

SOLAR FOODS

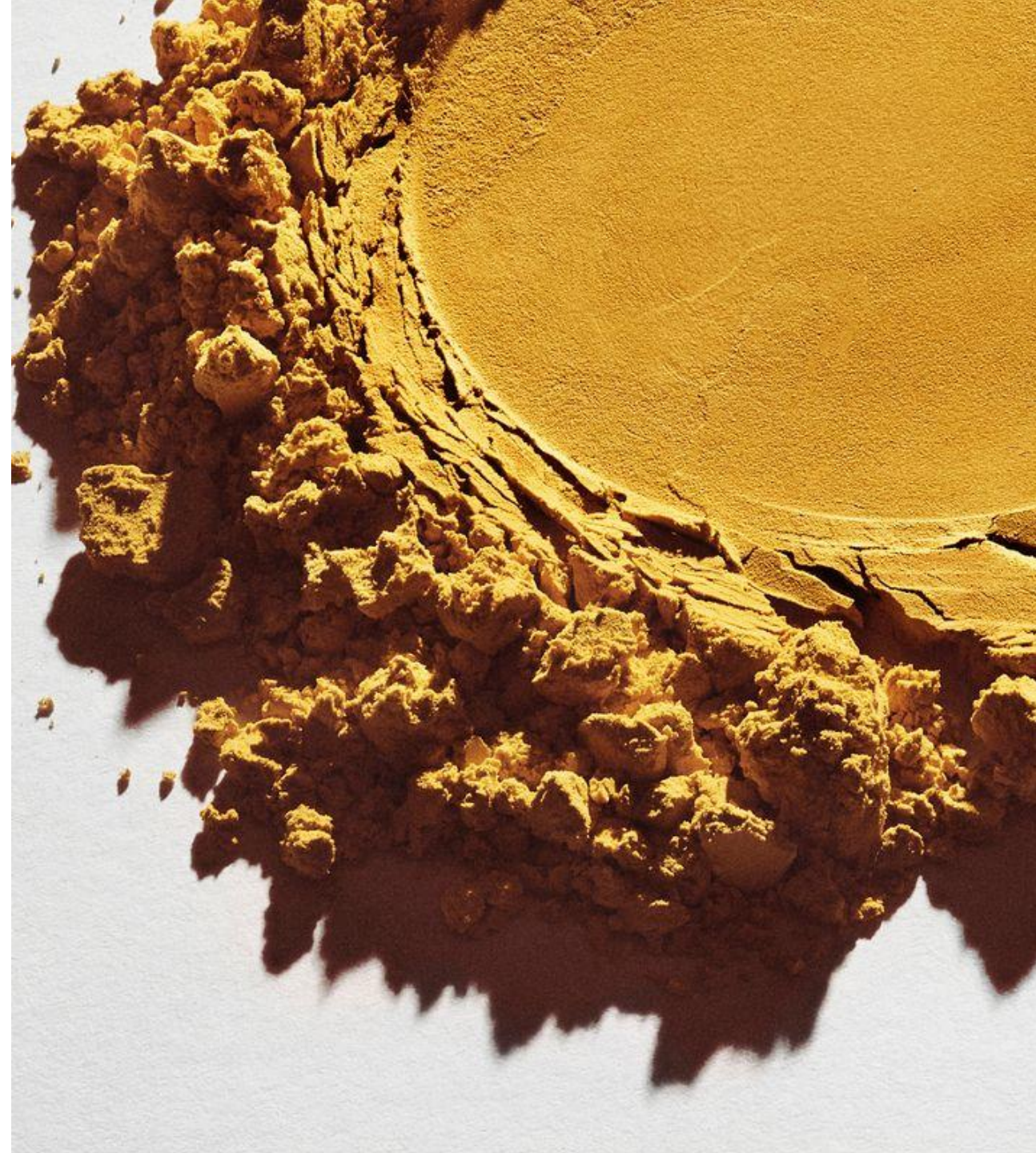
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INDERES CORPORATE CUSTOMER
COMPANY REPORT



Feedback from the field seems encouraging

Solar Foods' H1 figures were largely in line with our expectations, although the cash flow was stronger than expected, supported by unusually large grants. During H1, Solein's commercialization has progressed significantly with the announced supply agreements, but especially the letters of intent related to the capacity of the upcoming O2 factory, and the company's updated estimate of capital needs for the strategy period, increase the credibility of the growth story. We raise our target price to EUR 5.3 (was EUR 3.3) and reiterate our Reduce recommendation.

The cost structure in H1 was largely in line with expectations

Solein's commercialization progressed well during the review period as Solar Foods announced a 1.3 MEUR supply agreement with US-based Superb Food and a 0.2 MEUR conditional supply agreement with Italian KelpEat. We believe these agreements validate partners' interest in Solein at good price points. These agreements did not yet have an impact on the figures for the review period, and the revenue generated from the sale of test batches remained marginal. More central than supply agreements are the letters of intent related to the capacity of the future industrial-scale O2 plant, which already cover 50-60% of the production facility's planned production capacity. Large food industry partners such as these companies are critical for the investment case, as they bring visibility to Solein's industrial scale demand and can participate in enabling the O2 factory investment through various forms of financing. During the review period, Solar Foods' cost structure was broadly in line with our expectations, and the -5.4 MEUR profit before taxes met estimates. The company's cash flow was, however, stronger than we expected due to a larger-than-anticipated IPCEI grant sum attributable to the review period. This effect is, however, purely timing-related, as the approved 44 MEUR portion of the grant and the 110 MEUR maximum amount remain unchanged.

Revisions to long-term investment estimates

In connection with the release, our near-term estimate revisions remained minor, but the company's updated plans for the implementation of the production facility led to changes in our longer-term investment estimates. According to the updated estimate, the company's total capital requirement for the 2025-2030 strategy period decreases from 325-345 MEUR to 180-200 MEUR, if it utilizes partner suppliers in its O2 production facility. We believe this would necessitate outsourcing functions such as facility ownership and maintenance, which we find natural, considering the company's limited investment capacity. In connection with the report, we cut Solar Foods' investment needs for future factories and increased the share of operating costs in our estimates to better reflect the updated investment plan utilizing partner suppliers.

Development has undeniably been positive on the commercialization front, but the risk profile remains high

Due to Solar Foods' significant investment needs and cash flows being far in the future, the range of outcomes for the investment case is exceptionally wide, which is also reflected in our fair value range. Driven by the decreased investment need and slightly lower cost of capital, our updated fair value range for the share is set at 1.1-11.0 EUR (was EUR 0.8-7.5). Due to Solar Foods' early development stage, the news flow and the sentiment surrounding the stock will determine the share price development in the short term, but during 2025, the development has undeniably been positive, and we believe this has slightly decreased the risk profile, as the news validate the demand for Solein, especially among industrial-scale customers. Solar Foods' short-term liquidity risk and the financing need related to the O2 factory overshadow the investment case for now, but even one larger food industry customer could remove the uncertainty related to the investment with their commitment.

Recommendation

Reduce

(was Reduce)

Target price:

EUR 5.30

(was EUR 3.30)

Share price:

EUR 5.52

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	0.0	0.3	2.1	4.3
growth-%	275%	1643%	528%	112%
EBIT adj.	-8.9	-9.5	-12.1	-19.4
EBIT-% adj.	-	-	-	-
Net Income	-11.0	-11.0	-13.9	-22.8
EPS (adj.)	-0.45	-0.45	-0.52	-0.86

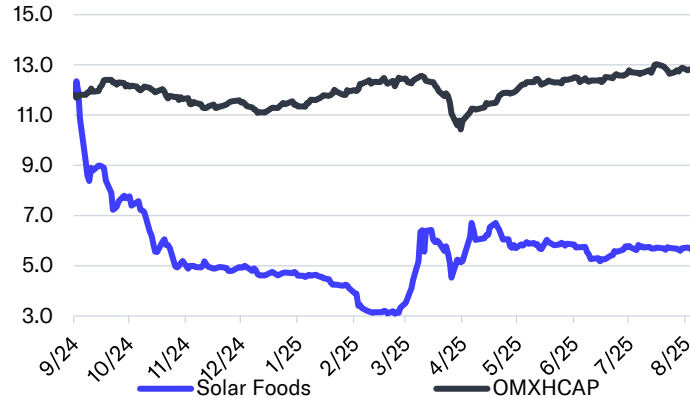
P/E (adj.)	neg.	neg.	neg.	neg.
P/B	5.0	8.0	5.2	4.8
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	neg.	neg.	neg.	neg.
EV/EBITDA	neg.	>100	neg.	neg.
EV/S	>100	>100	72.2	48.7

Source: Inderes

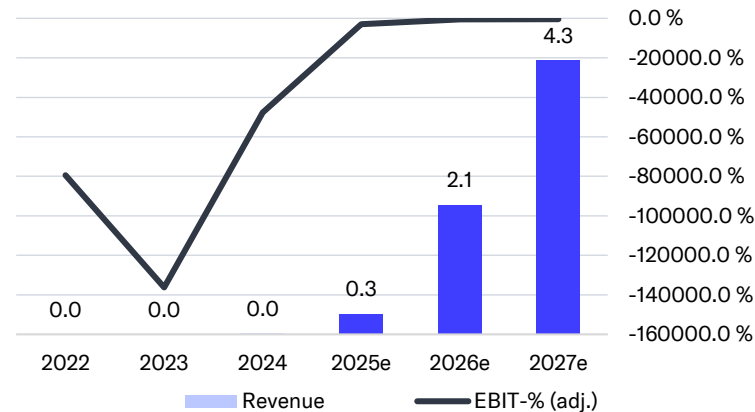
Guidance

Solar Foods does not provide guidance for the current year.

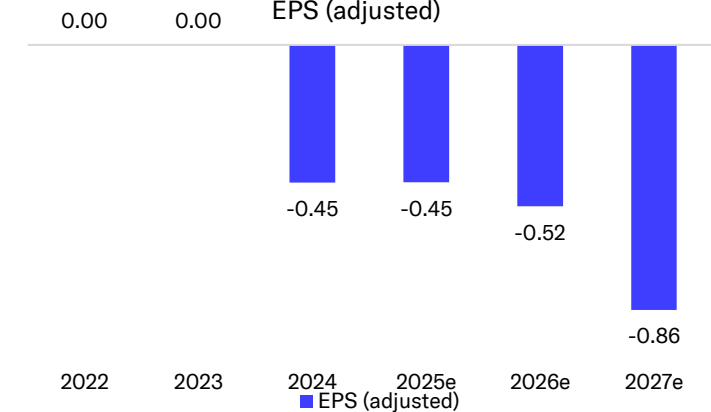
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

- Market leadership in the company's niche and ability to create new products
- Large and growing target market
- Opportunity to bring to the market a product with a superior environmental impact
- Success in the licensing business would enable a profitable and capital-light business
- Potential acquisition target

Risk factors

- Financial risk
- Risks associated with food regulatory approval processes for products
- Market viability of products yet to be proven on an industrial scale
- Solein's high mineral content may limit its uses beyond expectations

Valuation	2025e	2026e	2027e
Share price	5.52	5.52	5.52
Number of shares, millions	24.7	26.5	26.5
Market cap	136	146	146
EV	149	148	211
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	8.0	5.2	4.8
P/S	>100	71.4	33.7
EV/Sales	>100	72.2	48.7
EV/EBITDA	>100	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Solein's commercialization is starting

Pursuing revenue is not yet the primary task

We believe Solar Foods' H1 revenue consisted mainly of smaller Solein trial batch deliveries, which resulted in minuscule revenue. At the end of the review period, however, the company's order backlog stood at 1.5 MEUR, with the company having signed a 1.3 MEUR supply agreement with US-based Superb Food and a 0.2 MEUR conditional supply agreement with Italian KelpEat. These delivery agreements are scheduled for Q3'25 – Q2'28, so they did not yet impact the reporting period's revenue. Based on the feedback, consumers seem to appreciate Solein's taste and texture, and according to a survey commissioned by the company, 63% of food industry professionals would be willing to pay a premium for Solein compared to alternative products. In the short term, Solar Foods has to limit its growth as it balances growth and the Solein awareness it enables, as well as limited production capacity and capacity reserved for potential partners. Consequently, the company is expected to continue to

focus the production capacity of the O1 factory on the strategically central health and healthy snacks product category. As a result, revenue growth does not correlate with success in the short term. Rather, success, in our view, is measured in the company's ability to sell the production capacity of the O2 factory, to build Solein's brand awareness among customers, to improve Solein's productivity in manufacturing, and to find alternative asset-light business opportunities such as licensing. After the reporting period, the company initiated change negotiations aimed at restructuring. The company does not, however, aim for cost savings with the change negotiations, but rather for a stronger allocation of current resources to sales and the O2 factory project.

We expect the balance sheet needs strengthening within the next year

Solar Foods' income statement was broadly in line with our estimates in H1, and profit before taxes met expectations. Despite the growth in the cost structure, Solar Foods'

earnings improved in line with our expectations as grants received exceeded the comparison period's level and the company capitalized more expenses on its balance sheet than last year. H1 saw an exceptionally high number of grants, and cash flow from investments remained positive at 0.4 MEUR, supported by 3.9 MEUR in grants, despite 3.5 MEUR in investments. The grant related to the IPCEI (Important Projects of Common European Interest) notification supported the company's balance sheet position more than we expected, although the impact is timing-related, as the maximum amount of the grant is known. This enabled a positive cash flow for H1, which brought much-needed breathing room for the balance sheet position. At the end of the review period, Solar Foods' net debt stood at 5.5 MEUR, of which short-term debt was 3.3 MEUR, while cash and cash equivalents stood at 12.7 MEUR. As the company's normalized cash flow is clearly in the red, we estimate it will need new financing during the next 12 months.

Estimates	Q2'24	Q2'25	Q2'25e	Q2'25e	Consensus	Difference (%)	2025e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Inderes
Revenue	0.0	0.0	0.1				0.3
EBIT (adj.)	-4.4	-4.8	-4.5				-9.5
EBIT	-4.4	-4.8	-4.5				-9.5
PTP	-5.7	-5.4	-5.4				-11.0
Revenue growth-%	770.6 %	2.8 %	732.8 %				
EBIT-% (adj.)							

Source: Inderes

Solar Foods, Webcast, H1, 2025



Success in the US will determine 2025

No major change in the estimates for the coming years

Solar Foods did not provide guidance in its H1 earnings release, but referred to its financial targets in its outlook. Solar Foods' spearhead product, Solein, is currently only available in Singapore and the US, which explains the strong focus on the US market. In Europe, the company still expects to receive novel food approval in 2026. In addition, the company has applied for novel food approval in the UK and is seeking official FDA approval of product safety in the US, which some partners require. Solein was launched in the US only last November, but this year the company seems to have picked up the pace in terms of sales. Considering revenue development, the reported 1.5 MEUR order backlog and news flow provide moderate visibility into short-term development, although the most significant news for the investment case is reflected in the company's financial figures with a significant delay. As the H1 earnings release largely met our expectations, the need for estimate revisions for the coming years was limited.

Focus will be more strongly on commercialization and preparations related to the 02 factory in the coming years

Following Solar Foods' reorganization, the company is focusing the capabilities of its current organization on sales and the advancement of the 02 factory project, which are key projects for the coming years. In our view, this may lead to some other initiatives receiving less internal attention, at least temporarily. That said, the company has continued its discussions with, e.g., US space industry players, and management stated in its earnings call that the company intends to publish its space business plan in the future. The space business and Solein's licensing opportunities can bring an interesting asset-light opportunity to Solar Foods' investment story, but since the listing, the company's communication has focused on the 02 factory project.

Changes in longer-term investment costs

In our long-term estimates, we cut the investment costs for the 02 and 03 factories to match Solar Foods' estimate of the capital needs for the 2025-2030 strategy period, if partner suppliers were utilized in the investments. With this decision, Solar Foods would outsource activities such as the ownership and maintenance of factory properties from its business model, which raises operating costs. We believe this solution would be warranted, considering Solar Foods' significant investment needs and limited resources. The company estimates that the solution would reduce equity-based capital needs for the strategy period by an estimated 25-35 MEUR, which, from an investor's perspective, limits the dilutive effect of the financing required for the strategy period.

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	0.5	0.3	-39%	2.3	2.1	-11%	4.5	4.3	-3%
EBIT (exc. NRIs)	-9.2	-9.5	-4%	-11.9	-12.1	-1%	-19.0	-19.4	-2%
EBIT	-9.2	-9.5	-4%	-11.9	-12.1	-1%	-19.0	-19.4	-2%
PTP	-11.2	-11.0	1%	-13.7	-13.9	-1%	-23.9	-22.8	4%
EPS (excl. NRIs)	-0.42	-0.45	-7%	-0.51	-0.52	-2%	-0.89	-0.86	4%

Source: Inderes

Type of capital	Capital requirements using partner suppliers (MEUR)	Capital requirements without partner suppliers (MEUR)
Equity	25-35	70-80
Liability	65-75	165-175
Grants	90	90
Total	180-200	325-345

Source: Solar Foods

The valuation is based on DCF model scenarios

Due to the early stage of development, news flow and sentiment drive pricing in the short term

Given the early stage of Solar Foods' development, the company's earnings are focused far into the future and neither multiples for the next few years nor balance sheet-based valuation provide reliable benchmarks for pricing the stock. As a result, we believe that the company's valuation must consider different future scenarios and their probabilities. The binary nature of the expected return makes it particularly challenging for a company like Solar Foods to set a sustainable price target over time, as we believe that news flow and market sentiment will define the stock's return over a 12-month horizon. For now, the future financing needs and the dilution risk it causes overshadow the investment case, but they can quickly dissipate if the company can commit even one party interested in the production of the O2 factory to finance the project or invest directly in Solar Foods. Thus, we pay particular interest to the company's ability to convert the announced letters of intent into binding agreements. If this is delayed, we see a growing risk of financing solutions unfavorable to shareholders.

In connection with the update, we reviewed Solar Foods' required return to 15.2% (was 15.5%) as letters of intent related to the O2 factory's production capacity have decreased the project-related risk, and the share price rally has decreased the price tag of equity financing from our previous update. We note, however, that these letters of intent are not yet binding and that Solar Foods' risk profile remains elevated until the financing related to the investment is secured. Due to Solar Foods' future capital needs, the share price development directly affects the

cost of equity and the dilutive effect of equity financing. Therefore, a positive or negative spiral can easily feed itself in Solar Foods' investment story through the changing price point of financing.

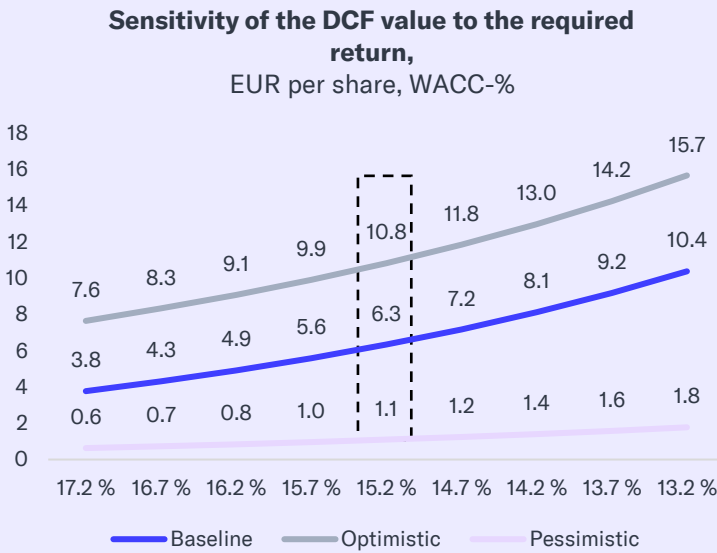
Our DCF model covers three different scenarios

In valuing Solar Foods, the DCF model illustrates the long-term potential, and our model exceptionally extends to 2042 due to the early development stage of the business and the entire industry. Given the very wide range of possible outcomes for Solar Foods' future, we approach the DCF modeling through three scenarios. At the current stage of development, the model's assumptions are particularly uncertain, as the cash flows are concentrated more than a decade ahead, so it does not provide a clear basis for short-term valuation. The baseline scenario is consistent with our current projections, which we have illustrated on the previous page. The equity value for Solar Foods according to the DCF model in the baseline scenario is EUR 6.3 per share.

In the optimistic scenario, the price per kilo of Solein remains higher than in the baseline scenario, supported by the company's product development innovations (e.g. Solein processing, new microbes and precision fermentation). This will support both food production and license income, resulting in an 11% increase in revenue compared to our baseline scenario and an 19% increase in EBIT. This growth is driven by pricing and license revenue, as in our optimistic scenario the company's own production capacity is based on Factory 02 and 03, as in the baseline scenario.

Valuation	2025e	2026e	2027e
Share price	5.52	5.52	5.52
Number of shares, millions	24.7	26.5	26.5
Market cap	136	146	146
EV	149	148	211
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	8.0	5.2	4.8
P/S	>100	71.4	33.7
EV/Sales	>100	72.2	48.7
EV/EBITDA	>100	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes



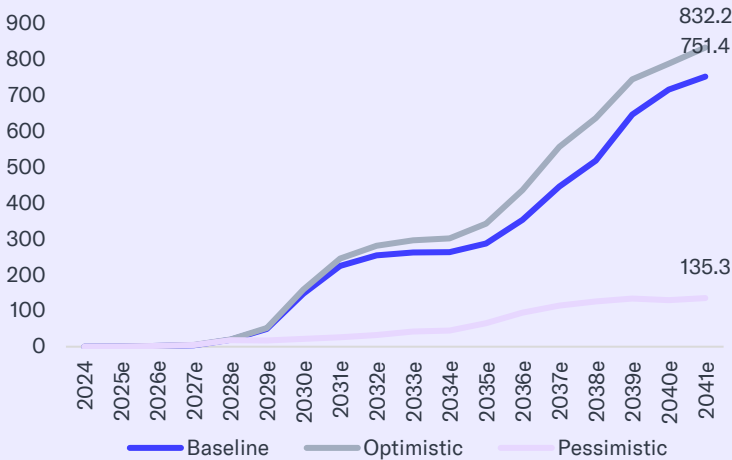
The valuation is based on DCF model scenarios

In the optimistic scenario, Solar Foods is valued at EUR 10.8 per share. In this scenario, Solar Foods' revenue is more heavily weighted toward licensing than in the baseline, which increases the company's relative profitability and return on capital. In our view, this scenario does not fully reflect the potential for precision fermentation that the success of the Hydrocow project would offer, but at this stage of development we recognize it mainly as a positive option.

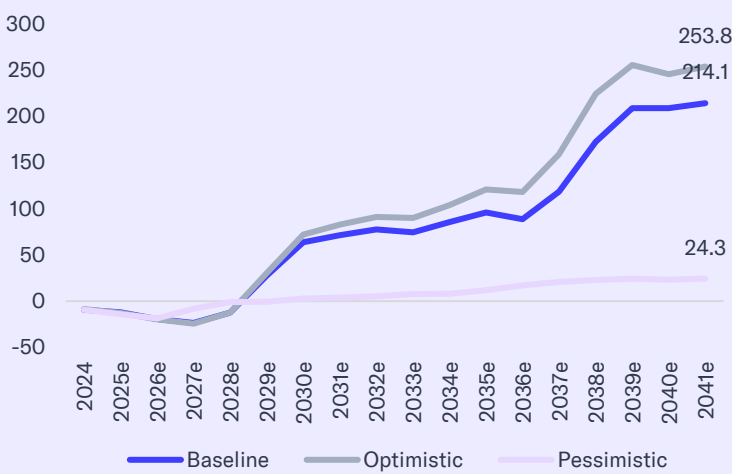
In our pessimistic scenario, the financial environment tightens and Solar Foods does not receive funding for the Factory 02 investment. The company's remaining 76 MEUR share of the IPCEI notification will remain unused and the company will have to reduce its cost structure and focus its business entirely on licensing. In this scenario, the company's revenue remains at 82% of our baseline and consists of license revenue and the sale of production from Factory 01. Despite the high relative share of license revenue, the company's EBIT of 18% remains lower than in the other scenarios. In the pessimistic scenario, despite the high margins of the licensing business, it is practically the only source of support for the group's fixed cost structure. In this scenario, however, the company's earnings turnaround is successful, and it is not acquired from a weak negotiating position, which we consider another possible outcome should the investment case develop in the wrong direction. In the negative scenario, Solar Foods is valued at EUR 1.1 per share. In general, Solar Foods' return expectation is highly binary and determined by the

company's ability to commercialize the Solein protein as efficiently as possible, considering the organization's limited resources and funding. Our baseline and optimistic DCF scenarios assume that Solar Foods can raise the necessary funding to build Factory 02, as debt financing and the IPCEI grant alone will not be enough to cover the investment plan. The plan still involves significant risk until we gain visibility on the commitment of partners to enable the factory investment or on new substantial grants.

Revenue in different forecast scenarios (MEUR)



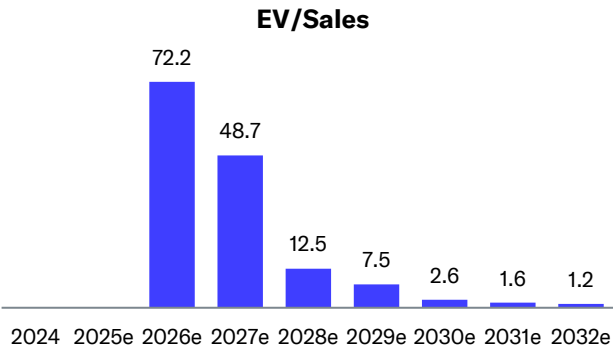
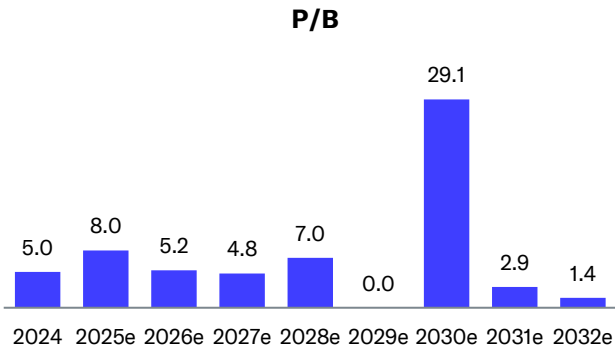
EBIT in different forecast scenarios (MEUR)



Valuation table

Valuation	2024	2025e	2026e	2027e	2028e	2029e
Share price	4.67	5.52	5.52	5.52	5.52	5.52
Number of shares, millions	24.6	24.7	26.5	26.5	26.5	26.5
Market cap	115	136	146	146	146	146
EV	121	149	148	211	235	369
P/E (adj.)	neg.	neg.	neg.	neg.	neg.	neg.
P/E	neg.	neg.	neg.	neg.	neg.	neg.
P/B	5.0	8.0	5.2	4.8	7.0	neg.
P/S	>100	>100	71.4	33.7	7.8	3.0
EV/Sales	>100	>100	72.2	48.7	12.5	7.5
EV/EBITDA	neg.	>100	neg.	neg.	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.	neg.
Payout ratio (%)	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 %

Source: Inderes



The market cap and EV in the table consider the forecast 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/S		Revenue growth-%		EBIT-%		P/B 2025e
			2025e	2026e	2025e	2026e	2025e	2026e	
Aiforia	108	104	22.1	15.4	66%	60%	-253%	-158%	7.2
Betolar	29	29	28.7	4.8	0%	500%	-600%	-67%	2.9
Bioretec	43	34	5.0	3.5	50%	49%	-63%	-25%	39.0
Nightingale	142	88	16.8	12.2	20%	57%	-331%	-198%	3.2
Solar Foods (Inderes)	136	149	458.1	72.2	1643%	528%	-2913%	-589%	8.0
Average			18.1	9.0	0.3	1.7	-3.1	-1.1	13.1
Median			19.4	8.5	0.3	0.6	-2.9	-1.1	5.2
Diff-% to median			2257%	750%	4626%	800%	897%	423%	54%

Source: Refinitiv / Inderes

Income statement

Income statement	2022	2023	H1'24	H2'24	2024	H1'25	H2'25e	2025e	2026e	2027e	2028e
Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.3	2.1	4.3	18.8
Food sales	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.3	2.1	4.3	16.8
Licensing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0
EBITDA	-1.8	0.3	-0.2	-0.1	-0.3	-0.1	0.1	0.1	-1.8	-12.3	-12.8
Depreciation	-1.4	-7.1	-4.2	-4.4	-8.7	-4.7	-4.9	-9.6	-10.3	-7.1	-10.9
EBIT (excl. NRI)	-3.2	-6.8	-4.4	-4.6	-8.9	-4.8	-4.7	-9.5	-12.1	-19.4	-23.6
EBIT	-3.2	-6.8	-4.4	-4.6	-8.9	-4.8	-4.7	-9.5	-12.1	-19.4	-23.6
Net financial items	-2.2	-2.2	-1.4	-0.7	-2.1	-0.6	-0.9	-1.5	-1.8	-3.5	-6.7
PTP	-5.4	-9.0	-5.7	-5.3	-11.0	-5.4	-5.6	-11.0	-13.9	-22.8	-30.3
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	-5.4	-9.0	-5.7	-5.3	-11.0	-5.4	-5.6	-11.0	-13.9	-22.8	-30.3
Net earnings	-5.4	-9.0	-5.7	-5.3	-11.0	-5.4	-5.6	-11.0	-13.9	-22.8	-30.3
EPS (adj.)			-0.23	-0.21	-0.45	-0.22	-0.23	-0.45	-0.52	-0.86	-1.14
EPS (rep.)			-0.23	-0.21	-0.45	-0.22	-0.23	-0.45	-0.52	-0.86	-1.14

Key figures	2022	2023	H1'24	H2'24	2024	H1'25	H2'25e	2025e	2026e	2027e	2028e
Revenue growth-%	0.0 %	24.7 %	770.6 %	41.6 %	275.5 %	2.8 %	6406.8 %	1642.8 %	528.4 %	111.6 %	333.8 %
Adjusted EBIT growth-%		113.8 %	30.3 %	32.2 %	31.3 %	9.6 %	3.7 %	6.6 %	27.1 %	60.1 %	22.0 %
EBITDA-%				-2372.1 %	-1421.9 %	-515.9 %	45.5 %	20.8 %	-87.8 %	-283.0 %	-67.8 %
Adjusted EBIT-%									-589.3 %	-445.9 %	-125.4 %
Net earnings-%									-677.1 %	-525.4 %	-161.1 %

Source: Inderes

Full-year EPS is calculated using the number of shares at the end of the year.

Balance sheet

Assets	2023	2024	2025e	2026e	2027e	2028e
Non-current assets	30.3	22.9	20.6	20.0	83.1	94.1
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Intangible assets	9.5	8.0	11.6	14.1	17.2	20.3
Tangible assets	20.1	14.3	9.0	5.9	65.9	73.8
Associated companies	0.0	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.7	0.6	0.0	0.0	0.0	0.0
Deferred tax assets	0.0	0.0	0.0	0.0	0.0	0.0
Current assets	23.1	23.8	16.1	20.8	17.8	21.2
Inventories	0.0	0.0	0.1	0.5	0.9	3.4
Other current assets	0.0	0.0	0.0	0.0	0.0	0.0
Receivables	6.7	10.4	12.0	12.0	15.2	15.1
Cash and equivalents	16.4	13.4	4.0	8.3	1.7	2.8
Balance sheet total	53.4	46.7	36.7	40.8	101	115

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e
Equity	25.1	22.9	17.0	27.9
Share capital	0.0	0.1	0.1	0.1
Retained earnings	-17.5	-28.5	-39.5	-53.4
Hybrid bonds	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0
Other equity	42.6	51.4	56.5	81.3
Minorities	0.0	0.0	0.0	0.0
Non-current liabilities	18.9	16.6	16.7	10.0
Deferred tax liabilities	0.0	0.0	0.0	0.0
Provisions	0.0	0.0	0.0	0.0
Interest bearing debt	18.9	16.6	16.7	10.0
Convertibles	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0
Current liabilities	9.3	7.2	3.0	2.9
Interest bearing debt	2.0	3.0	0.5	0.0
Payables	2.4	3.4	2.5	2.9
Other current liabilities	5.0	0.8	0.0	0.0
Balance sheet total	53.4	46.7	36.7	40.8

DCF-calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	2037e	2038e	2039e	2040e	2041e	2042e	TERM
Revenue growth-%	275.5 %	1642.8 %	528.4 %	111.6 %	333.8 %	162.0 %	198.6 %	52.6 %	13.1 %	3.2 %	0.2 %	9.2 %	23.0 %	26.2 %	16.2 %	24.6 %	10.9 %	5.0 %	2.5 %	2.5 %
EBIT-%	-47635.3 %	-2913.1 %	-589.3 %	-445.9 %	-125.4 %	-25.1 %	18.9 %	28.4 %	28.1 %	29.6 %	28.3 %	29.8 %	27.1 %	19.9 %	22.9 %	26.7 %	29.2 %	28.5 %	28.5 %	28.5 %
EBIT (operating profit)	-8.9	-9.5	-12.1	-19.4	-23.6	-12.4	27.8	63.9	71.5	77.5	74.5	85.4	95.8	88.7	119	172	209	214	219	
+ Depreciation	8.7	9.6	10.3	7.1	10.9	12.0	16.8	19.6	20.2	20.9	21.3	21.3	21.7	26.1	34.5	35.3	39.7	40.7	41.9	
- Paid taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-13.4	-16.4	-18.7	-16.7	-22.9	-34.3	-41.8	-42.8	-43.9	
- Tax, financial expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.2	-1.5	-0.7	-0.5	-1.0	-0.8	-0.1	0.0	0.0	0.0	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-6.8	-3.3	0.0	-3.0	-2.8	-3.3	-9.0	-9.9	-4.5	-0.6	0.3	-2.6	-9.0	-13.9	-11.5	-21.3	-11.0	-5.6	-2.9	
Operating cash flow	-7.1	-3.3	-1.8	-15.3	-15.6	-3.7	35.7	73.6	87.1	95.7	81.1	87.1	89.4	83.1	118	152	196	206	215	
+ Change in other long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-1.3	-7.3	-9.7	-70.1	-21.9	-117.2	-27.6	-34.0	-29.4	-24.6	-21.7	-19.9	-117.1	-120.3	-33.8	-39.7	-40.6	-45.7	-46.1	
Free operating cash flow	-8.4	-10.6	-11.5	-85.4	-37.5	-120.9	8.0	39.6	57.7	71.1	59.4	67.3	-27.7	-37.2	84.1	112	155	161	168	
+/- Other	0.0	5.1	24.8	25.6	20.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-8.4	-5.5	13.3	-59.8	-16.9	-120.9	8.0	39.6	57.7	71.1	59.4	67.3	-27.7	-37.2	84.1	112	155	161	168	
Discounted FCFF		-5.2	10.9	-42.7	-10.5	-65.2	3.8	16.1	20.4	21.8	15.8	15.5	-5.6	-6.5	12.7	14.8	17.7	15.9	14.5	117
Sum of FCFF present value		162	167	156	199	209	274	271	255	234	212	197	181	187	193	180	166	148	132	132
Enterprise value DCF		162																		
- Interest bearing debt		-19.6																		
+ Cash and cash equivalents		13.4																		
-Minorities		0.0																		
-Dividend/capital return		0.0																		
Equity value DCF		156																		
Equity value DCF per share		6.3	2025e-2033e				-34%													

WACC

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	30.0 %
Cost of debt	7.0 %
Equity Beta	3.00
Market risk premium	4.75%
Liquidity premium	2.50%
Risk free interest rate	2.5 %
Cost of equity	19.3 %
Weighted average cost of capital (WACC)	15.2 %

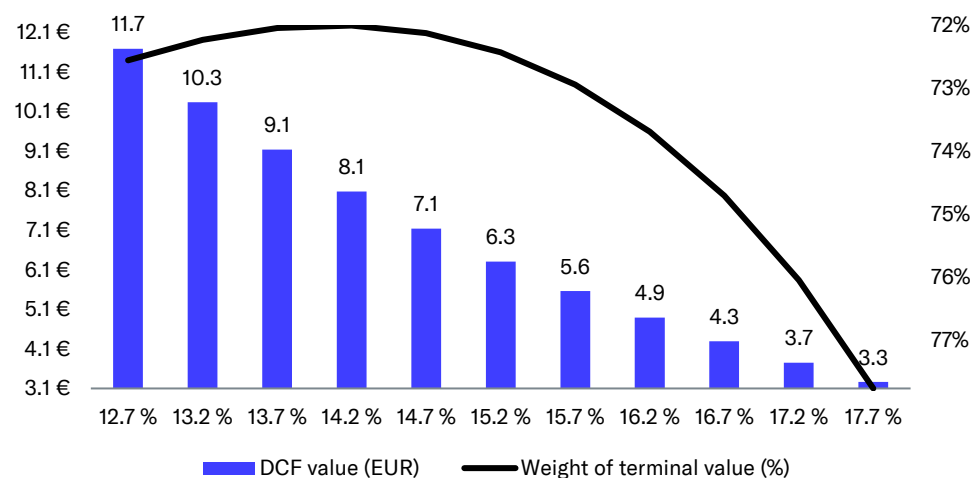
Source: Inderes

Cash flow distribution

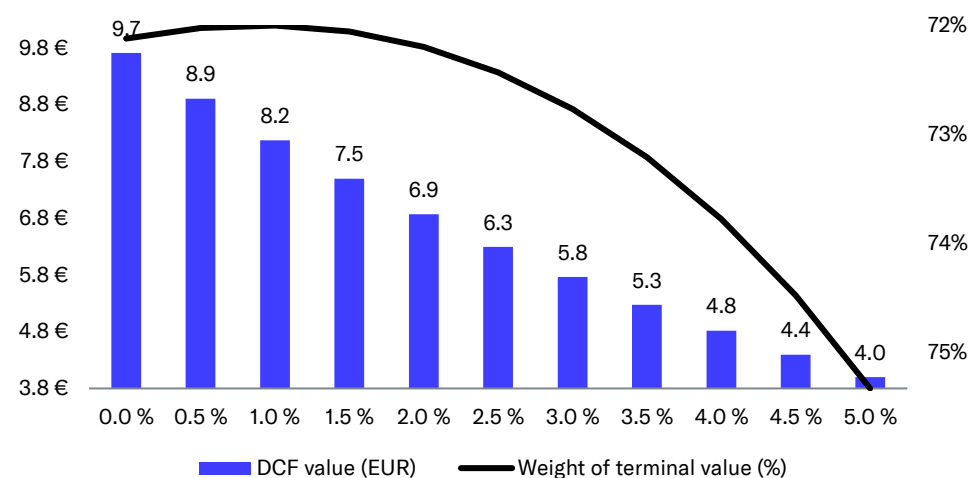
2025e-2033e 2034e-2041e TERM

DCF sensitivity calculations and key assumptions in graphs

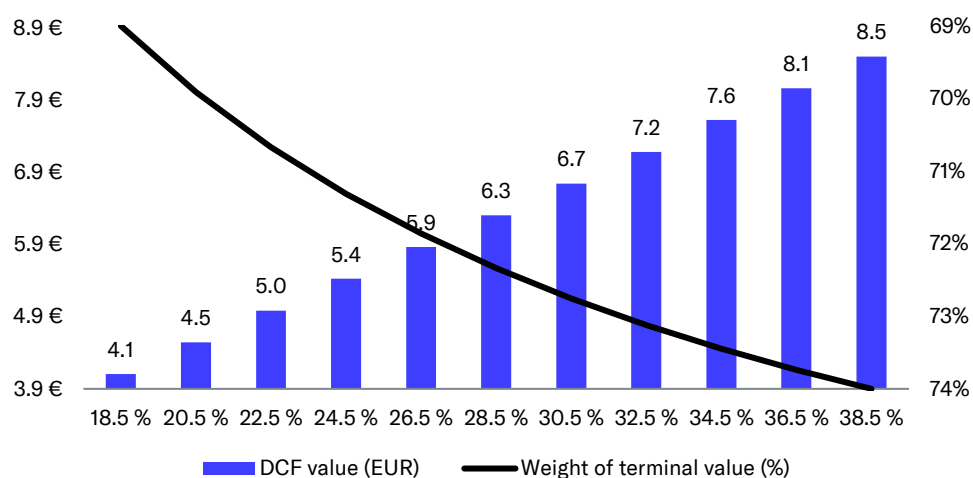
Sensitivity of DCF to changes in the WACC-%



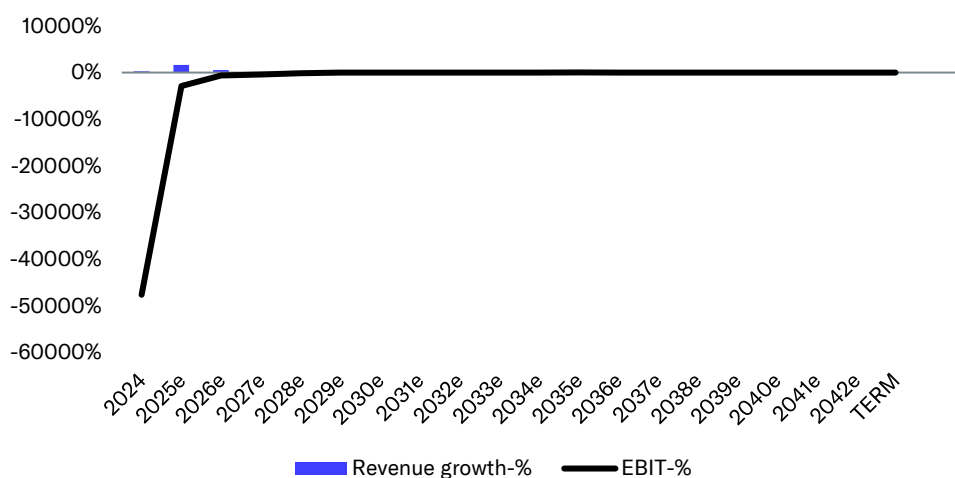
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. NB! The terminal value weight (%) is presented on a reverse scale for clarity.

Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	0.0	0.0	0.0	0.3	2.1	EPS (reported)			-0.45	-0.45	-0.52
EBITDA	-1.8	0.3	-0.3	0.1	-1.8	EPS (adj.)			-0.45	-0.45	-0.52
EBIT	-3.2	-6.8	-8.9	-9.5	-12.1	OCF / share			-0.29	-0.13	-0.07
PTP	-5.4	-9.0	-11.0	-11.0	-13.9	FCF / share			-0.34	-0.22	0.50
Net Income	-5.4	-9.0	-11.0	-11.0	-13.9	Book value / share			0.93	0.69	1.05
Extraordinary items	0.0	0.0	0.0	0.0	0.0	Dividend / share	0.00	0.00	0.00	0.00	0.00
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	34.3	53.4	46.7	36.7	40.8	Revenue growth-%	0%	25%	275%	1643%	528%
Equity capital	21.4	25.1	22.9	17.0	27.9	EBITDA growth-%	108%	-118%	-180%	-126%	-2749%
Goodwill	0.0	0.0	0.0	0.0	0.0	EBIT (adj.) growth-%	69%	114%	31%	7%	27%
Net debt	2.7	4.6	6.2	13.2	1.7	EPS (adj.) growth-%				0%	17%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	-45068.8 %	6680.3 %	-1421.9 %	20.8 %	-87.8 %
EBITDA	-1.8	0.3	-0.3	0.1	-1.8	EBIT (adj.)-%	-79456.2 %	-136230.4 %	-47635.3 %	-2913.1 %	-589.3 %
Change in working capital	-0.7	1.4	-6.8	-3.3	0.0	EBIT-%	-79456.2 %	-136230.4 %	-47635.3 %	-2913.1 %	-589.3 %
Operating cash flow	-2.5	1.8	-7.1	-3.3	-1.8	ROE-%	-22.7 %	-38.7 %	-45.9 %	-55.1 %	-61.8 %
CAPEX	-15.0	-14.2	-1.3	-7.3	-9.7	ROI-%	-10.1 %	-17.1 %	-20.1 %	-24.8 %	-33.5 %
Free cash flow	-17.5	-12.4	-8.4	-5.5	13.3	Equity ratio	62.3 %	47.1 %	49.1 %	46.4 %	68.4 %
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	12.4 %	18.1 %	27.0 %	77.6 %	6.1 %
EV/S			>100	>100	72.2						
EV/EBITDA			neg.	>100	neg.						
EV/EBIT (adj.)			neg.	neg.	neg.						
P/E (adj.)			neg.	neg.	neg.						
P/B	0.0	0.0	5.0	8.0	5.2						
Dividend-%			0.0 %	0.0 %	0.0 %						

Source: Inderes

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Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
9/12/2024	Sell	11.00 €	12.35 €
9/27/2024	Reduce	10.00 €	8.90 €
12/20/2024	Reduce	5.00 €	4.67 €
2/28/2025	Reduce	3.30 €	3.19 €
8/15/2025	Reduce	5.30 €	5.52 €



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