

2 October 2023

Price (NOK)	32
Shares in issue (m)	60
Mkt Cap (NOKm)	1,927
Net debt (NOKm)	-86
EV (NOKm)	1,841
BVPS (NOK)	198

Share price performance

1m	0.0%
3m	4.2%
12m	n/a
12 m high/low	35/0
Ave daily vol (30D)	493

Shareholders

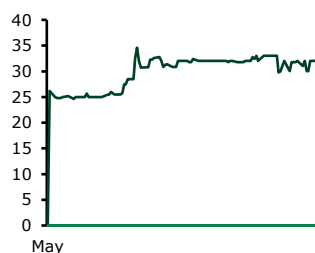
Baden Gowrie Smith	24.58%
CNG Services Assets	19.79%
Philip Fjeld	19.61%
Papailoa Holdings	7.28%
Arcalis Guernsey	5.28%
Borumajobe Limited	2.63%
Rakesh Patel	2.11%
Chrysalis I'ments	1.77%
Ian Roughley	1.73%
Thornaby Limited	1.67%
Total for top 10	52,571,578
Free float	60,226,164

Source: Euronext

Next news Interims

Business description

Bio-compressed natural gas refuelling stations



Research

Adam Forsyth

adam.forsyth@longspur.com
+44 (0) 131 357 6770

Max Campbell

max.campbell@longspur.com
+44 (0) 7900 206039

Distribution

Adam Robertson

adam.robertson@longspur.com
+44 (0) 203 940 6602

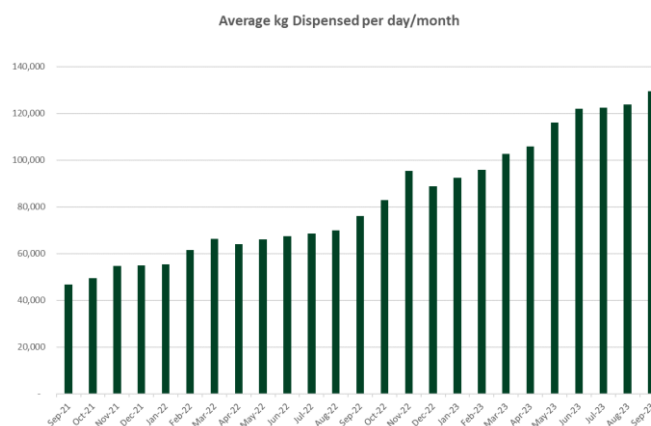
SEPTEMBER STATION DATA

ReFuels has released its bio-CNG station dispensation data for September 2023 which displays strong continued growth on a year-on-year basis. 3,885 tonnes of bio-CNG were dispensed, compared to 2,282 tonnes in September 2022. This has been driven by the addition of 4 new operational stations since September 2022 taking the total to 12 now in operation. More importantly, however, the main drive of increased bio-CNG dispensation is the increasing number of fleets switching to the gas and record numbers of fleet operators looking to use bio-CNG, a trend that looks likely to continue.

Increasing Interest from Fleet Operators

Bio-CNG is gaining more traction with fleet operators, with ReFuels having seen 143 different fleet operators using their stations throughout the month, an increase from 128 at the end of June 2023. This is expected to continue with a record number of trials booked in and a significant backlog to use the ReFuels trial bio-CNG trucks. The quarter saw daily average truck volume increasing to 1,449 vehicles compared to 961 vehicles for the same period previous year and continued growth will support an increasing number of stations.

Average kg/day bio-CNG Dispensed



Source: Longspur Research

£,000 Mar	2022a	2023a	2024e	2025e	2026e	2027e
Sales	83,845	127,120	98,344	167,607	250,162	365,111
EBITDA	3,002	2,862	-473	12,109	28,410	50,498
PBT	2,825	2,514	-465	6,666	16,877	32,260
EPS	2.4	-1.7	-6.7	-1.8	4.5	14.6
CFPS	70.0	4.8	0.4	-50.8	-6.7	-6.5
DPS	0.0	0.0	0.0	0.0	0.0	0.0
Net Debt (Cash)	-5,273	-6,567	-3,357	27,497	47,035	74,530
Debt/EBITDA	-1.8	-2.3	7.1	2.3	1.7	1.5
P/E	1.0	-1.5	-0.4	-1.4	0.5	0.2
EV/EBITDA	47.4	49.3	-304.7	14.5	6.8	4.4
EV/sales	1.7	1.1	1.4	0.8	0.6	0.4
FCF yield	2856.5%	194.3%	18.0%	-2071.9%	-274.2%	-266.0%
Div yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

This is a marketing communication. It has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition of dealing ahead of the dissemination of investment research. However, Longspur Research has put in place procedures and controls designed to prevent dealing ahead of marketing communications. For institutional clients use only. Please see important regulatory disclaimers and disclosures at the end of this note.

FINANCIAL MODEL

Profit and Loss Account

£,000, Mar	2022a	2023a	2024e	2025e	2026e	2027e
Turnover						
RTFS Sales	83,845	127,120	58,556	102,987	165,361	251,497
Natural Gas Sales	0	0	39,788	64,620	84,801	113,613
EPC Revenue	0	0	0	0	0	0
Central Costs and Fees	0	0	0	0	0	0
Total	83,845	127,120	98,344	167,607	250,162	365,111
Operating profit						
RTFS Sales	10,696	17,384	11,711	20,597	33,072	50,299
Natural Gas Sales	0	0	160	1,427	2,368	3,888
EPC Revenue	0	0	0	0	0	0
Central Costs and Fees	-8,174	-14,524	-12,345	-12,715	-13,097	-13,490
Operating profit	2,521	2,860	-473	9,309	22,343	40,698
P&L Account						
Turnover	83,845	127,120	98,344	167,607	250,162	365,111
Operating Profit	2,521	2,860	-473	9,309	22,343	40,698
Investment income	481	2	0	0	0	0
Net Interest	-177	-349	8	-2,643	-5,467	-8,437
Pre Tax Profit (UKSIP)	2,825	2,514	-465	6,666	16,877	32,260
Goodwill amortisation	0	0	0	0	0	0
Exceptional Items	20,299	-61	0	0	0	0
Pre Tax Profit (IFRS)	23,123	2,453	-465	6,666	16,877	32,260
Tax	-1,071	-1,937	0	-1,667	-4,219	-8,065
Post tax exceptionals	0	64	0	0	0	0
Minorities	-968	-1,567	-3,478	-6,117	-9,822	-14,939
Net Profit	21,085	-988	-3,943	-1,118	2,835	9,256
Dividend	0	0	0	0	0	0
Retained	21,085	-988	-3,943	-1,118	2,835	9,256
EBITDA	3,002	2,862	-473	12,109	28,410	50,498
EPS (p) (UKSIP)	2.41	-1.67	-6.66	-1.77	4.48	14.64
EPS (p) (IFRS)	64.67	-1.67	-6.66	-1.77	4.48	14.64
FCFPS (p)	69.99	4.76	0.44	-50.76	-6.72	-6.52
Dividend (p)	0.00	0.00	0.00	0.00	0.00	0.00

Source: Company data, Longspur Research estimates

KEY POINTS

- Increased RTFS revenues from improved pricing and increased gas volumes sold at both Foresight JV and 100% owned stations
- Natural gas operating profit increases as ReFuels benefits from increasing numbers of 100% owned stations
- Net profit from FY2025 and growing after that

Balance Sheet

£,000, Mar	2022a	2023a	2024e	2025e	2026e	2027e
Fixed Asset Cost	2,182	2,672	2,672	44,672	93,672	149,672
Fixed Asset Depreciation	0	0	0	-2,800	-8,867	-18,667
Net Fixed Assets	2,182	2,672	2,672	41,872	84,806	131,006
Goodwill	59,160	59,186	59,186	59,186	59,186	59,186
Other intangibles	0	0	0	0	0	0
Investments	939	0	0	0	0	0
Stock	203	721	0	0	0	0
Trade Debtors	22,078	43,378	68,712	55,104	61,684	90,027
Other Debtors	68	27	27	27	27	27
Trade Creditors	-22,263	-43,902	-69,249	-55,104	-82,245	-120,036
Other Cred <1yr	-2,875	-3,778	-3,778	-3,778	-3,778	-3,778
Creditors >1yr	-1,003	-2,191	-2,191	-2,191	-2,191	-2,191
Provisions	0	0	0	0	0	0
Pension	0	0	0	0	0	0
Capital Employed	58,490	56,113	55,379	95,116	117,488	154,240
Cash etc	5,676	8,983	3,357	1,903	13,725	19,354
Borrowing <1yr	402	2,416	0	0	0	0
Borrowing >1yr	0	0	0	29,400	60,760	93,884
Net Borrowing	-5,273	-6,567	-3,357	27,497	47,035	74,530
Share Capital	7	46	46	351	351	351
Share Premium	5,423	5,517	5,517	15,212	15,212	15,212
Retained Earnings	15,170	13,511	6,090	-1,145	-8,133	-13,815
Other	41,299	41,918	41,918	41,918	41,918	41,918
Minority interest	1,864	1,687	5,166	11,283	21,106	36,045
Capital Employed	58,490	56,113	55,379	95,116	117,488	154,240
Net Assets	63,763	62,680	58,736	67,619	70,454	79,710
Total Equity	63,763	62,680	58,736	67,619	70,454	79,710

Source: Company data, Longspur Research estimates

KEY POINTS

- Fixed assets increase with new stations being wholly owned by ReFuels
- Working capital moves in line with scale up of stations
- Borrowings increase to fund new stations as well as small equity raise in 2025

Cashflow

£,000, Mar	2022a	2023a	2024e	2025e	2026e	2027e
Operating profit	2,521	2,860	-473	9,309	22,343	40,698
Depreciation	0	0	0	2,800	6,067	9,800
Provisions	0	0	0	0	0	0
Other	20,299	-61	0	0	0	0
Working capital	0	1,090	2,671	-2,204	18,009	5,602
Operating cash flow	22,820	3,889	2,198	9,906	46,419	56,099
Tax paid	0	-1,071	-1,937	0	-1,667	-4,219
Capex (less disposals)	0	0	0	-42,000	-49,000	-56,000
Investments	0	0	0	0	0	0
Net interest	0	-1,916	-3,470	-8,760	-15,289	-23,376
Net dividends	0	0	0	0	0	0
Residual cash flow	22,820	902	-3,210	-40,855	-19,537	-27,496
Equity issued	0	0	0	10,000	0	0
Change in net borrowing	-6,078	-5,321	8,041	30,855	19,537	27,496
Adjustments	0	0	0	0	0	0
Total financing	-6,078	-5,321	8,041	40,855	19,537	27,496

Source: Company data, Longspur Research estimates

KEY POINTS

- ReFuels is operating cashflow positive throughout
- Small equity raise in 2025 to support a rapid station roll out, assuming future stations are developed using 70:30 debt to equity split
- Operating loss in 2024 driven by low RTFC Price

Equity Research Disclaimers

Non-independent research

This report has been commissioned by the issuer and prepared and issued by Longspur Research, in consideration of a fee payable by the issuer. It is Non-Independent Research and a marketing communication under the FCA's Conduct of Business Rules. It is not Investment Research as defined by the FCA's Rules and has not been prepared in accordance with legal requirements designed to promote Investment Research independence and is also not subject to any legal prohibition on dealing ahead of the dissemination of Investment Research. We do not hold out this research material as an impartial assessment of the values or prospects of the company.

Notwithstanding this, Longspur Research has procedures in place to manage conflicts of interest which may arise in the production of Research, which include measures designed to prevent dealing ahead of Research.

Minor non-monetary benefit

This Research is a minor non-monetary benefit as set out in Article 12 (3) of the Commission Delegated Directive (EU) 2017/593. The Research is paid for by a corporate client of Longspur Research) and can be distributed free of charge.

Copyright

Copyright 2019 Longspur Capital. This Communication is being supplied to you solely for your information and may not be reproduced, redistributed or passed to any other person or published in whole or in part for any purpose without the prior consent of Longspur Research. Additional information is available upon request.

Regulated by the FCA

Longspur Research Longspur Research is a trading name of Longspur Capital Limited, authorised and regulated by the Financial Conduct Authority (FRN 839313). Longspur Capital is registered in England, company number 11011596.

No warranty as to accuracy or completeness

All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified.

Opinions contained in this report represent those of the Longspur Research analyst at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations. No representation or warranty is made as to the accuracy or completeness of the information included in this Research and opinions expressed may be subject to change without notice. Longspur Research does not undertake any obligation to revise such forward-looking statements to reflect the occurrence of unanticipated events or changed circumstances.

This report is solely for informational purposes and is not intended to be used as the primary basis of investment decisions. Longspur Research has not assessed the suitability of the subject company for any person. Because of individual client requirements, it is not, and it should not be construed as, advice designed to meet the particular investment needs of any investor. This report is not an offer or the solicitation of an offer to sell or buy any security.

Longspur Research has no authority whatsoever to make any representation or warranty on behalf of any of its corporate finance clients, their shareholders or any other persons similarly connected.

Information purposes only

This Research is designed for information purposes only. Neither the information included herein, nor any opinion expressed, are deemed to constitute an offer or invitation to make an offer, to buy or sell any financial instrument or any option, futures or other related derivatives. Investors should consider this Research as only a single factor in making any investment decision. This Research is published on the basis that Longspur Research is not acting in a fiduciary capacity. It is also published without regard to the recipient's specific investment objectives of recipients and is not a personal recommendation. The value of any financial instrument, or the income derived from it, may fluctuate.

Take own advice

The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Longspur Research's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

Longspur Research may have a position

At any time, Longspur Research or its employees may have a position in the securities and derivatives (including options or warrants) of the companies researched and this may impair the objectivity of this report. Longspur Research may act as principal in transactions in any relevant securities, or provide advisory or other services to any issuer of relevant securities or any company connected therewith.

Only for eligible counterparties and professional clients. Not for retail

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document (nor will such persons be able to purchase shares in the placing).

Distribution in the US

Longspur Capital Limited (Longspur) is not registered as a broker-dealer with the U S Securities and Exchange Commission, and it and its analysts are not subject to SEC rules on securities analysts' certification as to the currency of their views reflected in the research report. Longspur is not a member of the Financial Industry Regulatory Authority. It and its securities analysts are not subject to FINRA's rules on Communications with the Public and Research Analysts and Research Reports and the attendant requirements for fairness, balance and disclosure of potential conflicts of interest. This research report is intended for distribution in the United States solely to "major U.S. institutional investors" in reliance on the exemption from broker-dealer registration provided by Rule 15a-6 under the United States Securities Exchange Act of 1934, as amended, and may not be furnished to any other person in the United States. Each major U.S. institutional investor that receives a copy of such a report by its acceptance thereof represents and agrees that it shall not distribute or provide copies to any other person.

MAR Formal disclosure of conflicts

This report has been commissioned by the issuer and prepared and issued by Longspur Research in consideration of a fee payable by the issuer. Fees are paid upfront in cash without recourse. A draft has been sent to the issuer for comment and it has been appropriately amended.

Neither Longspur Research nor the analyst have any holdings in the issuer. Longspur Research may from time to time provide the issuer with of consultancy advice.

See webpage for additional MAR disclosures.

GDPR

For further information about the way we use your personal data please see our Third Party Privacy Notice at <https://longspur.com/privacypolicy.html> or at such other place as we may provide notice of from time to time. We may contact you about industry news, offers and information relating to our products and services which we think would be of interest to you. You can tell us you do not wish to receive such communications by emailing michelle.elsmore@longspur.com.

Laven Consulting Limited (incorporated and registered in England and Wales with company number 10918441) ("Laven") acting through its Paris branch located at 128 Rue La Boetie 75008, Paris, France as designated representative of Two Sigma Investments LP ("Company"), in accordance with art. 27 of the General Data Protection Regulation (the Regulation (EU) 2016/679) ("GDPR"). The Company has mandated Laven to be the European representative of the Company with regards to any communications or enquiry from the Supervisory Authority and/or data subjects on all issues related to the processing of personal data. Please contact Laven on info@eurorep.eu; the postal address is FAO EuroRep, c/o Laven Partners, 128 Rue La Boetie 75008, Paris, France. When contacting Laven regarding the Company please quote the name of the company and the Ref: 0085.

Severability Applicable law

Exclusion of Liability: To the fullest extent allowed by law, Longspur Research shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out or in connection with the access to, use of or reliance on any information contained on this note.

Longspur Research
10 Castle Street,
Edinburgh. EH2 3AT
UK

Longspur Capital
20 North Audley Street,
London. W1K 6WE
UK