

Amaero International Ltd

Capex programme extended, guidance for FY26 break even

Amaero International Ltd (ASX:3DA) is a global specialist in advanced materials manufacturing for the defence, aerospace and other industrial sectors. It is developing a critical metals alloy powder manufacturing facility in Tennessee, USA. In its latest update ([14 August release](#)) the company guided that it now expects to achieve break-even in FY26, six months later than previously announced in April ([ASX release 2 April 2024](#)). Amaero also provided new guidance on its three-year capital expenditure (capex) programme which will remain largely the same in total but changes on a per-year basis. We have factored in these changes, which results in lower capex in FY24 but higher capex in FY25 and FY26, and reduced our EBITDA estimates in FY26 and FY27. The company's Chairman and CEO Hank Holland also told shareholders that Amaero expects to raise an additional \$45m from equity markets this financial year with the remaining \$25m required for capex likely to be funded by debt and government grants ([14 August webinar](#)). We have assumed the former in our forecasts. Mr Holland emphasised that the next milestone for the company, which is securing qualification to produce C103 refractory alloy additive manufacturing powder, was the most significant in its history. The company says it expects to secure this in Q2 FY25 with commercial sales expected in CY25. Our base-case DCF valuation is now \$1.07/share fully diluted (previously \$1.25/share) while a +15/-15% sensitivity analysis to our valuation provides a valuation range of \$0.59/share to \$1.45/share.

Business model

Amaero is developing a critical metals powder manufacturing facility in Tennessee, USA, targeting the production of high-value alloy powders for mission-critical defence and space applications. The company has announced plans to install four electrode induction melting gas atomisers (EIGAs) at its facility over the next three years with the first EIGA commissioned on 4 June 2024, three weeks ahead of schedule. Amaero has indicated that, based on a 50% yield, it will produce up to 399 tonnes a year of high-end alloy powders for use in powder bed fusion (PBF) 3D printing of hypersonic, space, satellite and strategic missile parts. It has highlighted that 10% of PBF production in C103 niobium powder could contribute ~58% of revenue.

C103 powder qualification a significant milestone

Amaero has provided an update to shareholders including changed guidance on when it expects to reach EBITDA break-even, a revised capex schedule and the milestones it expects to pass over the next six-to-12 months. Capex in total is expected to remain at \$71.5m but the timing has changed with the bulk of expenditure (\$42.7m) now scheduled for FY25. Amaero reported that FY24 capex had come in at \$11.2m, lower than the \$18.6m in previous guidance. Amaero's Chairman and CEO Mr Holland emphasised that the completion of C103 qualification by Amaero's offtake counterparty (whom we believe is US defence giant Castheon) is the single most significant milestone in the company's history. Qualification will allow Amaero to enter into commercial sales of C103 AM powder. Our forecasts have been trimmed to factor in the company's guidance with our FY26 EBITDA estimate now at \$0.1m (previously \$5.0m). We continue to expect the company to achieve 'at capacity' earnings in H2 CY28.

Base-case DCF valuation is \$1.14/share (previously \$1.25/sh)

Our base-case DCF valuation is \$943m, or \$1.14/share (previously \$1.02b or \$1.25/share) fully diluted for an additional two equity issues of \$22.5m each to raise \$45m and 30% of existing options converting. We estimate that the fully diluted share count will rise to 825m in FY26. On the current share count of 543m shares the valuation is \$1.74/share (previously \$1.89/share). A -15%/+15% sensitivity analysis to our base-case revenue and costs delivers a range of \$0.65-\$1.54/share. Our base-case forecasts and valuation are predicated on the expectation that Amaero will deliver revenue from FY25, EBITDA break-even at FY26, and secure 'at capacity' earnings in H2 CY28.

Historical earnings and RaaS' forecasts (in A\$m unless otherwise stated)

Y/E	Sales revenue	Gross profit	EBITDA	NPAT	EPS (c)	EV/Sales (x)	EV/EBITDA (x)	PER (x)
06/23a	0.8	2.1	(7.9)	(12.5)	(2.8)	n.m.	n.m.	n.m.
06/24f	3.0	(2.7)	(12.7)	(17.4)	(3.0)	n.m.	n.m.	n.m.
06/25f	21.0	0.9	(13.2)	(17.7)	(3.0)	14.4	n.m.	n.m.
06/26f	95.0	29.7	0.1	(10.1)	(1.4)	3.4	n.m.	n.m.
06/27f	172.8	49.1	10.1	(2.4)	(0.3)	1.7	29.5	n.m.

Source: Company data; RaaS estimates for FY24f-FY27f

Critical Metals Manufacturing

16 August 2024

Share Details

ASX code	3DA
Share price (15-Aug)	\$0.32
Market capitalisation	\$173.8M
Shares on issue	543M
Estimated net cash	~\$24M
Free float	37%

Share Performance (12 months)



Upside Case

- Amaero develops a significant presence in the advanced manufacturing supply chain
- Strong tailwinds in US and global demand for US advanced metal powder production
- Strong Chairman/CEO with experience and connectivity to key stakeholders in the US

Downside Case

- Further strategic equity raises result in dilution
- Pre-production with no guarantee that strategy will translate into earnings success
- Cash-flow profit still at least two years away

Catalysts

- C103 powder qualification secured
- First commercial sales secured post qualification
- Secures US government grants
- Commissions second atomiser
- Delivers EBITDA break-even in FY26

Company Interviews and Webinars

[Amaero International RaaS Interview 8 April 2024](#)

[Amaero International Investor Webinar 14 August 2024](#)

Board of Directors & Management

Hank J. Holland	Chairman and CEO
Eric Bono	Executive Director/CTO
Lucy Robb Vujcic	Non-Executive Director
Omar Granit	Non-Executive Director
Robert (Bob) Latta	Non-Executive Director
Erik Levy	Non-Executive Director
Jamie Levy	Non-Executive Director

Company Contacts

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RaaS Contact

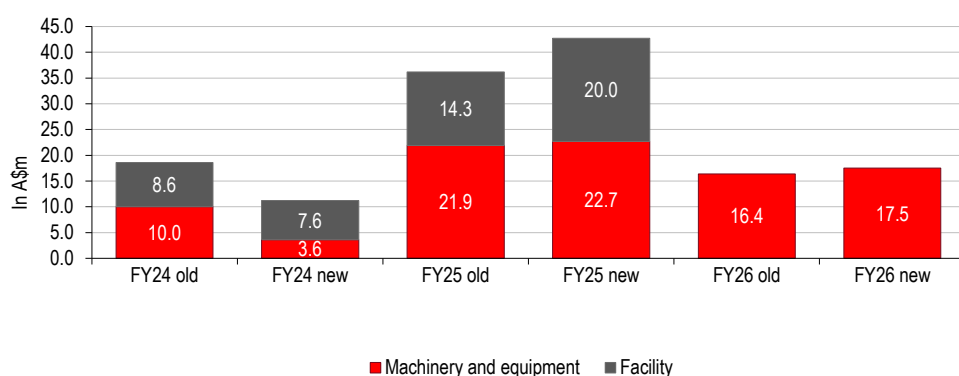
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Key Highlights From Investor Briefing

Amaero provided an investor update on August 14 which included new capex guidance, as set out in Exhibit 1, and new financial guidance for EBITDA break-even to be achieved in FY26, six months later than the previous guidance (April 2 presentation) for this to be achieved in H1 FY26.

Exhibit 1: Estimated capital expenditure detail, new estimate versus Feb 2024 guidance



Source: Company data, USD to AUD exchange rate used is 1.54

Other key highlights from the presentation include:

- The change in timing for EBITDA break-even assumes that the company achieves qualification of C103 prior to the end of the second quarter of FY25 and takes into account Amaero's expectation that revenue from the offtake and preferred supplier agreement lead to production at the first atomiser scaling over calendar year 2025;
- Amaero also expects to be delivering multi-tonne HIP-manufactured components and commence commercial revenues at scale in FY25;
- The company says it hopes to secure its first US government grant through the course of FY25 and says the appointment of Lieutenant General (retired) H.R. McMaster as special adviser to the Chairman and CEO should be beneficial in this process; and
- Other milestones anticipated by the company for FY25 including ordering the third atomiser, commissioning the second atomiser and completing Phase 1, 2 and 3 improvements to the Tennessee manufacturing and headquarters facility.

Earnings Forecast Changes

Our revenue forecasts remain unchanged. Our earnings adjustments relate to the company's guidance for both capex timing and the point at which it expects to reach EBITDA break-even. Amaero's guidance is for EBITDA break even at FY26, six months later than its previous guidance. Our adjustments to FY24f to FY27f are set out in Exhibit 2 below.

Exhibit 2: Earnings adjustments FY24f-FY27f (in A\$m unless otherwise stated)

Year ending June 30	FY24f old	FY24f new	FY25f old	FY25f new	FY26f old	FY26f new	FY27f old	FY27f new
Sales revenue	3.0	3.0	21.0	21.0	95.0	95.0	172.8	172.8
Gross profit	(2.7)	(2.7)	0.9	0.9	33.5	29.7	54.2	49.1
Gross profit margin (%)	-	-	4.2	4.3	35.3	31.3	31.4	28.4
EBITDA	(12.7)	(12.7)	(13.0)	(13.2)	5.0	0.1	17.1	10.1
EBITDA margin (%)	n.m.	n.m.	n.m.	n.m.	5.3	0.1	9.9	5.9
NPAT	(15.4)	(17.3)	(14.1)	(17.8)	(3.4)	(10.1)	6.3	(2.3)

Source: RaaS estimates

DCF Valuation

In our view, given the early-stage nature of Amaero's business and the lead time to revenue and cash generation, the discounted cash-flow methodology is the most appropriate method for valuing the company. We derive a Weighted Average Cost of Capital (WACC) of 11.5% (cost of equity 14.4%, beta 1.6, terminal growth rate 2.2%), and this gives us a base-case valuation of \$943.8m or \$1.14/share on a fully diluted basis (previously \$1.25/share). On the current share count of 543m, the valuation is \$1.74/share. We use an equity risk premium of 6.5%, risk-free rate of 4.0%, and target gearing of 25%. Note that we use the US corporate tax rate of 21% in our valuation. The valuation also assumes that the \$71.5m in capital expenditure outlined by the company (ASX release 14 August, page 22) is funded through two equity capital raises totalling \$45m and \$25m in debt. The company has pointed to potential US government grants for this second capital component but for conservatism we have chosen to assume debt funding.

A -15%/+15% sensitivity analysis to our base-case revenue and costs delivers a valuation range of \$0.65/share to \$1.54/share.

Exhibit 3: DCF valuation (in A\$m unless otherwise stated)	
DCF valuation	Parameters
WACC (unchanged)	11.5%
Beta	1.6
Terminal growth rate	2.2%
Sum of PV (\$M)	286.3
Present value of terminal value (\$M)	649.9
PV of enterprise (\$M)	936.2
Fully diluted cash and debt inc. options conversion (\$M)	(7.7)
Net value – shareholder (\$M)	943.8
No. of shares on issue (fully diluted) (M)	825.0
NPV in A\$/share	\$1.14
NPV per share based on current share count (543M)	\$1.74
Source: RaaS estimates	

Exhibit 4: Financial Year Financial Summary

Amaero International Ltd						Share price (15 August 2024)						A\$	0.32
Profit and Loss (A\$m)						Interim (A\$m)							
Y/E 30 June	FY23A	FY24F	FY25F	FY26F	FY27F	H123A	H223A	H124A	H224F	H125F	H225F		
USD Sales Revenue	0.5	1.9	13.6	61.7	112.3	Sales Revenue	0.5	0.3	0.8	2.9	5.4	15.6	
Sales Revenue	0.8	3.0	21.0	95.0	172.8	EBITDA Adj	(3.1)	(4.7)	(5.8)	(8.2)	(7.9)	(5.3)	
Total Revenue	2.8	3.0	21.0	95.0	172.8	EBIT Adj	(3.7)	(5.7)	(4.9)	(9.2)	(8.7)	(8.1)	
Gross Profit	2.1	(2.7)	0.9	29.7	49.1	NPAT (Adj)	(3.8)	(5.8)	(4.9)	(9.1)	(8.6)	(9.1)	
EBITDA Adj	(7.9)	(12.7)	(13.2)	0.1	10.1	Minorities	-	-	-	-	-	0.2	
Depn	(1.5)	(1.4)	(3.6)	(7.9)	(9.0)	NPAT (reported)	(6.6)	(5.9)	(8.2)	(9.1)	(8.6)	(9.1)	
Amort	0.0	0.0	0.0	0.0	0.0	EPS (Adj)	(1.05)	(1.76)	(1.52)	(1.80)	(1.51)	(1.45)	
EBIT Adj	(9.4)	(15.6)	(16.8)	(7.8)	1.1	EPS (reported)	(2.39)	(1.23)	(1.93)	(1.69)	(1.43)	(1.27)	
Interest	(0.2)	0.0	(0.9)	(2.0)	(2.0)	Dividend (cps)	-	-	-	-	-	-	
Tax	0.0	0.0	0.0	(0.4)	(1.5)	Imputation	-	-	-	-	-	-	
Minorities	(0.2)	0.0	0.0	0.0	0.0	Operating cash flow	(6.2)	(4.6)	(6.2)	(15.7)	(8.1)	(19.1)	
Equity accounted assoc	0.0	0.0	0.0	0.0	0.0	Free Cash flow	(6.2)	(4.6)	(6.2)	(15.7)	(8.1)	(19.1)	
NPAT pre significant items	(9.7)	(17.3)	(17.7)	(10.1)	(2.4)	Divisions							
Significant items	(2.8)	(0.0)	0.0	0.0	0.0	Sales and service revenue	0.5	0.3	0.8	2.9	5.4	15.6	
NPAT (reported)	(12.5)	(17.4)	(17.7)	(10.1)	(2.4)	R&D grants	1.4	0.6	0.0	0.0	0.0	0.0	
Cash flow (A\$m)						Total Revenue	1.9	0.9	0.8	2.9	5.4	15.6	
Y/E 30 June	FY23A	FY24F	FY25F	FY26F	FY27F	COGS	0.5	0.2	1.9	5.6	6.6	13.5	
EBITDA	(7.9)	(12.7)	(13.2)	0.1	10.1	Gross Profit	1.4	0.7	(1.1)	(2.8)	(1.2)	2.1	
Interest	(0.2)	0.1	(0.9)	(2.0)	(2.0)	R&D costs	(1.6)	(1.7)	(1.6)	0.0	0.0	0.0	
Tax	0.0	0.0	0.0	(0.4)	(1.5)	Employment	(1.2)	(1.0)	(0.3)	(0.8)	(1.4)	(2.7)	
Working capital changes	(2.7)	(9.3)	(13.1)	(8.0)	24.1	General & Admin costs	(1.2)	(1.6)	(2.4)	(3.8)	(4.3)	(3.9)	
Operating cash flow	(10.8)	(21.9)	(27.2)	(10.2)	30.7	Other costs	(0.5)	(1.1)	(0.3)	(0.8)	(0.9)	(0.8)	
Mtce capex	0.0	(0.0)	0.0	0.0	0.0	EBITDA	(3.1)	(4.7)	(5.7)	(8.2)	(7.9)	(5.3)	
Free cash flow	(10.8)	(21.9)	(27.2)	(10.2)	30.7	Margins, Leverage, Returns							
Growth capex	(1.6)	(11.2)	(42.7)	(17.5)	(7.6)	EBITDA	nm	nm	nm	nm	0.1%	5.9%	
Acquisitions/Disposals	0.8	0.0	0.0	0.0	0.0	EBIT	nm	nm	nm	nm	(8.2%)	0.7%	
Other	(0.0)	0.0	0.0	0.0	0.0	NPAT pre significant items	nm	nm	nm	nm	(10.7%)	(1.4%)	
Cash flow pre financing	(11.6)	(33.1)	(69.9)	(27.7)	23.1	Net Debt (Cash)	8.8	3.9	(43.3)	(61.4)	(34.0)		
Equity	10.6	30.0	45.0	10.2	4.5	Net debt/EBITDA (x)	(x)	n/a	n/a	n/a	(618.4)	(3.4)	
Debt	(0.3)	(0.4)	25.0	17.2	(25.0)	ND/ND+Equity (%)	(%)	(141.9%)	(15.9%)	44.9%	53.9%	38.5%	
Dividends paid	0.0	0.0	0.0	0.0	0.0	EBIT interest cover (x)	(x)	n/a	n/a	n/a	n/a	1.7	
Net cash flow for year	(1.3)	(3.4)	0.1	(0.4)	2.6	ROA	(46.8%)	(58.3%)	(22.3%)	(6.2%)	0.9%		
Balance sheet (A\$m)						ROE	(84.3%)	(80.3%)	(43.6%)	(19.2%)	(4.4%)		
Y/E 30 June	FY23A	FY24F	FY25F	FY26F	FY27F	ROIC	(58.6%)	(220.3%)	(37.7%)	(9.9%)	1.5%		
Cash	8.8	3.9	1.7	0.8	3.2	NTA (per share)	0.04	0.05	0.07	0.07	0.07		
Accounts receivable	0.2	2.6	6.5	3.1	5.7	Working capital	0.4	1.5	2.5	3.9	1.5		
Inventory	1.0	5.9	12.9	21.6	31.4	WC/Sales (%)	45.1%	nm	11.8%	4.1%	0.9%		
Other current assets	0.1	0.5	0.5	0.5	0.5	Revenue growth	nm	nm	nm	352.7%	81.9%		
Total current assets	10.1	12.8	21.6	26.0	40.8	EBIT growth pa	n/a	n/a	n/a	n/a	(114.4%)		
PPE	7.7	10.7	49.8	59.4	58.0	Pricing	FY23A	FY24F	FY25F	FY26F	FY27F		
Intangibles and Goodwill	0.0	0.0	0.0	0.0	0.0	No of shares (y/e)	(m)	417	606	806	806	825	
Investments	0.2	11.7	44.0	50.5	28.9	Weighted Av Dil Shares	(m)	346	508	625	721	811	
Deferred tax asset	0.0	0.0	0.0	0.0	0.0	EPS Reported	cps	(3.6)	(3.0)	(3.0)	(1.4)	(0.3)	
Other non current assets	0.2	0.0	0.0	0.0	0.0	EPS Normalised/Diluted	cps	(2.8)	(3.6)	(3.0)	(1.4)	(0.3)	
Total non current assets	8.1	22.5	93.7	109.9	86.9	EPS growth (norm/dil)	n/a	n/a	n/a	n/a	n/a	n/a	
Total Assets	18.2	35.3	115.3	135.9	127.6	DPS	cps	-	-	-	-	-	
Accounts payable	0.8	6.9	16.9	20.8	35.6	DPS Growth	n/a	n/a	n/a	n/a	n/a	n/a	
Short term debt	0.0	0.0	25.0	25.0	25.0	Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Tax payable	0.0	0.0	0.0	0.0	0.0	Dividend imputation	0	0	0	0	0	0	
Other current liabilities	1.4	0.4	0.4	0.4	0.4	PE (x)	-	-	-	-	-	-	
Total current liabilities	2.2	7.3	42.3	46.1	61.0	PE market	15.6	15.6	15.6	15.6	15.6	15.6	
Long term debt	0.0	0.0	20.0	37.2	12.2	Premium/(discount)	nm	nm	nm	nm	nm	nm	
Other non current liabs	1.0	0.0	0.0	0.0	0.0	EV/EBITDA	nm	nm	nm	nm	nm	nm	
Total long term liabilities	1.0	0.0	20.0	37.2	12.2	FCF/Share	cps	(2.60)	(3.61)	(3.38)	(1.27)	3.72	
Total Liabilities	3.2	7.3	62.3	83.3	73.2	Price/FCF share	(12.3)	(8.87)	(9.48)	(25.24)	8.60		
Net Assets	15.1	28.1	53.1	52.6	54.5	Free Cash flow Yield	(8.1%)	(11.3%)	(10.6%)	(4.0%)	11.6%		
Share capital	48.3	78.1	123.1	133.2	137.7								
Accumulated profits/losses	(33.4)	(51.6)	(71.5)	(82.3)	(84.9)								
Reserves	0.2	1.7	1.6	1.6	1.6								
Minorities	0.0	0.0	0.0	0.0	0.0								
Total Shareholder funds	15.1	28.2	53.1	52.5	54.4								

Source: Company data for historicals, RaaS estimates

Exhibit 5: Calendar Year Financial Summary

Amaero International Ltd						Share price (15 August 2024)						A\$	0.32
Profit and Loss (A\$m)						Interim (A\$m)							
Year End December 31	CY23A	CY24F	CY25F	CY26F	CY27F	H1CY23A	H2CY23A	H1CY24F	H2CY24F	H1CY25F	H2CY25F		
USD Sales Revenue	0.3	5.4	28.3	90.5	166.5	Sales Revenue	0.3	0.1	2.9	5.4	15.6	28.0	
Sales Revenue	0.4	8.2	43.6	139.2	256.1	EBITDA Adj	(4.7)	(4.5)	(8.2)	(7.9)	(5.3)	(6.8)	
Total Revenue	1.0	8.2	43.6	139.2	256.1	EBIT Adj	(5.7)	(4.9)	(9.2)	(8.7)	(8.1)	(10.5)	
Gross Profit	0.2	(4.0)	7.9	40.3	97.8	NPAT (Adj)	(6.0)	(4.9)	(9.1)	(8.6)	(9.1)	(11.5)	
EBITDA Adj	(9.2)	(16.0)	(12.1)	4.2	51.3	Minorities	(0.17)	0.00	0.00	0.00	0.00	0.00	
Depn	(1.4)	(1.8)	(6.6)	(8.6)	(8.9)	NPAT (reported)	(6.6)	(5.9)	(8.2)	(9.1)	(8.6)	(9.1)	
Amort	0.0	0.0	0.0	0.0	0.0	EPS (Adj)	(1.23)	(1.93)	(1.69)	(1.43)	(1.27)	(1.43)	
EBIT Adj	(10.6)	(17.9)	(18.6)	(4.4)	42.4	EPS (reported)	(1.76)	(1.52)	(1.80)	(1.51)	(1.45)	(1.59)	
Interest	0.1	0.1	(1.9)	(2.0)	(2.0)	Dividend (cps)	-	-	-	-	-	-	
Tax	0.0	0.0	0.0	(0.4)	(8.5)	Imputation	-	-	-	-	-	-	
Minorities	(0.2)	0.0	0.0	0.0	0.0	Operating cash flow	(4.6)	(6.2)	(15.7)	(8.1)	(19.1)	(14.0)	
Equity accounted assoc	0.0	0.0	0.0	0.0	0.0	Free Cash flow	(4.8)	(6.2)	(26.8)	(35.8)	(34.1)	(23.6)	
NPAT pre significant items	(10.8)	(17.8)	(20.6)	(6.7)	32.0	Divisions							
Significant items	(3.2)	0.0	0.0	0.0	0.0	Sales and service revenue	0.3	0.8	2.9	5.4	15.6	28.0	
NPAT (reported)	(14.0)	(17.8)	(20.6)	(6.7)	32.0	R&D grants	0.6	0.0	0.0	0.0	0.0	0.0	
Cash flow (A\$m)						Total Revenue	0.9	0.8	2.9	5.4	15.6	28.0	
Year End December 31	CY23A	CY24F	CY25F	CY26F	CY27F	COGS	0.2	1.9	5.6	6.6	13.5	22.2	
EBITDA	(9.2)	(16.0)	(12.1)	4.2	51.3	Gross Profit	0.7	(1.1)	(2.8)	(1.2)	2.1	5.8	
Interest	(0.1)	0.1	(1.9)	(2.0)	(2.0)	R&D costs	(1.7)	(1.6)	0.0	0.0	0.0	0.0	
Tax	0.0	0.0	0.0	(0.4)	(8.5)	Employment	(1.0)	(0.3)	(0.8)	(1.4)	(2.7)	(4.6)	
Working capital changes	(1.5)	(7.8)	(19.1)	8.9	43.2	General & Admin costs	(1.6)	(2.4)	(3.8)	(4.3)	(3.9)	(6.6)	
Operating cash flow	(10.8)	(23.7)	(33.1)	10.8	84.0	Other costs	(1.1)	(0.3)	(0.8)	(0.9)	(0.8)	(1.4)	
Mtce capex	(0.0)	0.0	0.0	0.0	0.0	EBITDA	(4.7)	(5.7)	(8.2)	(7.9)	(5.3)	(6.8)	
Free cash flow	(10.8)	(23.7)	(33.1)	10.8	84.0	Margins, Leverage, Returns							
Growth capex	(0.2)	(38.9)	(24.6)	(13.5)	(4.0)	EBITDA		nm	(194.4%)	(27.7%)	3.0%	20.0%	
Acquisitions/Disposals	0.8	0.0	0.0	0.0	0.0	EBIT		nm	(216.8%)	(42.8%)	(3.2%)	16.6%	
Other	(0.0)	0.0	0.0	0.0	0.0	NPAT pre significant items		nm	(215.9%)	(47.2%)	(4.8%)	12.5%	
Cash flow pre financing	(10.3)	(62.7)	(57.7)	(2.7)	80.0	Net Debt (Cash)		11.7	(30.6)	(57.3)	(55.7)	24.3	
Equity	9.2	40.4	31.0	4.3	0.0	Net debt/EBITDA (x)	(x)	n/a	n/a	n/a	(13.2)	0.5	
Debt	(0.5)	25.0	17.2	0.0	(25.0)	ND/ND+Equity (%)	(%)	(176.6%)	42.8%	52.8%	53.4%	(43.1%)	
Dividends paid	0.0	0.0	0.0	0.0	0.0	EBIT interest cover (x)	(x)	n/a	n/a	n/a	n/a	0.0	
Net cash flow for year	(1.6)	2.7	(9.5)	1.6	55.0	ROA		(51.1%)	(30.5%)	(16.1%)	(3.2%)	27.9%	
Balance sheet (A\$m)						ROE		(85.1%)	(60.1%)	(44.6%)	(13.5%)	49.4%	
Year End December 31	CY23A	CY24F	CY25F	CY26F	CY27F	ROIC		(65.3%)	(61.4%)	(26.3%)	(5.8%)	74.6%	
Cash	11.7	14.4	4.9	6.5	61.5	NTA (per share)		0.04	0.07	0.06	0.06	0.10	
Accounts receivable	0.1	2.5	7.5	4.6	8.4	Working capital		(0.2)	(0.6)	4.8	0.3	3.7	
Inventory	0.7	8.2	17.2	25.2	40.1	WC/Sales (%)		(49.1%)	nm	11.0%	0.2%	1.5%	
Other current assets	0.5	0.5	0.5	0.5	0.5	Revenue growth		nm	nm	nm	219.4%	84.0%	
Total current assets	13.1	25.7	30.1	36.9	110.6	EBIT growth pa		n/a	n/a	n/a	n/a	(1064.3%)	
PPE	0.6	37.7	55.7	60.5	55.6	Pricing		CY23A	CY24F	CY25F	CY26F	CY27F	
Intangibles and Goodwill	0.0	0.0	0.0	0.0	0.0	No of shares (y/e)	(m)	479	606	806	825	825	
Investments	5.9	34.1	47.9	43.5	(3.1)	Weighted Av Dil Shares	(m)	431	573	721	811	825	
Deferred tax asset	0.0	0.0	0.0	0.0	0.0	EPS Reported	cps	(3.2)	(3.3)	(3.0)	(0.8)	3.9	
Other non current assets	0.0	0.0	0.0	0.0	0.0	EPS Normalised/Diluted	cps	(3.3)	(3.3)	(3.0)	(0.8)	3.9	
Total non current assets	6.5	71.8	103.6	104.0	52.5	EPS growth (norm/dil)		n/a	n/a	n/a	n/a	-567%	
Total Assets	19.6	97.5	133.6	140.8	163.1	DPS	cps	-	-	-	-	-	
Accounts payable	1.0	11.3	19.9	29.5	44.8	DPS Growth		n/a	n/a	n/a	n/a	n/a	
Short term debt	0.0	25.0	25.0	25.0	25.0	Dividend yield		0.0%	0.0%	0.0%	0.0%	0.0%	
Tax payable	0.0	0.0	0.0	0.0	0.0	Dividend imputation		0	0	0	0	0	
Other current liabilities	0.4	0.4	0.4	0.4	0.4	PE (x)		-	-	-	-	8.3	
Total current liabilities	1.4	36.7	45.3	54.9	70.2	PE market		15.6	15.6	15.6	15.6	15.6	
Long term debt	0.0	20.0	37.2	37.2	12.2	Premium/(discount)		nm	nm	nm	nm	nm	
Other non current liabs	0.0	0.0	0.0	0.0	0.0	EV/EBITDA		nm	nm	nm	nm	nm	
Total long term liabilities	0.0	20.0	37.2	37.2	12.2	FCF/Share	cps	(2.26)	(3.61)	(3.38)	(1.24)	3.72	
Total Liabilities	1.4	56.7	82.5	92.1	82.4	Price/FCF share		(14.2)	(8.87)	(9.48)	(25.82)	8.60	
Net Assets	18.2	40.8	51.3	48.7	80.7	Free Cash flow Yield		(7.1%)	(11.3%)	(10.6%)	(3.9%)	11.6%	
Share capital	58.1	100.6	133.2	137.7	137.7								
Accumulated profits/losses	(41.5)	(61.3)	(83.5)	(90.6)	(58.6)								
Reserves	1.8	1.7	1.6	1.6	1.6								
Minorities	0.0	0.0	0.0	0.0	0.0								
Total Shareholder funds	18.3	40.9	51.3	48.7	80.7								

Source: Company data for historicals, RaaS estimates

FINANCIAL SERVICES GUIDE

RaaS Research Group Pty Ltd

ABN 99 614 783 363

Corporate Authorised Representative, number 1248415, of

BR SECURITIES AUSTRALIA PTY LTD; ABN 92 168 734 530; AFSL 456663

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