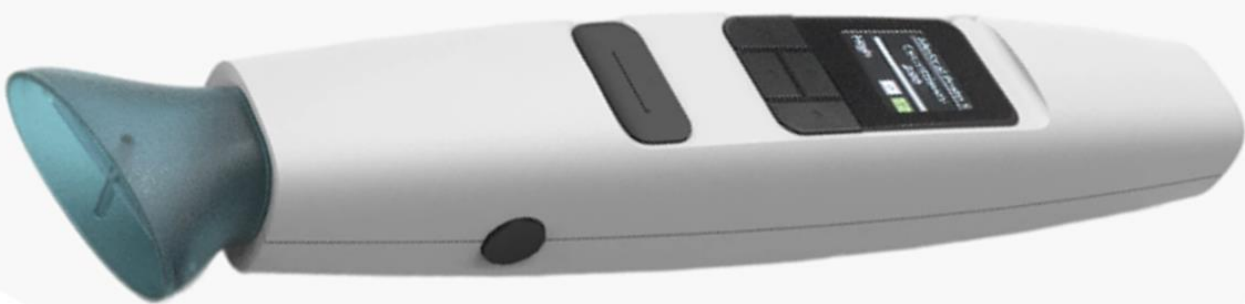


Viomed Medical AG

Germany | Health Care | MCap EUR 40.5m

10 October 2024

UPDATE



Roundtable clarifies potential of PulmoPlas; Spec. BUY

Spec. BUY (Spec. BUY)

Target price	EUR 4.60 (4.60)
Current price	EUR 2.00
Up/downside	130.0%



What's it all about?

Viomed Medical AG's CEO Uwe Perbandt and Prof. Dr. Hortense Slevogt, a leading specialist in pulmonary infections, participated in a roundtable hosted by mwb research. The focus was on PulmoPlas, a new device targeting the treatment and prevention of ventilator-associated pneumonia (VAP). VAP affects 10-40% of mechanically ventilated patients and is associated with significant mortality and healthcare costs. Viomed is seeking special approval from the BfArM for PulmoPlas based on promising early results from research projects on the safety and efficacy of cold plasma in the treatment of VAP. The final evaluation is expected in summer 2025. The potential market for PulmoPlas is significant, particularly for the prevention of VAP, which could generate an addressable market of over EUR 150m in Germany alone. While early indications are very encouraging, we believe it is too early to include PulmoPlas revenues in our estimates, so the project is currently pure upside in our estimates and PT. We confirm our Spec. BUY rating and our PT of EUR 4.60.

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IMPORTANT. Please refer to the last page of this report for "Important disclosures" and analyst(s) certifications.

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Viomed Medical AG

Germany | Health Care | MCap EUR 40.5m | EV EUR 48.8m

Spec. BUY (Spec. BUY)

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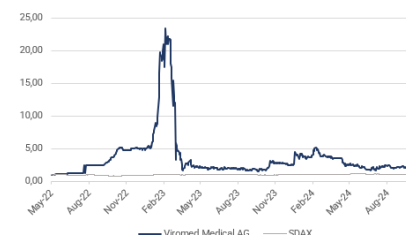
Roundtable clarifies potential of PulmoPlas; Spec. BUY

Roundtable with CEO Perbandt and Prof. Slevogt. mwb research hosted a well-attended roundtable with Uwe Perbandt, CEO of Viomed Medical AG. The focus of the roundtable was on PulmoPlas, a device targeted for the treatment and prevention of ventilator-associated pneumonia (VAP). To provide background information on the current status of a research project initiated by Viomed, Prof. Dr Hortense Slevogt also participated in the roundtable. Prof. Slevogt is Head of the Department of Pneumology and Infectiology at the Hanover Medical School and Head of the Research Group "Dynamics of Respiratory Infections" at the Helmholtz Centre for Infection Research - both institutions are participating in the research project.

Background on ventilator-associated pneumonia. VAP is a serious complication estimated to occur in approximately 10-40% of mechanically ventilated patients, leading to prolonged ICU stays and an estimated mortality of 20-50%. Based on the assumption that 450,000 patients receive mechanical ventilation in Germany each year, this means that ca. 40,000 deaths occur each year in Germany as a result of VAP. Worldwide, the number could be several 100,000. If cold plasma is shown to be effective and safe in the treatment of VAP, it has the potential not only to save a significant number of lives, but also to reduce costs to the healthcare system. The average length of stay in intensive care units would most likely be reduced, and the cost of a day in intensive care is estimated to be between EUR 1,500 and EUR 3,000, with mechanically ventilated patients at the upper end of this range.

Rapid special approval by BfArM targeted. The German Federal Institute for Drugs and Medical Devices (BfArM) may grant a special authorization for a medical device if this is in the interest of public health or patient safety. To obtain a special authorization from the BfArM, there must be an urgent need for the medical device that requires rapid availability, there must be a lack of alternative solutions, the risks of the medical device must be acceptable in relation to the potential benefits, and there must be sufficient data on the safety and efficacy of the medical device. The special authorization is usually limited in time.

- continued next page -



Source: Company data, mwb research

High/low 52 weeks 5.30 / 1.49
Price/Book Ratio 2.8x

Ticker / Symbols

ISIN DE000A3MQR65
WKN A3MQR6
Bloomberg Q11:GR

Changes in estimates

		Sales	EBIT	EPS
2024E	old	4.3	0.2	-0.02
	Δ	0.0%	0.0%	na%
2025E	old	7.6	1.0	0.01
	Δ	0.0%	0.0%	0.0%
2026E	old	18.1	3.6	0.11
	Δ	0.0%	0.0%	0.0%

Key share data

Number of shares: (in m pcs) 20.25
Book value per share: (in EUR) 0.71
Ø trading vol.: (12 months) 2,370

Major shareholders

Perbandt family 76.4%
Investor from medical industry 13.6%
Free Float 10.0%

Company description

Viomed Medical AG is a medical distribution company serving 1.750 hospitals, 2.000 nursing homes and 11.000 medical practices. The company is active in 3 segments: therapeutics, diagnostics and cold plasma technology.

Viomed Medical AG	2021	2022	2023	2024E	2025E	2026E
Sales	133.6	22.1	8.4	4.3	7.6	18.1
Growth yoy	na	-83.5%	-61.9%	-48.7%	75.4%	138.8%
EBITDA	35.8	-12.7	0.1	0.3	1.1	3.8
EBIT	35.6	-12.9	-0.1	0.2	1.0	3.6
Net profit	24.9	-9.9	-0.6	-0.4	0.2	2.2
Net debt (net cash)	-3.2	-0.2	8.3	9.4	9.3	7.5
Net debt/EBITDA	-0.1x	0.0x	98.4x	31.1x	8.2x	2.0x
EPS reported	1.23	-0.49	-0.03	-0.02	0.01	0.11
DPS	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross profit margin	30.1%	-30.6%	31.0%	38.0%	45.0%	50.0%
EBITDA margin	26.8%	-57.5%	1.0%	7.0%	15.0%	21.0%
EBIT margin	26.7%	-58.3%	-0.6%	5.1%	13.9%	20.2%
ROCE	143.0%	-85.2%	-0.2%	0.9%	4.5%	15.5%
EV/Sales	0.3x	1.8x	5.8x	11.6x	6.6x	2.7x
EV/EBITDA	1.0x	-3.2x	580.2x	165.3x	43.9x	12.6x
EV/EBIT	1.0x	-3.1x	-904.3x	229.0x	47.5x	13.2x
PER	1.6x	-4.1x	-67.8x	-99.4x	176.1x	18.8x

Source: Company data, mwb research

Viomed is seeking special authorization in Germany for PulmoPlas, the device for the treatment of VAP, and the initiated research projects are investigating the safety and efficacy in the treatment of VAP with cold atmospheric plasma. According to Prof. Slevogt, first results are encouraging, but a final evaluation can only be provided once the project is completed, probably in summer 2025. The obtained data will be submitted as a basis for the BfArM decision.

Significant market potential. Approval for the treatment of VAP alone would open up significant market potential. Even more attractive is the potential use for the **prevention** of VAP in mechanically ventilated patients. In this scenario, we estimate that 50% of intensive care beds would be equipped, resulting in a total addressable market of more than EUR 150m in Germany alone, assuming a device price of EUR 14k (mwb est.). However, certification for use in the prevention of VAP will require more efficacy and safety data than the special authorization for the treatment of VAP and is therefore further down the road. Should it become clearer that Viomed will obtain the BfArM approval, the company could also become an attractive takeover target for large MedTech companies.

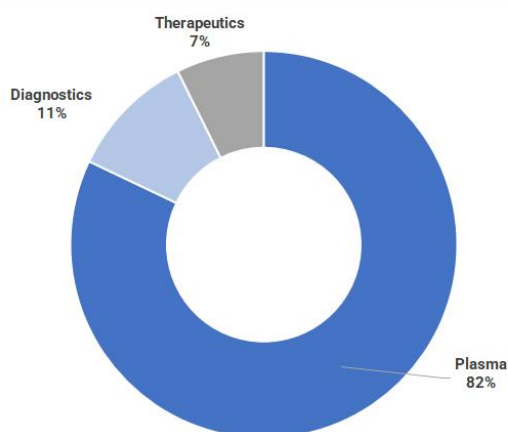
Confirm Spec. BUY. While first indications are very encouraging, we believe it is too early to include PulmoPlas revenues in estimates. So at the moment, the project is pure upside in estimates and price target. We thus confirm our Spec. BUY rating and our target price of EUR 4.60.

Investment case in six charts

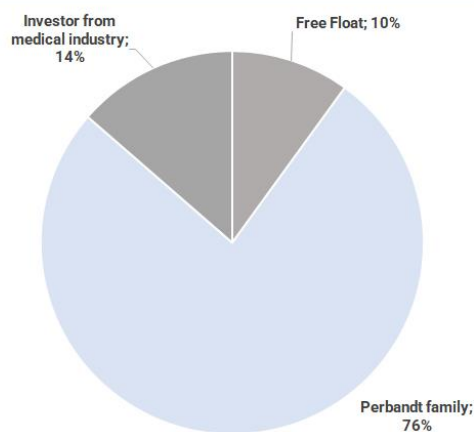
Future core products: Plasma devices



Segmental breakdown in 2026E, in %



Shareholder structure



Further Products & Services



Source: Company data, mwb research

SWOT analysis

Strengths

- Well established distribution network
- Exclusive rights to potential blockbuster products
- Razor-blade business model with high share of recurring revenues
- Lean and cost-effective organization
- Well-connected management

Weaknesses

- Short track record as listed company
- Listing in the Open Market with low transparency requirements and limited shareholder protection
- Potential conflicts of interest
- Success closely related to CEO Uwe Perbandt

Opportunities

- Distribution rights for further clinical applications of plasma devices
- Takeover target
- Massive growth potential with plasma products, for example PulmoPlas

Threats

- MedTech giants muscling into the plasma market

Valuation

DCF Model

The DCF model results in a **fair value of EUR 4.65 per share**:

Top-line growth: We expect Viomed Medical AG to grow revenues at a CAGR of 53.6% between 2024E and 2031E. The long-term growth rate is set at 0.0%.

ROCE. Returns on capital are developing from 0.9% in 2024E to 29.0% in 2031E.

WACC. Starting point is a historical equity beta of 1.22. Unlevering and correcting for mean reversion yields an asset beta of 1.02. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 9.3%. With pre-tax cost of borrowing at 5.0%, a tax rate of 25.0% and target debt/equity of 0.3 this results in a long-term WACC of 8.2%.

DCF (EURm) (except per share data and beta)	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	Terminal value
NOPAT	0.2	0.7	2.6	3.7	6.5	8.4	10.4	10.2	
Depreciation & amortization	0.1	0.1	0.2	0.4	0.7	1.0	1.4	1.7	
Change in working capital	-0.7	-0.1	-0.2	-0.6	-0.5	-0.4	-0.4	-0.7	
Chg. in long-term provisions	-0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0	
Capex	-0.1	-0.2	-0.4	-0.7	-1.0	-1.4	-1.7	-1.7	
Cash flow	-0.6	0.6	2.2	2.8	5.8	7.8	9.7	9.5	116.7
Present value	-0.6	0.6	2.0	2.4	4.5	5.6	6.5	5.9	71.6
WACC	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.2%

DCF per share derived from		DCF avg. growth and earnings assumptions	
Total present value	98.4	Planning horizon avg. revenue growth (2024E-2031E)	53.6%
Mid-year adj. total present value	102.3	Terminal value growth (2031E - infinity)	0.0%
Net debt / cash at start of year	8.3	Terminal year ROCE	29.0%
Financial assets	na	Terminal year WACC	8.2%
Provisions and off b/s debt	na		
Equity value	94.1		
No. of shares outstanding	20.3		
Discounted cash flow / share		Terminal WACC derived from	
upside/(downside)	4.65 132.3%	Cost of borrowing (before taxes)	5.0%
		Long-term tax rate	25.0%
		Equity beta	1.22
		Unlevered beta (industry or company)	1.02
		Target debt / equity	0.3
		Relevered beta	1.22
		Risk-free rate	2.0%
		Equity risk premium	6.0%
		Cost of equity	9.3%
Share price			
	2.00		

Sensitivity analysis DCF							
Change in WACC (%-points)	Long term growth					Share of present value	
		-1.0%	-0.5%	2.0%	0.5%	1.0%	
	2.0%	3.3	3.4	3.5	3.7	3.8	2024E-2027E
	1.0%	3.7	3.8	4.0	4.2	4.4	2028E-2031E
	0.0%	4.2	4.4	4.6	4.9	5.2	terminal value
	-1.0%	4.9	5.1	5.4	5.8	6.2	
	-2.0%	5.7	6.1	6.5	7.0	7.6	

Source: mwb research

FCF Yield Model

Due to the fact that companies rarely bear sufficient resemblance to peers in terms of geographical exposure, size or competitive strength and in order to adjust for the pitfalls of weak long-term visibility, an Adjusted Free Cash Flow analysis (Adjusted FCF) has been conducted.

The adjusted Free Cash Flow Yield results in a fair value between EUR -0.19 per share based on 2024E and EUR 4.66 per share on 2028E estimates.

The main driver of this model is the level of return available to a controlling investor, influenced by the cost of that investors' capital (opportunity costs) and the purchase price – in this case the enterprise value of the company. Here, the adjusted FCF yield is used as a proxy for the required return and is defined as EBITDA less minority interest, taxes and investments required to maintain existing assets (maintenance capex).

FCF yield in EURm	2024E	2025E	2026E	2027E	2028E
EBITDA	0.3	1.1	3.8	5.6	9.9
- Maintenance capex	0.1	0.1	0.2	0.4	0.7
- Minorities	0.0	0.0	0.0	0.0	0.0
- tax expenses	-0.2	0.1	0.9	1.5	2.7
= Adjusted FCF	0.4	0.9	2.7	3.8	6.6
Actual Market Cap	40.5	40.5	40.5	40.5	40.5
+ Net debt (cash)	9.4	9.3	7.5	4.9	-0.7
+ Pension provisions	0.0	0.0	0.0	0.0	0.0
+ Off B/S financing	0.0	0.0	0.0	0.0	0.0
- Financial assets	0.0	0.0	0.0	0.0	0.0
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
<i>EV Reconciliations</i>	9.4	9.3	7.5	4.9	-0.7
= Actual EV'	49.9	49.8	48.0	45.4	39.8
Adjusted FCF yield	0.8%	1.9%	5.7%	8.3%	16.5%
base hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
ESG adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
adjusted hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
Fair EV	5.6	13.6	38.8	54.2	93.8
- <i>EV Reconciliations</i>	9.4	9.3	7.5	4.9	-0.7
Fair Market Cap	-3.8	4.3	31.3	49.2	94.5
No. of shares (million)	20.3	20.3	20.3	20.3	20.3
Fair value per share in EUR	-0.19	0.21	1.55	2.43	4.66
Premium (-) / discount (+)	-109.3%	-89.4%	-22.6%	21.5%	133.2%

Sensitivity analysis FV						
Adjusted hurdle rate	5.0%	-0.1	0.5	2.3	3.5	6.5
	6.0%	-0.1	0.3	1.9	2.9	5.4
	7.0%	-0.2	0.2	1.5	2.4	4.7
	8.0%	-0.2	0.1	1.3	2.1	4.1
	9.0%	-0.2	0.1	1.1	1.8	3.6

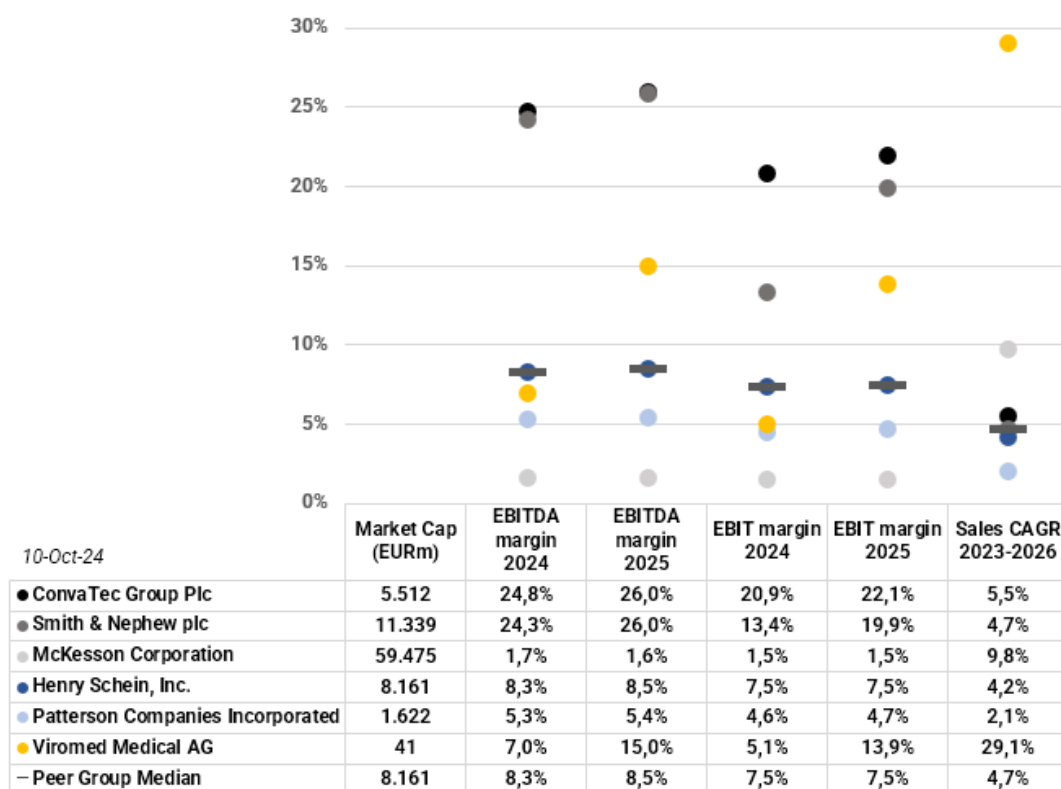
Source: Company data; mwb research

Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 7.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments might be applicable. A high score indicates high awareness for environmental, social or governance issues and thus might lower the overall risk an investment in the company might carry. A low score on the contrary might increase the risk of an investment and might therefore trigger a higher required hurdle rate.**

Peer group analysis

A peer group or comparable company (“comps”) analysis is a methodology that calculates a company's relative value – how much it should be worth based on how it compares to other similar companies. Given that **Viomed Medical AG** differs quite significantly in terms of size, focus, financial health and growth trajectory, we regard our peer group analysis merely as a support for other valuation methods. The peer group of Viomed Medical AG consists of the stocks displayed in the chart below. As of 10 October 2024 the median market cap of the peer group was EUR 8,160.5m, compared to EUR 40.5m for Viomed Medical AG. In the period under review, the peer group was less profitable than Viomed Medical AG. The expectations for sales growth are lower for the peer group than for Viomed Medical AG.

Peer Group – Key data

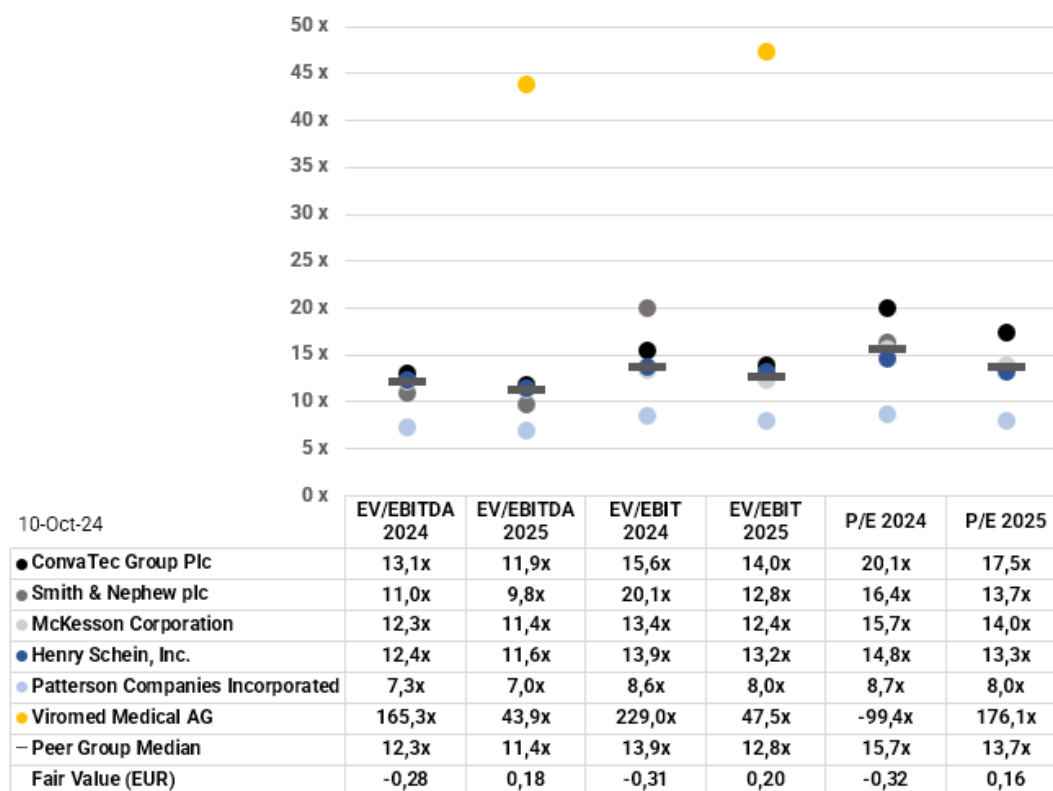


Source: FactSet, mwb research

Comparable company analysis operates under the assumption that similar companies will have similar valuation multiples. We use the following multiples: EV/EBITDA 2024, EV/EBITDA 2025, EV/EBIT 2024, EV/EBIT 2025, P/E 2024 and P/E 2025.

Applying these to Viomed Medical AG results in a range of fair values from EUR 0.70 to EUR 0.20.

Peer Group – Multiples and valuation

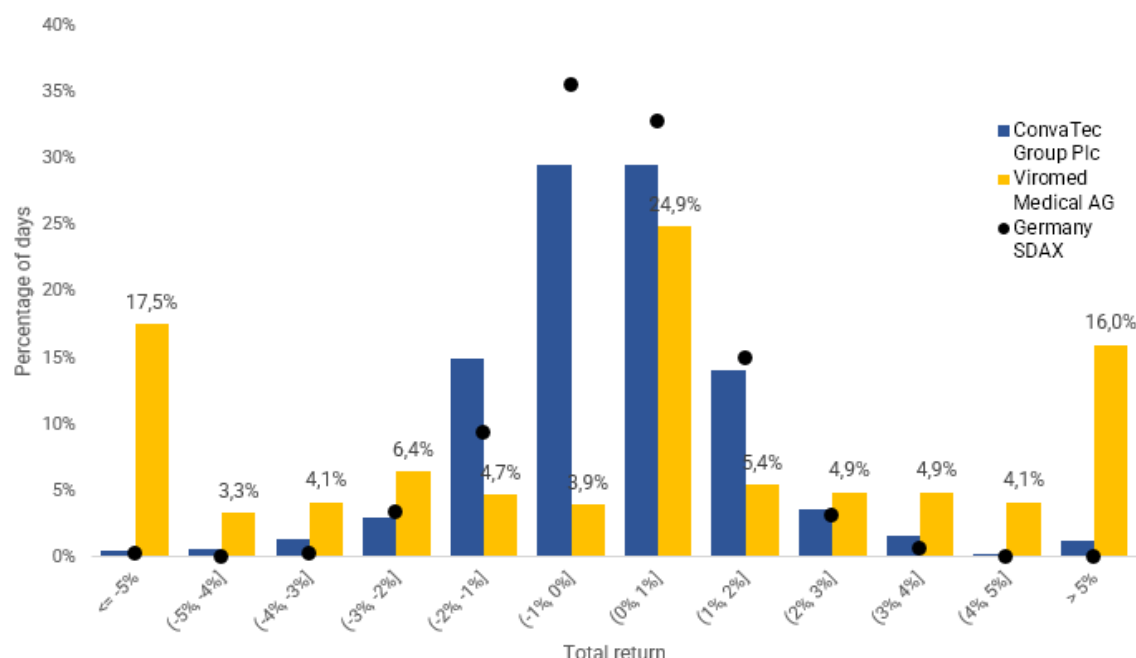


Source: FactSet, mwb research

Risk

The chart displays the **distribution of daily returns of Viomed Medical AG** over the last 3 years, compared to the same distribution for ConvaTec Group Plc. We have also included the distribution for the index Germany SDAX. The distribution gives a better understanding of risk than measures like volatility, which assume that log returns are normally distributed. In reality, they are skewed (down moves are larger) and have fat tails (large moves occur more often than predicted). Also, volatility treats up and down moves the same, while investors are more worried about down moves. For Viomed Medical AG, the worst day during the past 3 years was 06/03/2023 with a share price decline of -73.3%. The best day was 07/03/2023 when the share price increased by 82.8%.

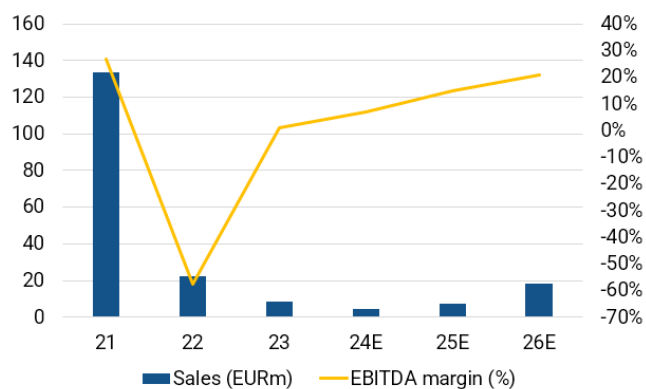
Risk – Daily Returns Distribution (trailing 3 years)



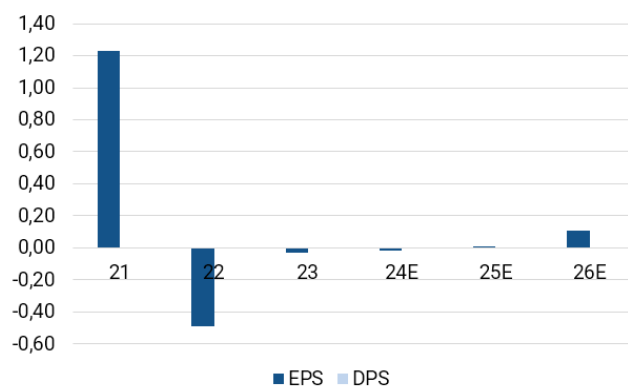
Source: FactSet, mwb research

Financials in six charts

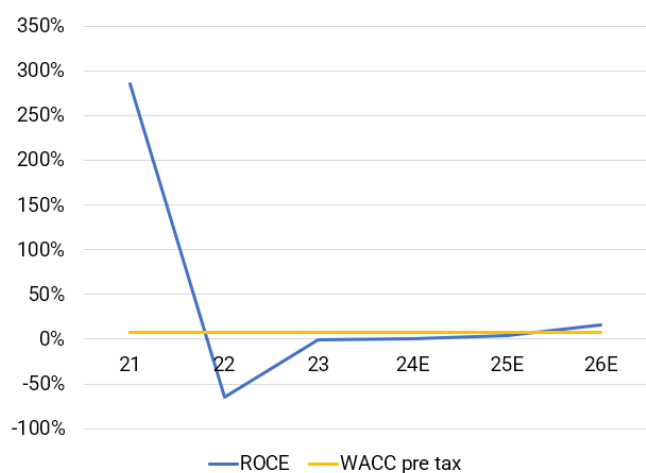
Sales vs. EBITDA margin development



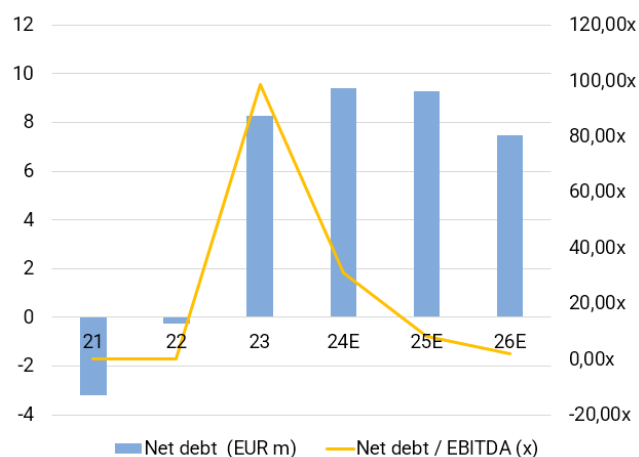
EPS, DPS in EUR & yoy EPS growth



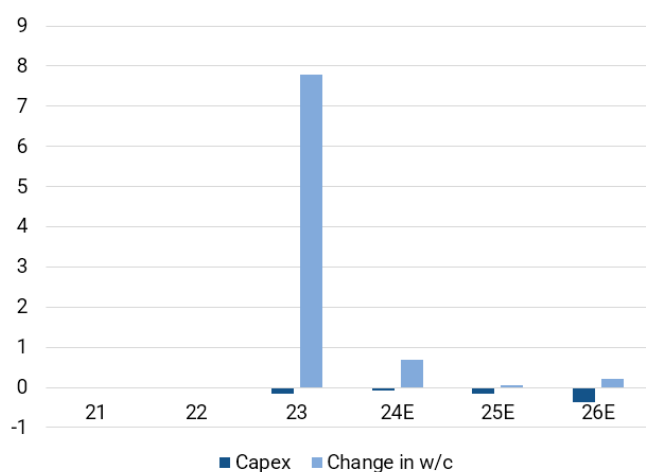
ROCE vs. WACC (pre tax)



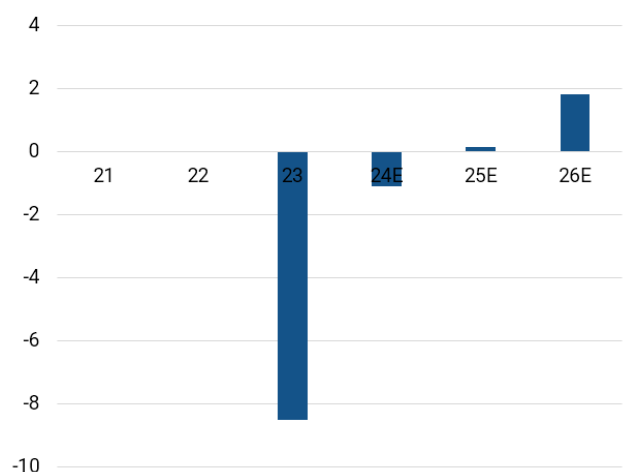
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; mwb research

Financials

Profit and loss (EURm)	2021	2022	2023	2024E	2025E	2026E
Net sales	133.6	22.1	8.4	4.3	7.6	18.1
Sales growth	na	-83.5%	-61.9%	-48.7%	75.4%	138.8%
Change in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	133.6	22.1	8.4	4.3	7.6	18.1
Material expenses	93.4	28.8	5.8	2.7	4.2	9.0
Gross profit	40.2	-6.7	2.6	1.6	3.4	9.0
Other operating income	0.3	0.7	0.0	0.0	0.0	0.0
Personnel expenses	0.9	0.8	0.4	0.3	0.5	1.1
Other operating expenses	3.7	5.8	2.1	1.1	1.8	4.2
EBITDA	35.8	-12.7	0.1	0.3	1.1	3.8
Depreciation	0.2	0.2	0.1	0.1	0.1	0.2
EBITA	35.6	-12.9	-0.1	0.2	1.0	3.6
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	35.6	-12.9	-0.1	0.2	1.0	3.6
Financial result	-0.3	-0.3	-0.8	-0.8	-0.7	-0.6
Recurring pretax income from continuing operations	35.3	-13.2	-0.9	-0.6	0.3	3.1
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	35.3	-13.2	-0.9	-0.6	0.3	3.1
Taxes	10.4	-3.3	-0.3	-0.2	0.1	0.9
Net income from continuing operations	24.9	-9.9	-0.6	-0.4	0.2	2.2
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	24.9	-9.9	-0.6	-0.4	0.2	2.2
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	24.9	-9.9	-0.6	-0.4	0.2	2.2
Average number of shares	20.25	20.25	20.25	20.25	20.25	20.25
EPS reported	1.23	-0.49	-0.03	-0.02	0.01	0.11

Profit and loss (common size)	2021	2022	2023	2024E	2025E	2026E
Net sales	100%	100%	100%	100%	100%	100%
Change in finished goods and work-in-process	0%	0%	0%	0%	0%	0%
Total sales	100%	100%	100%	100%	100%	100%
Material expenses	70%	131%	69%	62%	55%	50%
Gross profit	30%	-31%	31%	38%	45%	50%
Other operating income	0%	3%	0%	0%	0%	0%
Personnel expenses	1%	4%	5%	6%	6%	6%
Other operating expenses	3%	26%	25%	25%	24%	23%
EBITDA	27%	-58%	1%	7%	15%	21%
Depreciation	0%	1%	2%	2%	1%	1%
EBITA	27%	-58%	-1%	5%	14%	20%
Amortisation of goodwill and intangible assets	0%	0%	0%	0%	0%	0%
EBIT	27%	-58%	-1%	5%	14%	20%
Financial result	-0%	-2%	-10%	-19%	-10%	-3%
Recurring pretax income from continuing operations	26%	-60%	-10%	-13%	4%	17%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	26%	-60%	-10%	-13%	4%	17%
Taxes	8%	-15%	-3%	-4%	1%	5%
Net income from continuing operations	19%	-45%	-7%	-9%	3%	12%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	19%	-45%	-7%	-9%	3%	12%
Minority interest	0%	0%	0%	0%	0%	0%
Net profit (reported)	19%	-45%	-7%	-9%	3%	12%

Source: Company data; mwb research

Balance sheet (EURm)	2021	2022	2023	2024E	2025E	2026E
Intangible assets (exl. Goodwill)	0.4	0.5	0.6	0.6	0.6	0.6
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	0.1	0.1	0.1	0.1	0.2	0.4
Financial assets	4.2	0.0	0.0	0.0	0.0	0.0
FIXED ASSETS	4.7	0.6	0.7	0.7	0.7	0.9
Inventories	18.8	1.5	0.7	0.5	0.8	1.7
Accounts receivable	3.0	0.2	0.7	0.4	0.6	1.5
Other current assets	19.1	22.6	22.6	22.6	22.6	22.6
Liquid assets	3.2	0.3	1.7	0.6	-0.3	-0.5
Deferred taxes	0.0	1.7	1.7	1.7	1.7	1.7
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	44.0	26.2	27.4	25.8	25.4	27.0
TOTAL ASSETS	48.8	26.8	28.1	26.4	26.2	27.9
SHAREHOLDERS EQUITY	24.9	15.0	14.4	14.0	14.2	16.4
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	0.0	0.0	0.0	0.0	0.0	0.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	0.0	0.1	0.0	0.0	0.0	0.1
Non-current liabilities	0.0	0.1	0.0	0.0	0.0	0.1
short-term liabilities to banks	0.0	0.0	10.0	10.0	9.0	7.0
Accounts payable	8.1	7.9	1.6	0.7	0.9	1.7
Advance payments received on orders	2.8	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	10.0	2.3	0.6	0.3	0.5	1.3
Deferred taxes	3.1	1.5	1.5	1.5	1.5	1.5
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	23.9	11.7	13.7	12.4	11.9	11.5
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	48.8	26.8	28.1	26.4	26.2	27.9

Balance sheet (common size)	2021	2022	2023	2024E	2025E	2026E
Intangible assets (excl. Goodwill)	1%	2%	2%	2%	2%	2%
Goodwill	0%	0%	0%	0%	0%	0%
Property, plant and equipment	0%	1%	0%	0%	1%	1%
Financial assets	9%	0%	0%	0%	0%	0%
FIXED ASSETS	10%	2%	2%	2%	3%	3%
Inventories	38%	5%	2%	2%	3%	6%
Accounts receivable	6%	1%	2%	1%	2%	5%
Other current assets	39%	84%	81%	86%	86%	81%
Liquid assets	7%	1%	6%	2%	-1%	-2%
Deferred taxes	0%	6%	6%	6%	7%	6%
Deferred charges and prepaid expenses	0%	0%	0%	0%	0%	0%
CURRENT ASSETS	90%	98%	98%	98%	97%	97%
TOTAL ASSETS	100%	100%	100%	100%	100%	100%
SHAREHOLDERS EQUITY	51%	56%	51%	53%	54%	59%
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	0%	0%	0%	0%	0%	0%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	0%	0%	0%	0%	0%	0%
Non-current liabilities	0%	0%	0%	0%	0%	0%
short-term liabilities to banks	0%	0%	36%	38%	34%	25%
Accounts payable	17%	29%	6%	2%	3%	6%
Advance payments received on orders	6%	0%	0%	0%	0%	0%
Other liabilities (incl. from lease and rental contracts)	20%	9%	2%	1%	2%	5%
Deferred taxes	6%	6%	5%	6%	6%	5%
Deferred income	0%	0%	0%	0%	0%	0%
Current liabilities	49%	44%	49%	47%	46%	41%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100%	100%	100%	100%	100%	100%

Source: Company data; mwb research

Cash flow statement (EURm)	2021	2022	2023	2024E	2025E	2026E
Net profit/loss	0.0	0.0	-0.6	-0.4	0.2	2.2
Depreciation of fixed assets (incl. leases)	0.0	0.0	0.1	0.1	0.1	0.2
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	-0.1	-0.0	0.0	0.1
Cash flow from operations before changes in w/c	0.0	0.0	-0.5	-0.3	0.3	2.4
Increase/decrease in inventory	0.0	0.0	0.8	0.2	-0.3	-0.9
Increase/decrease in accounts receivable	0.0	0.0	-0.5	0.3	-0.3	-0.9
Increase/decrease in accounts payable	0.0	0.0	-6.3	-0.9	0.3	0.8
Increase/decrease in other w/c positions	0.0	0.0	-1.7	-0.3	0.2	0.7
Increase/decrease in working capital	0.0	0.0	-7.8	-0.7	-0.1	-0.2
Cash flow from operating activities	0.0	0.0	-8.3	-1.0	0.3	2.2
CAPEX	0.0	0.0	-0.2	-0.1	-0.2	-0.4
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	0.0	0.0	-0.2	-0.1	-0.2	-0.4
Cash flow before financing	0.0	0.0	-8.5	-1.1	0.1	1.8
Increase/decrease in debt position	0.0	0.0	10.0	0.0	-1.0	-2.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	0.0	0.0	10.0	0.0	-1.0	-2.0
Increase/decrease in liquid assets	0.0	0.0	1.5	-1.1	-0.9	-0.2
Liquid assets at end of period	0.0	0.3	1.7	0.6	-0.3	-0.5

Source: Company data; mwb research

Regional sales split (EURm)	2021	2022	2023	2024E	2025E	2026E
Domestic	120.2	19.9	7.6	3.9	6.8	16.3
Europe (ex domestic)	13.4	2.2	0.8	0.4	0.8	1.8
The Americas	0.0	0.0	0.0	0.0	0.0	0.0
Asia	0.0	0.0	0.0	0.0	0.0	0.0
Rest of World	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	133.6	22.1	8.4	4.3	7.6	18.1

Regional sales split (common size)	2021	2022	2023	2024E	2025E	2026E
Domestic	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Europe (ex domestic)	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
The Americas	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asia	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rest of World	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100%	100%	100%	100%	100%	100%

Source: Company data; mwb research

Ratios	2021	2022	2023	2024E	2025E	2026E
Per share data						
Earnings per share reported	1.23	-0.49	-0.03	-0.02	0.01	0.11
Cash flow per share	0.00	0.00	-0.42	-0.06	0.01	0.10
Book value per share	1.23	0.74	0.71	0.69	0.70	0.81
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	1.6x	-4.1x	-67.8x	-99.4x	176.1x	18.8x
P/CF	na	na	-4.8x	-36.2x	219.2x	20.2x
P/BV	1.6x	2.7x	2.8x	2.9x	2.9x	2.5x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	0.0%	0.0%	-20.9%	-2.8%	0.5%	4.9%
EV/Sales	0.3x	1.8x	5.8x	11.6x	6.6x	2.7x
EV/EBITDA	1.0x	-3.2x	580.2x	165.3x	43.9x	12.6x
EV/EBIT	1.0x	-3.1x	-904.3x	229.0x	47.5x	13.2x
Income statement (EURm)						
Sales	133.6	22.1	8.4	4.3	7.6	18.1
yoy chg in %	na	-83.5%	-61.9%	-48.7%	75.4%	138.8%
Gross profit	40.2	-6.7	2.6	1.6	3.4	9.0
Gross margin in %	30.1%	-30.6%	31.0%	38.0%	45.0%	50.0%
EBITDA	35.8	-12.7	0.1	0.3	1.1	3.8
EBITDA margin in %	26.8%	-57.5%	1.0%	7.0%	15.0%	21.0%
EBIT	35.6	-12.9	-0.1	0.2	1.0	3.6
EBIT margin in %	26.7%	-58.3%	-0.6%	5.1%	13.9%	20.2%
Net profit	24.9	-9.9	-0.6	-0.4	0.2	2.2
Cash flow statement (EURm)						
CF from operations	0.0	0.0	-8.3	-1.0	0.3	2.2
Capex	0.0	0.0	-0.2	-0.1	-0.2	-0.4
Maintenance Capex	0.0	0.0	0.1	0.1	0.1	0.2
Free cash flow	0.0	0.0	-8.5	-1.1	0.1	1.8
Balance sheet (EURm)						
Intangible assets	0.4	0.5	0.6	0.6	0.6	0.6
Tangible assets	0.1	0.1	0.1	0.1	0.2	0.4
Shareholders' equity	24.9	15.0	14.4	14.0	14.2	16.4
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	0.0	0.1	10.0	10.0	9.0	7.1
Net financial debt	-3.2	-0.2	8.3	9.4	9.3	7.5
w/c requirements	10.9	-6.3	-0.2	0.2	0.5	1.4
Ratios						
ROE	99.9%	-66.2%	-4.2%	-2.9%	1.6%	13.2%
ROCE	143.0%	-85.2%	-0.2%	0.9%	4.5%	15.5%
Net gearing	-12.8%	-1.6%	57.6%	67.3%	65.3%	45.7%
Net debt / EBITDA	-0.1x	0.0x	98.4x	31.1x	8.2x	2.0x

Source: Company data; mwb research

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