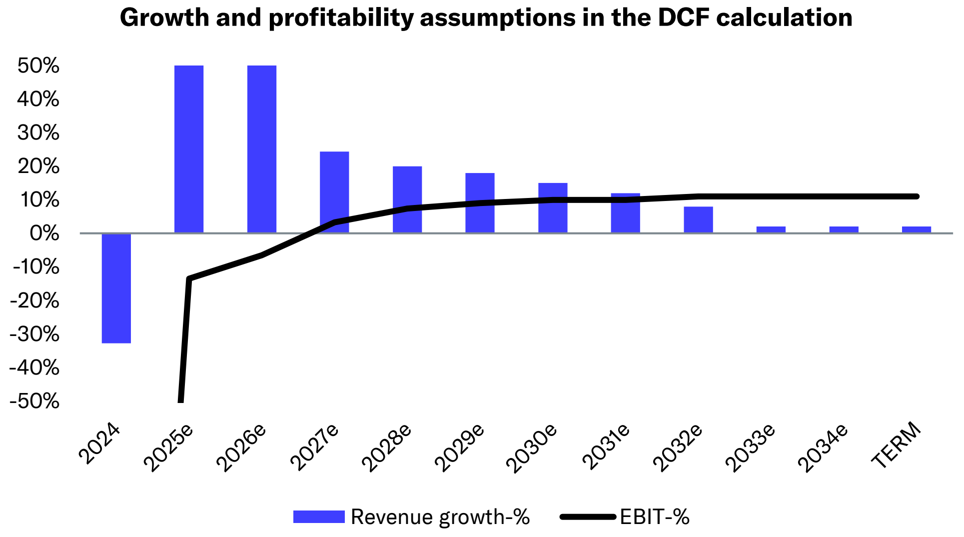


DCF sensitivity calculations and key assumptions in graphs









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

Summary

Income statement	2022	2023	2024	2025e	2026e
Revenue	63.8	60.1	40.4	**291.3**	**666.8**
EBITDA	-35.2	-62.1	-123.0	**-23.5**	**-27.1**
EBIT	-47.4	-73.4	-134.2	**-39.4**	**-43.6**
PTP	-50.4	-77.8	-137.9	**-44.1**	**-56.9**
Net Income	-50.4	-77.8	-137.9	**-44.1**	**-56.9**
Extraordinary items	-2.1	-10.7	-10.4	**0.0**	**0.0**

Balance sheet	2022	2023	2024	2025e	2026e
Balance sheet total	190.1	136.0	212.9	**236.7**	**331.3**
Equity capital	171.7	94.8	132.0	**97.0**	**40.1**
Goodwill	169.0	34.0	24.9	**15.9**	**9.3**
Net debt	-102.1	0.1	-119.3	**-35.0**	**66.4**

Cash flow	2022	2023	2024	2025e	2026e
EBITDA	-35.2	-62.1	-123.0	**-23.5**	**-27.1**
Change in working capital	-10.0	-23.3	78.0	**-50.2**	**-40.9**
Operating cash flow	-45.0	-85.3	-44.8	**-73.8**	**-68.1**
CAPEX	-9.2	-12.9	-7.0	**-15.0**	**-20.0**
Free cash flow	-52.8	-98.7	121.7	**-79.6**	**-88.1**

Valuation multiples	2022	2023	2024	2025e	2026e
EV/S	4.5	4.7	1.0	**0.8**	**0.5**
EV/EBITDA	neg.	neg.	neg.	**neg.**	**neg.**
EV/EBIT (adj.)	neg.	neg.	neg.	**neg.**	**neg.**
P/E (adj.)	neg.	neg.	neg.	**neg.**	**neg.**
P/B	2.3	3.0	1.2	**2.7**	**6.6**
Dividend-%	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**

Source: Inderes

Per share data	2022	2023	2024	2025e	2026e
EPS (reported)	-0.17	-0.23	-0.21	**-0.03**	**-0.04**
EPS (adj.)	-0.16	-0.20	-0.19	**-0.03**	**-0.04**
OCF / share	-0.15	-0.25	-0.07	**-0.05**	**-0.05**
OFCF / share	-0.17	-0.29	0.19	**-0.06**	**-0.06**
Book value / share	0.57	0.28	0.20	**0.07**	**0.03**
Dividend / share	0.00	0.00	0.00	**0.00**	**0.00**

Growth and profitability	2022	2023	2024	2025e	2026e
Revenue growth-%	527%	-6%	-33%	**621%**	**129%**
EBITDA growth-%	57%	77%	98%	**-81%**	**15%**
EBIT (adj.) growth-%	95%	38%	98%	**-68%**	**11%**
EPS (adj.) growth-%	162%	22%	-1%	**-83%**	**29%**
EBITDA-%	-55.1 %	-103.3 %	-304.5 %	**-8.1 %**	**-4.1 %**
EBIT (adj.)-%	-70.9 %	-104.3 %	-306.4 %	**-13.5 %**	**-6.5 %**
EBIT-%	-74.2 %	-122.1 %	-332.2 %	**-13.5 %**	**-6.5 %**
ROE-%	-25.1 %	-58.4 %	-121.6 %	**-38.6 %**	**-83.0 %**
ROI-%	-23.1 %	-49.5 %	-102.8 %	**-30.5 %**	**-33.5 %**
Equity ratio	90.3 %	69.7 %	62.0 %	**41.0 %**	**12.1 %**
Gearing	-59.5 %	0.1 %	-90.4 %	**-36.1 %**	**165.6 %**

The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years. Per-share figures are calculated using the number of shares at year-end.

Disclaimer and recommendation history

The information presented in Inderes reports is obtained from several different public sources that Inderes considers to be reliable. Inderes aims to use reliable and comprehensive information, but Inderes does not guarantee the accuracy of the presented information. Any opinions, estimates and forecasts represent the views of the authors. Inderes is not responsible for the content or accuracy of the presented information. Inderes and its employees are also not responsible for the financial outcomes of investment decisions made based on the reports or any direct or indirect damage caused by the use of the information. The information used in producing the reports may change quickly. Inderes makes no commitment to announcing any potential changes to the presented information and opinions.

The reports produced by Inderes are intended for informational use only. The reports should not be construed as offers or advice to buy, sell or subscribe investment products. Customers should also understand that past performance is not a guarantee of future results. When making investment decisions, customers must base their decisions on their own research and their estimates of the factors that influence the value of the investment and take into account their objectives and financial position and use advisors as necessary. Customers are responsible for their investment decisions and their financial outcomes.

Reports produced by Inderes may not be edited, copied or made available to others in their entirety, or in part, without Inderes' written consent. No part of this report, or the report as a whole, shall be transferred or shared in any form to the United States, Canada or Japan or the citizens of the aforementioned countries. The legislation of other countries may also lay down restrictions pertaining to the distribution of the information contained in this report. Any individuals who may be subject to such restrictions must take said restrictions into account.

Inderes issues target prices for the shares it follows. The recommendation methodology used by Inderes is based on the share's 12-month expected total shareholder return (including the share price and dividends) and takes into account Inderes' view of the risk associated with the expected returns. The recommendation policy consists of four tiers: Sell, Reduce, Accumulate and Buy. As a rule, Inderes' investment recommendations and target prices are reviewed at least 2–4 times per year in connection with the companies' interim reports, but the recommendations and target prices may also be changed at other times depending on the market conditions. The issued recommendations and target prices do not guarantee that the share price will develop in line with the estimate. Inderes primarily uses the following valuation methods in determining target prices and recommendations: Cash flow analysis (DCF), valuation multiples, peer group analysis and sum of parts analysis. The valuation methods and target price criteria used are always company-specific and they may vary significantly depending on the company and (or) industry.

Inderes' recommendation policy is based on the following distribution relative to the 12-month risk-adjusted expected total shareholder return.

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

The assessment of the 12-month risk-adjusted expected total shareholder return based on the above-mentioned definitions is company-specific and subjective. Consequently, similar 12-month expected total shareholder returns between different shares may result in different recommendations, and the recommendations and 12-month expected total shareholder returns between different shares should not be compared with each other. The counterpart of the expected total shareholder return is Inderes' view of the risk taken by the investor, which varies considerably between companies and scenarios. Thus, a high expected total shareholder return does not necessarily lead to positive performance when the risks are exceptionally high and, correspondingly, a low expected total shareholder return does not necessarily lead to a negative recommendation if Inderes considers the risks to be moderate.

The analysts who produce Inderes' research and Inderes employees cannot have 1) shareholdings that exceed the threshold of significant financial gain or 2) shareholdings exceeding 1% in any company subject to Inderes' research activities. Inderes Oyj can only own shares in the target companies it follows to the extent shown in the company's model portfolio investing real funds. All of Inderes Oyj's shareholdings are presented in itemised form in the model portfolio. Inderes Oyj does not have other shareholdings in the target companies analysed. The remuneration of the analysts who produce the analysis are not directly or indirectly linked to the issued recommendation or views. Inderes Oyj does not have investment bank operations.

Inderes or its partners whose customer relationships may have a financial impact on Inderes may, in their business operations, seek assignments with various issuers with respect to services provided by Inderes or its partners. Thus, Inderes may be in a direct or indirect contractual relationship with an issuer that is the subject of research activities. Inderes and its partners may provide investor relations services to issuers. The aim of such services is to improve communication between the company and the capital markets. These services include the organisation of investor events, advisory services related to investor relations and the production of investor research reports.

More information about research disclaimers can be found at www.inderes.fi/research-disclaimer.

Inderes has made an agreement with the issuer and target of this report, which entails compiling a research report.

Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2024-03-15	Reduce	0.18 SEK	0.17 SEK
2024-04-02	Reduce	0.17 SEK	0.16 SEK
Analyst change, 2024-04-25			
2024-05-17	Reduce	0.21 SEK	0.24 SEK
2024-08-23	Reduce	0.48 SEK	0.53 SEK
2024-11-05	Reduce	0.23 SEK	0.22 SEK
2024-11-19	Reduce	0.21 SEK	0.20 SEK
2025-01-20	Reduce	0.12 SEK	0.13 SEK
2025-02-27	Accumulate	0.12 SEK	0.10 SEK
2025-03-04	Accumulate	0.16 SEK	0.14 SEK
2025-05-16	Accumulate	0.23 SEK	0.19 SEK