

Vulcan Energy Resources

Australia | Basic Materials | MCap AUD 1,071.3m

29 July 2022

UPDATE



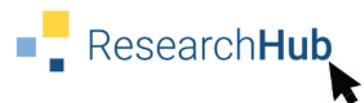
Increasing positive momentum at local level, drilling to start soon – BUY

What's it all about?

Vulcan Energy Resources is experiencing an increasing positive momentum of the political backing, as Germany's high dependence on Russian gas produces a more favorable climate towards geothermal energy. This week, Vulcan Energy Resources has received approval for its 3D seismic program from eight local councils within its license area in Rhineland-Palatine. Also, the company is making progress on developing the Taro license, while adding additional exploration licenses to its portfolio. The favorable political environment should continue to provide tailwinds. Regarding the upcoming Definitive Feasibility Study and an enhanced Pre-Feasibility-Study, we will update our capex projections upon release. More importantly, we expect the production targets to increase, which we believe to be a catalyst for Vulcan's share price. We confirm our PT with AUD 20.00, equivalent to EUR 13.71 and reiterate to BUY.

BUY (BUY)

Target price	AUD 20.00 (20.00)
Current price	AUD 7.80
Up/downside	156.4%



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

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Increasing positive momentum, drilling to start soon

This week, Vulcan Energy Resources has received approval for its 3D seismic program from eight local councils within its license area in Rhineland-Palatine. This follows the recently gained commitment from the City Council of Landau to support geothermal energy production in the area. The survey is currently being pre-designed and is planned to commence in September 2022. The 3D seismic work will be used for the future development drill planning in Vulcan's Phase 1 areas. Germany's high dependence on Russian gas produces a more favorable climate towards geothermal energy. Meanwhile, Vulcan received a positive result for its preliminary EIA application (UVP-V, environmental assessment) in its Taro license, to drill six wells for geothermal energy and lithium. Also land acquisition for the drilling and geothermal plant site in the Taro license area has started.

After adding Fuchsmantel/Flaggenturm in June, Vulcan has been granted another new exploration license (designation Ried). In 2022, Vulcan has aggregated several licenses, more than doubling the license area from 677 km² (per 31.12.21) to 1,440 km². While Vulcan already has access to existing 3D seismic data over the new exploration license, discussions to acquire further data are ongoing.

The upcoming Definitive Feasibility Study (DFS) for Phase 1 renewable energy and lithium production is progressing well Vulcan is progressing well and is scheduled for H2 2022. An updated Pre-Feasibility-Study (PFS) for Phase 2 is targeted for completion at the same time. Vulcan is aiming to increase production for Phase 1 significantly relative to previous PFS assumptions, considering increased customer demand for both renewable energy and lithium hydroxide.

Conclusion: Vulcan faces a landmark year, as it will soon enter a multi-year capex-intensive phase. Building on a strong cash position of EUR 175m per 30 June 2022, the company is preparing its drilling program to commence, while the rigs are currently being prepared. The favorable political environment should continue to provide tailwinds. Regarding the upcoming DFS and PFS, we will update our capex projections upon release. More importantly, we expect the production targets to increase, which we believe to be a catalyst for Vulcan's share price. We confirm our PT with AUD 20.00, equivalent to EUR 13.71 and reiterate to BUY.

Vulcan Energy	2020	2021	2022E	2023E	2024E	2025E
Sales	0.0	0.0	4.7	8.8	18.1	187.2
<i>Growth yoy</i>	na	na	na	87.5%	107.1%	932.9%
EBITDA	-3.3	-10.5	-14.4	-14.4	-10.6	133.2
EBIT	-3.6	-10.9	-14.4	-14.6	-13.5	102.6
Net profit	-3.6	-10.7	-9.7	-31.8	-45.4	35.8
Net debt (net cash)	-6.4	-114.1	-332.1	-436.7	213.5	721.6
Net debt/EBITDA	1.9x	10.9x	23.1x	30.4x	-20.2x	5.4x
EPS reported	-0.07	-0.12	-0.07	-0.20	-0.26	0.20
DPS	0.00	0.00	0.00	0.00	0.00	0.00
<i>Dividend yield</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross profit margin	na	na	53.1%	50.0%	41.3%	66.6%
EBITDA margin	na	na	-307.7%	-164.2%	-58.4%	71.2%
EBIT margin	na	na	-309.1%	-167.1%	-74.6%	54.8%
ROCE	-40.5%	-8.4%	-3.9%	-0.9%	-0.5%	4.0%
EV/EBITDA	-321.4x	-91.1x	-51.5x	-44.2x	-121.4x	13.5x
EV/EBIT	-295.9x	-88.1x	-51.2x	-43.4x	-95.0x	17.5x
PER	-105.9x	-63.3x	-109.9x	-38.3x	-29.6x	39.2x
FCF yield	-0.4%	-0.5%	-1.0%	-2.3%	-3.6%	-1.5%

Source: Company data, AlsterResearch; Fiscal year end: 30. June



Source: Company data, AlsterResearch

High/low 52 weeks 16.65 / 5.00
Price/Book Ratio 2.9x

Ticker / Symbols

ISIN AU0000066086
WKN A2PV3A
Bloomberg VUL:AU

Changes in estimates

		Sales	EBIT	EPS
2022E	old	4.9	-14.3	-0.07
	Δ	0.0%	na	na
2023E	old	9.2	-14.4	-0.21
	Δ	0.0%	na	na
2024E	old	18.4	-13.4	-0.27
	Δ	0.0%	na	na

Key share data

Number of shares: (in m pcs) 137.34
Book value per share: (in AUD) 2.67
Ø trading volume: (12 months) 40,000

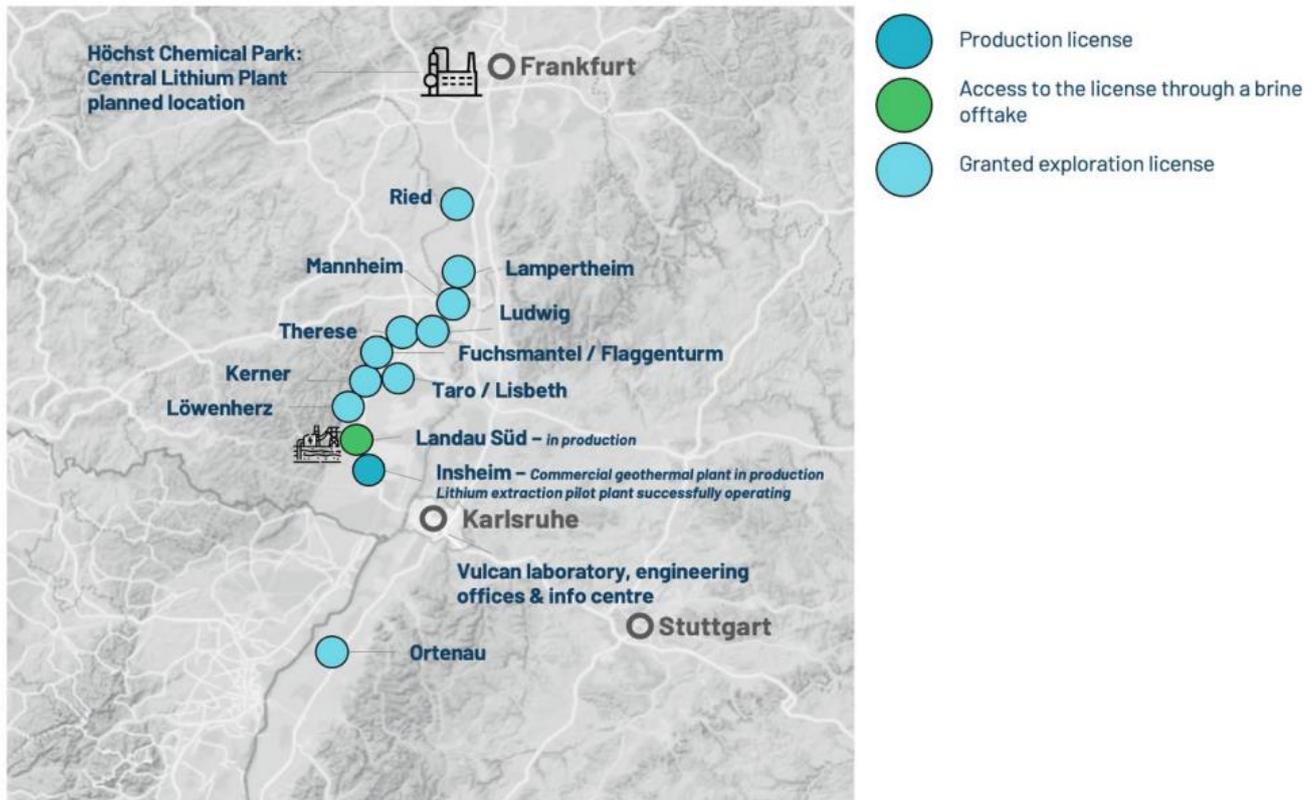
Major shareholders

F. Wedin 11.5%
Stellantis Group 8.0%
Hancock Prospecting 5.6%
Free Float 69.6%

Company description

The Australian lithium chemicals & renewable energy company Vulcan Energy Resources Ltd. has been developing a project in the Upper Rhine Valley in Germany that combines the use of thermal water as an energy source (hydrogeothermal energy) with the extraction of the lithium contained in the geothermal brine without polluting the environment with emissions, waste material or toxic substances. With a CO2 footprint of "zero", the project is predestined to mark the beginning of the decarbonization of the battery industry.

Upper Rhine Valley Brine Field (URVBF) license areas



Source : Company data

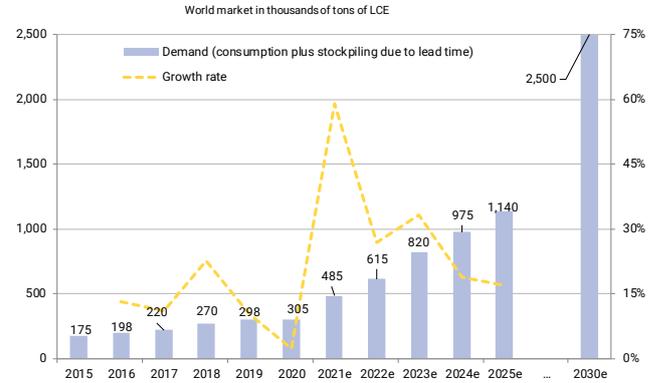
Investment case in six charts

Germany: Electric Vehicles (EV) & Battery EV



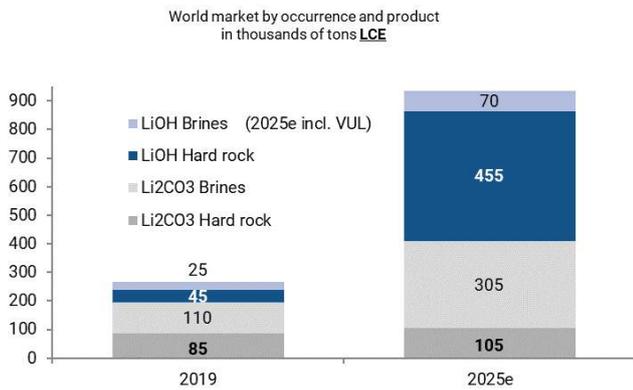
Source: Kraftfahrtbundesamt

World market: Lithium demand



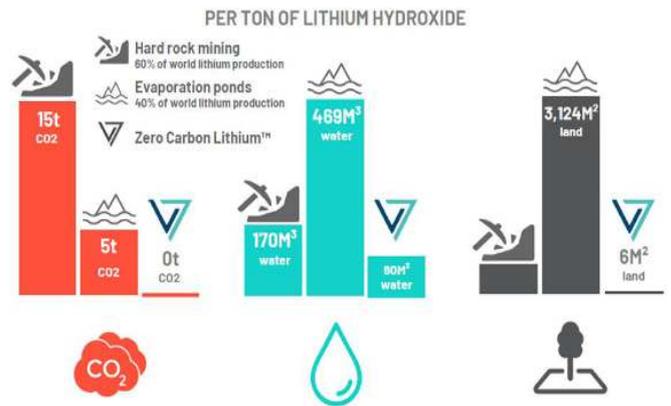
Source: Austral. Gov. (Resources and Energy Quarterly Sep 18 to Sep 21), Albemarle (graphic Sep 2021), Data processing: SRH AlsterResearch

World market: Structure of Li supply



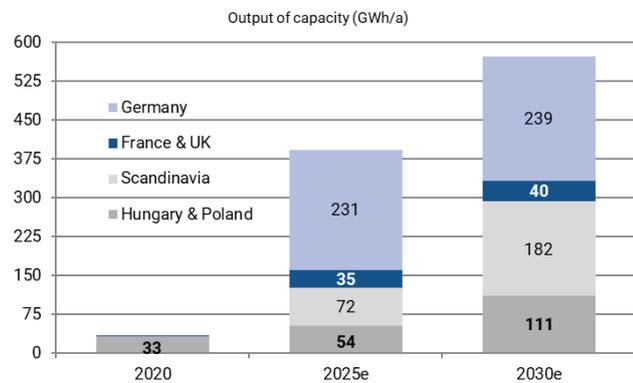
Source: Albemarle (graphic Dec 2019, reconfirmed Sep 2021), Note on VUL/Vulcan Energy Resources: SRH AlsterResearch

Environmental Footprint



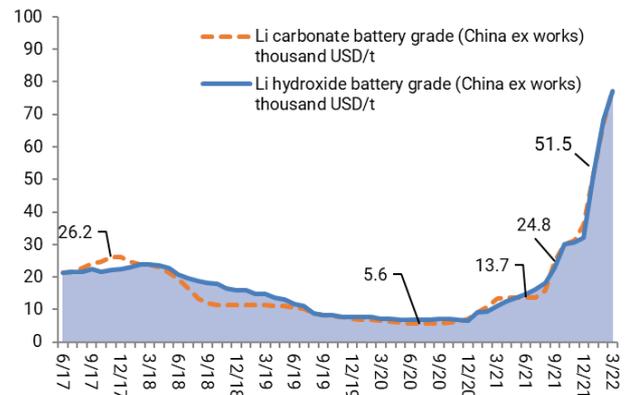
Source: Vulcan Energy Resources

Europe: Lithium-ion battery cell factories



Source: Fraunhofer ISI (Jan 2020)

Pricing performance Lithium



Source: Deutsche Rohstoffagentur (Preismonitor, data LC prices), Data processing LiOH prices: SRH AlsterResearch

SWOT Analysis

Strength

- Location: Close proximity to the European battery industry, which is currently being established, short transportation distance (carbon footprint, 1st aspect)
- Largest JORC-compliant lithium resource in Europe (Inferred and Indicated Mineral Resource)
- Carbon footprint, 2nd aspect: Lithium production using geothermal energy, without polluting the environment with emissions, waste material or toxic substances.
- Cash position of EUR 175m (30.06.2022) is sufficient for accelerated project development, including extensive test work and development of pilot plants. Advancement of the Zero Carbon Lithium™ Project is not dependent on securing further external funds before the stage is set for the final investment decision (FID), a juncture by which risk related discounts will have eased significantly.
- Lithium is separated within a matter of hours, eliminating external interference factors
- Lithium marketing has not only started, but per December 2021, the orderbook for the first six years of production has already been filled: LG Energy Solution has secured annual supplies of up to 10 thousand t LiOH from Vulcan. Umicore is to purchase up to 42 thousand t of battery grade LiOH over a five-year term. Renault Group signed a binding offtake agreement to purchase 32 thousand t battery grade LiOH within six years (2026 to 2032). Stellantis will purchase a minimum of 81 thousand t and a maximum of 99 thousand t of battery grade LiOH within five years, starting in 2026. Volkswagen will purchase up to 42 thousand t LiOH over five years from 2026.

Weaknesses

- Further funds required for project implementation have yet to be raised
- Investment lead time will take more than two years

Opportunities

- Head start in the race to commercialize Lithium within Central Europe: Preliminary Feasibility Study (PFS) brings about the leading and – for the time being – a unique position
- Rapid growth in lithium demand among the European battery industry
- Contribution to an independent European lithium supply chain (supply aspect, short transportation distances) creates an incentive for the battery industry to pay a premium over the lithium reference price
- Low-cost asset: Opportunity for operating costs at the lower end/in the lower quartile of the global peer group cost curve
- Income from electricity feed-in as a second source of revenue besides lithium sales

Threats

- The reference price for lithium based on imports in China/Korea/ Japan could come under pressure – as occurred in 2018 and 2019 – and put a damper on investor sentiment
- Approval procedures, in particular legal action against authorisations granted, could delay implementation

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

The adjusted Free Cash Flow Yield results in a **fair value between AUD 0.93 per share based on 2022E and AUD 36.10 per share on 2026E estimates**. It has to be kept in mind that FCF yield methodology does not factor in expansion capex.

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

FCF yield in AUDm	2022E	2023E	2024E	2025E	2026E
EBITDA	-14.4	-14.4	-10.6	133.2	557.0
- Maintenance capex	0.1	-2.9	0.1	70.0	80.5
- Minorities	0.0	0.0	0.0	0.0	0.0
- tax expenses	-4.2	-13.6	-19.5	15.4	126.9
= Adjusted FCF	-10.2	2.2	8.8	47.8	349.7
Actual Market Cap	1,118.0	1,118.0	1,118.0	1,118.0	1,118.0
+ Net debt (cash)	-332.1	-436.7	213.5	721.6	491.6
+ Pension provisions	0.0	0.0	0.0	0.0	0.0
+ Off b/s financing	0.0	0.0	0.0	0.0	0.0
- Financial assets	0.0	0.0	0.0	0.0	0.0
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
<i>EV Reconciliations</i>	-332.1	-436.7	213.5	721.6	491.6
= Actual EV'	786.0	681.3	1,331.5	1,839.6	1,609.6
Adjusted FCF yield	-1.3%	0.3%	0.7%	2.6%	21.7%
base hurdle rate	6.0%	6.0%	6.0%	6.0%	6.0%
ESG adjustment	1.0%	1.0%	1.0%	1.0%	1.0%
adjusted hurdle rate	5.0%	5.0%	5.0%	5.0%	5.0%
Fair EV	-205.0	43.2	175.3	956.7	6,993.9
- <i>EV Reconciliations</i>	-332.1	-436.7	213.5	721.6	491.6
Fair Market Cap	127.1	479.9	-38.2	235.1	6,502.2
No. of shares (million)	137.3	156.1	172.4	180.1	180.1
Fair value per share in AUD	0.93	3.07	-0.22	1.31	36.10
Premium (-) / discount (+)	-88.1%	-60.6%	-102.8%	-83.3%	362.8%

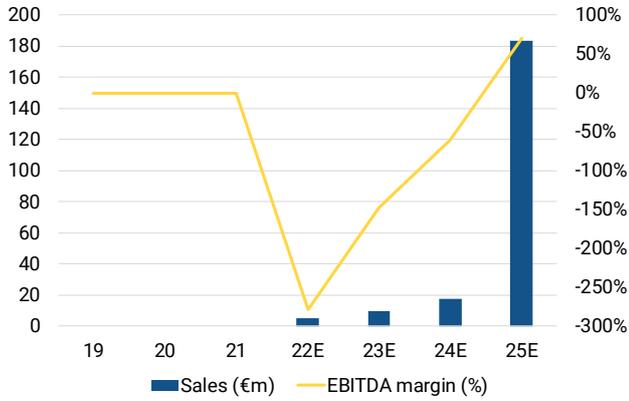
Sensitivity analysis fair value						
Adjusted hurdle rate	3.0%	-0.1	3.3	0.5	4.8	62.0
	4.0%	0.6	3.1	0.0	2.6	45.8
	5.0%	0.9	3.1	-0.2	1.3	36.1
	6.0%	1.2	3.0	-0.4	0.4	29.6
	7.0%	1.4	3.0	-0.5	-0.2	25.0

Source: Company data; AlsterResearch

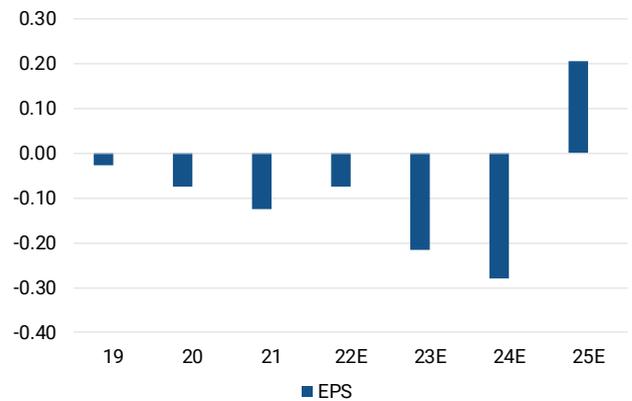
Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments might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

Financials in six charts

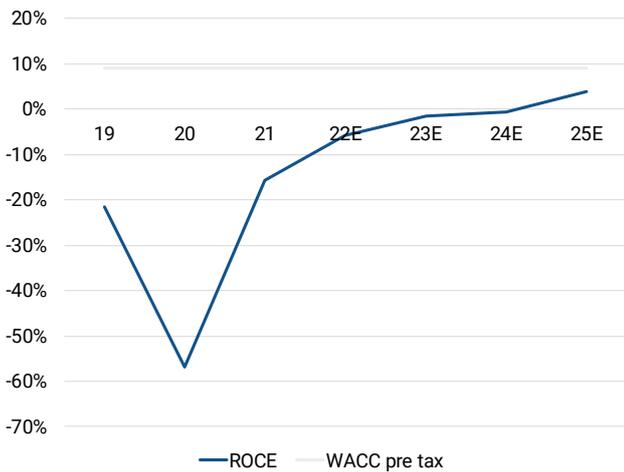
Sales vs. EBITDA margin development



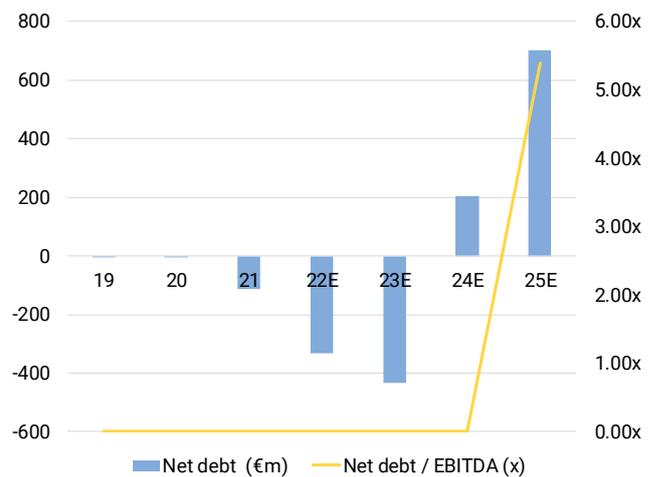
EPS in AUD



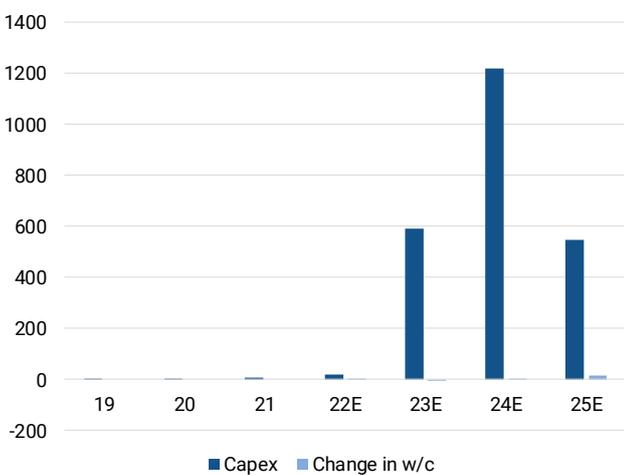
ROCE vs. WACC (pre tax)



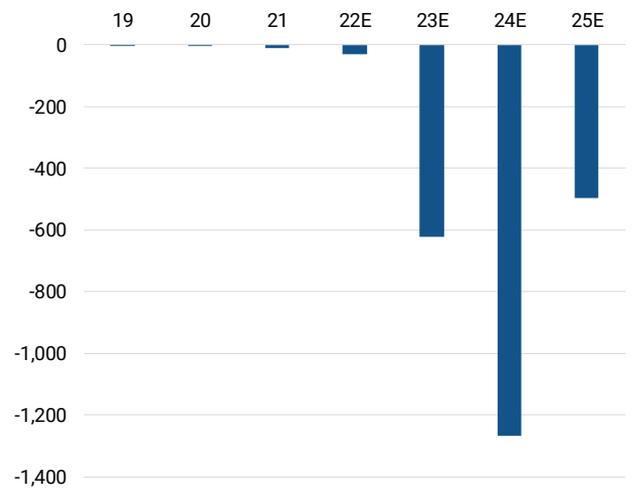
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in AUDm



Free Cash Flow in AUDm



Source: Company data; AlsterResearch

Financials

Profit and loss (AUDm)	2020	2021	2022E	2023E	2024E	2025E
Sales	0.0	0.0	4.7	8.8	18.1	187.2
Sales growth	NaN%	NaN%	Infinity%	87.5%	107.1%	932.9%
Cost of sales	0.0	0.0	2.2	4.4	10.6	62.6
Gross profit	0.0	0.0	2.5	4.4	7.5	124.6
SG&A expenses	3.4	11.1	16.9	19.0	21.0	22.0
Research and development	0.0	0.0	0.0	0.0	0.0	0.0
Other operating expenses (income)	-0.0	-0.6	0.0	0.0	0.0	0.0
EBITDA	-3.3	-10.5	-14.4	-14.4	-10.6	133.2
Depreciation	0.3	0.4	0.1	-2.9	0.1	28.1
EBITA	-3.6	-10.9	-14.4	-11.5	-10.7	105.1
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	3.2	2.8	2.5
EBIT	-3.6	-10.9	-14.4	-14.6	-13.5	102.6
Financial result	0.0	0.1	0.5	-30.8	-51.4	-51.4
Recurring pretax income from continuing operations	-3.6	-10.7	-13.9	-45.4	-64.9	51.2
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-3.6	-10.7	-13.9	-45.4	-64.9	51.2
Taxes	0.0	0.0	-4.2	-13.6	-19.5	15.4
Net income from continuing operations	-3.6	-10.7	-9.7	-31.8	-45.4	35.8
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-3.6	-10.7	-9.7	-31.8	-45.4	35.8
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-3.6	-10.7	-9.7	-31.8	-45.4	35.8
Average number of shares	48.23	87.20	137.34	156.10	172.41	180.11
EPS reported	-0.07	-0.12	-0.07	-0.20	-0.26	0.20

Profit and loss (common size)	2020	2021	2022E	2023E	2024E	2025E
Sales	na	na	100%	100%	100%	100%
Cost of sales	na	na	47%	50%	59%	33%
Gross profit	na	na	53%	50%	41%	67%
SG&A expenses	na	na	362%	217%	116%	12%
Research and development	na	na	0%	0%	0%	0%
Other operating expenses (income)	na	na	0%	0%	0%	0%
EBITDA	na	na	-308%	-164%	-58%	71%
Depreciation	na	na	1%	-33%	1%	15%
EBITA	na	na	-309%	-131%	-59%	56%
Amortisation of goodwill and intangible assets	na	na	0%	36%	16%	1%
EBIT	na	na	-309%	-167%	-75%	55%
Financial result	na	na	11%	-352%	-283%	-27%
Recurring pretax income from continuing operations	na	na	-298%	-519%	-358%	27%
Extraordinary income/loss	na	na	0%	0%	0%	0%
Earnings before taxes	na	na	-298%	-519%	-358%	27%
Taxes	na	na	-90%	-156%	-107%	8%
Net income from continuing operations	na	na	-209%	-363%	-251%	19%
Result from discontinued operations (net of tax)	na	na	0%	0%	0%	0%
Net income	na	na	-209%	-363%	-251%	19%
Minority interest	na	na	0%	0%	0%	0%
Net profit (reported)	na	na	-209%	-363%	-251%	19%

Source: Company data; AlsterResearch

Balance sheet (AUDm)	2020	2021	2022E	2023E	2024E	2025E
Intangible assets (excl. Goodwill)	2.6	14.4	15.8	14.1	12.7	11.6
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	0.0	1.5	18.8	623.2	1,866.5	2,394.3
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0
FIXED ASSETS	2.6	15.8	34.6	637.2	1,879.1	2,405.9
Inventories	0.0	0.0	0.0	0.0	6.8	27.5
Accounts receivable	0.1	1.2	0.2	0.4	0.7	7.7
Other current assets	0.0	0.0	0.0	0.0	0.0	0.0
Liquid assets	6.4	114.7	332.1	958.3	651.1	143.0
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	6.5	115.9	332.3	958.7	658.7	178.2
TOTAL ASSETS	9.1	131.7	366.8	1,595.9	2,537.8	2,584.1
SHAREHOLDERS EQUITY	8.9	129.0	366.4	1,073.4	1,671.1	1,707.0
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	0.0	0.5	0.0	521.6	864.6	864.6
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	0.0	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	0.0	0.5	0.0	521.6	864.6	864.6
short-term liabilities to banks	0.0	0.1	0.0	0.0	0.0	0.0
Accounts payable	0.2	2.1	0.4	0.9	2.1	12.5
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	0.0	0.1	0.0	0.0	0.0	0.0
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	0.2	2.3	0.4	0.9	2.1	12.5
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	9.1	131.7	366.8	1,595.9	2,537.8	2,584.1

Balance sheet (common size)	2020	2021	2022E	2023E	2024E	2025E
Intangible assets (excl. Goodwill)	28%	11%	4%	1%	0%	0%
Goodwill	0%	0%	0%	0%	0%	0%
Property, plant and equipment	0%	1%	5%	39%	74%	93%
Financial assets	0%	0%	0%	0%	0%	0%
FIXED ASSETS	28%	12%	9%	40%	74%	93%
Inventories	0%	0%	0%	0%	0%	1%
Accounts receivable	1%	1%	0%	0%	0%	0%
Other current assets	0%	0%	0%	0%	0%	0%
Liquid assets	71%	87%	91%	60%	26%	6%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	0%	0%	0%	0%	0%	0%
CURRENT ASSETS	72%	88%	91%	60%	26%	7%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	98%	98%	100%	67%	66%	66%
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	0%	0%	0%	33%	34%	33%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	0%	0%	0%	0%	0%	0%
Non-current liabilities	0%	0%	0%	33%	34%	33%
short-term liabilities to banks	0%	0%	0%	0%	0%	0%
Accounts payable	2%	2%	0%	0%	0%	0%
Advance payments received on orders	0%	0%	0%	0%	0%	0%
Other liabilities (incl. from lease and rental contracts)	0%	0%	0%	0%	0%	0%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	0%	0%	0%	0%	0%	0%
Current liabilities	2%	2%	0%	0%	0%	0%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; AlsterResearch

Cash flow statement (AUDm)	2020	2021	2022E	2023E	2024E	2025E
Net profit/loss	-3.6	-10.7	-9.7	-31.8	-45.4	35.8
Depreciation of fixed assets (incl. leases)	0.0	0.0	0.1	-2.9	0.1	28.1
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	3.2	2.8	2.5
Others	0.1	0.6	0.0	0.0	0.0	0.0
Cash flow from operations before changes in w/c	-1.3	-2.8	-9.7	-31.5	-42.5	66.5
Increase/decrease in inventory	0.0	0.0	0.0	0.0	-6.8	-20.7
Increase/decrease in accounts receivable	0.0	0.0	1.0	-0.2	-0.4	-6.9
Increase/decrease in accounts payable	0.0	0.0	-1.7	0.4	1.3	10.4
Increase/decrease in other w/c positions	0.0	0.0	-0.1	0.0	0.0	0.0
Increase/decrease in working capital	0.0	0.0	-0.8	0.3	-5.9	-17.3
Cash flow from operating activities	-1.3	-2.8	-10.4	-31.3	-48.4	49.2
CAPEX	-1.2	-7.1	-18.8	-602.9	-1,244.9	-557.3
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	-1.2	-7.1	-18.8	-602.9	-1,244.9	-557.3
Cash flow before financing	-2.6	-10.0	-29.2	-634.2	-1,293.3	-508.2
Increase/decrease in debt position	0.0	-0.0	-0.6	521.6	343.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	5.6	118.3	247.2	738.8	643.1	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	-0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	5.6	118.3	246.6	1,260.5	986.1	0.0
Increase/decrease in liquid assets	3.1	108.3	217.4	626.3	-307.2	-508.2
Liquid assets at end of period	6.4	114.7	332.1	958.3	651.1	143.0

Source: Company data; AlsterResearch

Regional sales split (AUDm)	2020	2021	2022E	2023E	2024E	2025E
Domestic	0.0	0.0	4.7	8.8	18.1	187.2
Europe (ex domestic)	0.0	0.0	0.0	0.0	0.0	0.0
The Americas	0.0	0.0	0.0	0.0	0.0	0.0
Asia	0.0	0.0	0.0	0.0	0.0	0.0
Rest of World	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	0.0	0.0	4.7	8.8	18.1	187.2

Regional sales split (common size)	2020	2021	2022E	2023E	2024E	2025E
Domestic	na	na	100.0%	100.0%	100.0%	100.0%
Europe (ex domestic)	na	na	0.0%	0.0%	0.0%	0.0%
The Americas	na	na	0.0%	0.0%	0.0%	0.0%
Asia	na	na	0.0%	0.0%	0.0%	0.0%
Rest of World	na	na	0.0%	0.0%	0.0%	0.0%
Total sales	na	na	100%	100%	100%	100%

Source: Company data; AlsterResearch

Ratios	2020	2021	2022E	2023E	2024E	2025E
Per share data						
Earnings per share reported	-0.07	-0.12	-0.07	-0.20	-0.26	0.20
Cash flow per share	-0.03	-0.04	-0.08	-0.18	-0.28	-0.12
Book value per share	0.18	1.48	2.67	6.88	9.69	9.48
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	-105.9x	-63.3x	-109.9x	-38.3x	-29.6x	39.2x
P/CF	-232.5x	-212.5x	-102.0x	-42.9x	-27.7x	-67.5x
P/BV	42.3x	5.3x	2.9x	1.1x	0.8x	0.8x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-0.4%	-0.5%	-1.0%	-2.3%	-3.6%	-1.5%
EV/Sales	na	na	158.4x	72.5x	70.9x	9.6x
EV/EBITDA	-321.4x	-91.1x	-51.5x	-44.2x	-121.4x	13.5x
EV/EBIT	-295.9x	-88.1x	-51.2x	-43.4x	-95.0x	17.5x
Income statement (AUDm)						
Sales	0.0	0.0	4.7	8.8	18.1	187.2
yoy chg in %	na	na	na	87.5%	107.1%	932.9%
Gross profit	0.0	0.0	2.5	4.4	7.5	124.6
Gross margin in %	na	na	53.1%	50.0%	41.3%	66.6%
EBITDA	-3.3	-10.5	-14.4	-14.4	-10.6	133.2
EBITDA margin in %	na	na	-307.7%	-164.2%	-58.4%	71.2%
EBIT	-3.6	-10.9	-14.4	-14.6	-13.5	102.6
EBIT margin in %	na	na	-309.1%	-167.1%	-74.6%	54.8%
Net profit	-3.6	-10.7	-9.7	-31.8	-45.4	35.8
Cash flow statement (AUDm)						
CF from operations	-1.3	-2.8	-10.4	-31.3	-48.4	49.2
Capex	-1.2	-7.1	-18.8	-602.9	-1,244.9	-557.3
Maintenance Capex	0.3	0.4	0.1	-2.9	0.1	70.0
Free cash flow	-2.6	-10.0	-29.2	-634.2	-1,293.3	-508.2
Balance sheet (AUDm)						
Intangible assets	2.6	14.4	15.8	14.1	12.7	11.6
Tangible assets	0.0	1.5	18.8	623.2	1,866.5	2,394.3
Shareholders' equity	8.9	129.0	366.4	1,073.4	1,671.1	1,707.0
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	0.0	0.6	0.0	521.6	864.6	864.6
Net financial debt	-6.4	-114.1	-332.1	-436.7	213.5	721.6
w/c requirements	-0.1	-0.9	-0.2	-0.5	5.4	22.7
Ratios						
ROE	-40.0%	-8.3%	-2.7%	-3.0%	-2.7%	2.1%
ROCE	-40.5%	-8.4%	-3.9%	-0.9%	-0.5%	4.0%
Net gearing	-72.3%	-88.5%	-90.6%	-40.7%	12.8%	42.3%
Net debt / EBITDA	1.9x	10.9x	23.1x	30.4x	-20.2x	5.4x

Source: Company data; AlsterResearch

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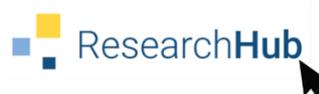
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