

NEWS FLASH

20 February 2025
Sweden

Consumer Discretionary & Staples

Research analysts:

Örjan Rödén

Niutech Group

Share price: SEK0.71

Fair value range: SEK3.1–7.1

Weak quarter with some positive items – Q4(24) initial comment

EBIT loss above our forecast but some positive datapoints

Niutech reported sales of SEK68m, well below our forecast of SEK77m. The EBIT loss of SEK48m was also below our forecast of a loss of SEK12m. The major reason for the weak quarterly performance, according to the company, is delayed and therefore postponed solar energy projects amounting to SEK20m. Niutech has also booked a one-off, non-cash cost of SEK15m for earlier earn-outs. The market for solar energy installations decreased by around 60% during 2024, which indicates a very difficult demand situation. Sales in the solar energy segment of SEK68m, -34% Y/Y, still indicate that Niutech is outperforming the market. In green infrastructure, sales decreased by 33% Y/Y. However, Q/Q growth was 32%, indicating to us that we have passed the trough in this market segment. The company is undertaking further cost saving measures amounting to SEK20m annually in the solar energy operations to address the very challenging situation. The order book in the solar energy segment stood at SEK141m (151m in Q4(23)). In green infrastructure the order book of SEK40m increased by 19% Y/Y. The company previously announced a fully guaranteed rights issue of SEK30m to restore its financial position.

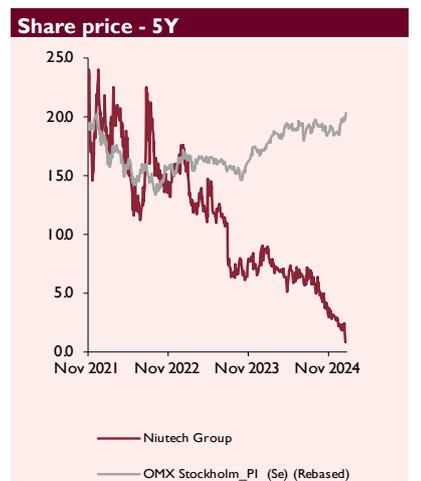
A challenging market situation drives further cost reduction measure

The report highlights the very challenging situation for solar energy currently, although Niutech is outperforming the market, in our view. The cost savings are needed to survive in this environment, which we see as positive, while the Q/Q sales growth and improved order book in green infrastructure gives some relief in this market segment.

Upcoming events

- Q4 Report: 20 Feb 2025
- AGM 2024: 12 May 2025
- Q1 Report: 12 May 2025

Key facts		Key figures (SEK)				Share price - 5Y					
		2023	2024e	2025e	2026e	High/Low (12M) SEK9/0.7					
No. shares (m)	24.1	Sales (m)	289	401	433	477	Perf. 3M 6M 12M YTD				
Market cap. (USDm)	2	EBITDA (m)	22	-27	27	44	Abs. -82.8 -89.0 -91.9 -73.3				
Market cap. (SEKm)	17	EBIT (m)	12	-45	8	25	Rel. -93.3 -96.9 -107.5 -83.6				
Net IB Debt. (SEKm)	31	EPS	0.63	-2.24	0.15	0.69					
Adjustments (SEKm)	0	EPS adj.	1.13	-1.77	0.55	1.09					
EV (2024e) (SEKm)	48	DPS	0.00	0.00	0.00	0.00					
Free float	57.6%	Sales growth Y/Y	94%	39%	8%	10%					
Avg. daily vol. ('000)	18	EPS adj. growth Y/Y	-10%	-chg	+chg	99%					
Risk	High Risk	EBIT margin	4.3%	-11.3%	1.9%	5.3%					
Fiscal year end	December	P/E adj.	0.6	n.m.	1.3	0.7					
Share price as of (CET)	18 Feb 2025 16:15	EV/EBIT	10.3	neg.	4.9	0.6					
		EV/EBITA	6.9	neg.	2.3	0.4					
		EV/EBITDA	5.9	neg.	1.5	0.3					
		P/BV	0.1	0.2	0.2	0.1					
		Dividend yield	0.0%	0.0%	0.0%	0.0%					
		FCF yield	38.5%	-436.6%	22.3%	127.0%					
		Equity/Total Assets	38.6%	39.4%	40.1%	42.7%					
		ROCE	11.2%	-33.2%	5.9%	16.7%					
		ROE adj.	16.4%	-34.5%	12.5%	22.7%					
		Net IB debt/EBITDA	0.2	-1.1	0.9	-0.1					



Source: Carnegie Research, FactSet, Millstream & company data

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Deviation table

SEKm	2023				2024			Carnegie		
	Q1	Q2	Q3	Q4e	Q1	Q2	Q3	Q4a	Q4e	Dev
Sales	70	78	60	103	91	137	96	68	77	-12%
Growth	254%	72%	32%	57%	n.m.	n.m.	n.m.	-35%	n.m.	n.m.
Adj EBIT	4	-2	-6	9	-20	-1	-13	-34	-12	n.m.
Adj EBIT margin	6.1%	-3.0%	-10.4%	8.9%	-21.8%	-0.5%	-13.1%	-49.6%	-15.9%	-34pp
EO	0	0	0	0	0	0	0	-15	0	
EBIT	4	-2	-6	9	-20	-1	-13	-48	-12	n.m.
EBIT margin	6.1%	-3.0%	-10.4%	8.9%	-21.8%	-0.5%	-13.1%	-71.2%	-15.9%	-55pp
Net financials	0	0	0	-1	-1	-1	-1	-1	-1	n.m.
Pre-tax Profit	4	-2	-7	8	-21	-2	-14	-49	-13	n.m.
Tax	2	1	0	-1	0	0	2	2	2	
Tax rate	-48%	29%	-6%	6%	0%	0%	n.m.	4%	15%	-11pp
Net profit	6	-2	-7	8	-21	-2	-11	-47	-11	n.m.
EPS (SEK)	0.8	-0.2	-1.3	0.6	-1.3	-0.1	-0.5	-2.1	-0.5	n.m.
EPS Adj (SEK)	0.7	-0.4	-0.9	0.7	-1.1	0.0	-0.4	-1.3	-0.4	n.m.

Source: Carnegie Research, Company data

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