urban-gro, Inc.

United States / AgTech
Primary: Nasdaq
Secondary: Frankfurt Stock Exchange
Bloomberg: UGRO US
ISIN: US91704K2024

2023 reporting

RATING	**BUY**
PRICE TARGET	**$ 4.30**
Return Potential	125.1%
Risk Rating	High

SNAKE-BITTEN Q4

We are staying Buy-rated on UGRO, despite a substantial Q4 topline and EBITDA miss. The company was snake-bitten in Q4, when three commercial projects slated for YE completion pushed into 2024. Investors hit the bid on the shortfall, but we think the sharp stock recoil may prove to be an overreaction as soon as Q1 reporting. UGRO brass emphasised that the projects were not lost and were active in Q1, while also recommitting to achieve a black AEBITDA in 2024. The initial 2024 guide underpins the need to be conservative and restore credibility with investors. Meanwhile, potential legislative catalysts for American cannabis also remain in play. Our TP moves to $4.3 (old: $4.7) after recalibrating FBe on 2023 reporting.

Snake-bitten Q4 After whittling down losses the past quarters, a breakeven AEBITDA was within reach for the October-to-December period. But *three* major project delays torpedoed Q4 performance resulting in a material topline and earnings miss to the street and FBe. Management reassured us that the contracts were merely delayed. One client needed to switch properties, another mandate wanted more design work before proceeding, while the third deal was reined back for timing reasons. We think Q4 would have been close to our targets (overleaf) with on-time completions. But the optics of the earnings shortfall aren't great, and UGRO brass will now need to show investors that the revamped business model can actually deliver on earnings targets.

Other Q4 takeaways The initial 2024 revenue guide calls for $84m in sales (+17% Y/Y) alongside positive AEBITDA. The company strained to pare down non-essential costs last year, which should translate into some $8m in OpEx savings. This means AEBITDA breakeven is now possible on quarterly revenue of $16m to $19m depending on the segment mix. A black KPI does not hinge on a pickup in cannabis with commercial business having taken the growth reins. Although we're confident that our model is directionally accurate, it's challenging right now to precisely model UGRO, while the company earns its chops in the new commercial spaces and . . . (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2020	2021	2022	2023	2024E	2025E
Revenue ($ m)	25.84	62.11	67.03	71.54	82.50	114.78
Y/Y growth	6.8%	140.4%	7.9%	6.7%	15.3%	39.1%
EBITDA* ($m)	-0.65	2.68	-3.89	-9.71	0.49	2.11
EBITDA margin	-2.5%	4.3%	-5.8%	-13.6%	0.6%	1.8%
Net income ($m)	-5.07	-0.88	-15.28	-18.68	-5.45	-2.94
EPS (diluted) ($)	-1.06	-0.09	-1.44	-1.66	-0.45	-0.29
DPS ($)	0.00	0.00	0.00	0.00	0.00	0.00
FCF ($m)	-3.81	-9.90	-17.06	-9.21	0.48	0.02
Net gearing	-83.7%	-71.8%	-23.5%	10.4%	7.2%	11.6%
Liquid assets ($m)	0.18	34.59	12.01	1.11	1.40	1.23

** adjusted EBITDA*

RISKS

Risks include but aren't limited to regulatory, financing and market cyclicality, particularly in the cannabis sector.

COMPANY PROFILE

urban-gro, Inc is a provider of professional turnkey facility services to the CEA industry and various commercial sectors. Headquartered in Denver, Colorado, the company now operates six offices across North America and one in Europe. Urban-gro has 140 employees.

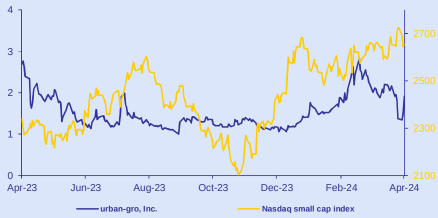
MARKET DATA

As of 03 Apr 2024

Closing Price	$ 1.91
Shares outstanding	12.07m
Market Capitalisation	$ 23.06m
52-week Range	$ 1.00 / 2.82
Avg. Volume (12 Months)	114,087

Multiples	2023	2024E	2025E
P/E	n.a.	n.a.	n.a.
EV/Sales	0.4	0.3	0.2
EV/EBITDA	n.a.	51.4	11.9
Div. Yield	0.0%	0.0%	0.0%

STOCK OVERVIEW



COMPANY DATA

As of 31 Dec 2023

Liquid Assets	$ 1.10m
Current Assets	$ 40.95m
Intangible Assets	$ 4.39m
Total Assets	$ 64.40m
Current Liabilities	$ 42.11m
Shareholders' Equity	$ 20.07m

SHAREHOLDERS

Insiders	28.9%
Institutional Holdings	28.0%
Free Float	43.1%

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. . . state-level regulatory logjams continue to gate cannabis activity. We have essentially rolled previous 2023 FBe forward to 2024. YE23 liquidity dipped to $1m on WC consumption but a large receivable has since been collected restoring the coffers to normal levels. UGRO tapped into its RCF to cover the WC but has since repaid the roughly $2.5m drawn down.

LEGISLATIVE UPDATE

Cannabis reclassification rumour mill once again at a fever pitch A few weeks ago Vice President Kamala Harris called on the Drug Enforcement Administration (DEA) to come to a decision on cannabis rescheduling “as quickly as possible”, saying that “to consider weed as dangerous as heroin and more dangerous than fentanyl is absurd, not to mention patently unfair”.

Her comments stoked market speculation that a rescheduling is imminent, sending cannabis securities higher. The Biden administration hopes to notch a win to sway young voters in the upcoming election. But unnamed sources recently noted that the DEA is “at odds with the White House” on rescheduling, while a former DEA administrator who served under the Trump administration was quoted as saying the “science does not support rescheduling of marijuana.”

Despite the ongoing tug of war, it should be pointed out that the Congressional Research Service (CRS) says it’s “likely” the DEA will accept the Schedule III determination based on past scheduling precedent. We regard this as a political hot potato and think sector shares will remain highly volatile until the DEA wraps up its review of the HHS (Department of Health and Human Services) recommendation.

Meanwhile, Germany legalised personal usage In late March, Germany's upper house, the *Bundesrat*, cleared the way to partially legalise cannabis for recreational consumption. This was expected although there had been some 11^{th} hour pushback creating uncertainty ahead of the vote.

Starting 1 July, special cannabis clubs with up to 500 members will be allowed to grow and purchase pot on a limited basis, and adults aged 18 and over will be permitted to carry up to 25 grams of cannabis for personal consumption. While this is certainly positive for sector sentiment, we reckon medical usage will continue to dominate the German market.

BREAKDOWN OF Q4 REPORTING

Table 1: Q4 vs FBe and prior year period

All figures in USDm	Q4/23	Q4/23E	*variance*	Q4/22	*variance*	2023	2022	*variance*
Revenue	15.0	21.9	*-31%*	17.3	*-13%*	71.5	67.0	*7%*
Gross profit	1.7	3.4	*-50%*	3.2	*-47%*	10.3	14.2	*-27%*
Margin	*11.3%*	*15.4%*	-	*18.5%*	-	*14.4%*	*21.2%*	-
AEBITDA	-2.8	-1.2	-	-1.7	-	-9.7	-3.9	-
Margin	-	-	-	-	-	-	-	-

Source: First Berlin Equity Research; urban-gro

Q4 revenue disappoints The company notched roughly $15m in revenues for the October-to-December period (-13% Y/Y) and missed our $22m target. The aforementioned project delays were the primary culprit, but Equipment Systems and Services sales also retreated from already soft prior year levels (table 2). Construction Design-Build failed to clear the prior year comp, but management reassured us that the delayed projects are again active and will be completed during 2024.

Table 2: Revenue by segment

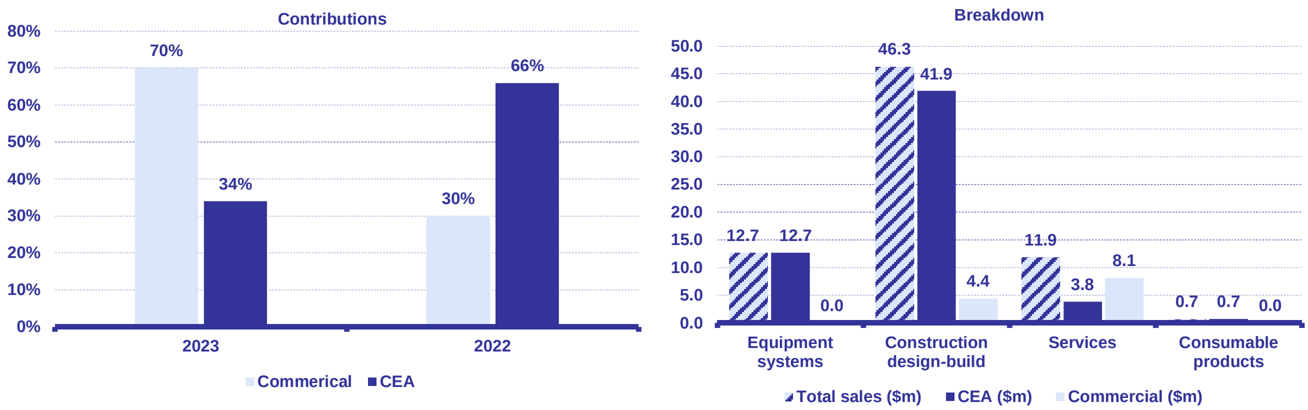
All figures in USDm	Q4/23	Q4/23E	*variance*	Q4/22	*variance*	2023	2022	*variance*
Equipment systems	2.1	2.5	*-15%*	2.3	*-8%*	12.7	33.3	*-62%*
Services	2.5	3.6	*-30%*	3.4	*-26%*	11.9	12.9	*-7%*
Construction Design-build	10.2	15.6	*-35%*	11.5	*-11%*	46.3	19.8	*134%*
Other	0.2	0.2	*-21%*	0.1	*36%*	0.7	1.0	*-33%*
Total revenue	**15.0**	**21.9**	***-32%***	**17.3**	***-13%***	**71.5**	**67.0**	***7%***

Source: First Berlin Equity Research; urban-gro

On a full year basis, revenue of $72m topped the 2022 result by 7%, with Construction Design-Build offsetting the declines in the CEA-driven Equipment Systems and Services segments. The much higher contribution from lower margin Construction Design-Build business led to the Y/Y decline in gross profit.

Commercial clients accounted for 70% of 2023 revenue CEA contributed the other 30% to the topline. This essentially reverses the revenue mix from the previous year (figure 1) when CEA sales tallied 66% and commercial added the balance. Although management think the spilt will revert to a 50/50 mix once the still choppy cannabis market opens up, we expect the blend to persist into 2025.

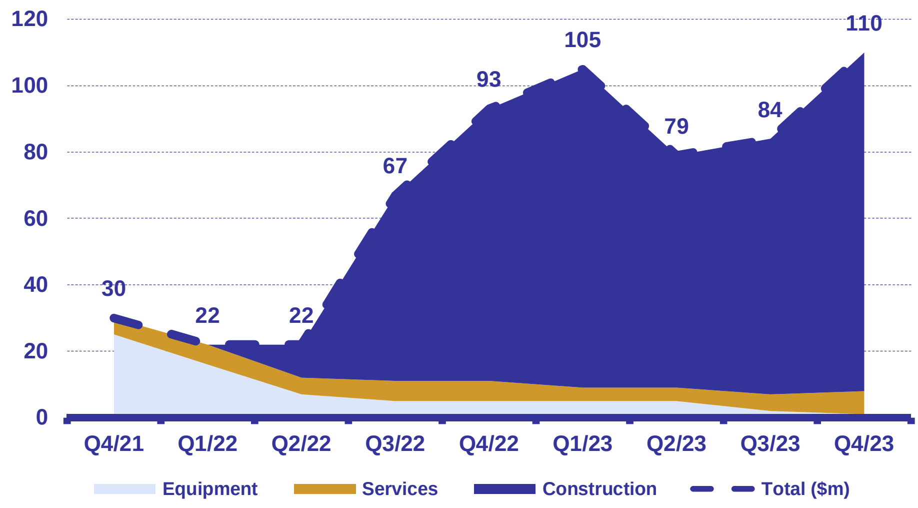
Figure 1: 2023 CEA vs Commercial revenue contributions and breakdown



Source: First Berlin Equity Research; urban-gro

The Florida Supreme Court recently approved a ballot initiative that aims to legalise recreational weed usage for adults in this year's general election. This could spur a pickup in CEA for urban-gro.

Figure 2: Order backlog developments



Source: First Berlin Equity Research; urban-gro

The backlog (table 3 overleaf) was up around 24% Y/Y and 32% on a sequential basis. The rise was occasioned by the postponement of three projects into the current fiscal year. This gives the company good visibility to start out 2024 and management guide for Q1 sales of around $15m with AEBITDA at or better than $-0.5m. A bounce-back quarter would go a long way to restoring investor confidence shaken by the Q4 miss.

Table 3: YE23 backlog overview

in $m	CEA	Commerical	Total	*Ratio*
Equipment Systems	1	-	1	*1%*
Services	3	4	7	*6%*
Construction Design-Build	73	29	102	*93%*
Total backlog	**77**	**33**	**110**	***100%***
Ratio	*70%*	*30%*	*100%*	

Source: First Berlin Equity Research; urban-gro

urban-gro exited the year with cash and liquid assets of $1.1m vs $4.8m at the end of Q3. The 77% Q/Q drop-off stems from a large open receivable that has now been paid. An increase in accounts payable meant UGRO ended the year with negative working capital of roughly $1.8m.

Table 4: Financial highlights

All figures in USDm	2023	2022	*variance*
Cash & liquid assets	1.1	12.0	*-91%*
Financial debt (short- and long-term)	3.2	3.8	*-16%*
Net debt / (net cash)	2.1	-8.2	-
Total assets	64.4	62.1	*4%*
Shareholders' equity	20.1	34.7	*-42%*
Equity ratio	*31%*	*56%*	-

Source: First Berlin Equity Research; urban-gro

Management noted on the Q4 earnings call that the company had dipped into its $8m credit facility to cover aforementioned working capital requirements. urban-gro regards this as more of a backstop and has since repaid the drawdown. If the company indeed turns the profitability corner this year, it should be able to avoid tapping the RCF too often.

Table 5: Cash flow developments

All figures in USDm	2023	2022	*variance*
Operating cash flow	-11.2	-12.6	-
Cash flow from investing	1.7	-4.5	-
Free cash flow (FCF)	-9.5	-17.1	-
Cash flow from financing	-1.4	-5.5	-
Net change in cash	-10.9	-22.6	-

Source: First Berlin Equity Research; urban-gro

FORECASTS & VALUATION

Following the Q4 miss, we have essentially rolled our previous 2023 estimates forward to 2024. Although we're confident that our model is directionally accurate, it's not easy to precisely model UGRO right now, given all the moving parts to the revamped business alongside the state-level regulatory logjams gating cannabis.

Table 6: Changes to forecasts and TP

	old	new	*revision*	*upside*	*dividend yield*	*total return*
Price target ($)	**4.7**	**4.3**	***-9%***	***125%***	***0.0%***	***125%***
		2024E			**2025E**	
All figures in USD '000	**old**	**new**	***revision***	**old**	**new**	***revision***
Revenue	114,582	82,503	*-28.0%*	139,748	114,784	*-17.9%*
Gross profit	17,925	12,075	*-32.6%*	22,464	17,215	*-23.4%*
Margin (%)	*15.6%*	*14.6%*	-	*16.1%*	*15.0%*	-
AEBITDA	917	490	*-46.6%*	2,105	2,112	*0.4%*
Margin (%)	*0.8%*	*0.6%*	-	*1.5%*	*1.8%*	-
Segment revenue	**old**	**new**	***revision***	**old**	**new**	***revision***
Equipment Systems	19,888	12,143	*-38.9%*	24,463	17,262	*-29.4%*
Construction Design-build	78,157	58,332	*-25.4%*	93,789	81,154	*-13.5%*
Services	14,984	11,310	*-24.5%*	19,479	15,433	*-20.8%*
Consumable Products	1,552	719	*-53.7%*	2,017	935	*-53.7%*

Source: First Berlin Equity Research estimates

The updated forecasts are now close to communicated 2024 guidance—$84m in sales and breakeven AEBITDA—and do not assume a material pick-up in cannabis related business. We now hope for cannabis tailwinds to start having an impact in 2025, although at a more conservative velocity than previously targeted.

Management confirmed on the earnings call that cost-cutting measures are now complete and will result in annualised savings of some $8m, which accounts for the uptick of our EBITDA margin next year.

After rolling our DCF forward and adopting the YE23 net debt figure as well as a lower risk-free rate tracking long-term bond yields, our model points to a $4.3 target price (old: $4.7). We maintain our Buy rating and believe our conviction will be justified with Q1 reporting showing a much improved adjusted EBITDA.

Table 7: DCF model

In USD '000	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
Sales	**82,503**	**114,784**	**145,775**	**177,846**	**208,080**	**233,049**	**256,354**	**279,426**
NOPLAT	**-5,251**	**-2,757**	**357**	**3,572**	**7,606**	**9,234**	**10,900**	**12,647**
(+) depreciation & amortisation	578	574	583	534	624	629	627	623
Net operating cash flow	-4,673	-2,183	940	4,106	8,230	9,863	11,527	13,270
(-) Total investments (CAPEX and WC)	38	-1,232	-1,994	-1,878	-2,083	-1,379	-1,408	-1,473
(-) Capital expenditures	*-668*	*-700*	*-743*	*-729*	*-645*	*-722*	*-795*	*-866*
(-) Working capital	*707*	*-532*	*-1,250*	*-1,149*	*-1,438*	*-657*	*-613*	*-607*
Free cash flows (FCF)	-4,635	-3,415	-1,054	2,227	6,147	8,484	10,119	11,797
PV of FCF's	**-4,204**	**-2,716**	**-735**	**1,361**	**3,293**	**3,984**	**4,165**	**4,256**

In EUR '000	
PV of FCFs in explicit period	24,439
(+) PV of FCFs in terminal period	29,666
Enterprise value (EV)	54,106
(+) Net cash / (-) net debt	-2,092
(+) Investments / minority interests	0
Shareholder value	52,014
Fair value per share ($)	4.3

Terminal EBIT margin

WACC	5.9%	6.4%	6.9%	7.4%	7.9%	8.4%	8.9%
11.1%	5.6	6.1	6.5	7.0	7.5	7.9	8.4
12.1%	4.8	5.2	5.5	5.9	6.3	6.6	7.0
13.1%	4.1	4.4	**4.7**	**5.0**	**5.3**	5.6	5.9
14.1%	3.6	3.8	**4.1**	**4.3**	**4.6**	4.8	5.1
15.1%	3.1	3.3	**3.5**	**3.7**	**3.9**	4.1	4.3
16.1%	2.7	2.9	3.1	3.2	3.4	3.6	3.7
17.1%	2.4	2.5	2.7	2.8	3.0	3.1	3.3

Cost of equity	15.5%
Pre-tax cost of debt	9.0%
Tax rate	30.0%
After-tax cost of debt	6.3%
Share of equity capital	85.0%
Share of debt capital	15.0%
WACC	14.1%

Terminal growth rate

WACC	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	4.0%
11.1%	6.3	6.5	6.7	7.0	7.3	7.7	8.0
12.1%	5.4	5.5	5.7	5.9	6.1	6.4	6.6
13.1%	4.6	4.7	**4.9**	**5.0**	**5.2**	5.4	5.6
14.1%	4.0	4.1	**4.2**	**4.3**	**4.4**	4.6	4.7
15.1%	3.5	3.6	**3.6**	**3.7**	**3.8**	3.9	4.0
16.1%	3.0	3.1	3.2	3.2	3.3	3.4	3.5
17.1%	2.7	2.7	2.8	2.8	2.9	2.9	3.0

**Please note our model runs through 2035 and we have only shown the abbreviated version for formatting purposes*

INCOME STATEMENT

All figures in USD '000	2020	2021	2022	2023	2024E	2025E
Revenues	**25,838**	**62,113**	**67,030**	**71,543**	**82,503**	**114,784**
Cost of goods sold	-20,122	-47,353	-52,824	-61,251	-70,428	-97,569
Gross profit	**5,716**	**14,760**	**14,206**	**10,292**	**12,075**	**17,215**
SG&A	-6,658	-13,124	-24,271	-24,770	-15,263	-17,677
Stock-based compensation	-1,803	-1,841	-2,572	-2,199	-2,063	-2,296
Operating income (EBIT)	**-2,746**	**-205**	**-12,637**	**-16,677**	**-5,251**	**-2,757**
Net financial result	-1,498	-334	274	-98	-200	-180
Other non-operating result	-831	-337	-577	-1,863	0	0
Impairment loss	0	0	-2,661	-259	0	0
Pre-tax income (EBT)	**-5,074**	**-876**	**-15,600**	**-18,897**	**-5,451**	**-2,937**
Income taxes	0	0	322	216	0	0
Minority interests	0	0	0	0	0	0
Net income / loss	**-5,074**	**-876**	**-15,278**	**-18,681**	**-5,451**	**-2,937**
Diluted EPS (in $)	**-1.06**	**-0.09**	**-1.44**	**-1.66**	**-0.45**	**-0.29**
AEBITDA	**-652**	**2,679**	**-3,888**	**-9,712**	**490**	**2,112**
Ratios						
Gross margin	22.1%	23.8%	21.2%	14.4%	14.6%	15.0%
EBIT margin	-10.6%	-0.3%	-18.9%	-23.3%	-6.4%	-2.4%
AEBITDA margin	-2.5%	4.3%	-5.8%	-13.6%	0.6%	1.8%
Net margin	-19.6%	-1.4%	-22.8%	-26.1%	-6.6%	-2.6%
Tax rate	15.0%	21.0%	21.0%	21.0%	21.0%	21.0%
Expenses as % of revenues						
SG&A	25.8%	21.1%	36.2%	34.6%	18.5%	15.4%
Stock-based compensation	7.0%	3.0%	3.8%	3.1%	2.5%	2.0%
Y-Y Growth						
Revenues	6.8%	140.4%	7.9%	6.7%	15.3%	39.1%
Operating income	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Net income/ loss	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.

BALANCE SHEET

All figures in USD '000	2020	2021	2022	2023	2024E	2025E
Assets						
Current assets, total	**5,245**	**59,480**	**34,558**	**40,952**	**29,330**	**36,456**
Cash and equivalents	185	34,591	12,008	1,113	1,398	1,233
Trade receivables	915	13,126	15,380	26,992	18,083	25,158
Inventories	537	515	320	229	386	535
Other ST assets	3,609	11,248	6,849	12,618	9,464	9,530
Non-current assets, total	**2,915**	**14,675**	**27,508**	**23,427**	**23,538**	**23,685**
Property, plant & equipment	129	208	1,307	1,419	1,428	1,439
Goodwill & other intangibles	991	9,568	21,023	19,967	20,049	20,164
Financial assets	1,710	4,210	2,559	0	0	0
Other LT assets	85	690	2,619	2,041	2,062	2,082
Total assets	**8,161**	**74,155**	**62,066**	**64,379**	**52,869**	**60,141**
Shareholders' equity & debt						
Current liabilities, total	**14,546**	**25,005**	**24,256**	**42,110**	**33,892**	**41,705**
Trade payables	654	6,067	9,960	25,411	17,366	24,058
ST debt	5,360	0	3,833	3,205	2,600	3,100
Customer deposits	4,879	13,345	2,571	603	695	967
Provisions	1,799	3,878	3,197	4,071	4,234	4,403
Other current liabilities	1,855	1,716	4,695	8,820	8,997	9,176
Long-term liabilities, total	**1,021**	**983**	**3,078**	**2,198**	**2,294**	**2,394**
Long-term debt	1,021	0	0	0	0	0
Deferred tax liabilities	0	441	1,033	817	858	901
Other non-current liabilities	0	542	2,045	1,380	1,436	1,493
Shareholders' equity	**-7,406**	**48,167**	**34,732**	**20,071**	**16,683**	**16,042**
Total consolidated equity and debt	**8,161**	**74,155**	**62,066**	**64,379**	**52,869**	**60,141**

Ratios	2020	2021	2022	2023	2024E	2025E
Current ratio (x)	0.4	2.4	1.4	1.0	0.9	0.9
Quick ratio (x)	0.3	2.4	1.4	1.0	0.9	0.9
Equity ratio	-91%	65%	56%	31%	32%	27%
Net debt	6,197	-34,591	-8,175	2,092	1,202	1,867
Net debt / EBITDA (x)	-9.5	-12.9	2.1	-0.2	2.5	0.9
Net gearing	-84%	-72%	-24%	10%	7%	12%
Return on equity (ROE)	69%	-2%	-44%	-93%	-33%	-18%
Capital employed (CE)	1,016	9,357	12,498	7,624	7,008	7,666
Return on capital employed (ROCE)	-270%	1%	-93%	-205%	-70%	-30%

CASH FLOW STATEMENT

All figures in USD '000	2020	2021	2022	2023	2024E	2025E
Net income	**-5,074**	**-876**	**-15,278**	**-18,681**	**-5,451**	**-2,937**
Depreciation and amortisation	258	495	1,483	1,637	578	574
Amortisation of financing instruments	558	104	0	0	0	0
Stock-based compensation	1,803	1,841	2,572	2,199	2,063	2,296
Other non-cash items	1,016	500	3,427	1,155	0	0
Tax result	0	0	-322	-216	0	0
Net interest expense	0	0	-274	98	200	180
Operating cash flow	**-1,438**	**2,064**	**-8,393**	**-13,808**	**-2,610**	**112**
Change in working capital	-2,195	-3,628	-4,220	2,714	3,764	603
Tax paid	0	0	0	0	0	0
Net operating cash flow	**-3,633**	**-1,564**	**-12,613**	**-11,094**	**1,153**	**715**
Cash flow from investing	**-176**	**-8,337**	**-4,452**	**1,885**	**-668**	**-700**
Free cash flow (FCF)	**-3,809**	**-9,901**	**-17,065**	**-9,209**	**485**	**15**
Equity inflow, net	0	57,747	30	0	0	0
Debt inflow, net	4,183	-5,756	0	-758	0	0
Interest expenses paid	-638	0	0	-272	-200	-180
Stock buyback	0	-7,684	-4,362	0	0	0
Other adjustments	0	0	-1,186	-656	0	0
Cash flow from financing	**3,545**	**44,308**	**-5,518**	**-1,686**	**-200**	**-180**
Net cash flows	**-264**	**34,407**	**-22,583**	**-10,895**	**285**	**-165**
Cash, start of the year	449	184	34,591	12,008	1,113	1,398
Cash, end of the year	**184**	**34,591**	**12,008**	**1,113**	**1,398**	**1,233**
EBITDA/share (in $)	**-0.14**	**0.27**	**-0.37**	**-0.86**	**0.04**	**0.21**

Y-Y Growth						
Operating cash flow	n.m.	n.m.	n.m.	n.m.	n.m.	-38.0%
Free cash flow	n.m.	n.m.	n.m.	n.m.	n.m.	-96.8%
AEBITDA / share	n.m.	n.m.	n.m.	n.m.	n.m.	420%

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Category		1	2
Current market capitalisation (in €)		0 - 2 billion	> 2 billion
Strong Buy[1]	An expected favourable price trend of:	> 50%	> 30%
Buy	An expected favourable price trend of:	> 25%	> 15%
Add	An expected favourable price trend of:	0% to 25%	0% to 15%
Reduce	An expected negative price trend of:	0% to -15%	0% to -10%
Sell	An expected negative price trend of:	< -15%	< -10%

[1] The expected price trend is in combination with sizable confidence in the quality and forecast security of management.

Our recommendation system places each company into one of two market capitalisation categories. Category 1 companies have a market capitalisation of €0 – €2 billion, and Category 2 companies have a market capitalisation of > €2 billion. The expected return thresholds underlying our recommendation system are lower for Category 2 companies than for Category 1 companies. This reflects the generally lower level of risk associated with higher market capitalisation companies.

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RECOMMENDATION & PRICE TARGET HISTORY

Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	27 June 2023	$1.21	Buy	$7.00
2...1	↓	↓	↓	↓
2	17 August 2023	$1.11	Buy	$6.40
3	27 September 2023	$1.40	Buy	$6.40
4	17 November 2023	$1.18	Buy	$4.70
5	16 January 2024	$1.47	Buy	$4.70
6	Today	$1.91	Buy	$4.30

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