BETOLAR

8/14/2026 8:30 am EEST

This is a translated version of ”Uusi rakenne odottaa yhä kaupallisia näyttöjä” report, published on 8/13/2026

Tommi Saarinen, Analyst
+358 400530573
tommi.saarinen@inderes.fi

INDERES CORPORATE CUSTOMER

COMPANY REPORT

New structure still awaiting commercial validation

Betolar's half-year report was operationally subdued, especially as new orders fell short of our estimates. We have incorporated the strategic, financial, and structural revisions announced by the company in recent months into our estimates. Overall, our estimates decreased after we lowered our expectations for the pace of commercialization. The strengthened liquidity position resulting from the financing arrangements provides the new management room to maneuver in advancing commercialization. However, the relatively high cost of capital requires commercialization to proceed at a vigorous pace to ensure there is something left to distribute to current shareholders in the long term. Following the estimate revisions, we lower the target price to EUR 0.9 (from EUR 1) and reiterate our Sell recommendation.

One project accounted for early-year figures

Betolar's H1 revenue of 0.9 MEUR and EBITDA of -2.1 MEUR missed our estimates. Revenue more than doubled from the comparison period, and according to our estimate, the growth was practically entirely due to the revenue recognition of the October 2025 infrastructure order. Order intake came in at 0.3 MEUR, well below our forecast of 0.5 MEUR, and in Q2, the total was a very modest 0.1 MEUR.

Winds of change have been blowing in recent months

Over the past few months, Betolar has changed direction significantly. The original idea of a geopolymer-based cement replacement will no longer play a practical role in the future strategy. Instead, the company is undergoing business model and structural reforms, positioning itself as a technology provider and seeking partners to finance the commercialization of metal extraction technology and critical infrastructure protection solutions. We expect the announced letter of intent regarding metal extraction technology to move forward and be implemented within the year, and our new forecasts are based on this assumption. We anticipate that the targeted, high-margin licensing income related to metal extraction technology will begin accruing only within 3–5 years, whereas our greatest expectations for commercialization progress in the coming years lie in what we estimate to be the lower-margin blast furnace slag supply business and other projects, including solutions designed to protect critical infrastructure. In our interpretation, the CEO change, the strategic and structural changes, and the planned Capital Markets Day for fall are a necessary reaction to the slower-than-expected progress of commercialization. In light of the slower-than-expected commercial progress, we have revised our forecasts for the coming years downward while incorporating the planned changes to structure, financing, and strategy into our projections. Consequently, our earnings forecasts have been lowered, and we do not anticipate cash flow turning positive until the next decade. Due to these financing arrangements, we estimate that the company's financing needs will be covered for approximately two years, depending on commercialization progress and investments in the coming years.

Current risk/reward is unattractive

The stock is expensive based on revenue multiples, with an EV/S ratio of 15.0x for the current year and 10.3x for next year. The value of our DCF model, which relies on a long-term commercial breakthrough, is EUR 0.9. From a shareholder's perspective, the progress of commercialization in the coming years is also important because the mezzanine financing instruments rank ahead of shareholders and will accumulate interest at a rate of nearly 10% in the next few years. Betolar's expected return remains binary: a successful commercial breakthrough could lead to multiplied returns given the large market, while the potential loss of invested capital for current shareholders due to possible refinancing weighs heavily on the other side of the scale. Currently, the lack of visibility into a commercial breakthrough makes the risk/reward ratio weak in our view.

Recommendation
Sell
(was Sell)

Target price:
EUR 0.90
(was EUR 1.00)

Share price:
EUR 1.13

Business risk

●●●●●

Valuation risk

●●●●●

	2025	2026e	2027e	2028e
Revenue	0.9	1.7	3.0	5.2
growth-%	24%	80%	76%	73%
EBIT adj.	-5.8	-5.4	-3.0	-2.7
EBIT-% adj.			-101%	-51.3 %
Net Income	-5.9	-5.9	-3.6	-3.3
EPS (adj.)	-0.28	-0.29	-0.19	-0.18

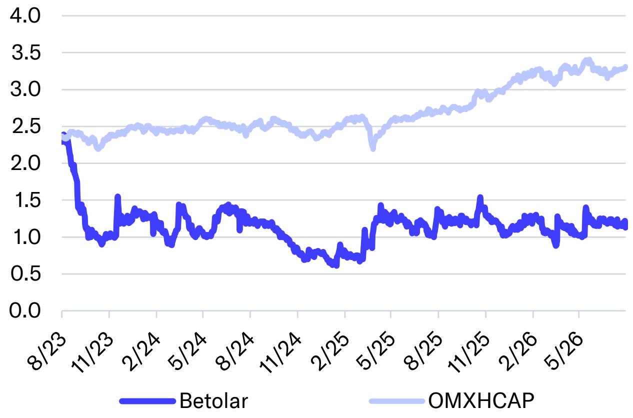
P/E (adj.)	neg.	neg.	neg.	neg.
P/B	10.2	neg.	neg.	neg.
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	neg.	neg.	neg.	neg.
EV/EBITDA	neg.	neg.	neg.	neg.
EV/S	26.1	15.0	10.3	6.9

Source: Inderes

Guidance (Unchanged)

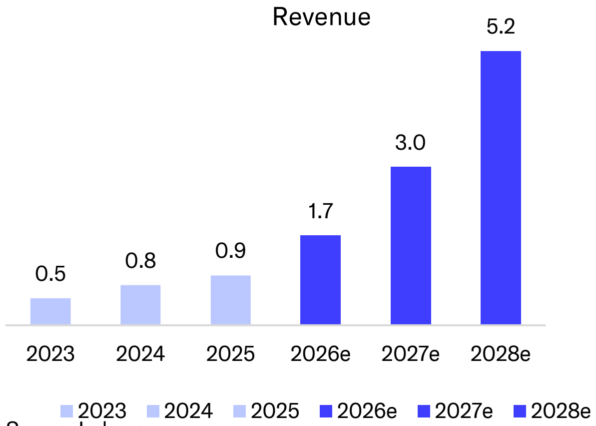
Revenue for 2026 is expected to grow significantly compared to the previous year.

Share price



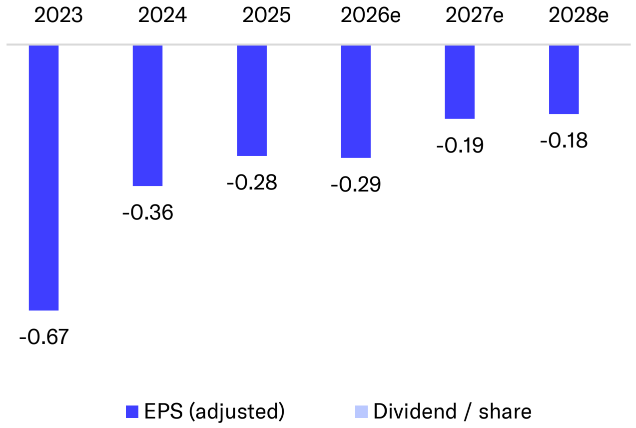
Source: Millistream Market Data AB

Revenue and EBIT % (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- High market potential
- Green transition is shaking up the otherwise conservative industry
- Betolar offers a green transition solution for the emission-intensive sector
- Inherently scalable business model

Risk factors

- Commercialization of the business is still at an early stage
- The company is cash flow negative, and the business will scale up years from now
- The company needs additional funding
- More competitive technologies may seek to enter the market

Valuation	2026e	2027e	2028e
Share price	1.13	1.13	1.13
Number of shares, millions	21.6	22.5	22.5
Market cap	24	25	25
EV	25	31	36
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	neg.	neg.	neg.
P/S	14.3	8.5	4.9
EV/Sales	15.0	10.3	6.9
EV/EBITDA	neg.	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

Revenue doubled, but orders were sluggish

First half of the year was practically one project

Betolar's revenue in H1'26 was 0.9 MEUR, falling short of our estimate of 1.0 MEUR but more than doubling year-on-year (H1'25: 0.4 MEUR). We estimate that this growth is practically entirely due to the infrastructure order received in October 2025. The company's own breakdown supports this: 84% of revenue came from services and 15% from material sales, with EMEA's share increasing from 64% to 83%, while APAC's share decreased from 31% to 16%. Consequently, blast furnace slag supplied likely remained minimal.

The gross margin fell significantly from previous review periods, dropping to 50%. Since revenue came practically from one delivery project, we estimate that the margin indicates a weaker-than-usual profile for this large project.

Operational improvement through growth and cost control

EBITDA was -2.1 MEUR, which was below our forecast of -1.8 MEUR. The shortfall was primarily due to a gross margin that was lower than we had expected, while the hard-to-predict grant payments were in line with our expectations. Although EBITDA remained unchanged year-on-year, this figure masks an operational improvement because support grants recorded in other operating income were lower than in the comparison period. The gross margin improved, supported by revenue, and other operating costs decreased. The number of employees continued to decline, averaging 28 (35), although, according to our estimates, the temporary furloughs announced by the company had not yet had a significant impact on the H1 figures. Earnings per share fell just slightly short of our forecast, as financial expenses were lower than we had expected.

Equity remained upright thanks to the hybrid bond

Free cash flow in H1'26 was around -3 MEUR, and the group's equity remained positive because the convertible hybrid bond was recognized as equity. The liquidity situation is under control again, and the company's reported liquidity reserve of 12.7 MEUR is sufficient to cover its financing needs for over two years at the H1'26 burn rate. The equity investment outlined by Scalewolf would further improve liquidity. However, these instruments largely take precedence over shareholders in the order of priority, so the business should generate an excellent return on capital even in the medium term to ensure that cash flows from operating activities are not entirely consumed by return payments to mezzanine financiers.

Order intake was weak

Order intake was 0.3 MEUR, well below our estimate of 0.5 MEUR (H1'25: 0.5 MEUR), which was a clear disappointment. In Q2, the total came in at a very modest 0.1 MEUR. The company offered little comment on the reasons behind the sluggish orders. However, individual orders can quickly change the outlook for a company of Betolar's size.

Estimates	H1'25	H1'26	H1'26e	Difference (%)	2026e
MEUR / EUR	Comparison	Actualized	Inderes	Act. vs. inderes	Inderes
Revenue	0.4	0.9	1.0	-13%	2.7
Order intake	0.5	0.3	0.5	-40%	1.3
EBITDA	-2.1	-2.1	-1.8		-3.0
EBIT	-3.1	-3.0	-2.8		-4.9
EPS (reported)	-0.14	-0.15	-0.14		-0.25
Revenue growth-%	51.1 %	116.3 %	149.6 %		79.9 %

Betolar H1'26: New CEO (in English)

Estimates to be revised due to financing, structural, and strategic updates

We expect the planned arrangements to be carried out

The restructuring in June changed our perception of Betolar's business model, leading us to modify our estimate model significantly. We believe future revenue will consist of three streams with different margins: licensing fees for metal extraction technology, blast furnace slag sales, and other projects, including solutions designed to protect critical infrastructure, which are currently in the early stages. In the case of metal extraction technology, part of the value creation will move outside the group's income statement if the planned arrangements proceed. In our view, this revenue stream is the most valuable not only because it generates the highest margin but also because we estimate that it incorporates the most of Betolar's proprietary material technology solutions, which should support pricing power in the long term as well. Our forecasts are based on the assumption that the letters of intent signed with Scalewolf (equity investment and establishment of an SPV) will be implemented, which will affect the Betolar Group's earnings and balance sheet forecasts in several ways.

Following the changes in the CEO and organizational structure, we believe that commercialization has progressed more slowly than we had expected, as most clearly evidenced by the orders reported in the H1'26 report, which were weaker than we anticipated. Reflecting this, we have significantly lowered our revenue and earnings forecasts for the coming years. Due to the more license-oriented and capital-light business structure targeting, the decline in revenue in our estimates is offset by higher long-term profitability assumptions than in our previous estimates.

Revenue estimate cuts

We have lowered our revenue forecasts by 38% for the current year, 47% for 2027, and 38% for 2028. This year's reduction is due to order intake that has been weaker than we expected, as well as a decline in short-term order expectations. The infrastructure order, worth approximately 1.4 MEUR and received in October 2025, is the largest in the company's history and will propel short-term revenue. Revenue recognition began at the end of October 2025, and according to the company, it will take approximately 10 months, so revenue will effectively be fully recognized during the third quarter of this year.

Order intake has been sluggish. The company has not announced any significant new orders since October 2025, and during that time, it has furloughed employees, replaced its CEO, and shifted its strategic focus to metal extraction. We forecast order intake of 1.3 MEUR for the current year and 3.2 MEUR for next year, which requires a clear improvement over the sluggish level seen in the just-ended quarter. We estimate that the order book stood at just over 1 MEUR at the end of H1'26, representing a downward trend compared with previous quarters. However, on Betolar's scale, individual orders can cause significant fluctuations in this figure.

Estimate revisions	2026e	2026	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	2.7	1.7	-38%	5.7	3.0	-47%	8.4	5.2	-38%
EBITDA	-3.0	-3.6	-19%	-1.5	-1.9	-25%	-1.2	-1.5	
EBIT (exc. NRIs)	-4.9	-5.4		-2.6	-3.0		-2.6	-2.7	
EBIT	-4.9	-5.4		-2.6	-3.0		-2.6	-2.7	
PTP	-5.3	-5.9		-3.1	-3.7		-3.3	-3.4	
EPS (excl. NRIs)	-0.25	-0.29		-0.14	-0.19		-0.14	-0.18	
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

Our forecast is based on three revenue streams

We forecast revenue of 0.8 MEUR for the remainder of the year, which is lower than in the first half due to the expiration of a single order.

Our revenue forecasts for 2028 have declined significantly, though the impact on the bottom line has been more modest. The potential revenue streams of Betolar's business model, introduced in recent months, have higher margins than before (a higher share of license revenue). However, the risks associated with the estimate are still very high: the business is still in the start-up phase, and the new structure of the metal extraction technology has not been finalized.

We have preliminarily added the minority interest (Scalewolf's investment in the MET company) and Betolar's stake in the SPV company to our balance sheet forecasts at 1 MEUR. This is associated with a -0.1 MEUR loss from the associated company in our income statement forecast for the coming years. These estimates assume that the Scalewolf letter of intent will proceed to implementation, and we will revise our estimates later based on further information.

As we understand it, interest on convertible bonds is not recognized in the income statement because the instrument is recorded in equity. However, we increased our financial expense estimates to reflect the raised 3 MEUR bank loan.

We outlined the development of three different revenue streams

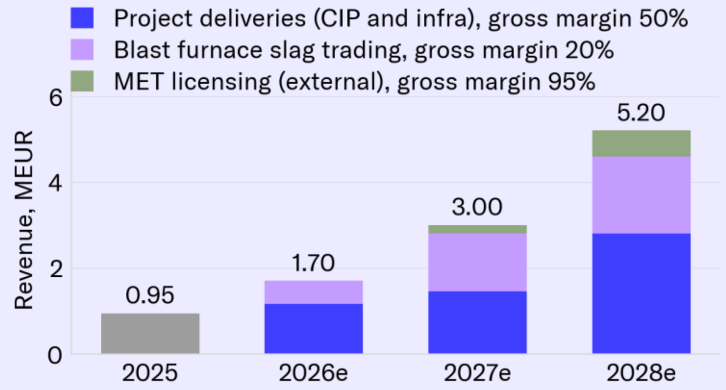
We break down our revenue forecast into three categories: project deliveries, blast furnace slag trading, and MET licensing. While this breakdown was not published directly by the company, it roughly corresponds to the revenue breakdown (services/projects/licenses) published in the company's H1'26 report. In our forecast, project deliveries include critical infrastructure security solutions, infrastructure projects, and other customer projects for which we expect a gross margin of around 50%. The sale of blast furnace slag is listed separately specifically because of the margin level. It is a resale operation, and we estimate the gross margin to be approximately 20%. MET licensing revenue comes from metal extraction technology, and its gross margin is nearly 100%. We expect growth to concentrate in the short term on project deliveries and blast furnace slag trading, and for licenses for metal extraction technology to contribute to revenue only in the longer term, due to our estimate of the ramp-up period for the Otanmäki project. Consequently, the gross margin will begin to rise during our forecast period after a period of short-term weakness.

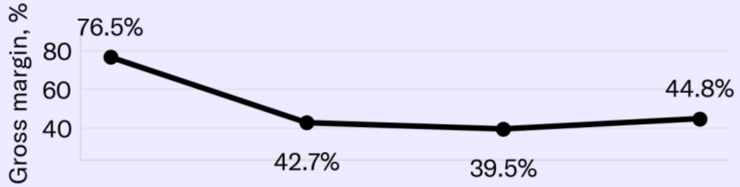
Balance sheet shows leverage from the shareholder's perspective

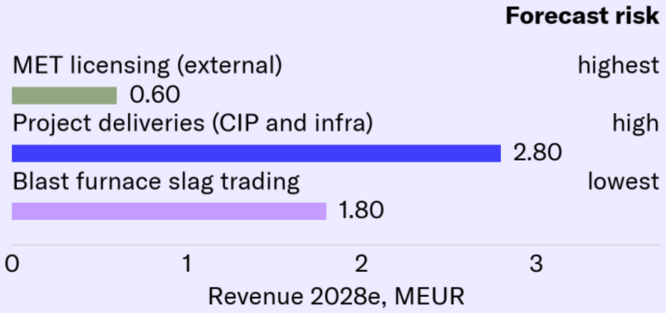
There are four interest-bearing items. Interest on the subordinated loan (H1:26: 8.3 MEUR) from Finnish Industry Investment (formerly the Climate Fund) is capitalized. The 3.0 MEUR term loan from Danske matures in November 2028 and will not be drawn down until the third quarter. The convertible hybrid bonds (2x3.0 MEUR) have no maturity date, but their 10% interest rate is capitalized and will increase to 15% in June 2031. Government bonds amount to 0.3 MEUR.

The risk and problem for shareholders is the accumulation of interest. The two major liabilities on the balance sheet have priority over shareholders and are growing at their respective interest rates: the subordinated loan at approximately 8% and the hybrid instrument at 10%, rising to 15% in 2031. In 2029, they will total around 19 MEUR, and by 2033, around 28 MEUR, which exceeds the company's current market value. Shareholders will not receive anything until these financial instruments have at least been refinanced, so the question is not whether the company will survive beyond 2029 but how much of the increase in value will ultimately remain with shareholders.

Drivers for the revenue forecast







Greatest potential in metal extraction

No support from multiples

According to our forecast, Betolar's EBITDA will turn positive at the turn of the decade, so EBITDA- and EBIT-based multiples do not provide a yardstick for valuation. The revenue-based multiple is also not particularly informative. The EV/S ratio is 15.0x for the current year, 10.3x for next year, and 7.1x for 2028. Therefore, we value the company based on cash flow and with a long-term view. The challenge with this is the incompleteness of the company's recent structural changes, the early stage of the business, and the significant margin level differences of the planned revenue streams.

DCF value is dependent on changes in the financial position

Our updated DCF model values the share at EUR 0.9. The DCF model's value corresponds to a forecast scenario that is rapidly gaining traction based on historical data, in which Betolar successfully develops into a technology company operating under a highly profitable, license-based business model during the forecast period. In our view, to achieve the value indicated by the model, the company must prove the commercial viability of the technology within the current decade; otherwise, the returns of debt and mezzanine financiers will erode shareholder value. The majority of the DCF model's cash flows are allocated to the terminal period, which underscores the model's sensitivity to assumptions. With the acute liquidity situation resolved, we lowered our required return to around 15%, which is still among the highest levels for companies under our coverage.

Partner's investment is a positive sign

We view Scalewolf's indication of an equity investment to leverage metal extraction technology as a positive sign of Betolar's solution's potential value. However, it is difficult to calculate the investment's market value based on the investment itself because the arrangement involved multiple instruments, as well as exclusive rights. Securing the Scalewolf collaboration and establishing new partnerships would improve visibility into the technology's commercialization progress.

Risk/reward remains weak in our books

Determining a target price for Betolar's share is highly subjective, as possible scenarios range from the complete destruction of invested capital to its multiplication, and forecast risks are high. To achieve an excellent expected return, the company must succeed in rapid and capital-efficient commercialization because, as we highlighted in the forecast section, current capital sources will take a significant share of cash flows if commercialization is successful. In practice, in a favorable scenario, these funding sources would be refinanced through a share issuance at a higher share price, protecting existing owners from dilution. However, the need for refinancing in the medium term is very significant, especially compared to the still early stage of Betolar's business. Trading volume in the stock has dwindled, and news about progress in commercialization will be the primary driver of the stock in the short term. The company's planned Capital Markets Day could potentially clarify the commercialization path, which could decrease the required return. In light of the changes in our estimates, we lower our target price to EUR 0.9, and the weak risk-reward ratio warrants a Sell recommendation.

Valuation	2026e	2027e	2028e
Share price	1.13	1.13	1.13
Number of shares, millions	21.6	22.5	22.5
Market cap	24	25	25
EV	25	31	36
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	neg.	neg.	neg.
P/S	14.3	8.5	4.9
EV/Sales	15.0	10.3	6.9
EV/EBITDA	neg.	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

Valuation table

Valuation	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	1.20	0.64	1.05	1.13	1.13	1.13	1.13
Number of shares, millions	19.6	21.6	21.6	21.6	22.5	22.5	22.5
Market cap	23	14	23	24	25	25	25
EV	15	11	25	25	31	36	40
P/E (adj.)	neg.	neg.	neg.	neg.	neg.	neg.	neg.
P/E	neg.	neg.	neg.	neg.	neg.	neg.	neg.
P/B	1.7	1.7	10.2	neg.	neg.	neg.	neg.
P/S	45.5	18.1	23.9	14.3	8.5	4.9	3.2
EV/Sales	28.6	13.9	26.1	15.0	10.3	6.9	5.0
EV/EBITDA	neg.	neg.	neg.	neg.	neg.	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

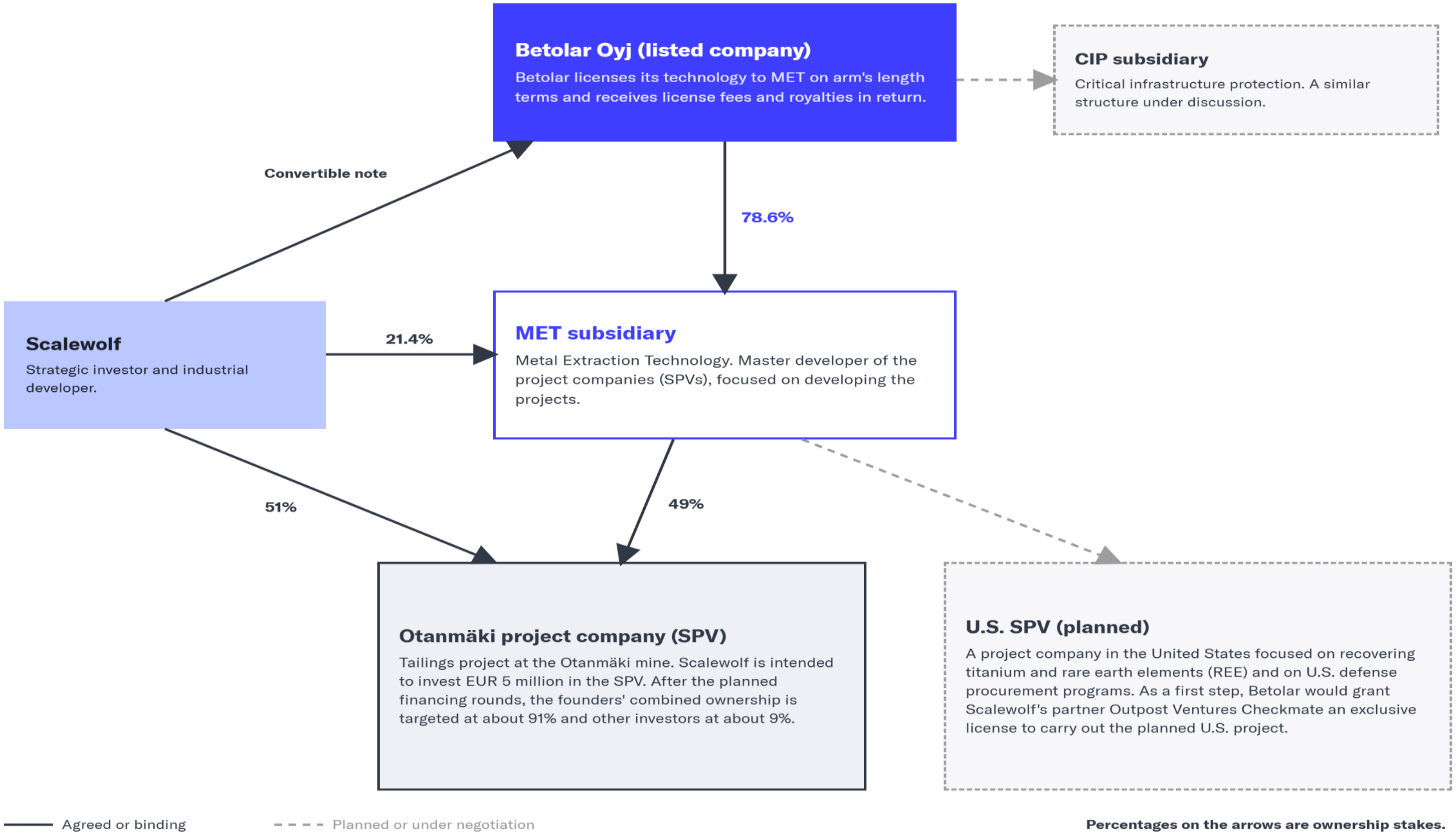
Source: Inderes

Announced financial arrangements for 2026

Investor	Instrument	Level	Amount	Certainty
Ajanta Innovaatiot 2 Ky	Convertible note	Betolar Oyj	**1.0 MEUR**	Confirmed
Ilmarinen	Convertible note	Betolar Oyj	**1.0 MEUR**	Confirmed
Nidoco AB	Convertible note	Betolar Oyj	**1.0 MEUR**	Confirmed
Scalewolf	Convertible note, tap issue	Betolar Oyj	**3.0 MEUR**	Binding, conditional on Board resolution
Danske Bank	Term loan	Betolar Oyj	**3.0 MEUR**	Confirmed
Scalewolf	Equity	MET subsidiary	**3.0 MEUR**	Letter of intent
Scalewolf	Equity	Otanmäki project company	**5.0 MEUR**	Letter of intent
Other investors	Equity	Otanmäki project company		Planned
Total			**17 MEUR**	

The market value and enterprise value in the table take into account the projected change in the number of shares and net debt for the forecast years.

Planned commercialization structure



Peer group valuation

Peer group valuation	Market cap	EV	LV:n kasvu		EV/S		P/B
Company	MEUR	MEUR	2026e	2027e	2026e	2027e	2026e
Bioretec	37	34	33%	59%	6.3	4.0	2.8
Spinnova	24	5	200%	1900%	17.9	0.9	1.2
Aiforia	41	39	-39%	69%	15.3	9.1	3.1
Hoffman Green cement	73	97	75%	54%	5.2	3.4	1.4
Solar Foods	150	159		60%	63.6	39.8	4.6
Nightingale Health	35	-3	-6%	52%	-0.4	-0.3	1.0
Canatu	225	135	64%	89%	5.3	2.8	2.7
Betolar (Inderes)	24	25	80%	76%	15.0	10.3	-15.1
Average	83.6	66.6	55%	326%	16.2	8.5	2.4
Median	41.3	38.9	49%	60%	6.3	3.4	2.7
Diff-% to median	-41%	-35%	65%	27%	136%	202%	-654%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	2024	2025	H1'26	H2'26e	2026e	2027e	2028e	2029e
Revenue	0.5	0.8	0.9	0.9	0.8	1.7	3.0	5.2	8.0
Group	0.5	0.8	0.9	0.9	0.8	1.7	3.0	5.2	8.0
EBITDA	-11.2	-5.8	-3.7	-2.1	-1.5	-3.6	-1.9	-1.5	-0.6
Depreciation	-2.1	-2.1	-2.1	-0.9	-0.9	-1.8	-1.1	-1.2	-1.2
EBIT (excl. NRI)	-13.3	-8.0	-5.8	-3.0	-2.4	-5.4	-3.0	-2.7	-1.7
EBIT	-13.3	-8.0	-5.8	-3.0	-2.4	-5.4	-3.0	-2.7	-1.7
Share of profits in assoc. compan.	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1
Net financial items	0.1	0.2	-0.1	-0.1	-0.4	-0.5	-0.6	-0.6	-0.8
PTP	-13.2	-7.8	-5.9	-3.1	-2.8	-5.9	-3.7	-3.4	-2.6
Taxes	0.0	0.1	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	0.1	0.1	0.1
Net earnings	-13.2	-7.7	-5.9	-3.1	-2.8	-5.9	-3.6	-3.3	-2.5
EPS (adj.)	-0.67	-0.36	-0.28	-0.15	-0.14	-0.29	-0.19	-0.18	-0.15
EPS (rep.)	-0.67	-0.36	-0.28	-0.15	-0.14	-0.29	-0.19	-0.18	-0.15

Key figures	2023	2024	2025	H1'26	H2'26e	2026e	2027e	2028e	2029e
Revenue growth-%				116.3 %	51.2 %	79.9 %	76.3 %	73.3 %	53.8 %
Adjusted EBIT growth-%				3.9 %	10.4 %	6.9 %	44.1 %	12.1 %	34.6 %
EBITDA-%						-213.0 %	-63.9 %	-28.2 %	-6.9 %
Adjusted EBIT-%							-101.3 %	-51.3 %	-21.8 %
Net earnings-%							-120.3 %	-62.9 %	-31.4 %

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	5.4	4.3	4.5	5.3	6.0
Goodwill	0.0	0.0	0.0	0.0	0.0
Intangible assets	3.8	3.1	1.3	1.8	2.2
Tangible assets	1.0	0.9	1.9	2.3	2.7
Associated companies	0.0	0.0	1.0	0.9	0.8
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.4	0.3	0.3	0.3	0.3
Deferred tax assets	0.1	0.0	0.0	0.0	0.0
Current assets	9.7	7.8	14.1	11.1	4.6
Inventories	0.0	0.3	0.1	0.1	0.2
Other current assets	0.6	0.5	0.5	0.5	0.5
Receivables	0.1	0.2	0.2	0.3	0.5
Cash and equivalents	9.0	6.7	13.3	10.1	3.4
Balance sheet total	15.1	12.2	18.6	16.4	10.6

Source: Inderes

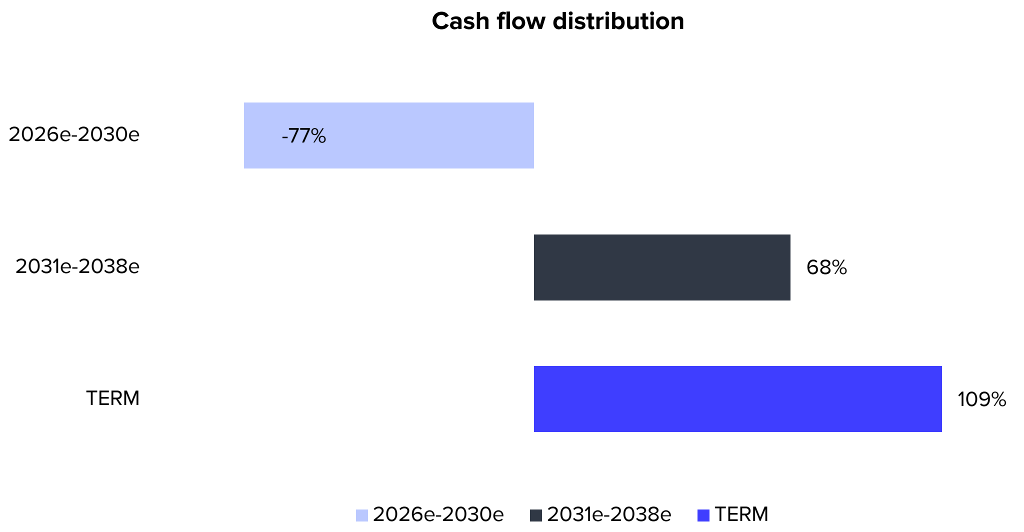
Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	8.1	2.2	5.2	2.2	-1.3
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	-39.3	-45.2	-51.4	-55.6	-59.6
Hybrid bonds	0.0	0.0	6.2	6.8	7.4
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	47.4	47.4	49.7	50.5	50.5
Minorities	0.0	0.0	0.6	0.5	0.2
Non-current liabilities	5.5	8.6	12.2	9.9	0.2
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	5.5	8.6	12.2	9.9	0.2
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	1.4	1.4	1.3	4.3	11.8
Interest bearing debt	0.3	0.2	0.2	3.2	10.6
Payables	0.2	0.2	0.1	0.2	0.3
Other current liabilities	1.0	0.9	0.9	0.9	0.9
Balance sheet total	15.1	12.2	18.6	16.4	10.6

DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	2037e
Revenue growth-%	24%	80%	76%	73%	54%	38%	27%	25%	36%	22%	20%	16%	6%
EBIT-%	-617%	-319%	-101%	-51%	-22%	-13%	-3%	6%	22%	30%	38%	36%	36%
EBIT (operating profit)	-5.8	-5.4	-3.0	-2.7	-1.7	-1.4	-0.4	1.0	5.2	8.7	13.2	14.4	15.5
+ Depreciation	2.1	1.8	1.1	1.2	1.2	1.4	1.7	2.1	2.3	2.6	2.7	2.8	2.8
- Paid taxes	0.2	0.0	0.0	0.0	0.0	0.2	0.3	0.0	-0.9	-1.6	-2.5	-2.7	-3.0
- Tax, financial expenses	0.0	0.0	0.0	0.0	0.0	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
- Change in working capital	-0.4	0.2	-0.1	-0.2	-0.2	-0.2	-0.2	-0.3	-0.5	-0.4	-0.5	-0.5	-0.2
Operating cash flow	-4.0	-3.4	-2.0	-1.6	-0.8	-0.1	1.1	2.6	6.0	9.2	12.8	13.9	15.1
+ 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
- Gross CAPEX	-1.2	-1.0	-2.0	-2.0	-2.0	-3.0	-3.0	-3.0	-3.0	-3.0	-3.0	-3.0	-3.0
Free operating cash flow	-5.2	-4.4	-4.0	-3.6	-2.8	-3.1	-1.9	-0.4	3.0	6.2	9.8	10.9	12.1
+/- Other	0.3	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	-4.9	-4.4	-4.0	-3.6	-2.8	-3.1	-1.9	-0.4	3.0	6.2	9.8	10.9	12.1
Discounted FCFF		-4.2	-3.3	-2.6	-1.7	-1.7	-0.9	-0.2	1.1	1.9	2.7	2.6	2.5
Sum of FCFF present value		17.5	21.7	25.1	27.7	29.4	31.1	32.0	32.2	31.1	29.1	26.5	23.9
Enterprise value DCF		17.5											
- Interest bearing debt		-8.8											
+ Cash and cash equivalents		6.7											
+ Associated companies		4.8											
-Minorities		-0.6											
-Dividend/capital return		0.0											
Equity value DCF		19.6											
Equity value DCF per share		0.9											

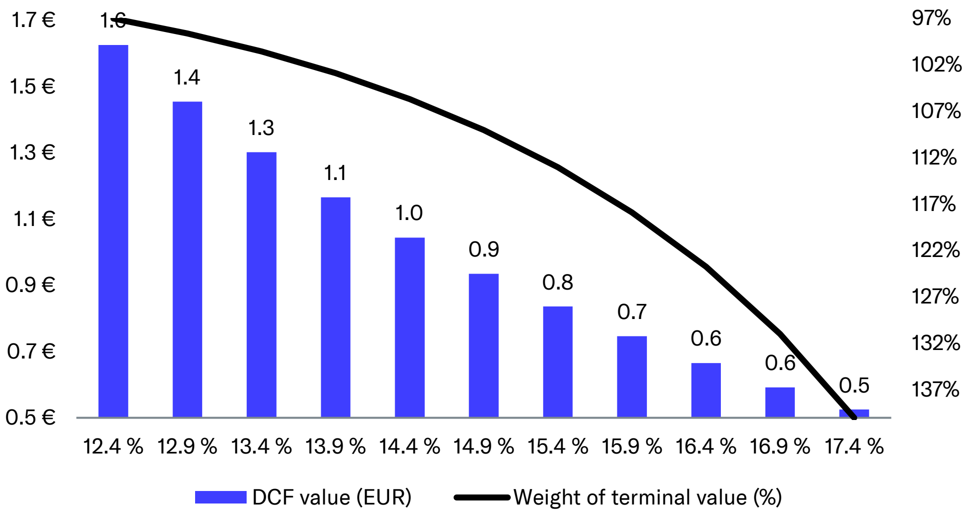
WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E)	10.0 %
Cost of debt	7.0 %
Equity Beta	2.40
Market risk premium	4.75%
Liquidity premium	2.00%
Risk free interest rate	2.5 %
Cost of equity	15.9 %
Weighted average cost of capital (WACC)	14.9 %

Source: Inderes

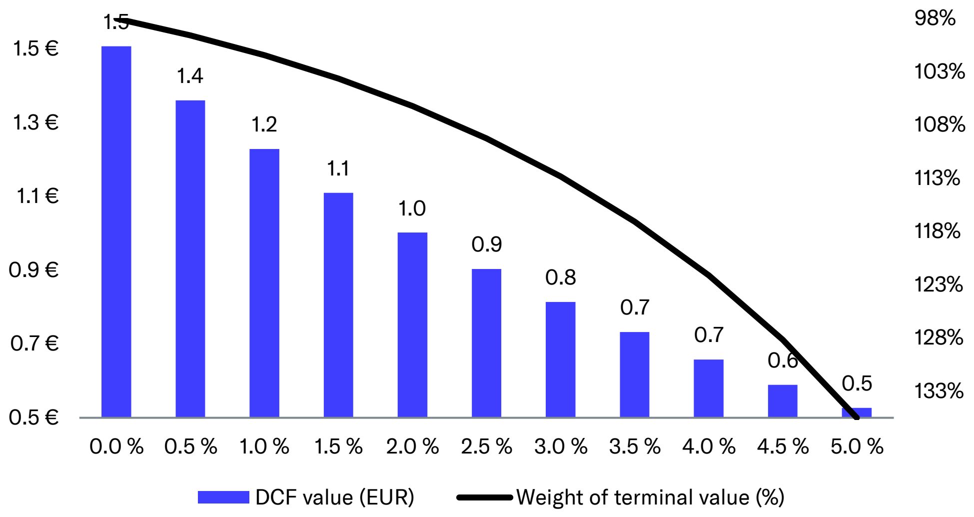


DCF sensitivity calculations and key assumptions in graphs

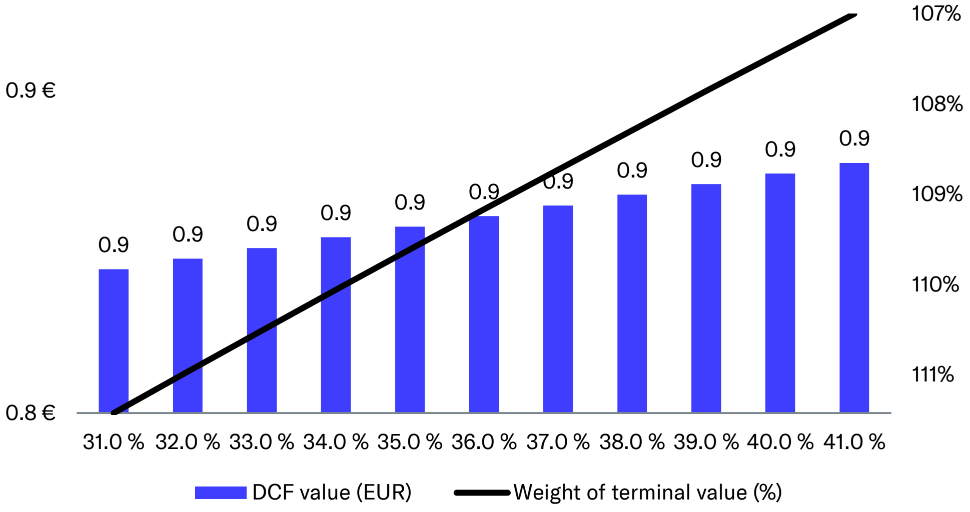
Sensitivity of DCF to changes in the WACC-%



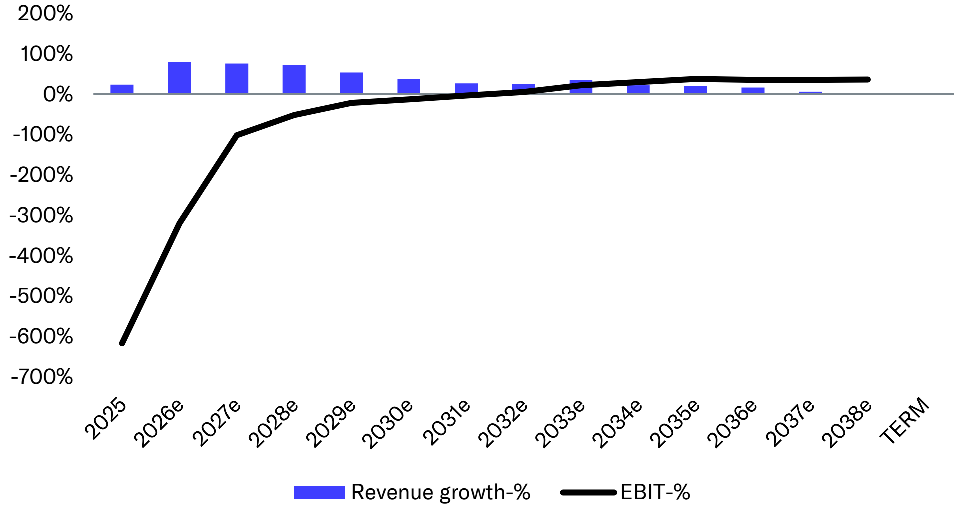
Sensitivity of DCF to changes in the risk-free rate



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	0.5	0.8	0.9	1.7	3.0
EBITDA	-11.2	-5.8	-3.7	-3.6	-1.9
EBIT	-13.3	-8.0	-5.8	-5.4	-3.0
PTP	-13.2	-7.8	-5.9	-5.9	-3.7
Net Income	-13.2	-7.7	-6.1	-5.9	-3.6
Extraordinary items	0.0	0.0	0.0	0.0	0.0

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	21.2	15.1	12.2	18.6	16.4
Equity capital	13.8	8.1	2.2	5.2	2.2
Goodwill	0.0	0.0	0.0	0.0	0.0
Net debt	-8.7	-3.2	2.1	-0.9	3.0

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	-11.2	-5.8	-3.7	-3.6	-1.9
Change in working capital	-0.8	-0.5	-0.4	0.2	-0.1
Operating cash flow	-11.9	-6.4	-4.0	-3.4	-2.0
CAPEX	-3.4	-1.5	-1.2	-1.0	-2.0
Free cash flow	-15.4	-5.8	-4.9	-4.4	-4.0

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S	28.6	13.9	26.1	15.0	10.3
EV/EBITDA	neg.	neg.	neg.	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.
P/E (adj.)	neg.	neg.	neg.	neg.	neg.
P/B	1.7	1.7	10.2	neg.	neg.
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Inderes

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	-0.67	-0.36	-0.28	-0.29	-0.19
EPS (adj.)	-0.67	-0.36	-0.28	-0.29	-0.19
OCF / share	-0.61	-0.30	-0.18	-0.16	-0.09
OFCF / share	-0.78	-0.27	-0.23	-0.21	-0.18
Book value / share	0.70	0.38	0.10	0.21	0.08
Dividend / share	0.00	0.00	0.00	0.00	0.00

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	79%	48%	24%	80%	76%
EBITDA growth-%	-12%	48%	36%	2%	47%
EBIT (adj.) growth-%	-15%	40%	27%	7%	44%
EPS (adj.) growth-%	-11%	47%	21%	-2%	34%
EBITDA-%					-63.9 %
EBIT (adj.)-%					-101.3 %
EBIT-%					-101.3 %
ROE-%	-65.4 %	-70.5 %	-117.5 %	-176.1 %	-115.9 %
ROI-%	-53.7 %	-47.2 %	-46.3 %	-36.9 %	-18.0 %
Equity ratio	64.9 %	54.1 %	18.2 %	27.8 %	13.5 %
Gearing	-63.2 %	-39.5 %	94.5 %	-17.5 %	133.9 %
Net debt/EBITDA	0.8	0.6	-0.6	0.2	-1.5
EBITDA/net financials	134.7	35.0	-39.9	-7.6	-3.2

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

Disclaimer and recommendation history

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

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

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

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

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

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

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

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

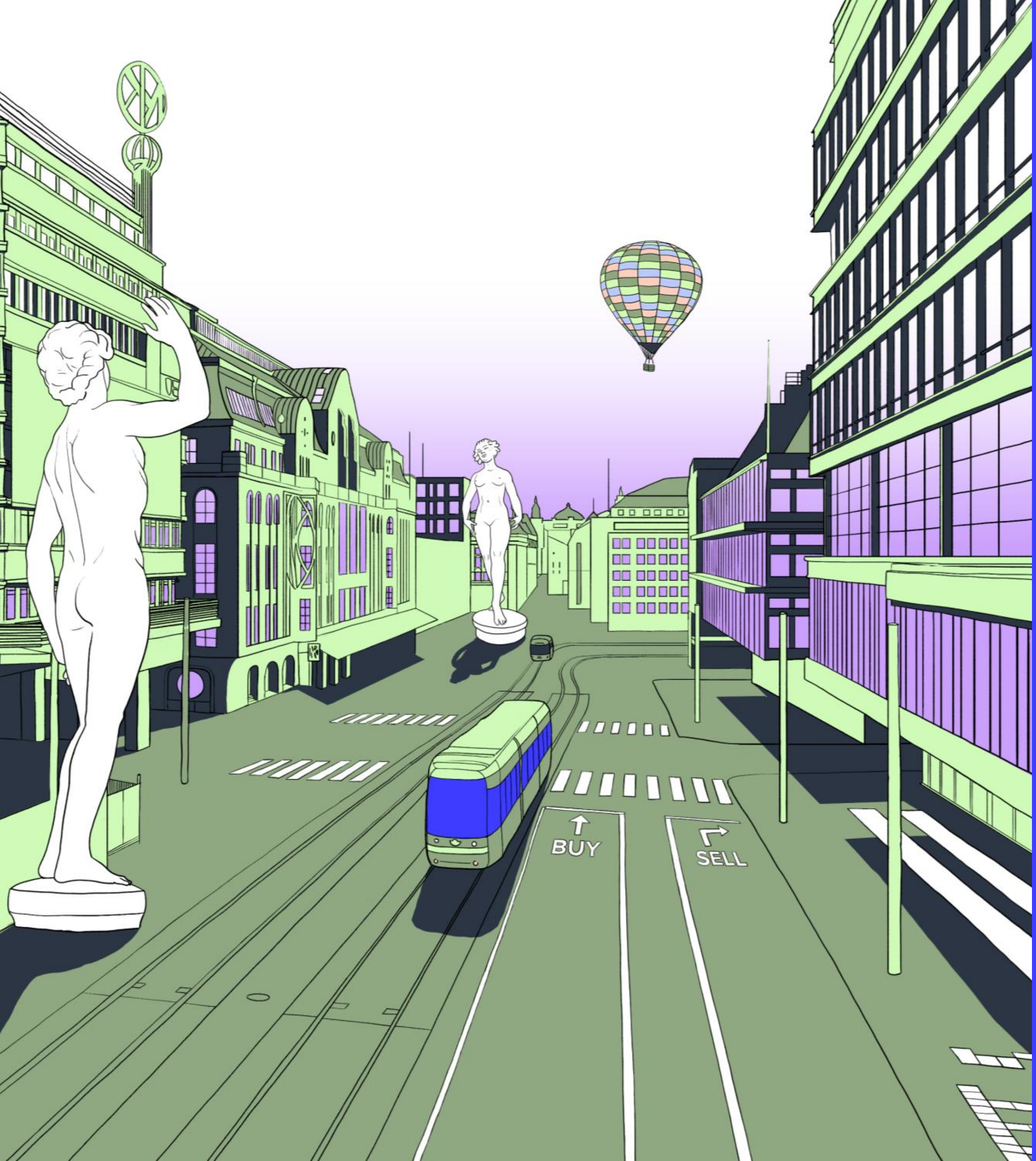
Inderes or its partners whose customer relationships may have a financial impact on Inderes may, in their business operations, seek assignments with various issuers with respect to services provided by Inderes or its partners. Thus, Inderes may be in a direct or indirect contractual relationship with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

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

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

Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
11/3/2022	Reduce	3.00 €	2.86 €
1/16/2023	Reduce	3.00 €	3.07 €
2/15/2023	Reduce	3.00 €	2.98 €
8/25/2023	Reduce	2.20 €	2.31 €
9/27/2023	Reduce	1.20 €	1.28 €
11/6/2023	Reduce	1.10 €	0.97 €
2/16/2024	Reduce	1.10 €	1.20 €
4/22/2024	Sell	1.00 €	1.16 €
5/2/2024	Reduce	1.00 €	1.05 €
8/27/2024	Sell	1.00 €	1.20 €
8/29/2024	Sell	1.00 €	1.19 €
11/4/2024	Reduce	1.00 €	0.90 €
2/6/2025	Reduce	0.90 €	0.85 €
4/28/2025	Reduce	1.20 €	1.38 €
7/21/2025	Reduce	1.20 €	1.18 €
10/6/2025	Reduce	1.30 €	1.25 €
10/28/2025	Reduce	1.30 €	1.30 €
2/6/2026	Reduce	1.30 €	1.28 €
3/30/2026	Reduce	1.10 €	0.95 €
4/23/2026	Sell	1.00 €	1.10 €
8/13/2026	Sell	0.90 €	1.13 €



CONNECTING INVESTORS AND COMPANIES.

Inderes democratizes financial information by connecting investors and listed companies. For investors, we are an investing community and a trusted source of financial information and equity research. For listed companies, we are a partner in delivering high-quality investor relations. Over 500 listed companies in Europe use our investor relations products and equity research services to provide better investor communications to their shareholders.

Our goal is to be the most investor-minded company in finance. Inderes was founded in 2009 by investors, for investors. As a Nasdaq First North-listed company, we understand the day-to-day reality of our customers.

Inderes Ab
Vattugatan 17, 5tr
Stockholm
+46 8 411 43 80

inderes.se

Inderes Oyj
Porkkalankatu 5
00180 Helsinki
+358 10 219 4690

inderes.fi