

Photon Energy NV

Netherlands | Renewables | MCap EUR 18.4m

27 February 2026

UPDATE



Guidance miss, rating/PT under review

What's it all about?

Photon Energy's unaudited Q4 and FY25 results fell short of guidance, with revenues of EUR 90.1m about 10% below the EUR 100–110m target and EBITDA of EUR 5.1m versus the guided EUR 9m. The EBITDA miss was mainly due to a provision and a penalty linked to a Polish capacity market dispute, one-off impairments related to intangible assets, and a loss on an EPC project. Without these effects, EBITDA would have been ca. EUR 12.2m. The unadjusted equity ratio declined to 23.5%, though a EUR 6.4m PPE revaluation supported an adjusted equity ratio of 25.1%, just above the 25% Green Bond covenant threshold. Liquidity remains strained, highlighted by a missed Green Bond coupon payment. With further revaluation outcomes pending ahead of audited statements on 30 April, we maintain the rating and price target under review.

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

under review (under review)

Target price (under review)	EUR under review
Current price	EUR 0.30
Up/downside	NaN%

 ResearchHub



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Photon Energy NV

Netherlands | Renewables | MCap EUR 18.4m | EV EUR 173.5m

under review (under review)

Target price
Current price
Up/downside

EUR under review (under review)
EUR 0.30
NaN%

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Guidance miss, rating/PT under review

FY25 misses guidance. Photon Energy released its unaudited results for Q4 and FY25. The company failed to meet its financial guidance for the full year 2025. Consolidated revenues reached EUR 90.1m, which was approximately 10% below the lower end of the guided range of EUR 100m to EUR 110m. The company also reported a FY25 EBITDA of EUR 5.1m, missing the guided level of EUR 9m. The management attributed these shortfalls to several key factors, among them a EUR 3.2m provision and a EUR 1.0m fine related to the capacity market contract dispute with the Polish TSO; a EUR 1.3m loss from the Pukenui EPC project in New Zealand and a EUR 1.6m extraordinary write-off of intangible assets. Without these effects, EBITDA would have been ca. EUR 12.2m, beating guidance. Although cost-cutting measures were implemented, including a 17% reduction in headcount, they were not enough to offset the negative impact of the one-off items and market challenges.

Adjusted equity ratio at 25.1%. Photon Energy's unadjusted equity ratio declined to 23.5%, from 24.2% at the end of Q3. The decline is a result of the losses booked in Q4. It would have been even steeper had it not been for a positive revaluation of PPE to the tune of EUR 6.4m in Q4, partly related to a revaluation of the land portfolio following a change in accounting policy from the cost model to the revaluation model. This resulted in other comprehensive income (OCI) of EUR 5.1m in Q4. For purposes of the Green Bond covenant, Photon Energy can utilize a carve-out provision that accounts for shortfalls caused by regulatory changes. The primary factors influencing this ratio in FY25 were adverse regulatory shifts in Hungary and Romania. Taking these into account, the adjusted equity ratio stood at 25.1%, narrowly remaining above the 25% covenant level defined in the Green Bond terms.

Adjusting estimates, rating remains under review. Following the miss on the Q4 numbers, we have adjusted our estimates. Photon Energy is facing substantial challenges going forward. The company is experiencing severe liquidity constraints, as evidenced by the missed coupon payment on the Green Bond. Furthermore, there are still short-term risks regarding compliance with the equity ratio covenant as the revaluation models for Hungary, Romania and Slovakia are still in progress. Going concern is likely to be an issue in discussions with auditors. Until audited financial statements are published on 30 April, we maintain our rating and PT under review.

Photon Energy NV	2023	2024	2025	2026E	2027E	2028E
Sales	70.6	89.9	90.1	105.3	116.6	120.3
<i>Growth yoy</i>	-25.0%	27.3%	0.2%	16.8%	10.8%	3.1%
EBITDA	6.8	7.8	5.1	12.7	14.5	15.0
EBIT	-5.2	-2.8	-6.6	0.4	1.7	2.2
Net profit	-0.5	-9.4	-7.8	-7.7	-8.2	-13.5
Net debt (net cash)	166.8	160.3	154.6	163.0	173.1	172.8
Net debt/EBITDA	24.4x	20.5x	30.4x	12.9x	12.0x	11.5x
EPS reported	-0.01	-0.15	-0.13	-0.13	-0.13	-0.22
DPS	0.00	0.00	0.00	0.00	0.00	0.00
<i>Dividend yield</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross profit margin	47.8%	57.8%	54.5%	67.7%	69.5%	69.0%
EBITDA margin	9.7%	8.7%	5.6%	12.0%	12.4%	12.5%
EBIT margin	-7.4%	-3.1%	-7.3%	0.4%	1.5%	1.8%
ROCE	-2.0%	-1.1%	-2.8%	0.2%	0.6%	0.8%
EV/Sales	2.6x	2.0x	1.9x	1.7x	1.6x	1.6x
EV/EBITDA	27.2x	22.9x	34.2x	14.4x	13.3x	12.8x
EV/EBIT	-35.7x	-65.1x	-26.4x	424.4x	113.1x	86.3x
PER	-40.0x	-1.9x	-2.4x	-2.4x	-2.2x	-1.4x

Source: Company data, mwb research



Source: Company data, mwb research

High/low 52 weeks 0.97 / 0.41
Price/Book Ratio 0.3x

Ticker / Symbols

ISIN NL0010391108
WKN A1T9KW
Bloomberg P7V:GR

Changes in estimates

		Sales	EBIT	EPS
2025	old	100.3	-3.6	-0.15
	Δ	-10.1%	na%	na%
2026E	old	111.2	1.6	-0.13
	Δ	-5.3%	-72.5%	na%
2027E	old	123.9	4.6	-0.11
	Δ	-5.8%	-63.0%	na%

Key share data

Number of shares: (in m pcs) 61.24
Book value per share: (in EUR) 0.86
Ø trading vol.: (12 months) 33,062

Major shareholders

Solar Future 33.7%
Solar Power to the People 32.2%
Solar Age Investments 1.8%
Free Float 30.6%

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.

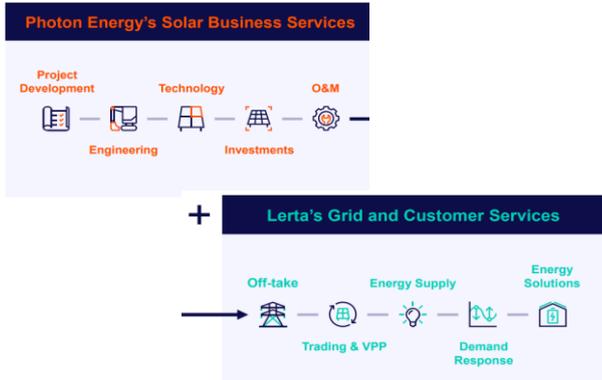
The following table displays the quarterly performance of **Photon Energy NV**:

P&L data	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Sales	17.4	23.9	22.9	25.8	22.0	25.7	24.3	18.1
yoy growth in %	-9.9%	14.1%	18.9%	130.3%	26.9%	7.5%	6.2%	-29.7%
Gross profit	9.3	15.2	14.7	12.7	11.2	13.6	14.0	10.2
Gross margin in %	53.5%	63.4%	64.5%	49.4%	50.9%	53.0%	57.7%	56.5%
EBITDA	0.8	5.3	3.8	-2.0	1.2	2.8	4.5	-3.5
EBITDA margin in %	4.5%	22.1%	16.6%	-7.9%	5.5%	11.0%	18.5%	-19.1%
EBIT	-1.4	2.3	0.4	-4.0	-0.8	-0.5	-0.4	-4.9
EBIT margin in %	-8.2%	9.5%	1.7%	-15.4%	-3.6%	-1.9%	-1.5%	-27.1%
EBT	-2.3	-2.6	-2.5	-6.4	-3.4	-3.5	-2.5	-7.8
taxes paid	-1.0	0.2	0.5	-0.3	0.3	-0.2	0.2	0.0
tax rate in %	43.0%	-6.2%	-20.7%	4.7%	-10.2%	6.3%	-7.2%	-0.5%
net profit	-1.3	-2.8	-3.0	-6.1	-3.7	-3.3	-2.7	-7.8
yoy growth in %	na%	-14.8%	37.6%	-0.4%	180.5%	16.8%	-10.1%	27.7%
EPS	-0.02	-0.05	-0.05	-0.10	-0.06	-0.05	-0.04	-0.13

Source: Company data; mwb research

Investment case in six charts

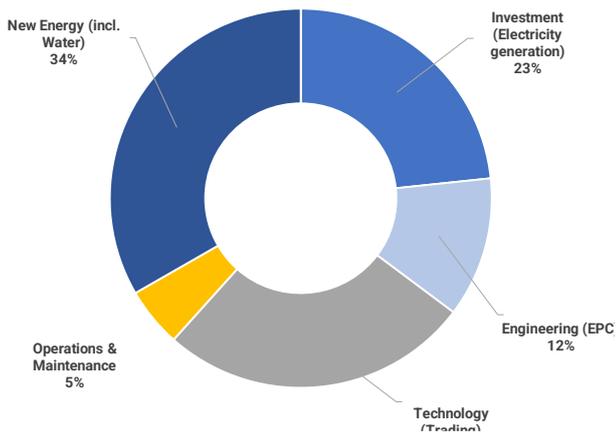
Business Model



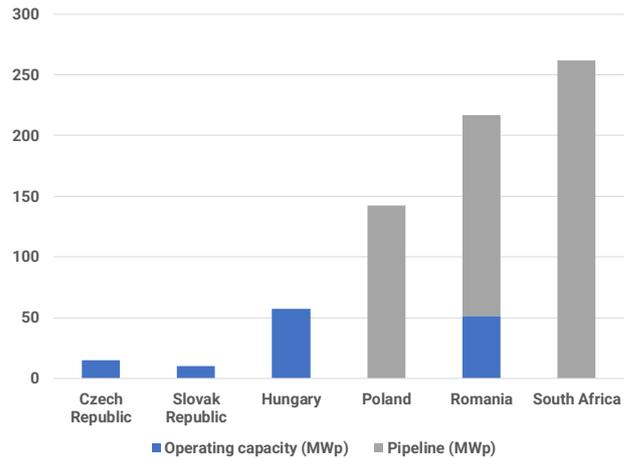
Geographical Presence



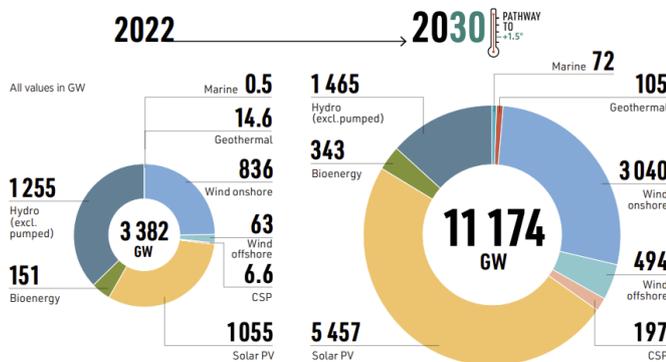
External Revenue Shares (2025)



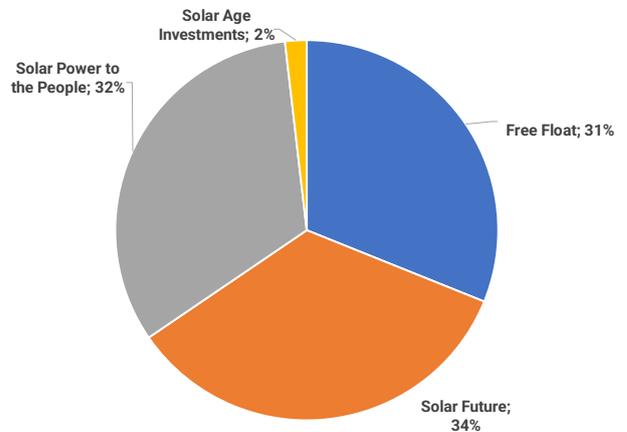
Capacity and Pipeline



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

Valuation

DCF Model

The DCF model results in a **fair value of EUR 0.50 per share**:

Top-line growth: We expect Photon Energy NV to grow revenues at a CAGR of 3.6% between 2026E and 2033E. The long-term growth rate is set at 2.0%.

ROCE. Returns on capital are developing from 0.2% in 2026E to 4.3% in 2033E.

WACC. Starting point is a historical equity beta of 1.06. Unlevering and correcting for mean reversion yields an asset beta of 0.41. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 8.1%. 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 6.5%.

DCF (EURm) (except per share data and beta)	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	Terminal value
NOPAT	0.4	1.7	2.3	1.9	2.1	3.0	3.4	3.7	
Depreciation & amortization	12.3	12.8	12.8	12.8	12.8	12.8	12.8	12.8	
Change in working capital	-0.7	-1.4	0.4	0.6	0.5	-0.5	0.0	0.0	
Chg. in long-term provisions	3.1	2.3	0.8	0.6	0.8	0.5	0.5	0.5	
Capex	-13.7	-10.4	-10.6	0.0	0.0	-1.1	-1.1	-10.0	
Cash flow	1.4	5.0	5.6	15.9	16.3	14.8	15.6	7.1	161.9
Present value	1.3	4.2	4.3	11.2	10.6	8.9	8.9	4.1	99.2
WACC	9.7%	9.7%	9.7%	9.5%	9.2%	9.0%	8.5%	7.1%	6.5%

DCF per share derived from	
Total present value	152.9
Mid-year adj. total present value	159.4
Net debt / cash at start of year	154.6
Financial assets	26.4
Provisions and off b/s debt	0.6
Equity value	30.7
No. of shares outstanding	61.2
Discounted cash flow / share	0.50
upside/(downside)	67.0%

DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2026E-2033E)	3.6%
Terminal value growth (2033E - infinity)	2.0%
Terminal year ROCE	4.3%
Terminal year WACC	6.5%

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)	0.41
Target debt / equity	2.0
Relevered beta	1.02
Risk-free rate	2.0%
Equity risk premium	6.0%
Cost of equity	8.1%

Share price	0.30
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Sensitivity analysis DCF							
Change in WACC (%-points)	Long term growth					Share of present value	
	1.0%	1.5%	2.0%	2.5%	3.0%	2026E-2029E	2030E-2033E terminal value
2.0%	-0.4	-0.3	-0.2	-0.2	-0.0	13.8%	
1.0%	-0.1	-0.1	0.1	0.2	0.4	21.3%	
0.0%	0.2	0.3	0.5	0.7	1.0	64.9%	
-1.0%	0.6	0.9	1.2	1.6	2.2		
-2.0%	1.4	1.8	2.4	3.3	4.9		

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 -1.53 per share based on 2026E and EUR -0.78 per share on 2030E 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	2026E	2027E	2028E	2029E	2030E
EBITDA	12.7	14.5	15.0	14.7	14.9
- Maintenance capex	9.8	10.2	10.2	10.2	10.3
- Minorities	0.0	0.0	0.0	0.0	0.0
- tax expenses	0.3	0.3	0.3	0.1	0.0
= Adjusted FCF	2.6	4.0	4.5	4.3	4.6
Actual Market Cap	18.4	18.4	18.4	18.4	18.4
+ Net debt (cash)	163.0	173.1	172.8	163.5	150.5
+ Pension provisions	0.7	0.7	0.8	0.8	0.8
+ Off B/S financing	0.0	0.0	0.0	0.0	0.0
- Financial assets	26.4	26.4	26.4	26.4	26.4
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
<i>EV Reconciliations</i>	137.3	147.5	147.1	137.9	124.9
= Actual EV'	155.7	165.8	165.5	156.3	143.3
Adjusted FCF yield	1.7%	2.4%	2.7%	2.8%	3.2%
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	43.8	66.6	75.2	72.5	77.4
- <i>EV Reconciliations</i>	137.3	147.5	147.1	137.9	124.9
Fair Market Cap	-93.5	-80.9	-71.9	-65.4	-47.6
No. of shares (million)	61.2	61.2	61.2	61.2	61.2
Fair value per share in EUR	-1.53	-1.32	-1.17	-1.07	-0.78
Premium (-) / discount (+)	-608.8%	-540.2%	-491.2%	-456.0%	-358.9%

Sensitivity analysis FV						
	4.0%	-1.2	-0.8	-0.6	-0.5	-0.1
Adjusted hurdle rate	5.0%	-1.4	-1.1	-0.9	-0.8	-0.5
	6.0%	-1.5	-1.3	-1.2	-1.1	-0.8
	7.0%	-1.6	-1.5	-1.3	-1.2	-1.0
	8.0%	-1.7	-1.6	-1.5	-1.4	-1.1

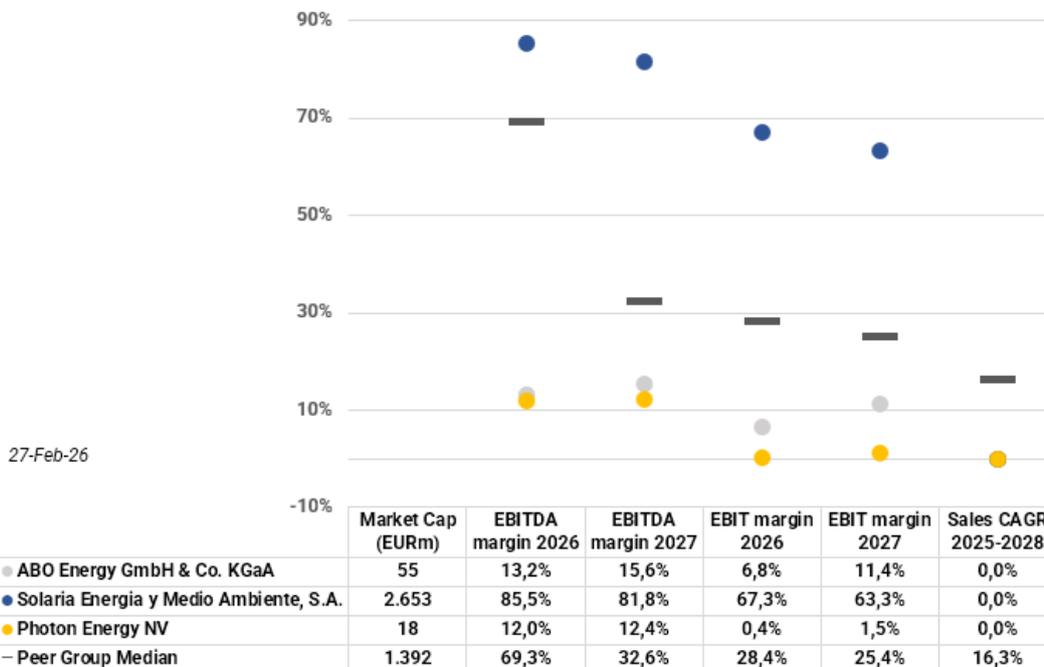
Source: Company data; mwb research

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.**

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 27 February 2026 the median market cap of the peer group was EUR 1,391.7m, compared to EUR 18.4m 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 #WERT! for the peer group than for Photon Energy NV.

Peer Group – Key data

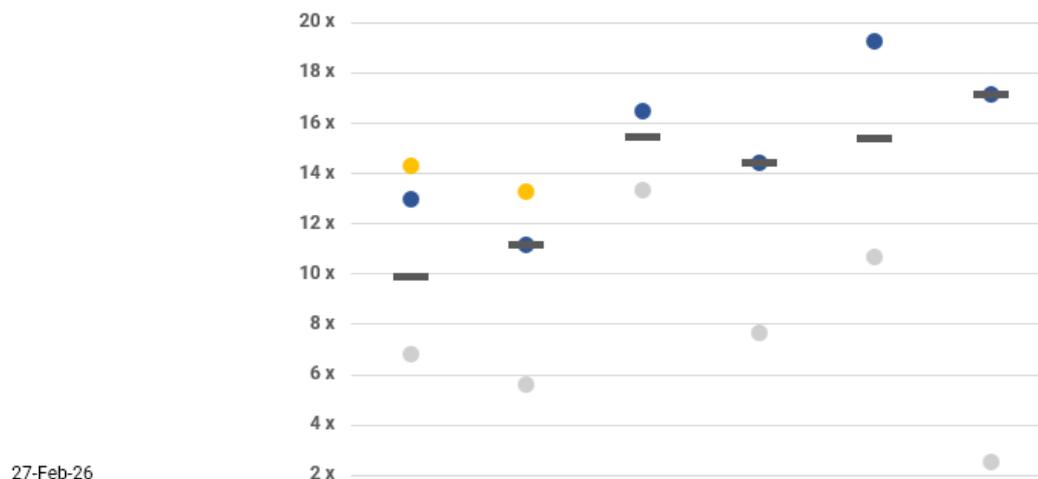


Source: FactSet, mwb research

Comparable company analysis operates under the assumption that similar companies will have similar valuation multiples. We use the following multiples: EV/EBITDA 2026, EV/EBITDA 2027, EV/EBIT 2026, EV/EBIT 2027, P/E 2026 and P/E 2027.

Applying these to Photon Energy NV results in a range of fair values from EUR 0.01 to EUR -0.03.

Peer Group – Multiples and valuation



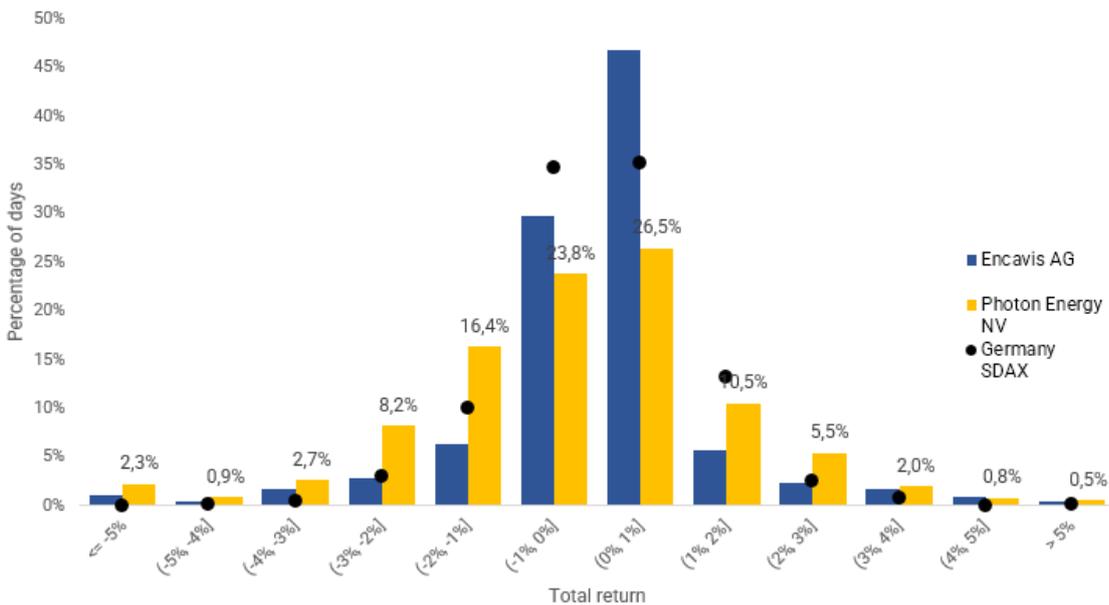
	EV/EBITDA 2026	EV/EBITDA 2027	EV/EBIT 2026	EV/EBIT 2027	P/E 2026	P/E 2027
● ABO Energy GmbH & Co. KGaA	6,8x	5,6x	13,4x	7,7x	10,7x	2,6x
● Solaria Energia y Medio Ambiente, S.A.	13,0x	11,2x	16,5x	14,5x	19,3x	17,2x
● Photon Energy NV	14,4x	13,3x	424,4x	113,1x	-2,4x	-2,2x
– Peer Group Median	9,9x	11,2x	15,5x	14,5x	15,4x	17,2x
Fair Value (EUR)	-0,62	-0,03	-2,56	-2,27	-1,94	-2,29

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 23/02/2026 with a share price decline of -14.6%. The best day was 06/11/2025 when the share price increased by 9.9%.

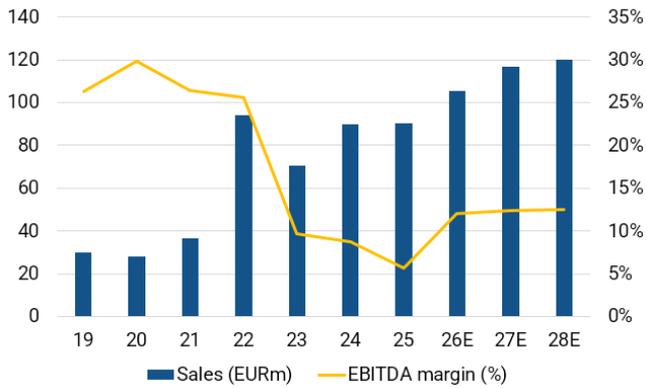
Risk – Daily Returns Distribution (trailing 3 years)



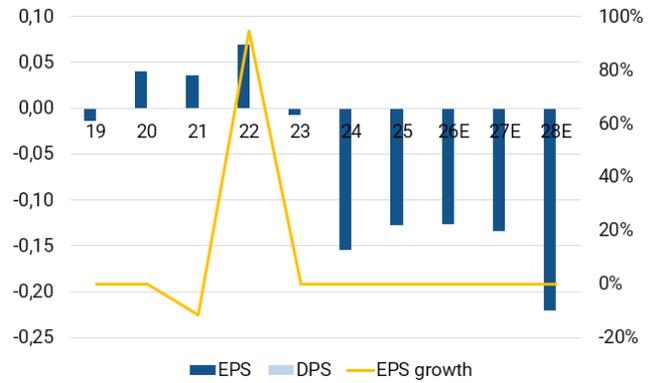
Source: FactSet, mwb research

Financials in six charts

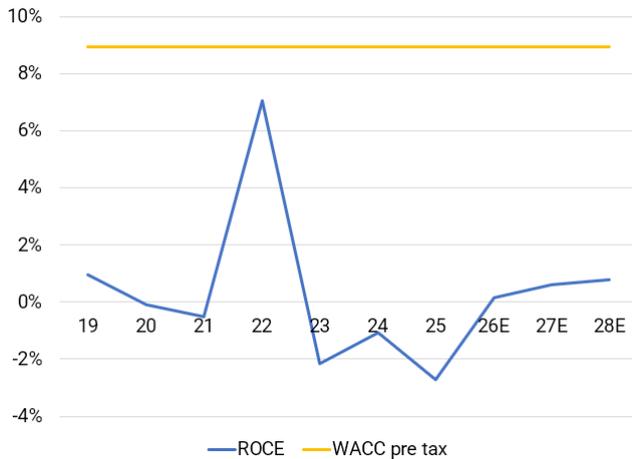
Sales vs. EBITDA margin development



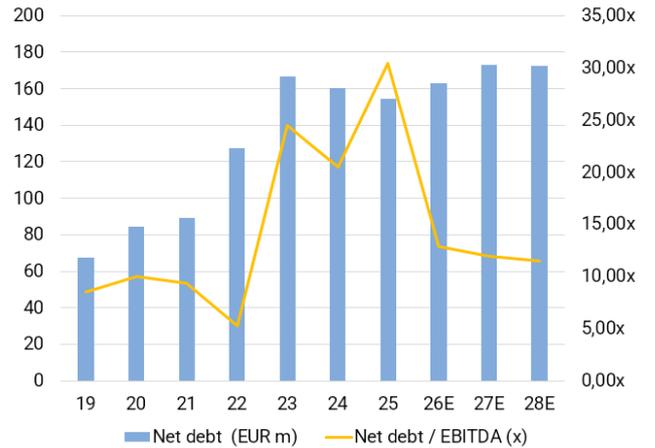
EPS, DPS in EUR & yoy EPS growth



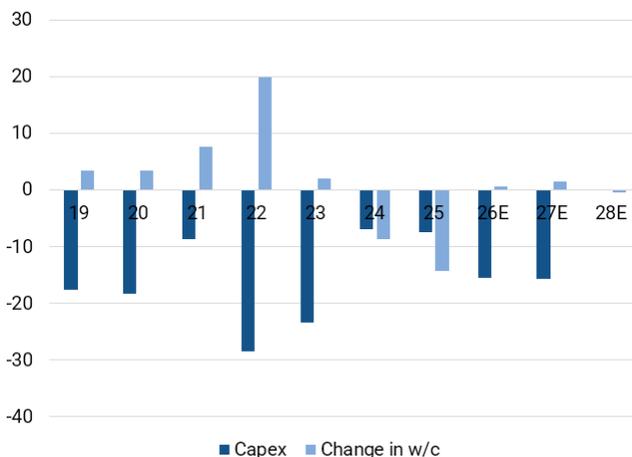
ROCE vs. WACC (pre tax)



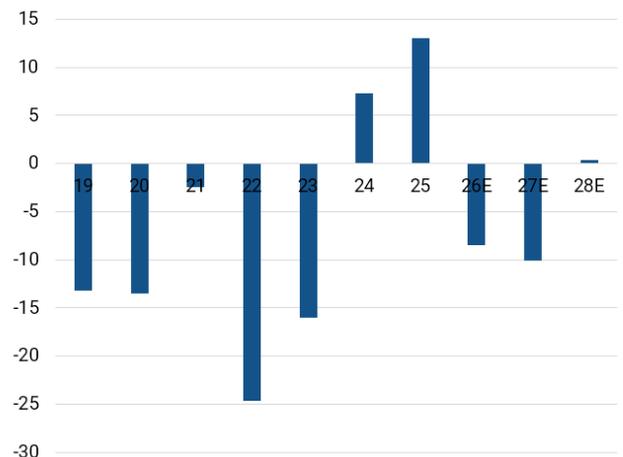
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; mwb research

Financials

Profit and loss (EURm)	2023	2024	2025	2026E	2027E	2028E
Net sales	70.6	89.9	90.1	105.3	116.6	120.3
Sales growth	-25.0%	27.3%	0.2%	16.8%	10.8%	3.1%
Change in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	70.6	89.9	90.1	105.3	116.6	120.3
Material expenses	36.9	38.0	41.0	34.0	35.6	37.2
Gross profit	33.8	51.9	49.1	71.3	81.0	83.0
Other operating income	4.1	1.6	4.6	6.0	6.6	6.9
Personnel expenses	18.5	18.0	16.9	50.9	58.0	59.2
Other operating expenses	12.5	27.7	31.7	13.7	15.2	15.6
EBITDA	6.8	7.8	5.1	12.7	14.5	15.0
Depreciation	12.0	10.6	11.6	12.3	12.8	12.8
EBITA	-5.2	-2.8	-6.6	0.4	1.7	2.2
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-5.2	-2.8	-6.6	0.4	1.7	2.2
Financial result	-11.1	-11.1	-10.6	-12.9	-14.6	-15.5
Recurring pretax income from continuing operations	-16.3	-13.8	-17.1	-12.5	-12.9	-13.2
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-16.3	-13.8	-17.1	-12.5	-12.9	-13.2
Taxes	-0.6	-0.6	0.3	0.3	0.3	0.3
Net income from continuing operations	-15.8	-13.2	-17.5	-12.7	-13.2	-13.5
Result from discontinued operations (net of tax)	15.3	3.8	9.7	5.0	5.0	0.0
Net income	-0.5	-9.4	-7.8	-7.7	-8.2	-13.5
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-0.5	-9.4	-7.8	-7.7	-8.2	-13.5
Average number of shares	61.24	61.24	61.24	61.24	61.24	61.24
EPS reported	-0.01	-0.15	-0.13	-0.13	-0.13	-0.22

Profit and loss (common size)	2023	2024	2025	2026E	2027E	2028E
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	52%	42%	46%	32%	31%	31%
Gross profit	48%	58%	54%	68%	69%	69%
Other operating income	6%	2%	5%	6%	6%	6%
Personnel expenses	26%	20%	19%	48%	50%	49%
Other operating expenses	18%	31%	35%	13%	13%	13%
EBITDA	10%	9%	6%	12%	12%	12%
Depreciation	17%	12%	13%	12%	11%	11%
EBITA	-7%	-3%	-7%	0%	1%	2%
Amortisation of goodwill and intangible assets	0%	0%	0%	0%	0%	0%
EBIT	-7%	-3%	-7%	0%	1%	2%
Financial result	-16%	-12%	-12%	-12%	-13%	-13%
Recurring pretax income from continuing operations	-23%	-15%	-19%	-12%	-11%	-11%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	-23%	-15%	-19%	-12%	-11%	-11%
Taxes	-1%	-1%	0%	0%	0%	0%
Net income from continuing operations	-22%	-15%	-19%	-12%	-11%	-11%
Result from discontinued operations (net of tax)	22%	4%	11%	5%	4%	0%
Net income	-1%	-10%	-9%	-7%	-7%	-11%
Minority interest	0%	0%	0%	0%	0%	0%
Net profit (reported)	-1%	-10%	-9%	-7%	-7%	-11%

Source: Company data; mwb research

Balance sheet (EURm)	2023	2024	2025	2026E	2027E	2028E
Intangible assets (excl. Goodwill)	8.1	10.6	10.4	10.4	10.4	10.4
Goodwill	15.3	15.3	15.3	15.3	15.3	15.3
Property, plant and equipment	177.5	164.4	171.7	174.8	177.7	164.9
Financial assets	24.2	26.6	26.4	26.4	26.4	26.4
FIXED ASSETS	225.0	216.9	223.8	226.9	229.8	217.0
Inventories	14.1	6.7	4.3	4.6	4.8	5.0
Accounts receivable	17.0	26.9	27.3	27.4	30.4	31.3
Other current assets	7.1	6.7	3.1	3.1	3.1	3.1
Liquid assets	13.0	14.4	10.6	47.0	56.9	67.2
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	1.3	1.3	1.9	2.2	2.5	2.5
CURRENT ASSETS	52.4	55.9	47.1	84.3	97.6	109.2
TOTAL ASSETS	277.4	272.8	270.9	311.2	327.3	326.2
SHAREHOLDERS EQUITY	69.8	60.4	52.8	45.0	36.9	23.4
MINORITY INTEREST	-0.3	-0.3	-0.4	-0.4	-0.4	-0.4
Long-term debt	164.8	155.0	151.0	155.0	155.0	140.0
Provisions for pensions and similar obligations	0.6	0.5	0.6	0.7	0.7	0.8
Other provisions	13.0	12.1	18.1	21.1	23.4	24.1
Non-current liabilities	178.3	167.7	169.6	176.8	179.1	164.9
short-term liabilities to banks	15.0	19.7	14.1	55.0	75.0	100.0
Accounts payable	14.6	22.3	29.7	28.9	30.2	31.6
Advance payments received on orders	0.0	2.6	3.6	4.2	4.7	4.8
Other liabilities (incl. from lease and rental contracts)	0.0	0.0	1.4	1.6	1.8	1.9
Deferred taxes	0.0	0.6	0.0	0.0	0.0	0.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	29.6	45.1	48.8	89.7	111.7	138.3
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	277.4	272.8	270.9	311.1	327.3	326.1

Balance sheet (common size)	2023	2024	2025	2026E	2027E	2028E
Intangible assets (excl. Goodwill)	3%	4%	4%	3%	3%	3%
Goodwill	6%	6%	6%	5%	5%	5%
Property, plant and equipment	64%	60%	63%	56%	54%	51%
Financial assets	9%	10%	10%	8%	8%	8%
FIXED ASSETS	81%	79%	83%	73%	70%	67%
Inventories	5%	2%	2%	1%	1%	2%
Accounts receivable	6%	10%	10%	9%	9%	10%
Other current assets	3%	2%	1%	1%	1%	1%
Liquid assets	5%	5%	4%	15%	17%	21%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	0%	0%	1%	1%	1%	1%
CURRENT ASSETS	19%	21%	17%	27%	30%	33%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	25%	22%	19%	14%	11%	7%
MINORITY INTEREST	-0%	-0%	-0%	-0%	-0%	-0%
Long-term debt	59%	57%	56%	50%	47%	43%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	5%	4%	7%	7%	7%	7%
Non-current liabilities	64%	61%	63%	57%	55%	51%
short-term liabilities to banks	5%	7%	5%	18%	23%	31%
Accounts payable	5%	8%	11%	9%	9%	10%
Advance payments received on orders	0%	1%	1%	1%	1%	1%
Other liabilities (incl. from lease and rental contracts)	0%	0%	1%	1%	1%	1%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	0%	0%	0%	0%	0%	0%
Current liabilities	11%	17%	18%	29%	34%	42%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; mwb research

Cash flow statement (EURm)	2023	2024	2025	2026E	2027E	2028E
Net profit/loss	-16.3	-9.4	-17.1	-7.7	-8.2	-13.5
Depreciation of fixed assets (incl. leases)	11.9	10.6	10.1	12.3	12.8	12.8
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Others	13.7	4.4	13.2	3.1	2.3	0.8
Cash flow from operations before changes in w/c	9.3	5.6	6.2	7.7	7.0	0.0
Increase/decrease in inventory	5.9	7.3	2.5	-0.3	-0.2	-0.2
Increase/decrease in accounts receivable	1.5	-9.9	-0.4	-0.1	-3.0	-0.9
Increase/decrease in accounts payable	-4.0	7.7	7.4	-0.8	1.3	1.4
Increase/decrease in other w/c positions	-5.4	3.6	4.8	0.5	0.4	0.1
Increase/decrease in working capital	-2.1	8.7	14.3	-0.7	-1.4	0.4
Cash flow from operating activities	7.2	14.3	20.5	6.9	5.5	0.4
CAPEX	-23.3	-7.0	-7.5	-15.4	-15.6	0.0
Payments for acquisitions	-3.4	-0.4	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	6.0	0.1	0.0	0.0	0.0
Cash flow from investing activities	-26.7	-1.4	-7.4	-15.4	-15.6	0.0
Cash flow before financing	-19.5	12.9	13.1	-8.5	-10.1	0.4
Increase/decrease in debt position	14.1	-5.1	-9.5	44.9	20.0	10.0
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	0.0	-5.2	-8.8	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	14.1	-10.3	-18.3	44.9	20.0	10.0
Increase/decrease in liquid assets	-5.4	2.5	-5.2	36.4	9.9	10.4
Liquid assets at end of period	5.8	8.4	3.2	39.6	49.5	59.8

Source: Company data; mwb research

Regional sales split (EURm)	2023	2024	2025	2026E	2027E	2028E
Domestic	0.0	0.0	0.0	0.0	0.0	0.0
Europe (ex domestic)	68.9	89.9	90.1	105.3	116.6	120.3
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	1.7	0.0	0.0	0.0	0.0	0.0
Total sales	70.6	89.9	90.1	105.3	116.6	120.3

Regional sales split (common size)	2023	2024	2025	2026E	2027E	2028E
Domestic	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Europe (ex domestic)	97.6%	100.0%	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	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100%	100%	100%	100%	100%	100%

Source: Company data; mwb research

Ratios	2023	2024	2025	2026E	2027E	2028E
Per share data						
Earnings per share reported	-0.01	-0.15	-0.13	-0.13	-0.13	-0.22
Cash flow per share	-0.04	0.10	0.18	-0.05	-0.08	-0.16
Book value per share	1.14	0.99	0.86	0.74	0.60	0.38
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	-40.0x	-1.9x	-2.4x	-2.4x	-2.2x	-1.4x
P/CF	-7.6x	3.2x	1.6x	-6.4x	-3.9x	-1.9x
P/BV	0.3x	0.3x	0.3x	0.4x	0.5x	0.8x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-13.1%	31.7%	60.8%	-15.5%	-25.6%	-53.5%
EV/Sales	2.6x	2.0x	1.9x	1.7x	1.6x	1.6x
EV/EBITDA	27.2x	22.9x	34.2x	14.4x	13.3x	12.8x
EV/EBIT	-35.7x	-65.1x	-26.4x	424.4x	113.1x	86.3x
Income statement (EURm)						
Sales	70.6	89.9	90.1	105.3	116.6	120.3
yoy chg in %	-25.0%	27.3%	0.2%	16.8%	10.8%	3.1%
Gross profit	33.8	51.9	49.1	71.3	81.0	83.0
Gross margin in %	47.8%	57.8%	54.5%	67.7%	69.5%	69.0%
EBITDA	6.8	7.8	5.1	12.7	14.5	15.0
EBITDA margin in %	9.7%	8.7%	5.6%	12.0%	12.4%	12.5%
EBIT	-5.2	-2.8	-6.6	0.4	1.7	2.2
EBIT margin in %	-7.4%	-3.1%	-7.3%	0.4%	1.5%	1.8%
Net profit	-0.5	-9.4	-7.8	-7.7	-8.2	-13.5
Cash flow statement (EURm)						
CF from operations	7.2	14.3	20.5	6.9	5.5	0.4
Capex	-23.3	-7.0	-7.5	-15.4	-15.6	0.0
Maintenance Capex	9.6	8.5	9.3	9.8	10.2	10.2
Free cash flow	-16.1	7.3	13.0	-8.5	-10.1	0.4
Balance sheet (EURm)						
Intangible assets	23.3	25.9	25.7	25.7	25.7	25.7
Tangible assets	177.5	164.4	171.7	174.8	177.7	164.9
Shareholders' equity	69.8	60.4	52.8	45.0	36.9	23.4
Pension provisions	0.6	0.5	0.6	0.7	0.7	0.8
Liabilities and provisions	193.4	187.3	183.8	231.8	254.1	264.9
Net financial debt	166.8	160.3	154.6	163.0	173.1	172.8
w/c requirements	16.5	8.8	-1.8	-1.1	0.2	-0.1
Ratios						
ROE	-0.7%	-15.6%	-14.8%	-17.2%	-22.2%	-57.8%
ROCE	-2.0%	-1.1%	-2.8%	0.2%	0.6%	0.8%
Net gearing	239.1%	265.4%	293.0%	362.0%	469.7%	739.5%
Net debt / EBITDA	24.4x	20.5x	30.4x	12.9x	12.0x	11.5x

Source: Company data; mwb research

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