

Equity Research - 26 May 2025 09:35 CEST

Napatech

New '26/'27 guidance, announces equity raise

- Q1 revenue was DKK 24m, 22% below ABGSCe
- Guides for 10.7k units shipped in '26 and 32k in '27
- Announces min. NOK 150m equity raise, with interest exceeding that

Q1: Revenue DKK 24m, 22% below

Revenue was DKK 24m, 22% below ABGSCe of DKK 31m. This corresponds to y-o-y growth of 11% vs. -35% in Q4'24. The gross margin was 70.3% vs. ABGSCe of 68.9%. Cash opex (incl capitalised dev. costs) was DKK 49m, 16% higher than ABGSCe of DKK 42m. This gave an EBITDAC of DKK -32m, 11m below ABGSCe of DKK -21m. Staff costs in Q1'25 were up 26% compared to Q1'24 due to the build-up of development staff to serve the increased design win pipeline, but according to the new guidance, the company expects opex to come down again in '26/'27. FCF incl. leases was DKK -30m vs. ABGSCe of DKK 61m. As a result, the cash position ended at DKK 35m vs. ABGSCe of DKK 125m. Napatech also says that net working capital has had an unfortunate development for the past five quarters, but that it has planned and implemented a number of improvement initiatives to bring NWC down over the coming quarters. Also, it expects a more optimised logistics setup, as it implements new design wins in its supply chain. In turn, it anticipates that most of the new business will be based on large-volume orders rather than producing for stock.

Intends to raise min. NOK 150m in new equity

Napatech announces that it intends to raise a minimum of NOK 150m in new equity through a Private Placement. The company has received indications of interest for an amount in excess of NOK 150m from larger existing shareholders, representing approx. 60% of the outstanding shares.

Guides for 10,700 in '26 and 32,000 in '27

Napatech comments that: it has made "*measurable progress towards our design win goals that underpins our growth aspirations.*" and "*these early success that are far ahead of the pace we could have envisioned one year ago. Additionally, new companies with applications and use cases are emerging regularly, expanding our pipeline of opportunities.*"

For the first time, Napatech presents specific volume and opex guidance for 2026 and 2027. It states that it expects the number of units sold to increase to 10,700 in 2026 and further to 32,000 in 2027. This compares to 5,700 in 2025 and would correspond to volume growth of ~90% and ~200% in '26e and '27e, respectively. This compares to our estimate of ~17,800 for '26e and ~26,000 for '27e, i.e. it is lower for '26e, but higher for '27e. It also guides for opex of DKK 155m and 158m for '26 and '27, respectively, which is ~30% lower than we had in our estimates. For Q2, Napatech says that it is tracking towards growth of 40-50% y-o-y, which would correspond to revenue of DKK 32m-35m, which is 16-9% below our estimate of DKK 38m. Lastly, it reiterates its guidance for 2025 of DKK 150m-190m in revenue, which (given Q1 and the Q2 guidance) would indicate H2 revenue of DKK 92m-132m or a growth of 29-85% y-o-y.

[Napatech will host a conf call at 09:00 CEST.](#)

Fast comment

Commissioned research

Not rated

IT

NAPA-NO/NAPA NO

| | | |
|----------------------|-----------|-------|
| Share price (NOK) | 23/5/2025 | 20.00 |
| MCap (NOKm) | | 2,001 |
| MCap (EURm) | | 174 |
| No. of shares (m) | | 100.1 |
| Free float (%) | | 69.1 |
| Av. daily volume (k) | | 76 |

Next event

Q1 Report 2 May 2025

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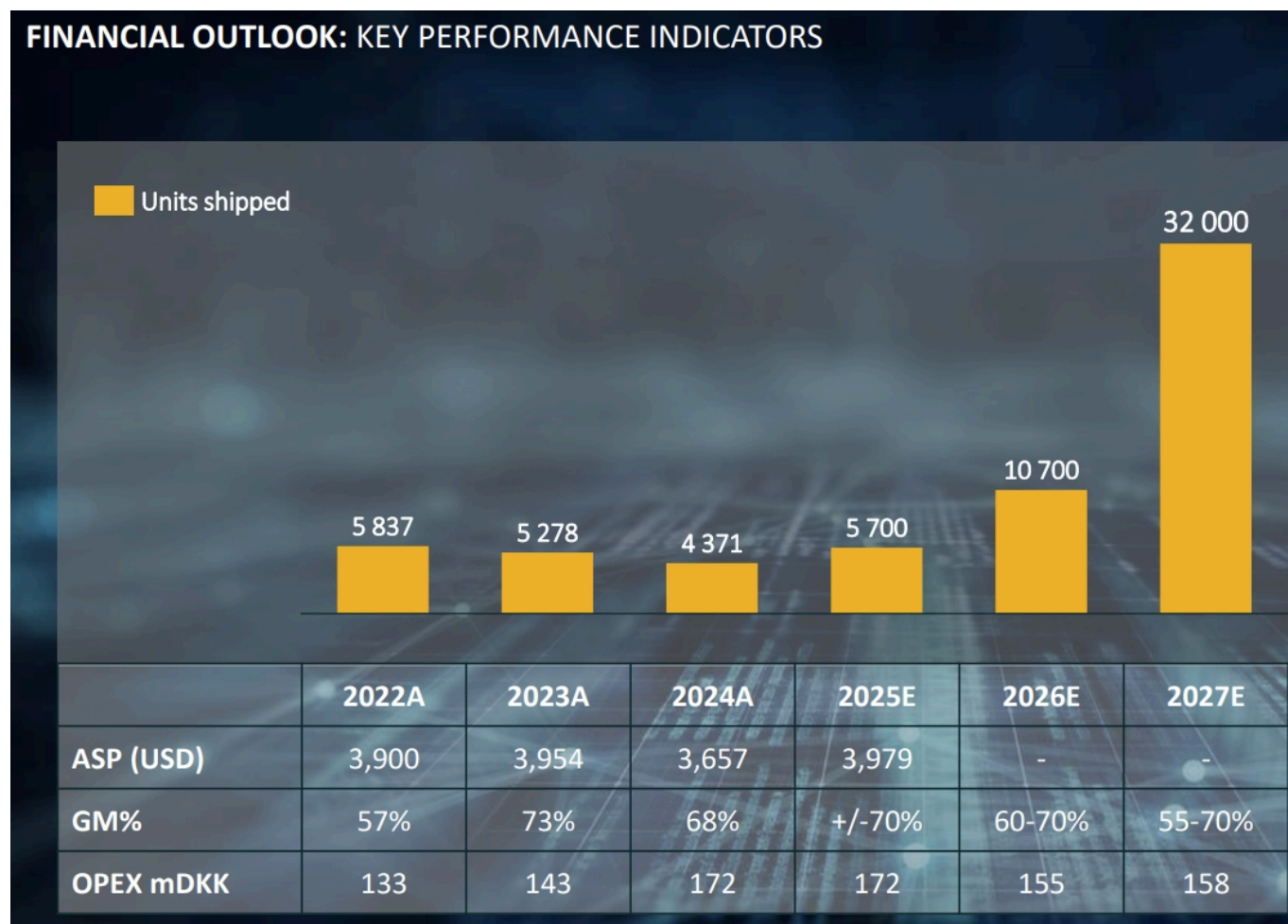
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Deviation table

| Napatech DKKkm | Q1'24 | Q2'24 | Q3'24 | Q4'24 | Q1'25 | ABGSC Q1'25e | Dev % | Dev Δ |
|------------------------------|------------|------------|------------|------------|------------|-----------------|--------------|--------------|
| Revenue | 22 | 23 | 34 | 38 | 24 | 31 | -22% | -7 |
| Revenue growth y-o-y | -42% | -39% | -31% | -35% | 11% | 42% | -31pp | |
| Gross profit | 15 | 15 | 24 | 25 | 17 | 21 | -20% | -4 |
| Gross margin | 71.6% | 65.0% | 71.3% | 65.3% | 70.3% | 68.9% | 1.4pp | |
| Personnel costs | -28 | -29 | -27 | -28 | -35 | -28 | 24% | -7 |
| Other opex | -13 | -15 | -16 | -17 | -14 | -14 | -2% | 0 |
| Cash opex | -41 | -43 | -43 | -45 | -49 | -42 | 16% | -7 |
| EBITDAC | -25 | -28 | -19 | -20 | -32 | -21 | 51% | -10.9 |
| EBITDAC margin | -117% | -122% | -56% | -53% | -135% | -70% | -65pp | |
| Capitalized development cost | 0.8 | 0.9 | 1.4 | 3.2 | 3.1 | 1.9 | 66% | 1.2 |
| EBITDA | -24 | -27 | -18 | -17 | -29 | -19 | 50% | -9.7 |
| D&A | -7.9 | -7.7 | -6.9 | -6.8 | -6.5 | -8.3 | -22% | 1.8 |
| EBIT | -32 | -35 | -25 | -24 | -36 | -28 | 28% | -8 |
| Net profit | -32 | -35 | -26 | -18 | -37 | -21 | 71% | -15 |
| Key figures | | | | | | | | |
| Cash flow from operations | -5 | -42 | -23 | -33 | -26 | 65 | -140% | -91 |
| FCF incl leases | -7 | -45 | -27 | -37 | -30 | 61 | -150% | -91 |
| Cash | 28 | 103 | 103 | 64 | 35 | 125 | -72% | -91 |

Source: ABG Sundal Collier, company data

Napatech key financial outlook



Source: ABG Sundal Collier, company data

| DKKkm | 2023 | 2024 | 2025e | 2026e | 2027e |
|------------------------|----------|-------|-------|--------|-------|
| Sales | 183 | 116 | 187 | 505 | 733 |
| Sales growth (%) | 15.2 | -36.3 | 60.4 | 170.7 | 45.0 |
| EBITDA | -0 | -86 | -38 | 93 | 170 |
| EBITDA margin (%) | -0.2 | -74.1 | -20.3 | 18.4 | 23.2 |
| EBIT adj. | -33 | -116 | -68 | 61 | 137 |
| EBIT adj. margin (%) | -18.0 | -99.3 | -36.6 | 12.1 | 18.7 |
| Pretax profit | -36 | -117 | -67 | 62 | 140 |
| EPS | -0.36 | -1.12 | -0.53 | 0.49 | 1.10 |
| EPS growth (%) | -38.9 | nm | -52.8 | -191.8 | nm |
| EPS adj. | -0.36 | -1.12 | -0.53 | 0.49 | 1.10 |
| DPS | 0.00 | 0.00 | 0.00 | 0.00 | |
| EV/EBITDA (x) | -2,707.0 | -14.8 | -34.7 | 14.2 | 7.2 |
| EV/EBIT adj. (x) | -36.0 | -11.1 | -19.2 | 21.5 | 8.9 |
| P/E (x) | nm | nm | nm | 26.8 | 11.8 |
| P/E adj. (x) | nm | nm | nm | 26.8 | 11.8 |
| EV/sales (x) | 6.49 | 10.99 | 7.04 | 2.61 | 1.67 |
| FCF yield (%) | -1.5 | -8.8 | -2.7 | -0.5 | 7.7 |
| Le. adj. FCF yld. (%) | -1.5 | -8.8 | -2.7 | -0.5 | 7.7 |
| Dividend yield (%) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Net IB debt/EBITDA (x) | -29.5 | 0.1 | -0.6 | 0.3 | -0.4 |
| Le. adj. ND/EBITDA (x) | -0.4 | 0.2 | -0.4 | 0.3 | -0.4 |

Source: ABG Sundal Collier, Company Data

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