

Issues at supplier components lead to guidance cut

As a result of quality issues at supplier components that had led to delays in the start of the new electrolyzer 4.0 Enapter downgraded its guidance for FY 2022e. Compared to its predecessor model, the AEM electrolyzer 4.0 will have a longer lifetime and less weight. Furthermore, with the AEM 4.0 the assembly time of an electrolyzer will be significantly reduced, which is also crucial for the targeted mass production strategy of Enapter. For FY 2022e, Enapter now guides revenues of ~EUR 15.6m (prev. EUR 44.7m), an EBITDA of EUR -10.5m (prev. EUR -7.6m) and an EBIT of EUR -12.5m (prev. EUR -8.6m). In our current revenue estimate for FY 2022e of EUR 42m, the AEM 4.0 accounts for a significant share of ~80%. We will downgrade our estimates in accordance with the new guidance. The announcement is negative and such setbacks cannot be ruled out for new product launches, in particular for companies at an early stage. However, it is reassuring that Enapter plans to resume production probably in September 2022. Following the recent successful completion of the financing measures, the focus should remain on the start of the mass production at the new facility in Saerbeck, Germany. With a TP of EUR 34, we rate the shares a Buy.

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