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Photon Energy NV

Netherlands | Renewables | MCap EUR 44.7m

20 August 2025

UPDATE

Markets remained challenging in Q2, PT down, Spec. BUY

Spec. BUY (Spec. BUY)

Target price	**EUR 1.00** (1.40)
Current price	EUR 0.73
Up/downside	37.0%

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What's it all about?

Photon Energy's Q2 results showed 7.5% revenue growth, driven by a 183% yoy surge in the Technology (trading) segment from strong PV module sales. This was offset, by declines in electricity generation (-4.7%) due to Romanian asset shutdowns and Australian disposals, and a 17.1% drop in New Energy from weaker capacity market revenues. EBITDA fell to EUR 2.8m with margin halved to 11% on a weaker product mix and New Energy losses, while operating cash flow improved to EUR 8.2m, yielding EUR 6.5m in free cash flow used for debt repayment. The equity ratio slipped to 25.0% (25.9% adjusted), narrowly above the 25.0% covenant, leaving limited room for further losses in H2. Despite no FY25 guidance and short-term risks, Photon Energy retains attractive long-term opportunities in DSR, capacity markets, Raygen, and PFAS remediation. With a revised PT of EUR 1.00, we reiterate our Spec. BUY rating.

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IMPORTANT. Please refer to the last page of this report for "Important disclosures" and analyst(s) certifications.

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Netherlands | Renewables | MCap EUR 44.7m | EV EUR 205.6m

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Markets remained challenging in Q2, PT down, Spec. BUY

Q2 revenue driven by trading. Photon Energy has announced its Q2 results. Overall, revenues increased by 7.5% year on year. This growth was driven by the Technology (trading) segment, which saw a 183% yoy increase as PV module sales for utility-scale projects in Romania and Hungary soared, as well as rising commercial demand in Poland and the Western Balkans. However, revenues from electricity generation fell by 4.7% year on year, primarily due to the TSO-mandated shutdown of assets in Romania and the sale of 14.5 MWp of assets in Australia. Revenue from the New Energy division fell by 17.1% due to lower contracted capacity market volumes and weaker average prices (capacity market revenue -55%), partly compensated by higher electricity trading. O&M revenue grew by 8.5%, EPC revenue declined by 8.5%.

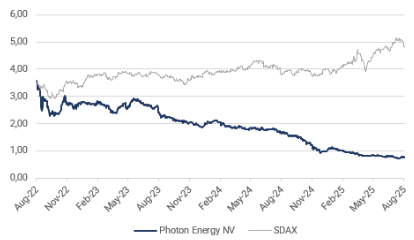
EBITDA down. Q2 EBITDA came in at EUR 2.8m, resulting in a halving of the margin to 11.0%. This was mostly due to a deteriorating product mix, with the lower-margin trading business accounting for a greater proportion of revenue, while higher-margin electricity generation decreased. Additionally, the New Energy division reported an EBITDA loss of around EUR 1.0m in Q2, following an EBITDA profit of EUR 2.5m in Q1.

High FCF, declining equity ratio. In Q2, operating cash flow improved significantly to EUR 8.2m (Q1: EUR 3.9m) due to positive working capital developments. Alongside limited investments (CFI: EUR 1.7m), this resulted in positive free cash flow of EUR 6.5m, which was used to repay borrowings. However, due to the net comprehensive loss of EUR 2.8m in Q2, the adjusted equity ratio declined by 30bp sequentially to 25.0%. Including the carve-out resulting from regulatory changes, however, it stood at 25.9%, which is still 90bp above the covenant level of 25.0%. A rough calculation suggests that Photon Energy will have to report a comprehensive loss of less than EUR 3.0m in H2 25 to adhere to the terms of the green bond.

No guidance, PT EUR 1.00, Spec. BUY. Photon Energy has refrained from providing a guidance for FY25. We believe that the company has substantial long-term potential in emerging technologies and markets, such as DSR and capacity markets, as well as Raygen and PFAS remediation. However, short-term visibility is low, and the risk of breaching the bond covenants cannot be ignored. Following the disappointing developments in the New Energy sector, we have revised our estimates for FY25, setting a new PT of EUR 1.00, still supporting our Spec. BUY rating for investors willing to bear short-term risks in order to participate in long-term opportunities.

Photon Energy NV	2022	2023	2024	2025E	2026E	2027E
Sales	94.2	70.6	89.9	94.3	111.2	123.9
Growth yoy	159.1%	-25.0%	27.3%	4.9%	18.0%	11.4%
EBITDA	24.1	6.8	7.8	9.8	14.9	18.7
EBIT	14.5	-5.2	-2.8	-2.6	1.6	4.6
Net profit	4.3	-0.5	-9.4	-7.2	-4.9	-2.0
Net debt (net cash)	127.3	166.8	160.3	180.3	197.0	209.6
Net debt/EBITDA	5.3x	24.4x	20.5x	18.4x	13.2x	11.2x
EPS reported	0.07	-0.01	-0.15	-0.12	-0.08	-0.03
DPS	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross profit margin	53.1%	47.8%	57.8%	59.9%	64.7%	66.8%
EBITDA margin	25.5%	9.7%	8.7%	10.4%	13.4%	15.1%
EBIT margin	15.4%	-7.4%	-3.1%	-2.8%	1.4%	3.7%
ROCE	6.6%	-2.0%	-1.1%	-1.1%	0.7%	2.0%
EV/Sales	1.8x	3.0x	2.3x	2.4x	2.2x	2.1x
EV/EBITDA	7.1x	31.1x	26.3x	23.0x	16.3x	13.6x
EV/EBIT	11.8x	-40.8x	-74.7x	-85.2x	155.4x	55.4x
PER	10.4x	-97.4x	-4.7x	-6.2x	-9.2x	-22.8x

Source: Company data, mwb research



Source: Company data, mwb research

High/low 52 weeks	1.74 / 0.70
Price/Book Ratio	0.7x

Ticker / Symbols

ISIN	NL0010391108
WKN	A1T9KW
Bloomberg	P7V:GR

Changes in estimates

		Sales	EBIT	EPS
2025E	old	96.5	-0.2	-0.08
	Δ	-2.3%	na%	na%
2026E	old	116.0	3.8	-0.04
	Δ	-4.1%	-58.9%	na%
2027E	old	128.0	6.7	0.00
	Δ	-3.2%	-31.6%	na%

Key share data

Number of shares: (in m pcs)	61.24
Book value per share: (in EUR)	0.99
Ø trading vol.: (12 months)	26,705

Major shareholders

Solar Future	35.5%
Solar Power to the People	32.2%
Treasury shares	1.9%
Free Float	30.4%

Company description

Photon Energy NV is a solar energy and water treatment solutions company based in the Netherlands that covers the entire lifecycle of its technologies. The Company develops projects in Australia, Hungary, Poland and Romania, and provides operations and maintenance services worldwide. The Company has offices in Europe and Australia.

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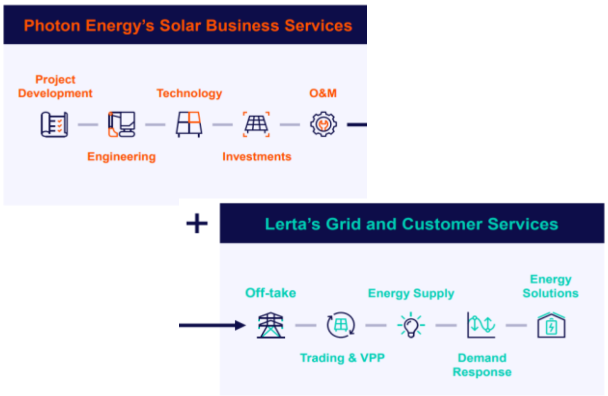
The following table displays the quarterly performance of **Photon Energy NV:**

P&L data	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Sales	19.2	11.2	17.4	23.9	22.9	25.1	22.0	25.7
yoy growth in %	-45.7%	-43.6%	-9.9%	14.1%	18.9%	124.1%	26.9%	7.5%
Gross profit	11.8	3.8	9.3	15.2	14.7	12.1	11.2	13.6
Gross margin in %	61.6%	72.4%	53.5%	63.4%	64.5%	48.1%	50.9%	53.0%
EBITDA	1.9	-1.0	0.8	5.3	3.8	-1.1	1.2	2.8
EBITDA margin in %	10.0%	2.4%	4.5%	22.1%	16.6%	-4.5%	5.5%	11.0%
EBIT	-1.0	-2.7	-1.4	2.3	0.4	-4.4	-0.8	-0.5
EBIT margin in %	-5.4%	-27.3%	-8.2%	9.5%	1.7%	-17.4%	-3.6%	-1.9%
EBT	-4.0	-5.3	-2.3	-2.6	-2.5	-7.0	-3.4	-3.5
taxes paid	-1.8	0.8	-1.0	0.2	0.5	-0.4	0.3	-0.2
tax rate in %	46.0%	-20.0%	43.0%	-6.2%	-20.7%	6.4%	-10.2%	6.3%
net profit	-2.1	-6.2	-1.3	-2.8	-3.0	-6.5	-3.7	-3.3
yoy growth in %	na%	na%	na%	-14.8%	37.6%	6.0%	180.5%	16.8%
EPS	**-0.04**	**-0.10**	**-0.02**	**-0.05**	**-0.05**	**-0.11**	**-0.06**	**-0.05**

Source: Company data; mwb research

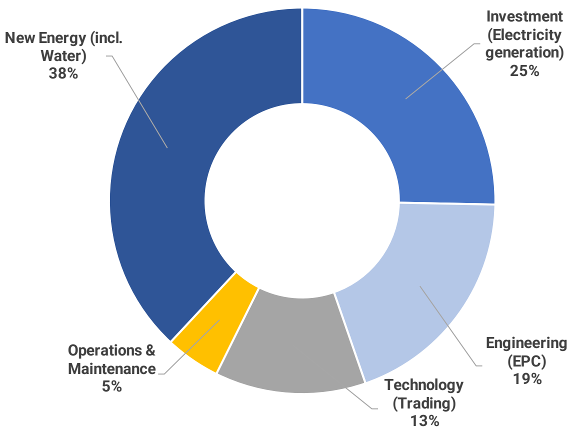
Investment case in six charts

Business Model

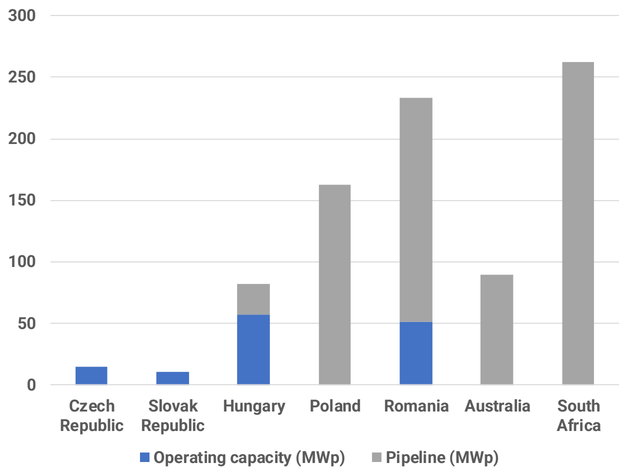


Geographical Presence

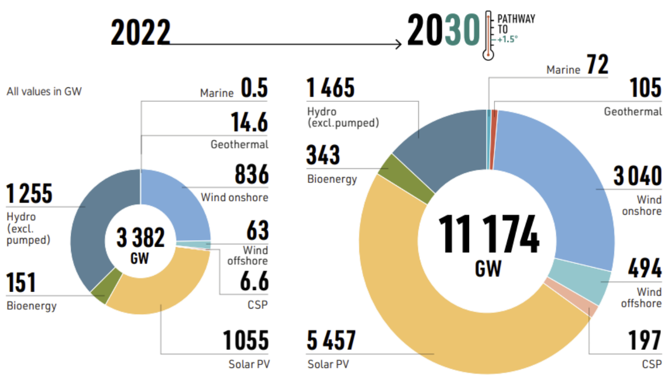
External Revenue Shares (2024)



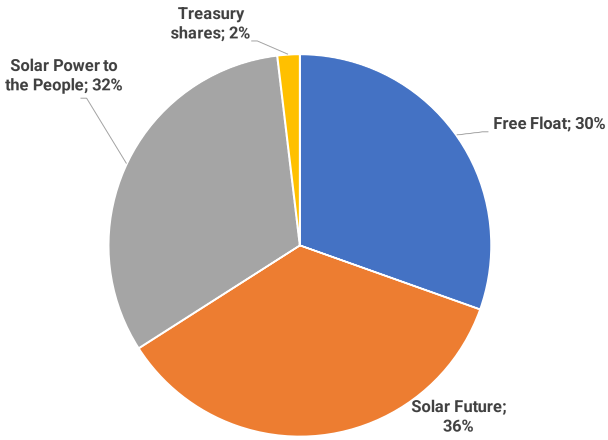
Capacity and Pipeline



Fastest growing renewable energy



Major Shareholders



Source: Company data; mwb research; IRENA

SWOT analysis

Strengths

- early mover in the PV market with expertise in the whole system life cycle
- unique focus on and understanding of CEE market
- strong ESG credentials -> green bond
- transparent and detailed reporting and comprehensive capital market communications
- strong management team and high standards of corporate governance

Weaknesses

- still a relatively small player
- high leverage and capital needs to fulfill project pipeline
- strong seasonality in solar business
- analysis of underlying profitability complex due the nature of the business (FX and derivatives effects, strong contribution of OCI, capital gains on resale of projects and high share of internal revenues in business segments)

Opportunities

- solar power finally competitive without subsidies
- access to promising technology (RayGen) via equity participation
- catch up potential in CEE and a well filled project pipeline
- high prices for fossil energy and geopolitical tailwinds
- increasing interest in behind-the-meter projects
- increasing share of renewables leads to greater demand for grid flexibility and VPP services
- PFAS water remediation potentially huge market

Threats

- water business line could distract focus
- volatile market prices
- large-scale project risk (cost overruns, change in market conditions during development etc.)
- regulatory risks, for example retroactive adjustments to feed-in tariffs or price caps

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Valuation

DCF Model

The DCF model results in a **fair value of EUR 1.00 per share**:

Top-line growth: We expect Photon Energy NV to grow revenues at a CAGR of 5.9% between 2025E and 2032E. The long-term growth rate is set at 2.0%.

ROCE. Returns on capital are developing from -1.1% in 2025E to 6.4% in 2032E.

WACC. Starting point is a historical equity beta of 1.06. Unlevering and correcting for mean reversion yields an asset beta of 0.52. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 9.7%. With pre-tax cost of borrowing at 7.5%, a tax rate of 25.0% and target debt/equity of 2.0 this results in a long-term WACC of 7.0%.

DCF (EURm) (except per share data and beta)	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	Terminal value
NOPAT	-2.5	1.5	4.4	5.4	5.3	5.7	6.9	6.9	
Depreciation & amortization	12.5	13.3	14.1	14.1	14.1	14.2	14.6	15.1	
Change in working capital	-5.0	-4.4	-3.0	-0.7	-0.3	1.1	0.0	0.5	
Chg. in long-term provisions	0.2	2.3	1.7	0.6	0.4	0.6	0.4	0.4	
Capex	-13.7	-15.6	-15.9	0.0	0.0	-1.1	-1.1	-11.8	
Cash flow	-8.5	-2.9	1.3	19.5	19.6	20.3	20.8	11.1	226.2
Present value	-8.3	-2.5	1.0	14.6	13.5	13.1	12.6	6.4	137.4
WACC	9.1%	9.1%	9.1%	9.0%	8.9%	8.5%	8.3%	7.6%	7.0%

DCF per share derived from	
Total present value	187.9
Mid-year adj. total present value	195.7
Net debt / cash at start of year	160.3
Financial assets	26.6
Provisions and off b/s debt	0.5
Equity value	61.4
No. of shares outstanding	61.2
Discounted cash flow / share	**1.00**
upside/(downside)	**37.3%**
Share price	**0.73**

DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2025E-2032E)	5.9%
Terminal value growth (2032E - infinity)	2.0%
Terminal year ROCE	6.4%
Terminal year WACC	7.0%

Terminal WACC derived from	
Cost of borrowing (before taxes)	7.5%
Long-term tax rate	25.0%
Equity beta	1.06
Unlevered beta (industry or company)	0.52
Target debt / equity	2.0
Relevered beta	1.29
Risk-free rate	2.0%
Equity risk premium	6.0%
Cost of equity	9.7%

Sensitivity analysis DCF

Change in WACC (%-points)	Long term growth 1.0%	1.5%	2.0%	2.5%	3.0%
2.0%	-0.1	-0.1	0.1	0.2	0.3
1.0%	0.2	0.3	0.4	0.6	0.8
0.0%	0.6	0.8	1.0	1.3	1.6
-1.0%	1.2	1.5	1.8	2.3	2.9
-2.0%	2.1	2.5	3.2	4.1	5.5

Share of present value	
2025E-2028E	2.6%
2029E-2032E	24.3%
terminal value	73.1%

Source: mwb research

FCF Yield Model

Due to the fact that companies rarely bear sufficient resemblance to peers in terms of geographical exposure, size or competitive strength and in order to adjust for the pitfalls of weak long-term visibility, an Adjusted Free Cash Flow analysis (Adjusted FCF) has been conducted.

The adjusted Free Cash Flow Yield results in a fair value between EUR -2.38 per share based on 2025E and EUR -0.40 per share on 2029E estimates.

The main driver of this model is the level of return available to a controlling investor, influenced by the cost of that investors' capital (opportunity costs) and the purchase price – in this case the enterprise value of the company. Here, the adjusted FCF yield is used as a proxy for the required return and is defined as EBITDA less minority interest, taxes and investments required to maintain existing assets (maintenance capex).

FCF yield in EURm	2025E	2026E	2027E	2028E	2029E
EBITDA	**9.8**	**14.9**	**18.7**	**19.8**	**19.6**
- Maintenance capex	10.0	10.7	11.3	11.3	11.3
- Minorities	0.0	0.0	0.0	0.0	0.0
- tax expenses	-0.7	-0.6	-0.5	-0.3	-0.3
= Adjusted FCF	**0.5**	**4.8**	**7.9**	**8.9**	**8.6**
Actual Market Cap	**44.7**	**44.7**	**44.7**	**44.7**	**44.7**
+ Net debt (cash)	180.3	197.0	209.6	202.7	194.2
+ Pension provisions	0.6	0.7	0.7	0.8	0.8
+ Off B/S financing	0.0	0.0	0.0	0.0	0.0
- Financial assets	26.6	26.6	26.6	26.6	26.6
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
EV Reconciliations	154.3	171.1	183.7	176.9	168.4
= Actual EV'	**199.0**	**215.8**	**228.4**	**221.6**	**213.1**
Adjusted FCF yield	**0.3%**	**2.2%**	**3.4%**	**4.0%**	**4.0%**
base hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
ESG adjustment	1.0%	1.0%	1.0%	1.0%	1.0%
adjusted hurdle rate	6.0%	6.0%	6.0%	6.0%	6.0%
Fair EV	**8.4**	**80.2**	**131.2**	**147.8**	**143.8**
- EV Reconciliations	154.3	171.1	183.7	176.9	168.4
Fair Market Cap	**-145.8**	**-90.9**	**-52.6**	**-29.1**	**-24.6**
No. of shares (million)	61.2	61.2	61.2	61.2	61.2
Fair value per share in EUR	**-2.38**	**-1.48**	**-0.86**	**-0.47**	**-0.40**
Premium (-) / discount (+)	**-426.2%**	**-303.3%**	**-217.6%**	**-165.1%**	**-155.0%**

Sensitivity analysis FV						
Adjusted hurdle rate	4.0%	-2.3	-0.8	0.2	0.7	0.8
	5.0%	-2.4	-1.2	-0.4	0.0	0.1
	6.0%	**-2.4**	**-1.5**	**-0.9**	**-0.5**	**-0.4**
	7.0%	-2.4	-1.7	-1.2	-0.8	-0.7
	8.0%	-2.4	-1.8	-1.4	-1.1	-1.0

Source: Company data; mwb research

Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 7.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments might be applicable. A high score indicates high awareness for environmental, social or governance issues and thus might lower the overall risk an investment in the company might carry. A low score on the contrary might increase the risk of an investment and might therefore trigger a higher required hurdle rate.**

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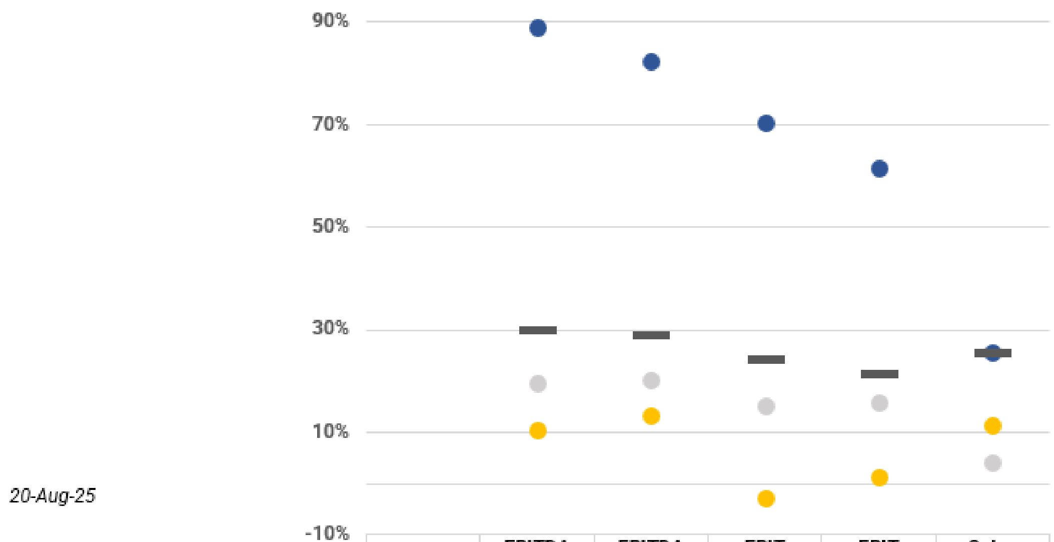
Peer group analysis

A peer group or comparable company ("comps") analysis is a methodology that calculates a company's relative value — how much it should be worth based on how it compares to other similar companies. Given that **Photon Energy NV** differs quite significantly in terms of size, focus, financial health and growth trajectory, we regard our peer group analysis merely as a support for other valuation methods. The peer group of Photon Energy NV consists of the stocks displayed in the chart below. As of 20 August 2025 the median market cap of the peer group was EUR 1,563.8m, compared to EUR 44.7m for Photon Energy NV. In the period under review, the peer group was more profitable than Photon Energy NV. The expectations for sales growth are higher for the peer group than for Photon Energy NV.

Peer Group – Key data



	Market Cap (EURm)	EBITDA margin 2025	EBITDA margin 2026	EBIT margin 2025	EBIT margin 2026	Sales CAGR 2024-2027
ABO Energy GmbH & Co. KGaA	349	19,7%	20,3%	15,1%	15,8%	4,3%
Solaria Energia y Medio Ambiente, S.A.	1.564	89,0%	82,5%	70,3%	61,6%	25,7%
Photon Energy NV	45	10,4%	13,4%	-2,8%	1,4%	11,3%
Peer Group Median	1.564	30,1%	29,1%	24,5%	21,6%	25,7%

Source: FactSet, mwb research

Comparable company analysis operates under the assumption that similar companies will have similar valuation multiples. We use the following multiples: EV/EBITDA 2025, EV/EBITDA 2026, EV/EBIT 2025, EV/EBIT 2026, P/E 2025 and P/E 2026.

Applying these to Photon Energy NV results in a range of fair values from EUR 0.01 to EUR -0.22.

Peer Group – Multiples and valuation

20-Aug-25

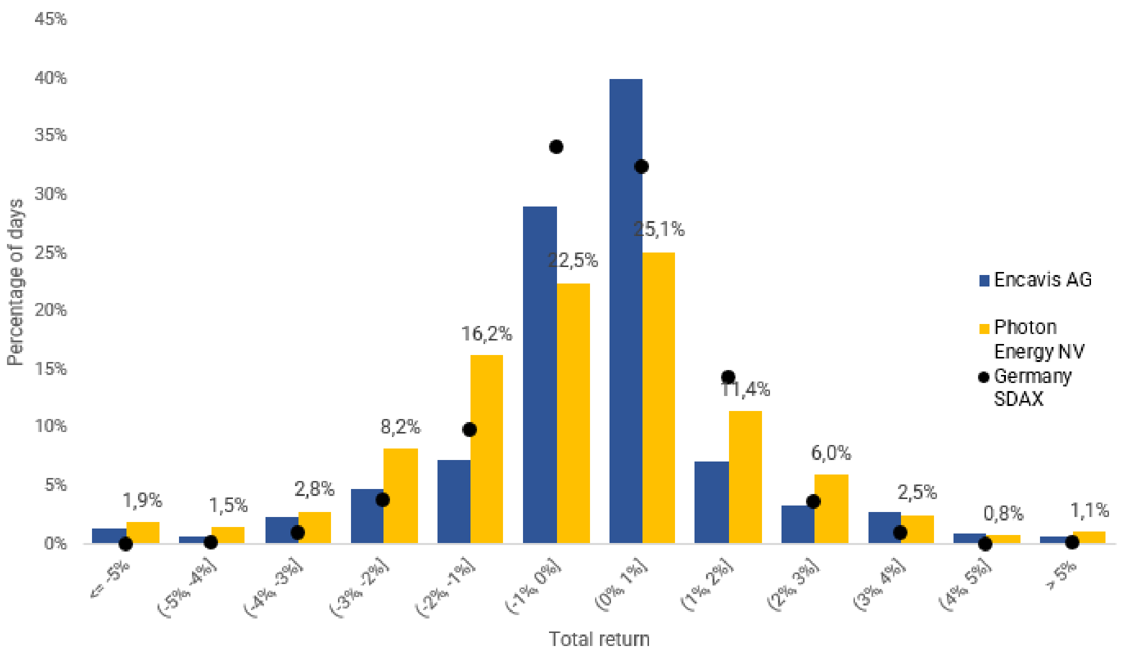
	EV/EBITDA 2025	EV/EBITDA 2026	EV/EBIT 2025	EV/EBIT 2026	P/E 2025	P/E 2026
ABO Energy GmbH & Co. KGaA	7,7x	6,5x	10,1x	8,3x	10,6x	8,5x
Solaria Energia y Medio Ambiente, S.A.	11,4x	11,4x	14,4x	15,2x	15,5x	16,3x
Photon Energy NV	23,0x	16,3x	-85,2x	155,4x	-6,2x	-9,2x
Peer Group Median	11,4x	11,3x	14,4x	15,2x	15,5x	16,3x
Fair Value (EUR)	-1,13	-0,22	-3,58	-2,57	-1,82	-1,29

Source: FactSet, mwb research

Risk

The chart displays the **distribution of daily returns of Photon Energy NV** over the last 3 years, compared to the same distribution for Encavis AG. We have also included the distribution for the index Germany SDAX. The distribution gives a better understanding of risk than measures like volatility, which assume that log returns are normally distributed. In reality, they are skewed (down moves are larger) and have fat tails (large moves occur more often than predicted). Also, volatility treats up and down moves the same, while investors are more worried about down moves. For Photon Energy NV, the worst day during the past 3 years was 02/09/2022 with a share price decline of -13.1%. The best day was 07/09/2022 when the share price increased by 14.1%.

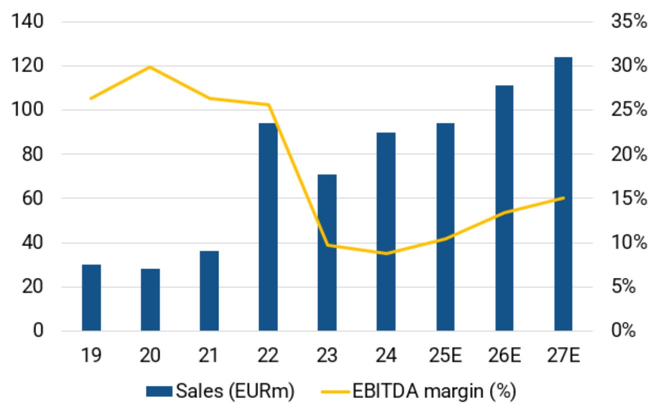
Risk – Daily Returns Distribution (trailing 3 years)



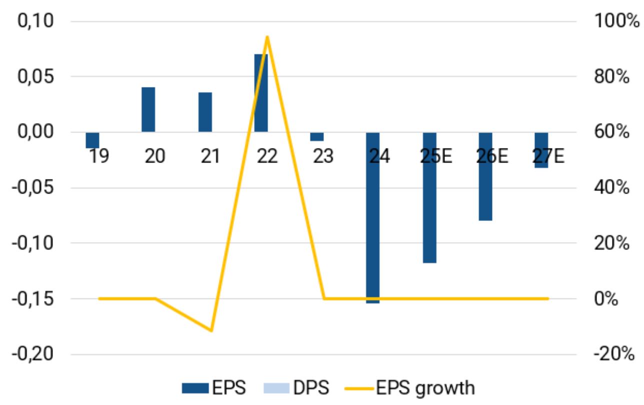
Source: FactSet, mwb research

Financials in six charts

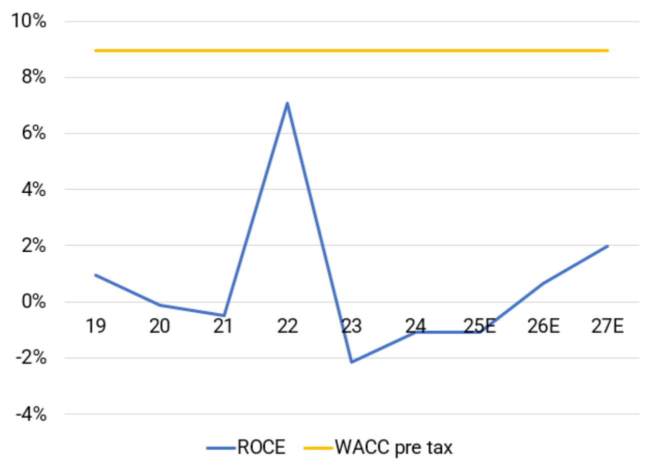
Sales vs. EBITDA margin development



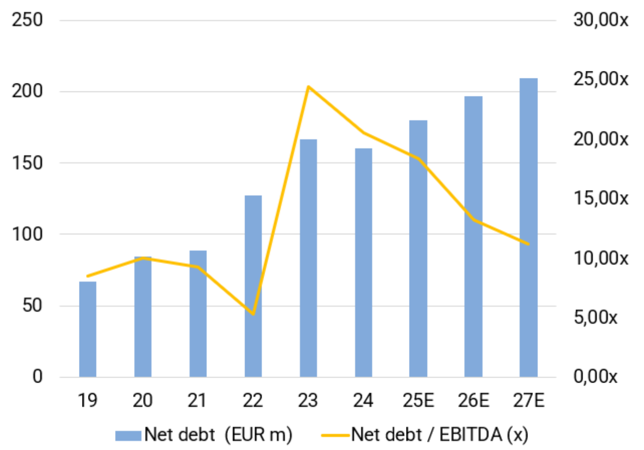
EPS, DPS in EUR & yoy EPS growth



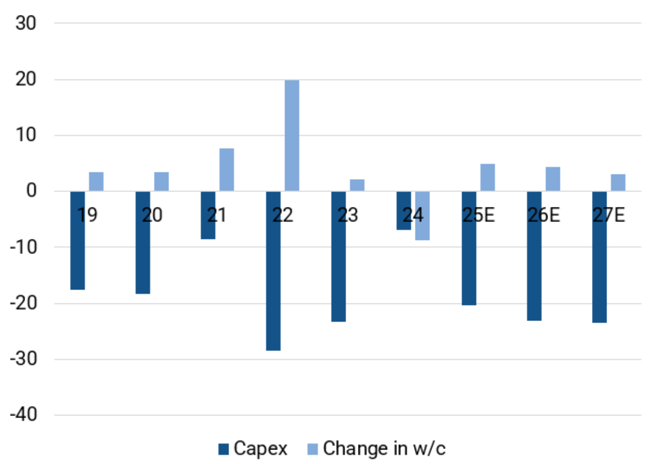
ROCE vs. WACC (pre tax)



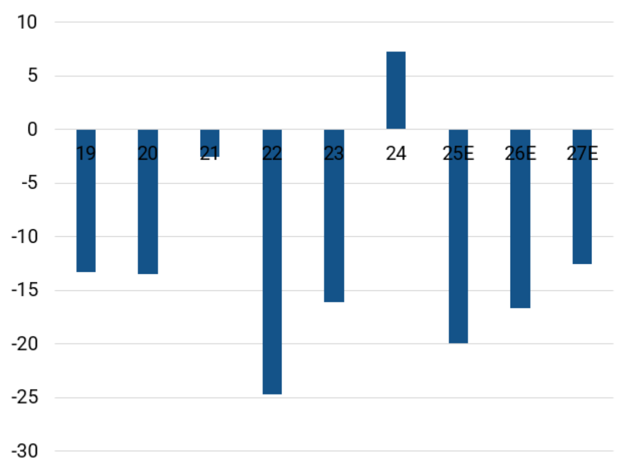
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; mwb research

Financials

Profit and loss (EURm)	2022	2023	2024	2025E	2026E	2027E
Net sales	**94.2**	**70.6**	**89.9**	**94.3**	**111.2**	**123.9**
Sales growth	159.1%	-25.0%	27.3%	4.9%	18.0%	11.4%
Change in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	**94.2**	**70.6**	**89.9**	**94.3**	**111.2**	**123.9**
Material expenses	44.1	36.9	38.0	37.8	39.3	41.1
Gross profit	**50.1**	**33.8**	**51.9**	**56.5**	**71.9**	**82.8**
Other operating income	0.6	4.1	1.6	5.4	6.3	7.1
Personnel expenses	9.5	18.5	18.0	35.1	48.9	55.0
Other operating expenses	17.0	12.5	27.7	17.0	14.5	16.1
EBITDA	**24.1**	**6.8**	**7.8**	**9.8**	**14.9**	**18.7**
Depreciation	9.0	12.0	10.6	12.5	13.3	14.1
EBITA	15.1	-5.2	-2.8	-2.6	1.6	4.6
Amortisation of goodwill and intangible assets	0.6	0.0	0.0	0.0	0.0	0.0
EBIT	**14.5**	**-5.2**	**-2.8**	**-2.6**	**1.6**	**4.6**
Financial result	-8.3	-11.1	-11.1	-11.9	-14.5	-14.5
Recurring pretax income from continuing operations	6.2	-16.3	-13.8	-14.6	-12.9	-9.9
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	6.2	-16.3	-13.8	-14.6	-12.9	-9.9
Taxes	3.5	-0.6	-0.6	-0.7	-0.6	-0.5
Net income from continuing operations	2.8	-15.8	-13.2	-13.9	-12.4	-9.5
Result from discontinued operations (net of tax)	1.5	15.3	3.8	6.7	7.5	7.5
Net income	**4.3**	**-0.5**	**-9.4**	**-7.2**	**-4.9**	**-2.0**
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	4.3	-0.5	-9.4	-7.2	-4.9	-2.0
Average number of shares	61.24	61.24	61.24	61.24	61.24	61.24
EPS reported	**0.07**	**-0.01**	**-0.15**	**-0.12**	**-0.08**	**-0.03**

Profit and loss (common size)	2022	2023	2024	2025E	2026E	2027E
Net sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Change in finished goods and work-in-process	0%	0%	0%	0%	0%	0%
Total sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Material expenses	47%	52%	42%	40%	35%	33%
Gross profit	**53%**	**48%**	**58%**	**60%**	**65%**	**67%**
Other operating income	1%	6%	2%	6%	6%	6%
Personnel expenses	10%	26%	20%	37%	44%	44%
Other operating expenses	18%	18%	31%	18%	13%	13%
EBITDA	**26%**	**10%**	**9%**	**10%**	**13%**	**15%**
Depreciation	10%	17%	12%	13%	12%	11%
EBITA	16%	-7%	-3%	-3%	1%	4%
Amortisation of goodwill and intangible assets	1%	0%	0%	0%	0%	0%
EBIT	**15%**	**-7%**	**-3%**	**-3%**	**1%**	**4%**
Financial result	-9%	-16%	-12%	-13%	-13%	-12%
Recurring pretax income from continuing operations	7%	-23%	-15%	-15%	-12%	-8%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	7%	-23%	-15%	-15%	-12%	-8%
Taxes	4%	-1%	-1%	-1%	-1%	-0%
Net income from continuing operations	3%	-22%	-15%	-15%	-11%	-8%
Result from discontinued operations (net of tax)	2%	22%	4%	7%	7%	6%
Net income	**5%**	**-1%**	**-10%**	**-8%**	**-4%**	**-2%**
Minority interest	0%	0%	0%	0%	0%	0%
Net profit (reported)	**5%**	**-1%**	**-10%**	**-8%**	**-4%**	**-2%**

Source: Company data; mwb research

Balance sheet (EURm)	2022	2023	2024	2025E	2026E	2027E
Intangible assets (exl. Goodwill)	**13.0**	**8.1**	**10.6**	**10.6**	**10.6**	**10.6**
Goodwill	0.0	15.3	15.3	15.3	15.3	15.3
Property, plant and equipment	145.3	177.5	164.4	172.3	182.1	191.4
Financial assets	12.8	24.2	26.6	26.6	26.6	26.6
FIXED ASSETS	**171.2**	**225.0**	**216.9**	**224.8**	**234.6**	**243.9**
Inventories	15.8	14.1	6.7	10.4	10.8	11.3
Accounts receivable	27.8	17.0	26.9	28.2	33.3	37.0
Other current assets	3.2	7.1	6.7	6.7	6.7	6.7
Liquid assets	21.4	13.0	14.4	-10.3	-27.0	-39.5
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.9	1.3	1.3	1.3	1.6	1.8
CURRENT ASSETS	**69.1**	**52.4**	**55.9**	**36.3**	**25.3**	**17.2**
TOTAL ASSETS	**240.2**	**277.4**	**272.8**	**261.1**	**259.9**	**261.1**
SHAREHOLDERS EQUITY	**60.7**	**69.8**	**60.4**	**53.2**	**48.3**	**46.4**
MINORITY INTEREST	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3
Long-term debt	138.2	164.8	155.0	155.0	155.0	155.0
Provisions for pensions and similar obligations	0.0	0.6	0.5	0.6	0.7	0.7
Other provisions	12.0	13.0	12.1	12.3	14.5	16.1
Non-current liabilities	**150.2**	**178.3**	**167.7**	**167.8**	**170.1**	**171.9**
short-term liabilities to banks	10.4	15.0	19.7	15.0	15.0	15.0
Accounts payable	12.4	14.6	22.3	22.2	23.0	24.1
Advance payments received on orders	0.0	0.0	2.6	2.7	3.2	3.6
Other liabilities (incl. from lease and rental contracts)	4.4	0.0	0.0	0.0	0.0	0.0
Deferred taxes	2.3	0.0	0.6	0.6	0.6	0.6
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	**29.5**	**29.6**	**45.1**	**40.5**	**41.8**	**43.3**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**240.2**	**277.4**	**272.8**	**261.1**	**259.9**	**261.1**

Balance sheet (common size)	2022	2023	2024	2025E	2026E	2027E
Intangible assets (excl. Goodwill)	**5%**	**3%**	**4%**	**4%**	**4%**	**4%**
Goodwill	0%	6%	6%	6%	6%	6%
Property, plant and equipment	60%	64%	60%	66%	70%	73%
Financial assets	5%	9%	10%	10%	10%	10%
FIXED ASSETS	**71%**	**81%**	**79%**	**86%**	**90%**	**93%**
Inventories	7%	5%	2%	4%	4%	4%
Accounts receivable	12%	6%	10%	11%	13%	14%
Other current assets	1%	3%	2%	3%	3%	3%
Liquid assets	9%	5%	5%	-4%	-10%	-15%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	0%	0%	0%	1%	1%	1%
CURRENT ASSETS	**29%**	**19%**	**21%**	**14%**	**10%**	**7%**
TOTAL ASSETS	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
SHAREHOLDERS EQUITY	**25%**	**25%**	**22%**	**20%**	**19%**	**18%**
MINORITY INTEREST	-0%	-0%	-0%	-0%	-0%	-0%
Long-term debt	58%	59%	57%	59%	60%	59%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	5%	5%	4%	5%	6%	6%
Non-current liabilities	**63%**	**64%**	**61%**	**64%**	**65%**	**66%**
short-term liabilities to banks	4%	5%	7%	6%	6%	6%
Accounts payable	5%	5%	8%	8%	9%	9%
Advance payments received on orders	0%	0%	1%	1%	1%	1%
Other liabilities (incl. from lease and rental contracts)	2%	0%	0%	0%	0%	0%
Deferred taxes	1%	0%	0%	0%	0%	0%
Deferred income	0%	0%	0%	0%	0%	0%
Current liabilities	**12%**	**11%**	**17%**	**15%**	**16%**	**17%**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Company data; mwb research

mwb research

Cash flow statement (EURm)	2022	2023	2024	2025E	2026E	2027E
Net profit/loss	6.2	-16.3	-9.4	-7.2	-4.9	-2.0
Depreciation of fixed assets (incl. leases)	8.9	11.9	10.6	12.5	13.3	14.1
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.7	0.0	0.0	0.0	0.0	0.0
Others	7.8	13.7	4.4	0.2	2.3	1.7
Cash flow from operations before changes in w/c	23.6	9.3	5.6	5.4	10.8	13.9
Increase/decrease in inventory	-13.4	5.9	7.3	-3.6	-0.4	-0.5
Increase/decrease in accounts receivable	-10.9	1.5	-9.9	-1.3	-5.1	-3.8
Increase/decrease in accounts payable	5.0	-4.0	7.7	-0.1	0.9	1.1
Increase/decrease in other w/c positions	-0.5	-5.4	3.6	0.1	0.2	0.2
Increase/decrease in working capital	-19.9	-2.1	8.7	-5.0	-4.4	-3.0
Cash flow from operating activities	**3.7**	**7.2**	**14.3**	**0.4**	**6.4**	**10.8**
CAPEX	-28.4	-23.3	-7.0	-20.4	-23.1	-23.4
Payments for acquisitions	-6.2	-3.4	-0.4	0.0	0.0	0.0
Financial investments	0.4	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	6.0	0.0	0.0	0.0
Cash flow from investing activities	**-34.3**	**-26.7**	**-1.4**	**-20.4**	**-23.1**	**-23.4**
Cash flow before financing	-30.6	-19.5	12.9	-19.9	-16.7	-12.6
Increase/decrease in debt position	18.0	14.1	-5.1	-4.7	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	-8.7	0.0	-5.2	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	**9.3**	**14.1**	**-10.3**	**-4.7**	**0.0**	**0.0**
Increase/decrease in liquid assets	-21.2	-5.4	2.5	-24.6	-16.7	-12.6
Liquid assets at end of period	**11.3**	**5.8**	**8.4**	**-16.2**	**-32.9**	**-45.5**

Source: Company data; mwb research

Regional sales split (EURm)	2022	2023	2024	2025E	2026E	2027E
Domestic	0.0	0.0	0.0	0.0	0.0	0.0
Europe (ex domestic)	89.1	68.9	89.9	94.3	111.2	123.9
The Americas	0.0	0.0	0.0	0.0	0.0	0.0
Asia	0.0	0.0	0.0	0.0	0.0	0.0
Rest of World	5.1	1.7	0.0	0.0	0.0	0.0
Total sales	**94.2**	**70.6**	**89.9**	**94.3**	**111.2**	**123.9**

Regional sales split (common size)	2022	2023	2024	2025E	2026E	2027E
Domestic	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Europe (ex domestic)	94.6%	97.6%	100.0%	100.0%	100.0%	100.0%
The Americas	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asia	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rest of World	5.4%	2.4%	0.0%	0.0%	0.0%	0.0%
Total sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Company data; mwb research

Ratios	2022	2023	2024	2025E	2026E	2027E
Per share data						
Earnings per share reported	0.07	-0.01	-0.15	-0.12	-0.08	-0.03
Cash flow per share	-0.06	-0.04	0.10	-0.16	-0.07	-0.01
Book value per share	0.99	1.14	0.99	0.87	0.79	0.76
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	10.4x	-97.4x	-4.7x	-6.2x	-9.2x	-22.8x
P/CF	-13.0x	-18.6x	7.7x	-4.7x	-10.5x	-99.9x
P/BV	0.7x	0.6x	0.7x	0.8x	0.9x	1.0x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-7.7%	-5.4%	13.0%	-21.3%	-9.5%	-1.0%
EV/Sales	1.8x	3.0x	2.3x	2.4x	2.2x	2.1x
EV/EBITDA	7.1x	31.1x	26.3x	23.0x	16.3x	13.6x
EV/EBIT	11.8x	-40.8x	-74.7x	-85.2x	155.4x	55.4x
Income statement (EURm)						
Sales	94.2	70.6	89.9	94.3	111.2	123.9
yoy chg in %	159.1%	-25.0%	27.3%	4.9%	18.0%	11.4%
Gross profit	50.1	33.8	51.9	56.5	71.9	82.8
Gross margin in %	53.1%	47.8%	57.8%	59.9%	64.7%	66.8%
EBITDA	24.1	6.8	7.8	9.8	14.9	18.7
EBITDA margin in %	25.5%	9.7%	8.7%	10.4%	13.4%	15.1%
EBIT	14.5	-5.2	-2.8	-2.6	1.6	4.6
EBIT margin in %	15.4%	-7.4%	-3.1%	-2.8%	1.4%	3.7%
Net profit	4.3	-0.5	-9.4	-7.2	-4.9	-2.0
Cash flow statement (EURm)						
CF from operations	3.7	7.2	14.3	0.4	6.4	10.8
Capex	-28.4	-23.3	-7.0	-20.4	-23.1	-23.4
Maintenance Capex	7.2	9.6	8.5	10.0	10.7	11.3
Free cash flow	-24.7	-16.1	7.3	-19.9	-16.7	-12.6
Balance sheet (EURm)						
Intangible assets	13.0	23.3	25.9	25.9	25.9	25.9
Tangible assets	145.3	177.5	164.4	172.3	182.1	191.4
Shareholders' equity	60.7	69.8	60.4	53.2	48.3	46.4
Pension provisions	0.0	0.6	0.5	0.6	0.7	0.7
Liabilities and provisions	160.6	193.4	187.3	182.8	185.1	186.9
Net financial debt	127.3	166.8	160.3	180.3	197.0	209.6
w/c requirements	31.2	16.5	8.8	13.7	17.8	20.7
Ratios						
ROE	7.0%	-0.7%	-15.6%	-13.6%	-10.1%	-4.2%
ROCE	6.6%	-2.0%	-1.1%	-1.1%	0.7%	2.0%
Net gearing	209.6%	239.1%	265.4%	338.9%	407.6%	452.0%
Net debt / EBITDA	5.3x	24.4x	20.5x	18.4x	13.2x	11.2x

Source: Company data; mwb research

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- In such markets a shareholder cannot expect to find a buyer for his shares at all and/or at reasonable prices. In such narrow markets there is a very high possibility of manipulating prices and in such markets there are often considerable price fluctuations.
- An investment in shares with low liquidity and low market capitalization is therefore highly speculative and represents a very high risk.
- There is no regulated market for unlisted shares and securities and a sale is not possible or only possible on an individual basis.

7. Major Sources of Information Part of the information required for this research report was made available by the issuer of the financial instrument. Furthermore, this report is based on publicly available sources (such as, for example, Bloomberg, Reuters, VWD-Trader and the relevant daily press) believed to be reliable. mwb research AG has checked the information for plausibility but not for accuracy or completeness.

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10. Miscellaneous According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published free of charge under https:// www.mwb.-research.com..

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