

SFC Energy AG

Germany / Energy
 Primary exchange: Frankfurt
 Bloomberg: F3C GR
 ISIN: DE0007568578

2024 annual report

RATING

PRICE TARGET

Return Potential
 Risk Rating

BUY

€ 31.00

47.6%
 High

PRIMED FOR FURTHER PROFITABLE GROWTH

SFC Energy has published its annual report and held a conference call. Final 2024 KPIs confirmed preliminary figures and reflect the very strong 2024 performance. 23% top line growth to €145m and EBIT growth of 50% y/y to €13.7m led to EBIT margin expansion from 7.8% to 9.5%. SFC confirmed 2025 guidance (11% to 25% revenue growth, adjusted EBIT margin expansion to a range between 10.9% and 11.4% versus 10.7% in 2024). Order backlog reached a record level at €105m (+29% y/y). The tense global geopolitical situation was the key driver for the 60% increase in defence sales. We expect continued robust growth in defence demand following the exemption of defence spending from the debt brake in Germany and increasing defence budgets in many other European countries. Technological change in the surveillance service industry towards CCTV systems (which often use SFC's fuel cells) is another key driver. The third driver is rising demand from the oil & gas industry following Trump's pro-oil policy. Furthermore, SFC looks set to benefit from the German €500bn infrastructure fund as the company provides critical energy infrastructure. SFC has sufficient financial leeway to finance organic and external growth (net cash position: €42m). Despite robust growth, the company was free cash flow positive in 2024 (FCF: €+5.3m). SFC is in excellent shape and remains the undisputed global market leader in direct methanol fuel cells. An updated DCF model yields an unchanged €31 price target. The stock remains a clear Buy.

2024 was a record year for SFC The Clean Energy segment revenue (+27% y/y to €101m) was the main group sales driver (+23% to €145m). An improved segment and product mix resulted in gross margin expansion from 39.6% to 41.0%. We believe that the strong growth in high-margin defence business was the main margin driver. EBIT climbed 50% y/y to €13.7m, and the EBIT margin widened from 7.8% to 9.5% (see figure 1 overleaf). The net result was below the prior year figure (€9.4m versus €21.1m) as the 2023 net result benefitted from the recognition of deferred tax assets (€17.4m). (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2022	2023	2024	2025E	2026E	2027E
Revenue (€m)	85.2	118.1	144.8	171.4	205.6	246.8
Y-o-y growth	32.5%	38.6%	22.5%	18.4%	20.0%	20.0%
EBIT (€m)	3.6	9.2	13.7	19.0	24.7	31.3
EBIT margin	4.2%	7.8%	9.5%	11.1%	12.0%	12.7%
Net income (€m)	1.1	21.1	9.4	13.4	17.0	21.7
EPS (diluted) (€)	0.07	1.18	0.54	0.77	0.98	1.22
DPS (€)	0.00	0.00	0.00	0.00	0.00	0.00
FCF (€m)	-10.0	-2.9	5.3	2.5	4.9	7.3
Net gearing	-50.8%	-35.9%	-32.5%	-31.3%	-31.0%	-31.4%
Liquid assets (€m)	64.8	59.8	60.5	63.0	67.8	75.2

RISKS

The main risks are internationalisation, technological innovations, and increasing competition.

COMPANY PROFILE

SFC Energy AG is a leading provider of integrated power solutions for mobile and stationary off-grid applications. The company is a pioneer in developing and commercialising fuel cells which provide reliable, efficient, and clean power. Main markets are oil & gas, defence & security, industry, and clean energy & mobility. SFC is headquartered near Munich in Germany.

MARKET DATA

As of 31 Mar 2025

Closing Price	€ 21.00
Shares outstanding	17.38m
Market Capitalisation	€ 365.02m
52-week Range	€ 16.14 / 26.10
Avg. Volume (12 Months)	51,244

Multiples	2024	2025E	2026E
P/E	38.8	27.2	21.5
EV/Sales	2.2	1.9	1.6
EV/EBIT	23.5	17.0	13.1
Div. Yield	0.0%	0.0%	0.0%

STOCK OVERVIEW



COMPANY DATA

As of 31 Dec 2024

Liquid Assets	€ 60.49m
Current Assets	€ 135.48m
Intangible Assets	€ 20.71m
Total Assets	€ 194.13m
Current Liabilities	€ 39.12m
Shareholders' Equity	€ 139.22m

SHAREHOLDERS

Acatis	8.3%
Hansainvest	3.0%
DWS	2.7%
Conduit Ventures	2.1%
Free Float	83.9%

**Figure 1: Reported group figures versus forecasts**

All figures in €m	Q4-24A	Q4-24E	Delta	Q4-23A	Delta	2024A	2023A	Delta
Sales	39.6	39.6	0%	30.1	31%	144.8	118.1	23%
EBITDA	4.1	3.8	10%	3.1	36%	20.2	14.6	38%
margin	10.5%	9.6%		10.1%		13.9%	12.4%	
Adjusted EBITDA	3.8	3.8	0%	3.2	17%	22.0	15.2	45%
margin	9.5%	9.6%		10.7%		15.2%	12.8%	
EBIT	2.2	1.9	20%	2.0	13%	13.7	9.2	50%
margin	5.6%	4.7%		6.5%		9.5%	7.8%	
Adjusted EBIT	1.9	1.9	0%	2.1	-13%	15.6	9.7	60%
margin	4.7%	4.7%		7.1%		10.7%	8.2%	
Net income	0.6	1.4	-57%	14.6	-96%	9.4	21.1	-56%
margin	1.5%	3.5%		48.4%		6.5%	17.8%	
EPS (diluted, in €)	0.03	0.08	-63%	0.84	-96%	0.54	1.21	-55%

Source: First Berlin Equity Research, SFC Energy AG

Both segments showed strong top line growth and margin expansion in 2024 The Clean Energy segment remains the main growth driver (+27% y/y) due to very strong fuel cell sales. The segment gross margin widened slightly to 46.6% to top the high level of 46.0% achieved last year. This is a clear indicator of the excellent competitive position of SFC in the direct methanol fuel cell business. The adjusted EBITDA margin rose from 14.9% to 17.0%.

The smaller Clean Power segment widened its gross margin from 26.7% to 28.2%. Gross profit rose by €2.0m to €12.5m and triggered a 45% jump in adjusted EBITDA to €4.9m. The adjusted EBITDA margin crossed the 10% threshold and reached 11.1% (see figure 2).

Figure 2: Reported segment figures versus forecasts

All figures in €m	Q4-24A	Q4-24E	Delta	Q4-23A	Delta	2024A	2023A	Delta
Clean Energy								
Sales	27.2	27.2	0%	20.2	35%	100.6	79.0	27%
Gross profit	11.5	12.5	-8%	10.4	11%	46.9	36.3	29%
margin	42.2%	45.8%		51.4%		46.6%	46.0%	
Adjusted EBITDA	2.1	2.5	-18%	2.1	-4%	17.1	11.8	45%
margin	7.5%	9.2%		10.6%		17.0%	14.9%	
Clean Power Management								
Sales	12.3	12.3	0%	10.0	24%	44.1	39.1	13%
Gross profit	3.9	3.4	16%	3.1	26%	12.5	10.5	19%
margin	31.6%	27.3%		31.2%		28.2%	26.7%	
Adjusted EBITDA	1.7	1.3	33%	1.1	57%	4.9	3.4	45%
margin	14.0%	10.5%		11.0%		11.1%	8.7%	
Group								
Sales	39.6	39.6	0%	30.1	31%	144.8	118.1	23%
Gross profit	15.4	15.8	-3%	13.5	14%	59.3	46.8	27%
margin	38.9%	40.1%		44.7%		41.0%	39.6%	
Adjusted EBITDA	3.8	3.8	-1%	3.2	17%	22.0	15.2	45%
margin	9.5%	9.6%		10.7%		15.2%	12.8%	

Source: First Berlin Equity Research, SFC Energy AG



Sufficient financial leeway to finance organic and external growth due to a very strong balance sheet The equity ratio remained on a very high level at 72%. The net cash position (cash /. bank and leasing liabilities) was also stable at more than €42m (see figure 3). Working capital rose roughly in line with sales resulting in a steady working capital ratio of some 35%.

Figure 3: Balance sheet items and KPIs

in €m	2024A	2023A	Delta
Inventories	30.6	25.0	22%
Trade receivables	35.8	28.6	25%
Cash and cash equivalents	60.5	59.9	1%
Equity	139.2	128.1	9%
Equity ratio	71.7%	72.6%	-0.9 PP
Trade payables	15.6	12.9	21%
Working capital	50.8	40.8	25%
Working capital ratio	35.1%	34.5%	+0.6 PP
Liabilities to banks	4.1	3.8	8%
Leasing liabilities	14.0	12.6	11%
Net cash	42.4	43.5	-3%
Balance sheet total	194.1	176.4	10%

Source: First Berlin Equity Research, SFC Energy AG

SFC is free cash flow-positive Despite higher CapEx of €9.2m, SFC generated a positive free cash flow of €5.3m thanks to a significantly higher operating cash flow of €15.5m (see figure 4). This is a remarkable performance for a growth company.

Figure 4: Cash flow statement

in €m	2024A	2023A
Operating cash flow	14.5	3.6
CAPEX	-9.2	-6.4
Free cash flow	5.3	-2.9
Cash flow investing activities	-11.1	-5.5
Cash flow financing activities	-3.1	-2.7
Net cash flow	0.3	-4.7

Source: First Berlin Equity Research, SFC Energy AG

Rapid growth of defence demand The Russian aggression, its significantly increased military spending (ca. 6% of GDP) and switch to a war economy is a serious threat to Europe. At the same time, US support for NATO members is no longer guaranteed in the case of a Russian attack. Eastern and Northern European NATO countries have reacted to this changed geopolitical situation by massively increasing defence spending. Germany has changed its constitution to exempt defence spending above 1% of GDP from the debt brake. The likely future chancellor Friedrich Merz repeated Mario Draghi's famous "whatever it takes" phrase to make clear that Germany has sufficient financial leeway to rearm the country. The EU Commission presented its "ReArm Europe" programme to unleash the use of public funding in defence at national levels and plans to provide €150bn of loans to Member States for defence investment.

SFC supplies fuel cells (FC) for infantry and military vehicles. The portable JENNY FCs (JENNY 600S and JENNY 1200) deliver 600 Wh or 1,200 Wh of electrical energy per day and save a soldier ca. 80% of battery weight and space. The EMILY 3000 FC offers stationary on-board power supply in vehicles and can also be used for mobile and stationary



defence applications. The EMILY 3000 has a very low consumption of not under 100 ml methanol per hour and provides 3.0 kWh of electricity per day.

To date, SFC is the only supplier of NATO-qualified fuel cell systems for portable, remote and land-vehicle-based deployment scenarios. SFC's unique technological position qualifies the company as a preferred partner worldwide. We believe that SFC will significantly benefit from increased NATO defence spending.

Surveillance service industry will remain a key revenue driver The surveillance service industry has shown strong growth in recent years. SFC's client Bauwatch (Germany) grew 33% in 2023 and expects similar growth in 2024. LiveView Technologies (USA), another SFC customer, had a 2017-2021 CAGR of >100% and is now one of the market leaders in the US. GardaWorld Security (Canada), one of the large global players in the industry with more than 130,000 employees, reported \$5.9bn in revenue in 2024, up from \$3.5m in 2020, which corresponds to a 2020-2024 CAGR of 14%. The surveillance industry is experiencing profound technological change towards CCTV (closed circuit television). These video surveillance systems are far cheaper than conventional staff-based security. To work 24/7, the systems need a secure and reliable energy source, which SFC's fuel cells provide.

German infrastructure fund beneficial for SFC As the €500bn infrastructure fund looks set to contain means for critical energy infrastructure, we are optimistic that German demand for SFC's emergency power and back-up power solutions will rise.

The hydrogen hype is over, but SFC's hydrogen business is primed for growth In 2024, hydrogen FC sales amounted to ca. €3m. Following the acquisition of Ballard's hydrogen fuel cell assets and clients in Denmark, we expect the business to triple this year (FBe: €8m - €10m in sales).

World market leader in direct methanol fuel cells (DMFC) SFC is the unrivalled global market leader in DMFC. We do not see any competitor being able to threaten SFC's position in the coming years.

- SFC has shipped more than 75.000 fuel cells;
- its FCs have produced more than 14 million kWh;
- and they have worked for more than 175 million operating hours.

New cloud services and refilling services increase the barrier to entry for potential competitors. Bringing FC operation data into the cloud offers clients additional services and SFC more insight into its FC fleet (pre-emptive maintenance, product optimisation opportunities). Refilling services offer improved methanol logistics. Often, the logistics of refilling is more expansive than the methanol itself.

Guidance confirmed SFC expects strong top line growth and further earnings margin expansion (see figure 5). We are positioned in the middle of guidance with our forecasts.

Figure 5: 2025 guidance & FB forecasts

in €m	Guidance	FBe
Sales	160.6 - 180.9	171.4
AEBITDA	24.7 - 28.2	26.4
AEBITDA margin	15.4% - 15.6%	15.4%
AEBIT	17.5 - 20.6	19.0
AEBIT margin	10.9% - 11.4%	11.1%

Source: First Berlin Equity Research, SFC Energy AG



Strong sales and earnings growth in the coming years We have revised our forecasts only slightly to reflect the 2024 figures, and continue to model strong sales and earnings growth for this year as well as for 2026E and 2027E (see figure 6).

Figure 6: Revisions to forecasts

All figures in €m	2025E			2026E			2027E		
	Old	New	Delta	Old	New	Delta	Old	New	Delta
Sales	171.4	171.4	0%	205.6	205.6	0%	246.8	246.8	0%
Adjusted EBIT	19.0	19.0	0%	24.7	24.7	0%	31.3	31.3	0%
<i>margin</i>	11.1%	11.1%		12.0%	12.0%		12.7%	12.7%	
Net income	13.7	13.4	-2%	17.0	17.0	0%	21.7	21.7	0%
<i>margin</i>	8.0%	7.8%		8.3%	8.2%		8.8%	8.8%	
EPS (diluted) in €	0.77	0.77	0%	0.95	0.98	3%	1.22	1.22	0%

Source: First Berlin Equity Research

Updated DCF model continues to signal strong upside An updated DCF model yields an unchanged €31 price target. We confirm our Buy rating. Upside: >40%.



VALUATION MODEL

DCF valuation model								
All figures in EUR '000								
	2025 E	2026 E	2027 E	2028 E	2029 E	2030 E	2031 E	2032 E
Net sales	171,360	205,632	246,758	286,240	327,413	370,133	413,808	457,696
NOPLAT	13,278	17,056	21,597	25,745	30,614	34,608	38,480	42,218
+ depreciation & amortisation	7,616	8,443	8,994	9,531	9,137	9,184	9,541	10,111
Net operating cash flow	20,895	25,499	30,591	35,277	39,751	43,792	48,021	52,328
- total investments (CAPEX and WC)	-18,380	-20,620	-23,287	-23,214	-24,875	-26,550	-28,030	-29,211
Capital expenditures	-7,883	-8,225	-8,390	-8,587	-9,674	-10,768	-11,850	-12,899
Working capital	-10,498	-12,394	-14,897	-14,626	-15,202	-15,783	-16,180	-16,313
Free cash flows (FCF)	2,515	4,880	7,304	12,063	14,876	17,242	19,991	23,117
PV of FCF's	2,375	4,272	5,928	9,073	10,372	11,143	11,976	12,835

All figures in thousands		
PV of FCFs in explicit period (2025E-2039E)	174,553	
PV of FCFs in terminal period	337,595	
Enterprise value (EV)	512,148	
+ Net cash / - net debt (pro forma)	43,324	
+ Investments / minority interests	-64	
Shareholder value	555,408	
Diluted number of shares	18,025	
Fair value per share in EUR	30.81	

Terminal growth rate:	3.0%
Terminal EBIT margin:	12.1%

WACC		Terminal growth rate							
		1.5%	2.0%	2.5%	3.0%	3.5%	4.0%	4.5%	
Cost of equity	10.8%	6.4%	38.40	40.53	43.22	46.70	51.38	58.04	68.23
Pre-tax cost of debt	5.0%	6.9%	34.09	35.65	37.58	40.00	43.13	47.35	53.35
Tax rate	30.0%	7.4%	30.55	31.72	33.13	34.86	37.04	39.86	43.66
After-tax cost of debt	3.5%	7.9%	27.61	28.50	29.55	30.81	32.37	34.33	36.87
Share of equity capital	60.0%	8.4%	25.13	25.81	26.61	27.55	28.69	30.09	31.85
Share of debt capital	40.0%	8.9%	23.01	23.54	24.15	24.86	25.71	26.73	27.99
Price target in EUR	31.00	9.4%	21.19	21.60	22.07	22.62	23.26	24.02	24.94

* for layout purposes the model shows numbers only to 2032, but runs until 2039



INCOME STATEMENT

All figures in EUR '000	2022A	2023A	2024A	2025E	2026E	2027E
Revenues	85,229	118,148	144,754	171,360	205,632	246,758
Cost of goods sold	53,823	71,354	85,430	99,732	120,295	145,094
Gross profit	31,406	46,794	59,324	71,628	85,337	101,664
S&M	14,187	15,082	16,674	21,249	24,676	29,117
G&A	10,293	15,492	20,860	23,305	26,321	31,092
R&D	4,441	5,296	7,269	7,711	8,431	9,624
Other operating income	2,521	1,174	2,074	2,228	1,439	2,468
Other operating expenses	1,407	2,941	2,858	2,570	2,673	2,961
Operating income (EBIT)	3,599	9,157	13,737	19,021	24,676	31,338
Net financial result	-609	186	211	121	-96	87
Non-operating expenses	0	0	0	0	0	0
Pre-tax income (EBT)	2,990	9,344	13,948	19,142	24,580	31,425
Income taxes	1,923	-11,719	4,594	5,743	7,620	9,742
Minority interests	0	22	41	0	0	0
Net income / loss	1,067	21,084	9,396	13,399	16,960	21,683
Diluted EPS (in €)	0.07	1.18	0.54	0.77	0.98	1.22
Adjusted EBITDA (AEBITDA)	8,150	15,158	22,008	26,637	33,119	40,332
One-off costs / earnings (-/+)	443	-539	-1,818	0	0	0
EBITDA	8,593	14,619	20,190	26,637	33,119	40,332
Adjusted EBIT (AEBIT)	3,156	9,696	15,556	19,021	24,676	31,338
Ratios						
Gross margin	36.8%	39.6%	41.0%	41.8%	41.5%	41.2%
EBITDA margin on revenues	10.1%	12.4%	13.9%	15.5%	16.1%	16.3%
Adjusted EBITDA margin on revenues	9.6%	12.8%	15.2%	15.5%	16.1%	16.3%
EBIT margin on revenues	4.2%	7.8%	9.5%	11.1%	12.0%	12.7%
Adjusted EBIT margin on revenues	3.7%	8.2%	10.7%	11.1%	12.0%	12.7%
Net margin on revenues	1.3%	17.8%	6.5%	7.8%	8.2%	8.8%
Tax rate	64.3%	-125.4%	32.9%	30.0%	31.0%	31.0%
Expenses as % of revenues						
S&M	16.6%	12.8%	11.5%	12.4%	12.0%	11.8%
G&A	12.1%	13.1%	14.4%	13.6%	12.8%	12.6%
R&D	5.2%	4.5%	5.0%	4.5%	4.1%	3.9%
Other operating expenses	1.7%	2.5%	2.0%	1.5%	1.3%	1.2%
Y-Y Growth						
Revenues	32.5%	38.6%	22.5%	18.4%	20.0%	20.0%
Operating income	n.m.	154.4%	50.0%	38.5%	29.7%	27.0%
Net income/ loss	n.m.	1876.0%	-55.4%	42.6%	26.6%	27.8%



BALANCE SHEET

All figures in EUR '000	2022A	2023A	2024A	2025E	2026E	2027E
Assets						
Current assets, total	113,146	121,259	135,476	149,313	169,872	196,236
Cash and cash equivalents	64,803	59,848	60,494	62,994	67,778	75,169
Short-term investments	385	286	286	286	286	286
Receivables	19,376	28,645	35,843	42,253	50,704	60,845
Inventories	24,921	25,043	30,593	35,521	42,845	51,677
Other current assets	3,661	7,437	8,259	8,259	8,259	8,259
Non-current assets, total	34,025	55,141	58,653	58,919	58,702	58,097
Property, plant & equipment	13,396	16,944	22,579	21,837	20,902	19,244
Goodwill & other intangibles	18,576	19,820	20,711	21,719	22,436	23,490
Other assets	2,053	18,377	15,363	15,363	15,363	15,363
Total assets	147,171	176,399	194,129	208,233	228,573	254,333
Shareholders' equity & debt						
Current liabilities, total	26,591	33,578	39,124	39,828	43,208	47,285
Short-term debt	4,055	3,791	4,136	4,000	4,000	4,000
Accounts payable	9,046	12,890	15,555	16,394	19,774	23,851
Current provisions	1,496	2,108	4,110	4,110	4,110	4,110
Liabilities under finance leases	2,009	2,200	2,579	2,579	2,579	2,579
Other current liabilities	9,986	12,589	12,744	12,744	12,744	12,744
Long-term liabilities, total	17,143	14,688	15,788	15,788	15,788	15,788
Long-term debt	0	0	0	0	0	0
Liabilities under finance leases	8,552	10,363	11,428	11,428	11,428	11,428
Other liabilities	8,591	4,325	4,361	4,361	4,361	4,361
Minority interests	0	-29	-64	-64	-64	-64
Shareholders' equity	103,437	128,162	139,281	152,681	169,641	191,324
Share capital	17,364	17,364	17,382	17,382	17,382	17,382
Capital reserve	168,262	173,167	175,027	175,027	175,027	175,027
Other reserves	0	0	0	0	0	0
Treasury stock	0	0	0	0	0	0
Loss carryforward / retained earnings	-81,441	-61,309	-51,913	-38,514	-21,554	129
Total consolidated equity and debt	147,171	176,399	194,129	208,233	228,573	254,333
Ratios						
Current ratio (x)	4.25	3.61	3.46	3.75	3.93	4.15
Quick ratio (x)	3.32	2.87	2.68	2.86	2.94	3.06
Net cash	52,581	45,979	45,217	47,852	52,636	60,027
Net gearing	-50.8%	-35.9%	-32.5%	-31.3%	-31.0%	-31.4%
Book value per share (€)	6.60	7.18	8.01	8.78	9.76	10.72
Equity ratio	70.3%	72.7%	71.7%	73.3%	74.2%	75.2%
Return on equity (ROE)	1.0%	16.5%	6.7%	8.8%	10.0%	11.3%
Return on investment (ROI)	0.7%	12.0%	4.8%	6.4%	7.4%	8.5%
Return on assets (ROA)	1.1%	12.4%	5.3%	6.9%	7.8%	8.9%
Return on capital employed (ROCE)	6.7%	12.1%	14.4%	17.8%	20.9%	23.9%
Days of sales outstanding (DSO)	83	88	90	90	90	90
Days of inventory turnover	169	128	131	130	130	130
Days of payables outstanding (DPO)	61	66	66	60	60	60



CASH FLOW STATEMENT

All figures in EUR '000	2022A	2023A	2024A	2025E	2026E	2027E
EBIT	3,599	9,157	13,737	19,021	24,676	31,338
Depreciation and amortisation	4,993	5,462	6,452	7,616	8,443	8,994
EBITDA	8,593	14,619	20,190	26,637	33,119	40,332
Changes in working capital	-13,135	-11,887	-8,199	-10,498	-12,394	-14,897
Other adjustments	-219	843	2,469	-5,743	-7,620	-9,742
Operating cash flow	-4,761	3,575	14,459	10,397	13,105	15,694
Investments in PP&E	-2,146	-2,243	-5,915	-4,113	-4,524	-4,195
Investments in intangibles	-3,056	-4,204	-3,255	-3,770	-3,701	-4,195
Free cash flow	-9,963	-2,872	5,289	2,515	4,880	7,304
Acquisitions & disposals, net	0	34	0	0	0	0
Other investments	0	932	-1,911	0	0	0
Investing cash flow	-5,202	-5,482	-11,082	-7,883	-8,225	-8,390
Debt financing, net	-239	-1,893	-2,275	-136	0	0
Equity financing, net	56,432	0	18	0	0	0
Dividend paid	0	0	0	0	0	0
Other financing	-6,017	-786	-839	121	-96	87
Financing cash flow	50,176	-2,679	-3,096	-15	-96	87
Forex & other effects	-32	-107	20	0	0	0
Net cash flows	40,181	-4,693	302	2,500	4,784	7,391
Cash, start of the year	24,623	64,803	56,056	60,494	62,994	67,778
Cash, end of the year	64,803	60,110	56,358	62,994	67,778	75,169
EBITDA/share (in €)	0.55	0.82	1.16	1.53	1.91	2.26
Y-Y Growth						
Operating cash flow	n.m.	n.m.	304.5%	-28.1%	26.0%	19.8%
Free cash flow	n.m.	n.m.	n.m.	-52.5%	94.0%	49.7%
EBITDA/share	n.m.	49.5%	41.8%	31.9%	24.3%	18.6%

Imprint / Disclaimer

First Berlin Equity Research

First Berlin Equity Research GmbH ist ein von der BaFin betreffend die Einhaltung der Pflichten des §85 Abs. 1 S. 1 WpHG, des Art. 20 Abs. 1 Marktmissbrauchsverordnung (MAR) und der Markets Financial Instruments Directive (MiFID) II, Markets in Financial Instruments Directive (MiFID) II Durchführungsverordnung und der Markets in Financial Instruments Regulations (MiFIR) beaufsichtigtes Unternehmen.

First Berlin Equity Research GmbH is one of the companies monitored by BaFin with regard to its compliance with the requirements of Section 85 (1) sentence 1 of the German Securities Trading Act [WpHG], art. 20 (1) Market Abuse Regulation (MAR) and Markets in Financial Instruments Directive (MiFID) II, Markets in Financial Instruments Directive (MiFID) II Commission Delegated Regulation and Markets in Financial Instruments Regulations (MiFIR).

Anschrift:

First Berlin Equity Research GmbH
Friedrichstr. 34
10117 Berlin
Germany

Vertreten durch den Geschäftsführer: Martin Bailey

Telefon: +49 (0) 30-80 93 9 680

Fax: +49 (0) 30-80 93 9 687

E-Mail: info@firstberlin.com

Amtsgericht Berlin Charlottenburg HR B 103329 B

UST-Id.: 251601797

Ggf. Inhaltlich Verantwortlicher gem. § 6 MDStV

First Berlin Equity Research GmbH

Authored by: Dr. Karsten von Blumenthal, Analyst

All publications of the last 12 months were authored by Dr. Karsten von Blumenthal.

Company responsible for preparation: First Berlin Equity Research GmbH, Friedrichstraße 69, 10117 Berlin

The production of this recommendation was completed on 1 April 2025 at 13:32

Person responsible for forwarding or distributing this financial analysis: Martin Bailey

Copyright© 2025 First Berlin Equity Research GmbH No part of this financial analysis may be copied, photocopied, duplicated or distributed in any form or media whatsoever without prior written permission from First Berlin Equity Research GmbH. First Berlin Equity Research GmbH shall be identified as the source in the case of quotations. Further information is available on request.

INFORMATION PURSUANT TO SECTION 85 (1) SENTENCE 1 OF THE GERMAN SECURITIES TRADING ACT [WPHG], TO ART. 20 (1) OF REGULATION (EU) NO 596/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF APRIL 16, 2014, ON MARKET ABUSE (MARKET ABUSE REGULATION) AND TO ART. 37 OF COMMISSION DELEGATED REGULATION (EU) NO 2017/565 (MIFID) II.

First Berlin Equity Research GmbH (hereinafter referred to as: "First Berlin") prepares financial analyses while taking the relevant regulatory provisions, in particular section 85 (1) sentence 1 of the German Securities Trading Act [WpHG], art. 20 (1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (market abuse regulation) and art. 37 of Commission Delegated Regulation (EU) no. 2017/565 (MiFID II) into consideration. In the following First Berlin provides investors with information about the statutory provisions that are to be observed in the preparation of financial analyses.

CONFLICTS OF INTEREST

In accordance with art. 37 (1) of Commission Delegated Regulation (EU) no. 2017/565 (MiFID) II and art. 20 (1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (market abuse regulation) investment firms which produce, or arrange for the production of, investment research that is intended or likely to be subsequently disseminated to clients of the firm or to the public, under their own responsibility or that of a member of their group, shall ensure the implementation of all the measures set forth in accordance with Article 34 (2) lit. (b) of Regulation (EU) 2017/565 in relation to the financial analysts involved in the production of the investment research and other relevant persons whose responsibilities or business interests may conflict with the interests of the persons to whom the investment research is disseminated. In accordance with art. 34 (3) of Regulation (EU) 2017/565 the procedures and measures referred to in paragraph 2 lit. (b) of such article shall be designed to ensure that relevant persons engaged in different business activities involving a conflict of interests carry on those activities at a level of independence appropriate to the size and activities of the investment firm and of the group to which it belongs, and to the risk of damage to the interests of clients.

In addition, First Berlin shall pursuant to Article 5 of the Commission Delegated Regulation (EU) 2016/958 disclose in their recommendations all relationships and circumstances that may reasonably be expected to impair the objectivity of the financial analyses, including interests or conflicts of interest, on their part or on the part of any natural or legal person working for them under a contract, including a contract of employment, or otherwise, who was involved in producing financial analyses, concerning any financial instrument or the issuer to which the recommendation directly or indirectly relates.

With regard to the financial analyses of SFC Energy AG the following relationships and circumstances exist which may reasonably be expected to impair the objectivity of the financial analyses: The author, First Berlin, or a company associated with First Berlin reached an agreement with the SFC Energy AG for preparation of a financial analysis for which remuneration is owed.

Furthermore, First Berlin offers a range of services that go beyond the preparation of financial analyses. Although First Berlin strives to avoid conflicts of interest wherever possible, First Berlin may maintain the following relations with the analysed company, which in particular may constitute a potential conflict of interest:

- The author, First Berlin, or a company associated with First Berlin owns a net long or short position exceeding the threshold of 0.5 % of the total issued share capital of the analysed company;
- The author, First Berlin, or a company associated with First Berlin holds an interest of more than five percent in the share capital of the analysed company;

- The author, First Berlin, or a company associated with First Berlin provided investment banking or consulting services for the analysed company within the past twelve months for which remuneration was or was to be paid;
- The author, First Berlin, or a company associated with First Berlin reached an agreement with the analysed company for preparation of a financial analysis for which remuneration is owed;
- The author, First Berlin, or a company associated with First Berlin has other significant financial interests in the analysed company;

First Berlin F.S.B. Investment-Beratungsgesellschaft mbH (hereafter FBIB), a company of the First Berlin Group, holds a stake of under 0.5% of the shares in the company which has been covered in this analysis. The analyst is not subject to any restrictions with regard to his recommendation and is therefore independent, so that we believe there is no conflict of interest.

With regard to the financial analyses of SFC Energy AG the following of the aforementioned potential conflicts of interests or the potential conflicts of interest mentioned in Article 6 paragraph 1 of the Commission Delegated Regulation (EU) 2016/958 exist: The author, First Berlin, or a company associated with First Berlin reached an agreement with the SFC Energy AG for preparation of a financial analysis for which remuneration is owed.

In order to avoid and, if necessary, manage possible conflicts of interest both the author of the financial analysis and First Berlin shall be obliged to neither hold nor in any way trade the securities of the company analyzed. The remuneration of the author of the financial analysis stands in no direct or indirect connection with the recommendations or opinions represented in the financial analysis. Furthermore, the remuneration of the author of the financial analysis is neither coupled directly to financial transactions nor to stock exchange trading volume or asset management fees.

INFORMATION PURSUANT TO SECTION 64 OF THE GERMAN SECURITIES TRADING ACT [WPHG], DIRECTIVE 2014/65/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 15 MAY 2014 ON MARKETS IN FINANCIAL INSTRUMENTS AND AMENDING DIRECTIVE 2002/92/EC AND DIRECTIVE 2011/61/EU, ACCOMPANIED BY THE MARKETS IN FINANCIAL INSTRUMENTS REGULATION (MIFIR, REG. EU NO. 600/2014).

First Berlin notes that it has concluded a contract with the issuer to prepare financial analyses and is paid for that by the issuer. First Berlin makes the financial analysis simultaneously available for all interested security financial services companies. First Berlin thus believes that it fulfils the requirements of section 64 WpHG for minor non-monetary benefits.

PRICE TARGET DATES

Unless otherwise indicated, current prices refer to the closing prices of the previous trading day.

AGREEMENT WITH THE ANALYSED COMPANY AND MAINTENANCE OF OBJECTIVITY

The present financial analysis is based on the author's own knowledge and research. The author prepared this study without any direct or indirect influence exerted on the part of the analysed company. Parts of the financial analysis were possibly provided to the analysed company prior to publication in order to avoid inaccuracies in the representation of facts. However, no substantial changes were made at the request of the analysed company following any such provision.

ASSET VALUATION SYSTEM

First Berlin's system for asset valuation is divided into an asset recommendation and a risk assessment.

ASSET RECOMMENDATION

The recommendations determined in accordance with the share price trend anticipated by First Berlin in the respectively indicated investment period are as follows:

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.

RISK ASSESSMENT

The First Berlin categories for risk assessment are low, average, high and speculative. They are determined by ten factors: Corporate governance, quality of earnings, management strength, balance sheet and financial risk, competitive position, standard of financial disclosure, regulatory and political uncertainty, strength of brandname, market capitalisation and free float. These risk factors are incorporated into the First Berlin valuation models and are thus included in the target prices. First Berlin customers may request the models.

RECOMMENDATION & PRICE TARGET HISTORY

Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	23 June 2014	€4.84	Buy	€7.40
2...65	↓	↓	↓	↓
66	7 February 2024	€18.86	Buy	€34.00
67	26 February 2024	€17.56	Buy	€34.00
68	12 April 2024	€19.18	Buy	€34.00
69	17 May 2024	€22.70	Buy	€34.00
70	21 August 2024	€20.35	Buy	€34.00
71	20 November 2024	€17.04	Buy	€31.00
72	3 February 2025	€17.16	Buy	€31.00
73	3 March 2025	€18.30	Buy	€31.00
74	Today	€21.00	Buy	€31.00

INVESTMENT HORIZON

Unless otherwise stated in the financial analysis, the ratings refer to an investment period of twelve months.

UPDATES

At the time of publication of this financial analysis it is not certain whether, when and on what occasion an update will be provided. In general First Berlin strives to review the financial analysis for its topicality and, if required, to update it in a very timely manner in connection with the reporting obligations of the analysed company or on the occasion of ad hoc notifications.

SUBJECT TO CHANGE

The opinions contained in the financial analysis reflect the assessment of the author on the day of publication of the financial analysis. The author of the financial analysis reserves the right to change such opinion without prior notification.

Legally required information regarding

- key sources of information in the preparation of this research report
- valuation methods and principles
- sensitivity of valuation parameters

can be accessed through the following internet link: <https://firstberlin.com/disclaimer-english-link/>

SUPERVISORY AUTHORITY: Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority) [BaFin], Graurheindorferstraße 108, 53117 Bonn and Marie-Curie-Straße 24-28, 60439 Frankfurt am Main

EXCLUSION OF LIABILITY (DISCLAIMER)

RELIABILITY OF INFORMATION AND SOURCES OF INFORMATION

The information contained in this study is based on sources considered by the author to be reliable. Comprehensive verification of the accuracy and completeness of information and the reliability of sources of information has neither been carried out by the author nor by First Berlin. As a result no warranty of any kind whatsoever shall be assumed for the accuracy and completeness of information and the reliability of sources of information, and neither the author nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall be liable for any direct or indirect damage incurred through reliance on the accuracy and completeness of information and the reliability of sources of information.

RELIABILITY OF ESTIMATES AND FORECASTS

The author of the financial analysis made estimates and forecasts to the best of the author's knowledge. These estimates and forecasts reflect the author's personal opinion and judgement. The premises for estimates and forecasts as well as the author's perspective on such premises are subject to constant change. Expectations with regard to the future performance of a financial instrument are the result of a measurement at a single point in time and may change at any time. The result of a financial analysis always describes only one possible future development – the one that is most probable from the perspective of the author – of a number of possible future developments.

Any and all market values or target prices indicated for the company analysed in this financial analysis may not be achieved due to various risk factors, including but not limited to market volatility, sector volatility, the actions of the analysed company, economic climate, failure to achieve earnings and/or sales forecasts, unavailability of complete and precise information and/or a subsequently occurring event which affects the underlying assumptions of the author and/or other sources on which the author relies in this document. Past performance is not an indicator of future results; past values cannot be carried over into the future.

Consequently, no warranty of any kind whatsoever shall be assumed for the accuracy of estimates and forecasts, and neither the author nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall be liable for any direct or indirect damage incurred through reliance on the correctness of estimates and forecasts.

INFORMATION PURPOSES, NO RECOMMENDATION, SOLICITATION, NO OFFER FOR THE PURCHASE OF SECURITIES

The present financial analysis serves information purposes. It is intended to support institutional investors in making their own investment decisions; however in no way provide the investor with investment advice. Neither the author, nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall be considered to be acting as an investment advisor or portfolio manager vis-à-vis an investor. Each investor must form his own independent opinion with regard to the suitability of an investment in view of his own investment objectives, experience, tax situation, financial position and other circumstances.

The financial analysis does not represent a recommendation or solicitation and is not an offer for the purchase of the security specified in this financial analysis. Consequently, neither the author nor First Berlin, nor the person responsible for passing on or distributing the financial analysis shall as a result be liable for losses incurred through direct or indirect employment or use of any kind whatsoever of information or statements arising out of this financial analysis.

A decision concerning an investment in securities should take place on the basis of independent investment analyses and procedures as well as other studies including, but not limited to, information memoranda, sales or issuing prospectuses and not on the basis of this document.

NO ESTABLISHMENT OF CONTRACTUAL OBLIGATIONS

By taking note of this financial analysis the recipient neither becomes a customer of First Berlin, nor does First Berlin incur any contractual, quasi-contractual or pre-contractual obligations and/or responsibilities toward the recipient. In particular no information contract shall be established between First Berlin and the recipient of this information.

NO OBLIGATION TO UPDATE

First Berlin, the author and/or the person responsible for passing on or distributing the financial analysis shall not be obliged to update the financial analysis. Investors must keep themselves informed about the current course of business and any changes in the current course of business of the analysed company.

DUPLICATION

Dispatch or duplication of this document is not permitted without the prior written consent of First Berlin.

SEVERABILITY

Should any provision of this disclaimer prove to be illegal, invalid or unenforceable under the respectively applicable law, then such provision shall be treated as if it were not an integral component of this disclaimer; in no way shall it affect the legality, validity or enforceability of the remaining provisions.

APPLICABLE LAW, PLACE OF JURISDICTION

The preparation of this financial analysis shall be subject to the law obtaining in the Federal Republic of Germany. The place of jurisdiction for any disputes shall be Berlin (Germany).

NOTICE OF DISCLAIMER

By taking note of this financial analysis the recipient confirms the binding nature of the above explanations.

By using this document or relying on it in any manner whatsoever the recipient accepts the above restrictions as binding for the recipient.

QUALIFIED INSTITUTIONAL INVESTORS

First Berlin financial analyses are intended exclusively for qualified institutional investors.

This report is not intended for distribution in the USA and/or Canada.