MODULIGHT OYJ

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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Major order brightens outlook and lowers risk

Modulight received an order for satellite optical communication technology from one of the world's largest aerospace and defense groups, and the order is extremely significant relative to the company's size. The order provides visibility into growth in the coming years, accelerates the earnings turnaround, and eliminates financing risk for the next few years. We raise our estimates and lower our cost of capital to reflect the reduced risk. Reflecting the forecast changes and the lower risk level, we raise our target price to EUR 1.90 (was EUR 1.30) and reiterate our Accumulate recommendation.

By far the largest order in Modulight's history as a listed company

Modulight received a 10.2 MEUR order for satellite optical communication technology from a customer that is one of the world's three largest aerospace and defense conglomerates. Deliveries will begin in H2'27 and continue for 2–3 years, which translates into revenue of ~4 MEUR a year if spread evenly. The order is nearly one and a half times our revenue forecast for the current year and corresponded to around a quarter of the company's market cap before the announcement. Based on the press release, follow-up orders are also a realistic possibility. This is a strong signal of the competitiveness of the company's laser technology based on indium phosphide (InP) outside medicine. In the defense and space sectors, supply chain security is a priority, and the vertically integrated plant in Tampere appears to be turning into a concrete strength for the company. The order adds to the positive picture of the business created by the quantum computing and neuroscience orders in the fall.

Estimates rise and cash runway improves

Our forecasts for this year are unchanged, as the order generates no revenue this year. We raise our revenue forecasts for the coming years by 9–15%. The increases are smaller than the value of the order, as our forecasts already assumed orders from new customers.

The additional volume also translates efficiently into earnings. We now forecast 2027 EBIT of -2.0 MEUR (was -2.5 MEUR) and expect 2028 EBIT to rise to 1.4 MEUR (was 0.0 MEUR). The order also substantially improves the cash position. In our forecasts, free cash flow turns positive in 2028 (was 2029), and we estimate that the company will not need additional financing in the coming years.

Earnings growth and lower risk increase value

We lower the cost of capital to 10.0% (was 11.0%), reflecting the business's improved earnings outlook, better predictability, and lower financial risk. On the back of the upward forecast revisions and the lower cost of capital, our DCF model now indicates a share value of EUR 1.9. On our updated forecasts, the EV/S multiples for 2027–2028 are ~5.5x and 4.2x. The multiples are clearly above those of peer Lumibird (~3x) and IPG's acquisition of Lumibird Medical (2.7x), but we consider the premium justified now that there is more concrete evidence of the growth trajectory. The stock has risen sharply since the announcement. However, we believe the value of the business has increased at least as much as the share price, so we still consider the stock attractive. Additional orders from the defense customer, in quantum technology, or from other areas could further boost the growth outlook. Despite the improved visibility, how quickly Modulight's pipeline turns into revenue-generating projects remains difficult to predict.

Recommendation
Accumulate
(was Accumulate)

Target price:
EUR 1.90
(was EUR 1.30)

Share price:
EUR 1.59

Business risk



Valuation risk



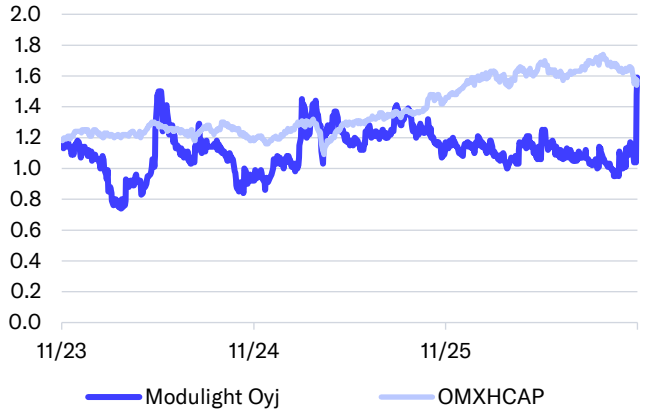
	2025	2026e	2027e	2028e
Revenue	7.1	7.4	11.6	15.3
growth-%	73%	4%	58%	32%
EBIT adj.	-4.6	-3.5	-1.5	1.1
EBIT-% adj.	-65.8 %	-48.1 %	-13.4 %	7.1 %
Net Income	-4.6	-3.5	-1.3	0.8
EPS (adj.)	-0.11	-0.08	-0.03	0.02
P/E (adj.)	neg.	neg.	neg.	84.0
P/B	1.1	1.6	1.7	1.7
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.6 %
EV/EBIT (adj.)	neg.	neg.	neg.	58.3
EV/EBITDA	neg.	30.3	18.2	10.7
EV/S	5.8	8.5	5.5	4.1

Source: Inderes

Guidance

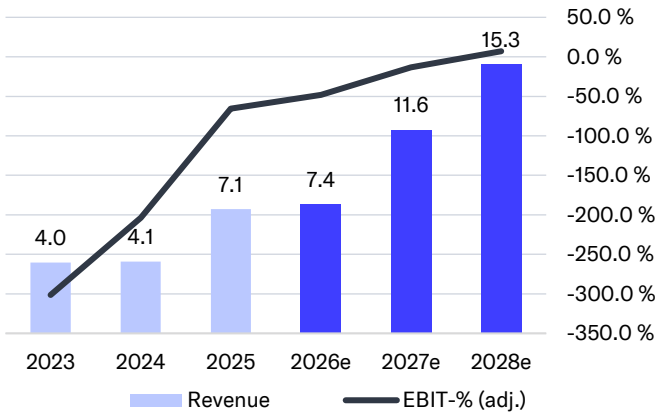
Modulight estimates that the Company's revenue and profitability will increase compared to the previous year.

Share price



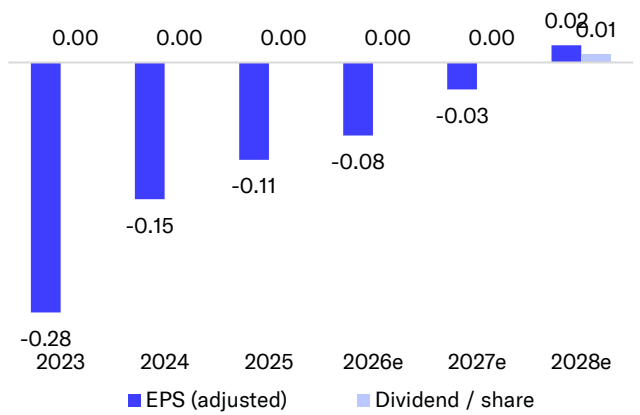
Source: Millistream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and DPS



Source: Inderes

Value drivers

- A defensive market with growth well into the future
- Technological expertise, ability to tailor products and build cloud services gives Modulight a competitive advantage
- License fee and pay-per-treatment model could be highly scalable if successful

Risk factors

- Medical development projects progress slowly, and their commercialization is uncertain
- Growth is difficult to estimate
- Visibility into the projects and their progress is limited
- The immaturity and concentration of the customer base introduce additional risk

Valuation	2026e	2027e	2028e
Share price	1.59	1.59	1.59
Number of shares, millions	42.6	42.6	42.6
Market cap	68	68	68
EV	63	64	63
P/E (adj.)	neg.	neg.	84.0
P/E	neg.	neg.	84.0
P/B	1.6	1.7	1.7
P/S	9.2	5.8	4.4
EV/Sales	8.5	5.5	4.1
EV/EBITDA	30.3	18.2	10.7
EV/EBIT (adj.)	neg.	neg.	58.3
Payout ratio (%)	0.0 %	0.0 %	50.0 %
Dividend yield-%	0.0 %	0.0 %	0.6 %

Source: Inderes

New order lifts estimates

Estimate revisions

- We raise our revenue forecasts for the coming years based on the new order and its future outlook. Our estimates already assumed some positive surprises, so the new contract does not raise our revenue forecasts by its full value.
- Our earnings forecasts also increase alongside revenue growth. We now expect positive EBIT in 2028 (was break-even). We also raise our gross margin estimate slightly, which explains why our earnings forecasts rise much more sharply than our revenue forecasts.

Underlying assumptions of estimates

- Increased use of the pay-per-treatment (PPT) model grows recurring revenue.
- The therapeutic driver of the PPT model is currently the treatment of age-related macular degeneration in the US.
- Maturation of the project portfolio: an increase in the number of projects and their gradual development towards approved patient treatments or large-scale industrial production.
- Successes in other high value-added solutions, such as quantum computing, bring additional potential.

Operational earnings drivers

- Modulight's recurring PPT revenue is mainly generated from ophthalmology treatments in the US (Visudyne treatment) and cancer treatments in clinical trials.
- Of these, we believe ophthalmic treatments are more stable, and clinical trial activity depends on the number of studies, their maturity (phases), and the progress of individual studies.
- The key driver in cancer medicine known to us is Aura Biosciences' pivotal Phase 3 trial for eye cancer (choroidal melanoma) regarding marketing authorization, with the readout expected in H2'27 now in 2028 (prev. 2029).
- Good results could lead to regulatory approval and defensive revenue once actual patient treatments begin, which we estimate will be in 2029 at the earliest.
- Otherwise, the company's business is currently mainly project- and piloting-based, but the company has communicated opportunities to move towards mass production in certain projects in the near future.
- Modulight has succeeded in raising its gross margin above 80%, which corresponds to the excellent pre-IPO level.
- After the change negotiations at the end of 2025, the company's cost level and headcount have decreased, which supports profitability and cash flow.

Estimates	Q4'25	Q4'26	Q4'26e	Q4'26e	Consensus		2026e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Inderes
Revenue	1.74	1.89	2.38				7.4
EBITDA	0.64	1.00	0.74				2.1
EBIT	-0.79	-0.39	-0.69				-3.5
EPS (reported)	-0.02	-0.01	-0.02				-0.08
Revenue growth-%	21.3 %	8.6 %	37.1 %				4.2 %
EBIT-% (adj.)	-45.3 %	-20.8 %	-28.9 %				-48.1 %

Source: Inderes

Valuation attractive even after price rally

EV/S ratios are neutral and require continued growth

Because of the loss-making business, we cannot use earnings-based multiples in valuation but instead rely on revenue-based EV/S ratios and DCF calculation that models the present value of future cash flows. The valuation is inherently imprecise as it relies on forecasts with limited visibility, even though the situation has become more stable between quarters. It is difficult to assess the earnings turnaround, which poses challenges for fair value measurement.

On our updated forecasts, the EV/S multiples for 2027–2028 are ~5.5x and 4.2x, which we consider cautiously attractive given the recent successes. The current multiples require strong growth and improving profitability, both of which are already showing signs.

Cost savings and new agreements have improved the cash runway, reducing financial risk to a very low level. However, this positive trend must continue, particularly in revenue growth, for long-term value creation to materialize. On multiples, the low revenue base supports the potential for strong percentage growth. A positive surprise can also quickly make the EV/S valuation look attractive and push the share price up sharply, as seen in recent days.

Our DCF valuation for the share is EUR 1.9

The baseline case in our DCF calculation gives the stock a value of EUR 1.9. We lower our cost of capital to 10.0% (was 11.0%). The cut reflects the business's improved earnings outlook, better predictability, and lower financial risk. We use a terminal growth rate of 2.5% and a terminal EBIT margin of 24%, based on the industry's strong growth and profitability outlook.

The model indicates upside for the stock even after the sharp share price rise in recent days. In the positive scenario, the DCF is EUR 3.2 and in the negative scenario EUR 0.6. The main factor explaining the differences between the scenarios is revenue growth, which is followed by profitability. In particular, the higher terminal profitability (EBIT of 30%) in the positive scenario has a clear upward effect on the value. In the negative scenario, terminal profitability remains at 20%. We note that the scenarios do not represent our view of the best and worst possible path for the business but are intended to provide investors with a perspective on the sensitivity of the valuation assumptions used. More information on the scenarios can be found in our extensive report.

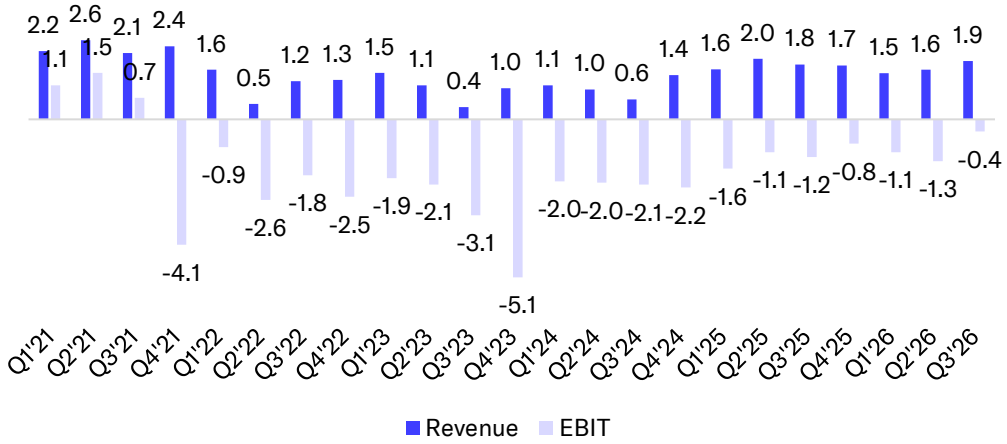
We reiterate our recommendation and raise our target price

We reiterate our Accumulate recommendation and revise our target price to EUR 1.90 following the estimate changes. Central to our view are the EV/S multiple and the DCF model with its scenarios, as well as an assessment of the reliability and risks of the revenue growth prospects. The DCF suggests a significant upside or downside for the share in high and low growth scenarios. In case the low estimate materializes, the risk of permanently losing capital is considerable. On the other hand, potential commercial breakthroughs could quickly lead to an improvement in revenue growth prospects and a re-rating at higher multiples.

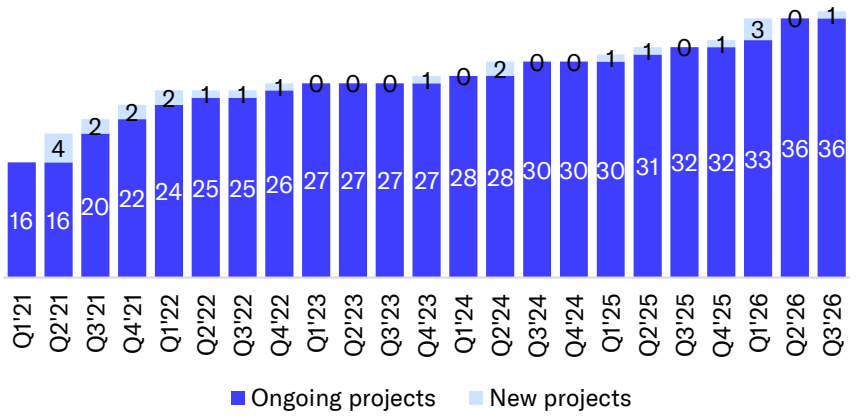
Valuation	2026e	2027e	2028e
Share price	1.59	1.59	1.59
Number of shares, millions	42.6	42.6	42.6
Market cap	68	68	68
EV	63	64	63
P/E (adj.)	neg.	neg.	84.0
P/E	neg.	neg.	84.0
P/B	1.6	1.7	1.7
P/S	9.2	5.8	4.4
EV/Sales	8.5	5.5	4.1
EV/EBITDA	30.3	18.2	10.7
EV/EBIT (adj.)	neg.	neg.	58.3
Payout ratio (%)	0.0 %	0.0 %	50.0 %
Dividend yield-%	0.0 %	0.0 %	0.6 %

Source: Inderes

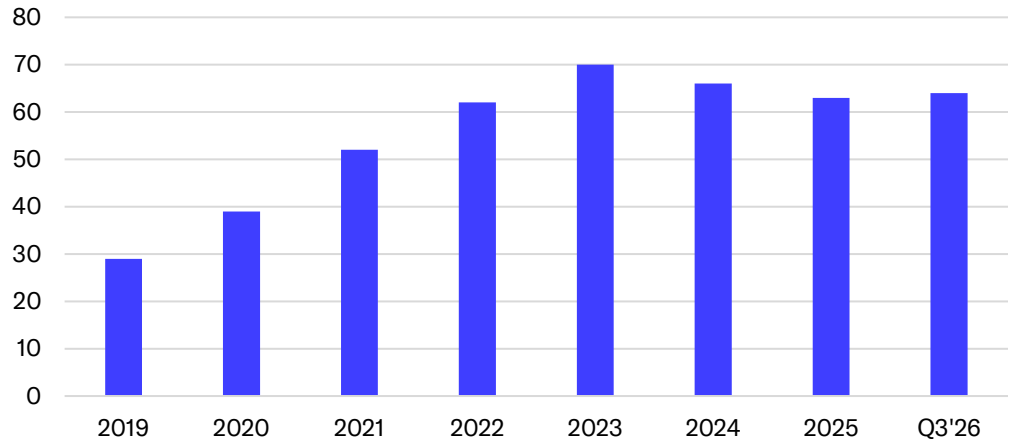
Revenue and EBIT, MEUR



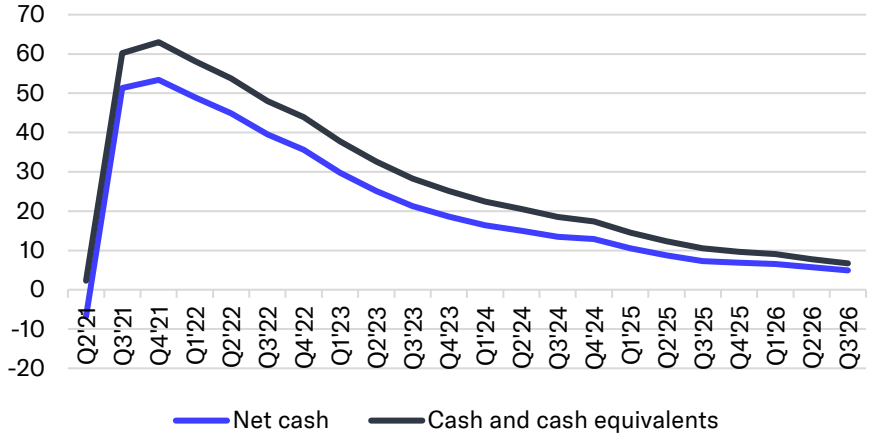
Development of the number of projects



Personnel



Net cash and cash, MEUR



Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	11.4	2.95	0.90	1.10	1.12	**1.59**	**1.59**	**1.59**	**1.59**
Number of shares, millions	42.6	42.6	42.6	42.6	42.6	**42.6**	**42.6**	**42.6**	**42.6**
Market cap	484	126	38	47	48	**68**	**68**	**68**	**68**
EV	430	90	20	34	41	**63**	**64**	**63**	**61**
P/E (adj.)	neg.	neg.	neg.	neg.	neg.	**neg.**	**neg.**	**84.0**	**30.3**
P/E	neg.	neg.	neg.	neg.	neg.	**neg.**	**neg.**	**84.0**	**30.3**
P/B	6.4	1.9	0.7	1.0	1.1	**1.6**	**1.7**	**1.7**	**1.6**
P/S	53.3	27.3	9.5	11.4	6.8	**9.2**	**5.8**	**4.4**	**3.6**
EV/Sales	47.4	19.6	4.9	8.3	5.8	**8.5**	**5.5**	**4.1**	**3.3**
EV/EBITDA	>100	neg.	neg.	neg.	neg.	**30.3**	**18.2**	**10.7**	**8.3**
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.	**neg.**	**neg.**	**58.3**	**21.7**
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**	**50.0 %**	**75.0 %**
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**	**0.6 %**	**2.5 %**

Source: Inderes

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

Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	**MEUR**	**MEUR**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**
Carl Zeiss Meditech	2826	3410	9.3	14.5	7.6	10.7	1.6	1.7	10.6	17.1	3.4	2.7	1.3
Coherent Corp	35293	37598	42.3	59.2	33.8	41.6	8.1	8.8	66.3	118.9			4.3
IPG Photonics Corp	2351	1505	6.7		5.1	78.6	1.3	1.7	12.9				1.2
Lumentum	39480	38950	124.9	1202.0	88.0	299.7	24.2	31.5	105.4	486.3			21.2
Lumibird SA	543	627	28.8	48.2	16.3	19.0	3.0	3.0	49.3	80.5			2.6
Medtronic	112229	130408	17.4	17.3	15.4	15.3	4.6	4.4	18.2	18.5	2.8	2.9	2.4
Nexstim	68	66		16.4		16.4	9.4	4.1		17.8			21.4
nLIGHT	1822	1535					8.2	8.5					
Optomed	31	26					1.6	1.8					1.2
Revenio Group	379	615	23.5	23.7	20.6	20.0	6.4	5.9	14.5	15.3	3.6	3.6	2.8
Stryker	115750	126398	28.4	24.6	25.9	22.3	6.8	6.1	32.0	27.6	0.9	1.0	6.8
Theralase	30	26					40.0	53.5					18.0
Xvivo Perfusion	582	565	140.7	56.1	65.1	35.7	10.3	7.8	180.7	44.3			3.4
Modulight Oyj (Inderes)	**68**	**63**	**-17.7**	**-41.2**	**30.3**	**18.2**	**8.5**	**5.5**	**-19.6**	**-53.4**	**0.0**	**0.0**	**1.6**
Average			**46.9**	**162.4**	**30.9**	**55.9**	**9.7**	**10.7**	**54.4**	**91.8**	**2.7**	**2.5**	**7.2**
Median			**28.4**	**24.6**	**20.6**	**21.1**	**6.8**	**5.9**	**32.0**	**27.6**	**3.1**	**2.8**	**3.1**
Diff-% to median			**-162%**	**-267%**	**48%**	**-14%**	**25%**	**-7%**	**-161%**	**-293%**	**-100%**	**-100%**	**-47%**

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26	Q4'26e	2026e	2027e	2028e	2029e
Revenue	**4.1**	**1.6**	**2.0**	**1.8**	**1.7**	**7.1**	**1.5**	**1.6**	**1.9**	**2.4**	**7.4**	**11.6**	**15.3**	**18.9**
Group	4.1	1.6	2.0	1.8	1.7	7.1	1.5	1.6	1.9	2.4	7.4	11.6	15.3	18.9
EBITDA	**-5.6**	**-0.6**	**0.0**	**-0.2**	**0.6**	**-0.2**	**0.3**	**0.0**	**1.0**	**0.7**	**2.1**	**3.5**	**5.9**	**7.4**
Depreciation	-2.7	-1.0	-1.0	-1.0	-1.4	-4.5	-1.4	-1.4	-1.4	-1.4	-5.6	-5.0	-4.8	-4.6
EBIT	**-8.3**	**-1.6**	**-1.1**	**-1.2**	**-0.8**	**-4.6**	**-1.1**	**-1.3**	**-0.4**	**-0.7**	**-3.5**	**-1.5**	**1.1**	**2.8**
Net financial items	1.9	0.0	-0.1	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.1	0.0	-0.1	-0.1
PTP	**-6.5**	**-1.6**	**-1.1**	**-1.2**	**-0.7**	**-4.6**	**-1.0**	**-1.4**	**-0.4**	**-0.7**	**-3.5**	**-1.5**	**1.0**	**2.7**
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	-0.2	-0.5
Net earnings	**-6.5**	**-1.6**	**-1.1**	**-1.2**	**-0.7**	**-4.6**	**-1.0**	**-1.4**	**-0.4**	**-0.7**	**-3.5**	**-1.3**	**0.8**	**2.2**
EPS (adj.)	**-0.15**	**-0.04**	**-0.03**	**-0.03**	**-0.02**	**-0.11**	**-0.02**	**-0.03**	**-0.01**	**-0.02**	**-0.08**	**-0.03**	**0.02**	**0.05**
EPS (rep.)	**-0.15**	**-0.04**	**-0.03**	**-0.03**	**-0.02**	**-0.11**	**-0.02**	**-0.03**	**-0.01**	**-0.02**	**-0.08**	**-0.03**	**0.02**	**0.05**

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	1.7 %	51.5 %	103.3 %	175.8 %	21.3 %	72.6 %	-6.9 %	-18.2 %	6.9 %	37.1 %	4.2 %	57.5 %	32.0 %	23.2 %
Adjusted EBIT growth-%	31.3 %	20.1 %	48.5 %	41.8 %	64.3 %	44.2 %	32.7 %	-27.6 %	67.9 %	6.2 %	23.8 %	56.3 %	170.0 %	161.2 %
EBITDA-%	-136.7 %	-36.1 %	-2.2 %	-10.7 %	37.0 %	-2.4 %	22.1 %	2.3 %	53.4 %	29.0 %	28.0 %	30.2 %	38.5 %	39.4 %
Adjusted EBIT-%	-203.5 %	-98.4 %	-53.8 %	-69.5 %	-45.3 %	-65.8 %	-71.2 %	-83.9 %	-20.8 %	-31.0 %	-48.1 %	-13.4 %	7.1 %	15.0 %
Net earnings-%	-157.5 %	-100.3 %	-56.5 %	-69.7 %	-37.5 %	-65.1 %	-64.1 %	-85.1 %	-20.8 %	-31.0 %	-46.9 %	-10.9 %	5.3 %	11.9 %

Source: Inderes

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

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	**35.2**	**35.0**	**33.4**	**32.5**	**32.1**
Goodwill	0.0	0.0	0.0	0.0	0.0
Intangible assets	10.9	12.3	12.2	13.0	14.0
Tangible assets	24.3	22.7	21.1	19.6	18.2
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
Current assets	**21.1**	**14.2**	**9.4**	**9.2**	**10.5**
Inventories	2.3	2.2	2.4	2.9	3.2
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	1.4	2.4	1.8	2.3	2.8
Cash and equivalents	17.4	9.7	5.2	4.0	4.5
Balance sheet total	**56.3**	**49.1**	**42.7**	**41.7**	**42.6**

Source: Inderes

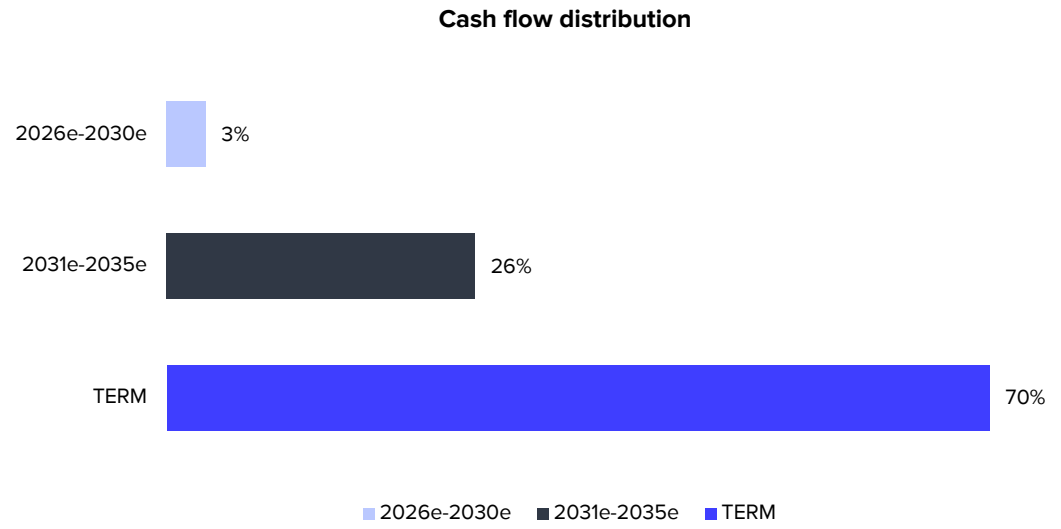
Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	**49.2**	**44.7**	**41.3**	**40.0**	**40.8**
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	-26.2	-30.7	-34.1	-35.4	-34.6
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	75.3	75.3	75.3	75.3	75.3
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	**2.8**	**1.3**	**0.0**	**0.0**	**0.0**
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	2.8	1.3	0.0	0.0	0.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long-term liabilities	0.0	0.0	0.0	0.0	0.0
Current liabilities	**4.2**	**3.2**	**1.5**	**1.7**	**1.8**
Interest bearing debt	1.8	1.5	0.0	0.0	0.0
Payables	2.5	1.7	1.5	1.7	1.8
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	**56.3**	**49.1**	**42.7**	**41.7**	**42.6**

DCF calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	TERM
Revenue growth-%	72.6 %	4.2 %	57.5 %	32.0 %	23.2 %	25.0 %	25.0 %	20.0 %	16.0 %	8.0 %	4.0 %	2.5 %	2.5 %
EBIT-%	-65.8 %	-48.1 %	-13.4 %	7.1 %	15.0 %	20.0 %	22.0 %	24.0 %	24.0 %	24.0 %	24.0 %	24.0 %	24.0 %
EBIT (operating profit)	**-4.6**	**-3.5**	**-1.5**	**1.1**	**2.8**	**4.7**	**6.5**	**8.5**	**9.8**	**10.6**	**11.1**	**11.3**	
+ Depreciation	4.5	5.6	5.0	4.8	4.6	4.7	4.9	5.0	5.2	5.3	5.5	5.6	
- Paid taxes	0.0	0.0	0.3	-0.2	-0.5	-0.8	-1.1	-1.5	-1.8	-1.9	-2.0	-2.1	
- Tax, financial expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
+ 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	
- Change in working capital	-1.6	0.1	-0.8	-0.7	0.0	0.6	0.6	0.1	-0.2	-0.2	-0.1	-0.1	
Operating cash flow	**-1.8**	**2.2**	**3.0**	**5.0**	**6.9**	**9.2**	**10.8**	**12.1**	**13.0**	**13.8**	**14.4**	**14.9**	
+ 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	
- Gross CAPEX	-4.3	-4.0	-4.2	-4.4	-4.6	-4.9	-5.1	-5.4	-5.6	-5.9	-5.9	-5.6	
Free operating cash flow	**-6.0**	**-1.8**	**-1.2**	**0.6**	**2.3**	**4.4**	**5.7**	**6.7**	**7.4**	**7.9**	**8.5**	**9.3**	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-6.0	-1.8	-1.2	0.6	2.3	4.4	5.7	6.7	7.4	7.9	8.5	9.3	127
Discounted FCFF		**-1.8**	**-1.1**	**0.5**	**1.7**	**3.0**	**3.5**	**3.8**	**3.7**	**3.7**	**3.6**	**3.6**	**48.7**
Sum of FCFF present value		72.8	74.6	75.7	75.1	73.4	70.5	67.0	63.2	59.5	55.8	52.2	48.7
Enterprise value DCF		**72.8**											
- Interest bearing debt		-2.8											
+ Cash and cash equivalents		9.7											
+ Associated companies		0.0											
-Minorities		0.0											
-Dividend/capital return		0.0											
Equity value DCF		**79.7**											
Equity value DCF per share		**1.9**											

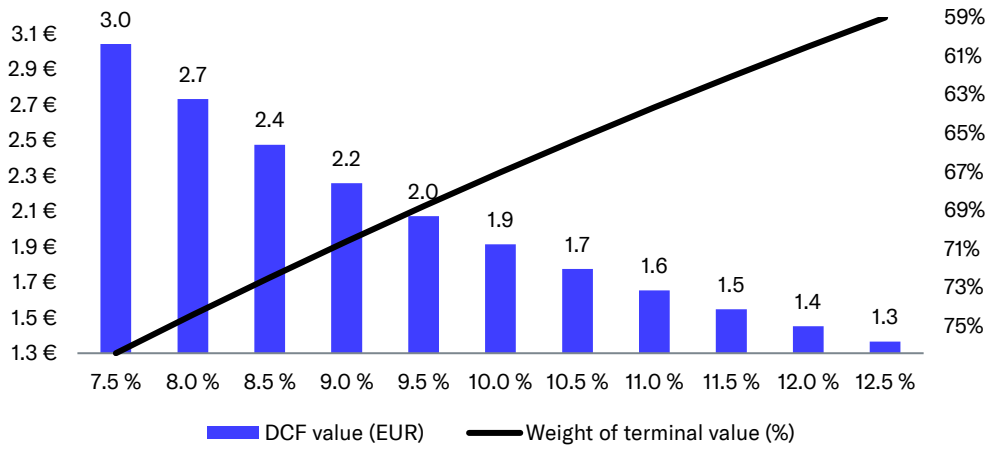
WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E)	10.0 %
Cost of debt	8.0 %
Equity Beta	1.45
Market risk premium	4.75%
Liquidity premium	0.50%
Risk free interest rate	3.0 %
Cost of equity	**10.4 %**
Weighted average cost of capital (WACC)	**10.0 %**

Source: Inderes

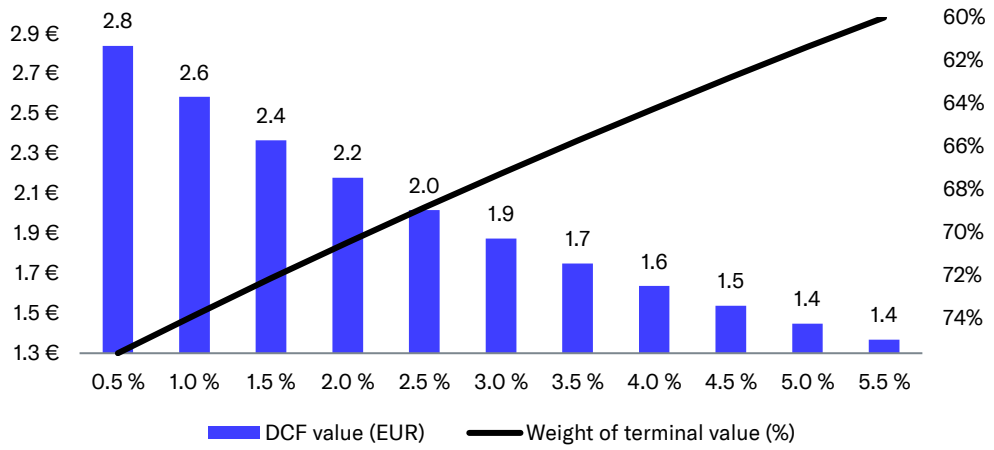


DCF sensitivity calculations and key assumptions in graphs

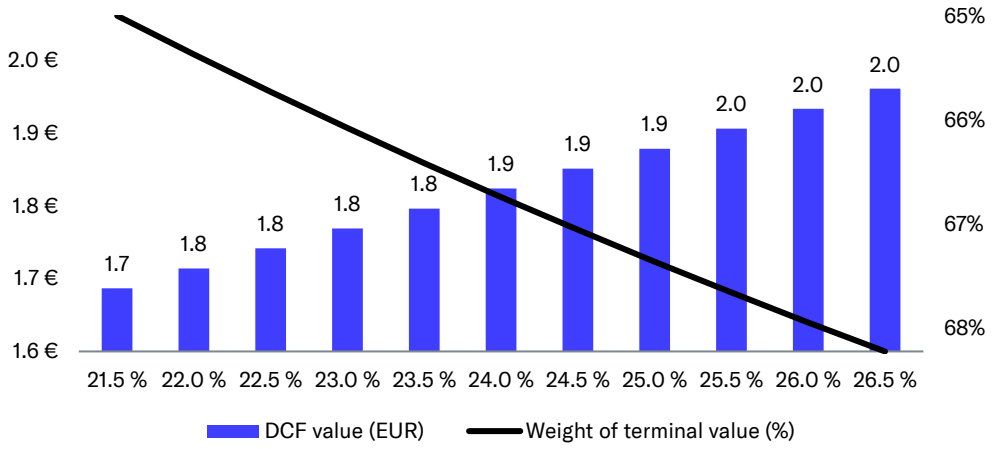
Sensitivity of DCF to changes in the WACC-%



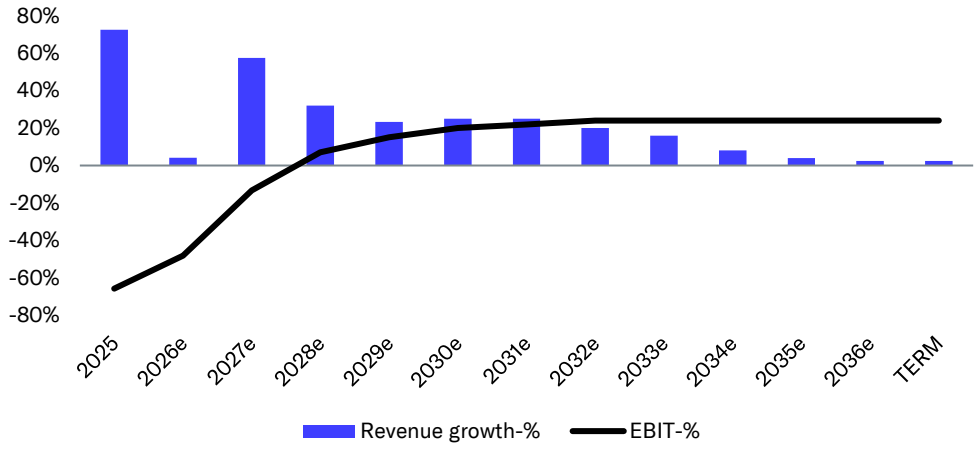
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



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

Summary

Income statement	2023	2024	2025	2026e	2027e
Revenue	4.0	4.1	7.1	**7.4**	**11.6**
EBITDA	-8.5	-5.6	-0.2	**2.1**	**3.5**
EBIT	-12.1	-8.3	-4.6	**-3.5**	**-1.5**
PTP	-11.8	-6.5	-4.6	**-3.5**	**-1.5**
Net Income	-11.8	-6.5	-4.6	**-3.5**	**-1.3**
Extraordinary items	0.0	0.0	0.0	**0.0**	**0.0**

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	64.0	56.3	49.1	**42.7**	**41.7**
Equity capital	55.7	49.2	44.7	**41.3**	**40.0**
Goodwill	0.0	0.0	0.0	**0.0**	**0.0**
Net debt	-18.6	-12.9	-6.9	**-5.2**	**-4.0**

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	-8.5	-5.6	-0.2	**2.1**	**3.5**
Change in working capital	1.0	2.1	-1.6	**0.1**	**-0.8**
Operating cash flow	-7.5	-3.5	-1.8	**2.2**	**3.0**
CAPEX	-9.7	-4.1	-4.3	**-4.0**	**-4.2**
Free cash flow	-17.3	-7.6	-6.0	**-1.8**	**-1.2**

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S	4.9	8.3	5.8	**8.5**	**5.5**
EV/EBITDA	neg.	neg.	neg.	**30.3**	**18.2**
EV/EBIT (adj.)	neg.	neg.	neg.	**neg.**	**neg.**
P/E (adj.)	neg.	neg.	neg.	**neg.**	**neg.**
P/B	0.7	1.0	1.1	**1.6**	**1.7**
Dividend-%	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**

Source: Inderes

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	-0.28	-0.15	-0.11	**-0.08**	**-0.03**
EPS (adj.)	-0.28	-0.15	-0.11	**-0.08**	**-0.03**
OCF / share	-0.18	-0.08	-0.04	**0.05**	**0.07**
OFCF / share	-0.41	-0.18	-0.14	**-0.04**	**-0.03**
Book value / share	1.31	1.16	1.05	**0.97**	**0.94**
Dividend / share	0.00	0.00	0.00	**0.00**	**0.00**

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	-12%	2%	73%	**4%**	**58%**
EBITDA growth-%	-44%	34%	97%	**1319%**	**69%**
EBIT (adj.) growth-%	-56%	31%	44%	**24%**	**56%**
EPS (adj.) growth-%	-38%	45%	29%	**25%**	**63%**
EBITDA-%	-212.0 %	-136.7 %	-2.4 %	**28.0 %**	**30.2 %**
EBIT (adj.)-%	-301.4 %	-203.5 %	-65.8 %	**-48.1 %**	**-13.4 %**
EBIT-%	-301.4 %	-203.5 %	-65.8 %	**-48.1 %**	**-13.4 %**
ROE-%	-19.1 %	-12.3 %	-9.8 %	**-8.0 %**	**-3.1 %**
ROI-%	-17.6 %	-14.4 %	-9.2 %	**-8.0 %**	**-3.8 %**
Equity ratio	87.1 %	87.5 %	90.9 %	**96.6 %**	**95.8 %**
Gearing	-33.4 %	-26.1 %	-15.4 %	**-12.5 %**	**-10.0 %**
Net debt/EBITDA	2.2	2.3	40.5	**-2.5**	**-1.1**
EBITDA/net financials	25.7	3.0	3.7	**-23.7**	

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

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

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
3/15/2023	Reduce	2.30 €	2.42 €
5/2/2023	Reduce	2.30 €	2.31 €
8/11/2023	Reduce	2.30 €	2.15 €
8/21/2023	Reduce	1.60 €	1.50 €
20.1023	Reduce	1.50 €	1.39 €
1/2/2023	Reduce	1.20 €	1.17 €
2/26/2024	Reduce	0.90 €	0.85 €
4/29/2024	Reduce	0.90 €	0.83 €
8/19/2024	Reduce	0.90 €	1.14 €
10/22/2024	Reduce	0.90 €	0.99 €
2/24/2025	Accumulate	1.30 €	1.15 €
4/28/2025	Accumulate	1.50 €	1.34 €
7/1/2025	Accumulate	1.50 €	1.22 €
8/25/2025	Accumulate	1.60 €	1.39 €
10/27/2025	Reduce	1.30 €	1.32 €
2/23/2026	Reduce	1.20 €	1.18 €
4/27/2026	Reduce	1.20 €	1.17 €
8/24/2026	Reduce	1.10 €	1.07 €
10/26/2026	Reduce	1.15 €	1.11 €
11/3/2026	Accumulate	1.15 €	1.01 €
11/12/2026	Accumulate	1.30 €	1.09 €
11/27/2026	Accumulate	1.90 €	1.59 €



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