Pyramid AG

Germany | Technology | MCap EUR 17.3m

3 April 2025

UPDATE



Optimistic outlook for FY25; BUY with upside potential

BUY (BUY)

Target price	**EUR 1.50** (1.50)
Current price	EUR 0.75
Up/downside	100.0%

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What's it all about?

Pyramid AG's performance in early 2025 suggests that it has successfully navigated through a challenging period marked by declining revenues. The combination of top-line growth, margin expansion, and strategic innovation in FY25 positions the company well for sustained improvement in its financial performance. With clear upside potential, Pyramid remains an attractive investment opportunity for equity investors seeking exposure to the technology hardware sector. At a one year forward P/E below 9x, downside risk looks limited in our view. Consequently, we reaffirm our BUY rating with an unchanged PT of EUR 1.50 per share.

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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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Germany | Technology | MCap EUR 17.3m | EV EUR 20.6m

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Optimistic outlook for FY25; BUY with upside potential

According to the management of Pyramid AG ("Pyramid"), the company has started FY25 on a strong note, supported by a solid performance in Q1 25. Pyramid expressed optimism for the remainder of the financial year, anticipating both revenue growth and a significant improvement in EBITDA. In our view, this signals a potential turnaround after two years of declining sales, not least due to the company's focus on innovation and strategic execution, which should drive positive developments (and margins) across all businesses.

Upbeat guidance The company expects consolidated revenues for FY25 to be in the range of EUR 73-76m, an increase of 6-11% compared to the preliminary FY24 figure of ~ EUR 69m. This growth is primarily driven by robust demand for Pyramid's server products as well as industrial and workstation PCs under its flagship Akhet brand. In addition, Pyramid plans to introduce numerous innovations across its three core brands - Akhet, Polytouch and faytech - which could further strengthen its market position and revenue growth. On the profitability front, Pyramid expects consolidated EBITDA to increase to EUR 4.2-5.0m, an improvement of 17-39% compared to last year's EUR 3.6m. We believe that despite additional investments, this reflects improved operational efficiency and the scalability of Pyramid's business model as revenues grow.

Our take We are positively surprised by Pyramid's guidance. Our estimates are at the lower end of the guidance range, with expected revenues of EUR 73m and EBITDA of EUR 4.1m. A scenario within the middle of the guidance range suggests upside of around 12% to our EBITDA forecasts, highlighting the potential for stronger-than-expected performance if operational execution remains consistent throughout the year. With a one year forward P/E of less than 9x, Pyramid looks attractively valued given its growth trajectory and improving profitability metrics. From these levels, we believe the downside risk is limited given the company's strong operational recovery and robust product pipeline. Consequently, we reiterate our BUY rating with an unchanged PT of EUR 1.50 per share, effectively allowing the shares to double from current levels.

Pyramid AG	2021*	2022	2023	2024P	2025E	2026E
Sales	58.0	91.9	76.0	68.6	73.1	78.2
Growth yoy	0.5%	58.3%	-17.2%	-9.8%	6.5%	7.0%
EBITDA	5.7	4.2	5.4	3.6	4.1	4.8
EBIT**	5.3	3.4	4.8	2.9	3.3	3.9
Net profit**	3.9	5.0	-0.8	1.6	2.1	2.6
Net debt (net cash)	5.9	9.2	3.3	5.4	3.8	1.2
Net debt/EBITDA	1.0x	2.2x	0.6x	1.5x	0.9x	0.3x
EPS reported**	0.21	0.22	-0.04	0.07	0.09	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	33.7%	32.1%	37.3%	33.0%	33.1%	33.1%
EBITDA margin	9.7%	4.5%	7.1%	5.3%	5.6%	6.1%
EBIT margin	9.2%	3.7%	6.3%	4.3%	4.6%	5.0%
ROCE	11.1%	6.0%	7.9%	4.9%	5.7%	6.7%
EV/Sales	0.4x	0.3x	0.3x	0.3x	0.3x	0.2x
EV/EBITDA	4.1x	6.4x	3.8x	6.3x	5.1x	3.9x
EV/EBIT	4.4x	7.7x	4.3x	7.7x	6.3x	4.7x
PER	3.6x	3.4x	-20.1x	10.6x	8.4x	6.7x

Source: Company data, mwb research; * Pyramid Computer GmbH; ** adj. for goodwill



Source: Company data, mwb research

High/low 52 weeks	1.24 / 0.62
Price/Book Ratio	0.4x

Ticker / Symbols

ISIN	DE000A254W52
WKN	A254W5
Bloomberg	M3BK:GR

Changes in estimates

		Sales	EBIT	EPS
2024P	old	68.6	2.9	0.07
	Δ	0.0%	0.0%	0.0%
2025E	old	73.1	3.3	0.09
	Δ	0.0%	0.0%	0.0%
2026E	old	78.2	3.9	0.11
	Δ	0.0%	0.0%	0.0%

Key share data

Number of shares: (in m pcs)	23.07
Book value per share: (in EUR)	1.89
Ø trading vol.: (12 months)	6,920

Major shareholders

PVB Beteiligungs KG	18.0%
Pega Equity KG	18.0%
Management	13.0%
Free Float	51.0%

Company description

Pyramid is a leading developer and manufacturer of IT solutions for the retail & hospitality market (e.g. digital signage boards at the POS). The company's hardware solutions include interactive kiosks, network & security server as well as computer vision systems. In addition, Pyramid is pursuing a buy-and-build strategy, with faytech AG being its latest acquisition that propelled the Group's sales into another sphere.

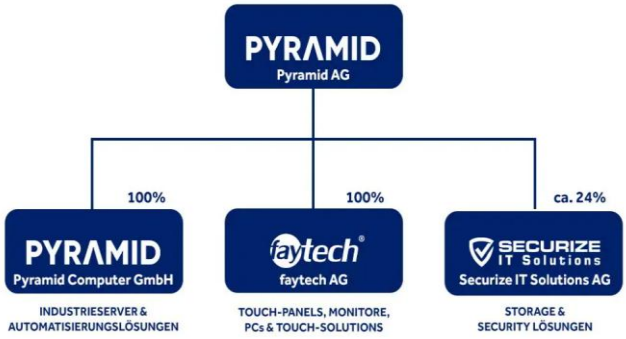
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Investment case in six charts

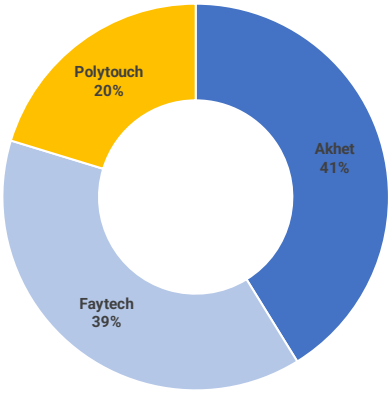
Products & Services



Structure



Segmental breakdown in %



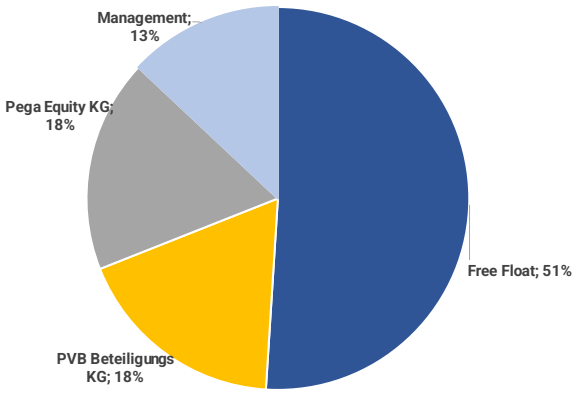
Reference clients



Growth expectations - US Digital Signage Market



Major Shareholders



Source: Company data, mwb research

SWOT analysis

Strengths

- Time-to-market: from idea to implementation in just eight weeks
- Leading market position (installed base) in digital kiosk system
- High customer satisfaction due to individual composition of the products
- High diversification
- Agility and flexibility due to lean organisational structure
- 35 years of industry and technology know-how

Weaknesses

- Serial production of competitors could be more efficient and cheaper
- Compared to low-volume production, potentially at a cost disadvantage
- Low value chain = low IP

Opportunities

- High growth potential due to strong growth trends
- High innovation power
- Further global expansion
- Possible M&A activities
- New structure and branding

Threats

- Overall high market rivalry
- Price pressure from cheaper competitors, for example in Asia
- Compulsory innovation

Valuation

DCF Model

The DCF model results in a **fair value of EUR 1.49 per share**:

Top-line growth: We expect Pyramid AG to grow revenues at a CAGR of 4.9% between 2024P and 2031E. The long-term growth rate is set at 2.0%.

ROCE. Returns on capital are developing from 4.9% in 2024P to 6.1% in 2031E.

WACC. Starting point is a historical equity beta of 0.25. Unleverering and correcting for mean reversion yields an asset beta of 1.25. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 12.3%. With pre-tax cost of borrowing at 5.0%, a tax rate of 25.0% and target debt/equity of 0.5 this results in a long-term WACC of 9.5%.

DCF (EURm) (except per share data and beta)	2024P	2025E	2026E	2027E	2028E	2029E	2030E	2031E	Terminal value
NOPAT	2.0	2.3	2.7	3.0	3.0	2.9	2.9	3.1	
Depreciation & amortization	0.7	0.7	0.8	0.9	1.2	1.2	1.4	1.4	
Change in working capital	-2.0	-0.1	0.0	-0.7	-0.5	-0.3	-0.3	-0.3	
Chg. in long-term provisions	-1.1	0.4	0.4	0.4	0.3	0.2	0.2	0.2	
Capex	-1.4	-1.5	-1.4	-1.5	-1.4	-1.4	-1.3	-1.3	
Cash flow	-1.7	1.9	2.6	2.2	2.6	2.6	3.0	3.0	41.5
Present value	-1.8	1.8	2.2	1.7	1.9	1.7	1.8	1.7	22.6
WACC	9.2%	9.3%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.5%

DCF per share derived from	
Total present value	33.5
Mid-year adj. total present value	35.0
Net debt / cash at start of year	3.3
Financial assets	2.7
Provisions and off b/s debt	na
Equity value	34.5
No. of shares outstanding	23.1
Discounted cash flow / share	**1.49**
upside/(downside)	**99.2%**
Share price	**0.75**

DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2024P-2031E)	4.9%
Terminal value growth (2031E - infinity)	2.0%
Terminal year ROCE	6.1%
Terminal year WACC	9.5%

Terminal WACC derived from	
Cost of borrowing (before taxes)	5.0%
Long-term tax rate	25.0%
Equity beta	0.25
Unlevered beta (industry or company)	1.25
Target debt / equity	0.5
Relevered beta	1.72
Risk-free rate	2.0%
Equity risk premium	6.0%
Cost of equity	12.3%

Sensitivity analysis DCF

Change in WACC (%-points)	Long term growth 1.0%	1.5%	2.0%	2.5%	3.0%
2.0%	1.1	1.1	1.2	1.2	1.3
1.0%	1.2	1.3	1.3	1.4	1.4
0.0%	1.4	1.4	1.5	1.6	1.7
-1.0%	1.6	1.6	1.7	1.9	2.0
-2.0%	1.8	1.9	2.1	2.2	2.4

Share of present value	
2024P-2027E	11.8%
2028E-2031E	20.9%
terminal value	67.3%

Source: mwb research

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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 1.26 per share based on 2024P and EUR 2.15 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	2024P	2025E	2026E	2027E	2028E
EBITDA	**3.6**	**4.1**	**4.8**	**5.3**	**5.5**
- Maintenance capex	0.7	0.7	0.8	0.9	1.2
- Minorities	0.0	0.0	0.0	0.0	0.0
- tax expenses	0.7	0.9	1.1	1.3	1.2
= Adjusted FCF	**2.2**	**2.4**	**2.8**	**3.1**	**3.0**
Actual Market Cap	**17.3**	**17.3**	**17.3**	**17.3**	**17.3**
+ Net debt (cash)	5.4	3.8	1.2	-0.9	-3.4
+ 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	2.7	2.7	2.7	2.7	2.7
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
EV Reconciliations	2.7	1.0	-1.5	-3.6	-6.1
= Actual EV'	**20.0**	**18.3**	**15.8**	**13.7**	**11.2**
Adjusted FCF yield	**11.1%**	**13.2%**	**17.6%**	**22.4%**	**27.2%**
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	**31.8**	**34.7**	**39.7**	**44.0**	**43.5**
- EV Reconciliations	2.7	1.0	-1.5	-3.6	-6.1
Fair Market Cap	**29.1**	**33.6**	**41.2**	**47.6**	**49.6**
No. of shares (million)	23.1	23.1	23.1	23.1	23.1
Fair value per share in EUR	**1.26**	**1.46**	**1.79**	**2.06**	**2.15**
Premium (-) / discount (+)	**68.3%**	**94.3%**	**138.1%**	**175.0%**	**186.6%**

Sensitivity analysis FV						
Adjusted hurdle rate	5.0%	1.8	2.1	2.5	2.8	2.9
	6.0%	1.5	1.7	2.1	2.4	2.5
	7.0%	**1.3**	**1.5**	**1.8**	**2.1**	**2.1**
	8.0%	1.1	1.3	1.6	1.8	1.9
	9.0%	1.0	1.1	1.4	1.6	1.7

Source: Company data; mwb research

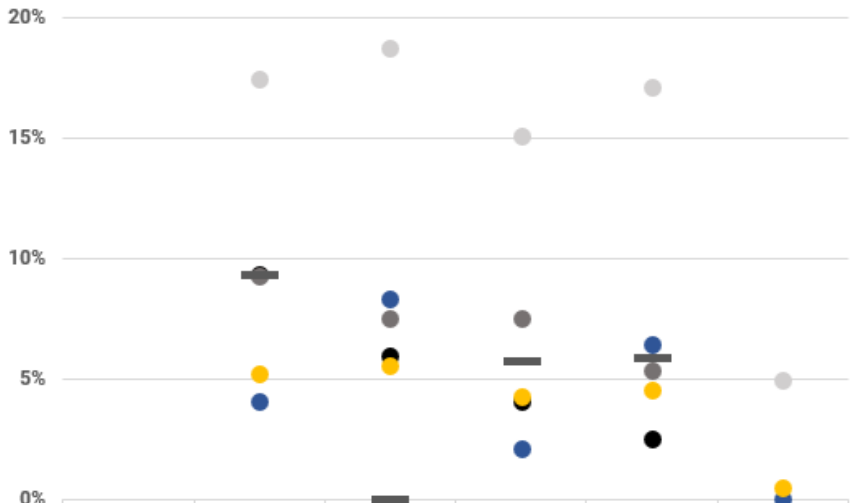
Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 7.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments 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.**

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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 **Pyramid 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 Pyramid AG consists of the stocks displayed in the chart below. As of 3 April 2025 the median market cap of the peer group was EUR 103.4m, compared to EUR 17.3m for Pyramid AG. In the period under review, the peer group was #ÜBERLAUF! profitable than Pyramid AG. The expectations for sales growth are lower for the peer group than for Pyramid AG.

Peer Group – Key data



3-Apr-25	Market Cap (EURm)	EBITDA margin 2024	EBITDA margin 2025	EBIT margin 2024	EBIT margin 2025	Sales CAGR 2023-2026
Data Modul AG	83	9,4%	6,0%	4,1%	2,5%	-5,2%
FORTEC Elektronik AG	50	9,3%	7,5%	7,5%	5,4%	-7,2%
Advantech Co., Ltd.	9.356	17,5%	18,8%	15,1%	17,1%	4,9%
Richardson Electronics, Ltd.	124	4,1%	8,4%	2,2%	6,4%	0,0%
Pyramid AG	17	5,3%	5,6%	4,3%	4,6%	0,5%
Peer Group Median	103	9,3%	0,0%	5,8%	5,9%	-5,2%

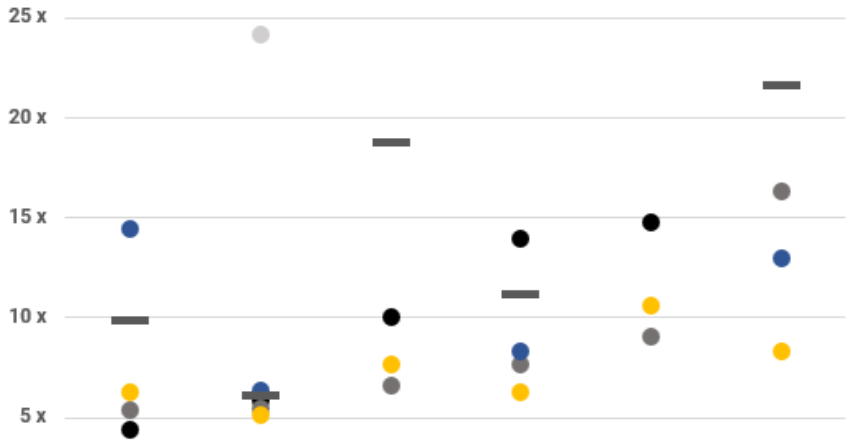
Source: FactSet, mwb research

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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 Pyramid AG results in a range of fair values from EUR 0.86 to EUR 2.17.

Peer Group – Multiples and valuation



3-Apr-25

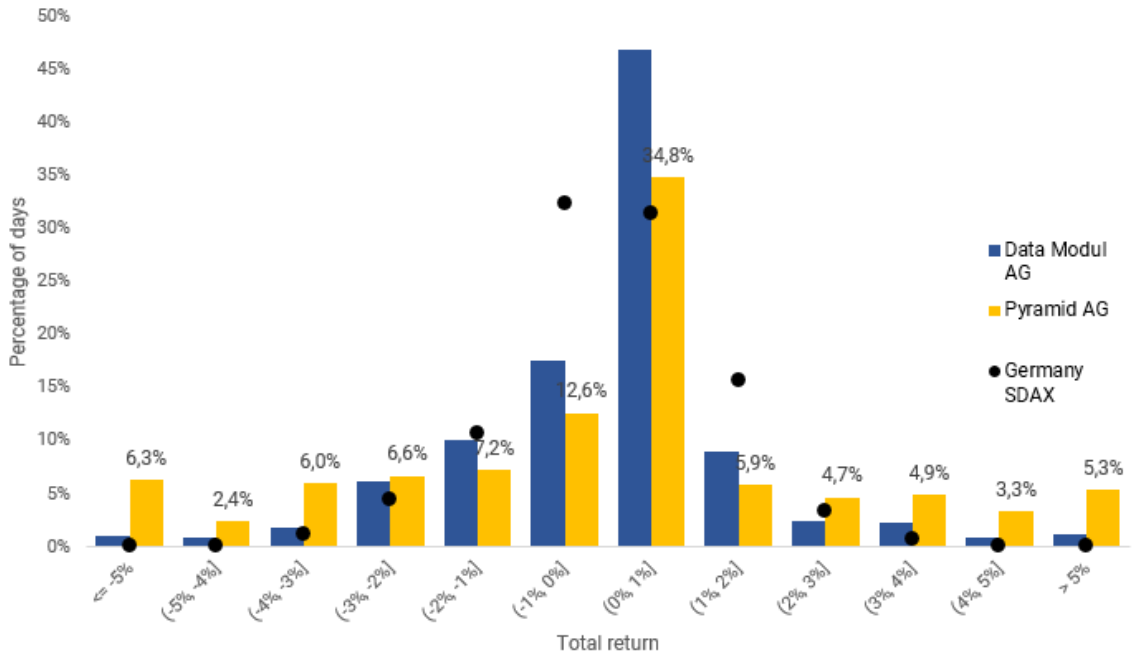
	EV/EBITDA 2024	EV/EBITDA 2025	EV/EBIT 2024	EV/EBIT 2025	P/E 2024	P/E 2025
Data Modul AG	04x	06x	10x	14x	15x	27x
FORTEC Elektronik AG	05x	05x	07x	08x	09x	16x
Advantech Co., Ltd.	27x	24x	31x	26x	38x	31x
Richardson Electronics, Ltd.	14x	06x	28x	08x	40x	13x
Pyramid AG	06x	05x	08x	06x	11x	08x
Peer Group Median	10x	06x	19x	11x	26x	22x
Fair Value (EUR)	1,32	0,86	2,17	1,38	1,85	1,94

Source: FactSet, mwb research

Risk

The chart displays the **distribution of daily returns of Pyramid AG** over the last 3 years, compared to the same distribution for Data Modul AG. 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 Pyramid AG, the worst day during the past 3 years was 09/10/2023 with a share price decline of -12.8%. The best day was 30/09/2024 when the share price increased by 17.8%.

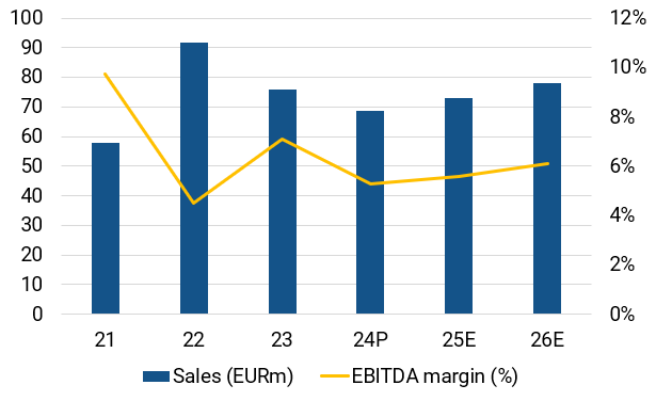
Risk – Daily Returns Distribution (trailing 3 years)



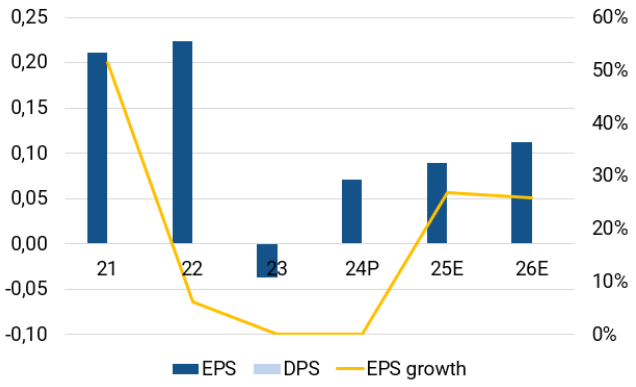
Source: FactSet, mwb research

Financials in six charts

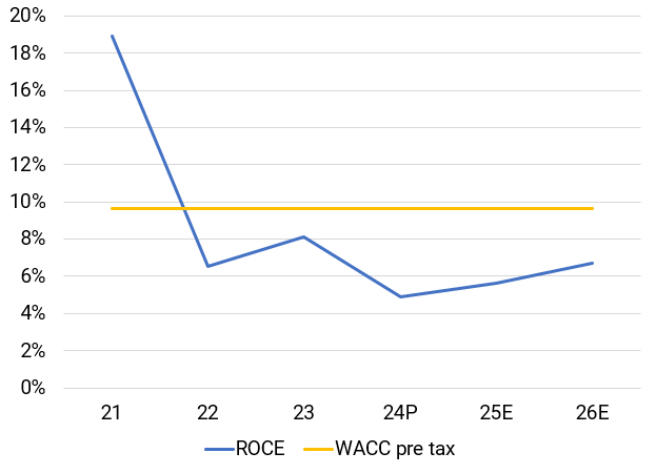
Sales vs. EBITDA margin development



EPS, DPS in EUR & yoy EPS growth



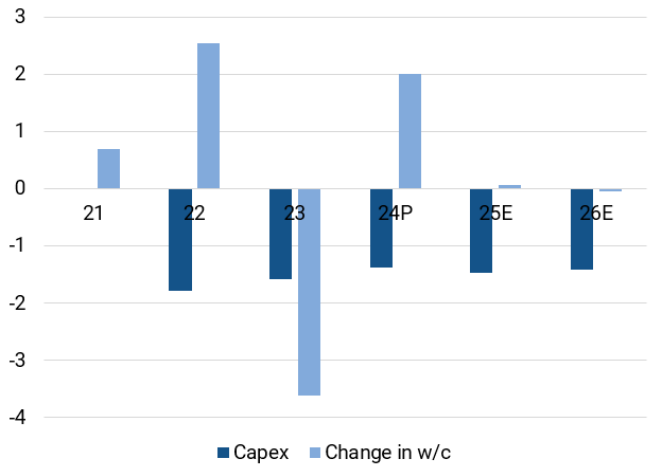
ROCE vs. WACC (pre tax)



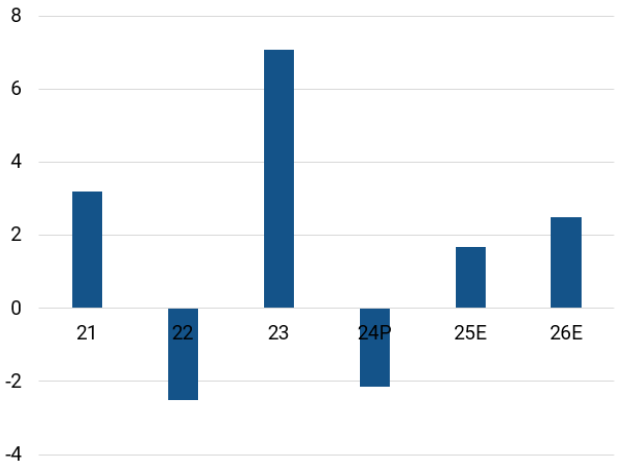
Net debt and net debt/EBITDA



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	2024P	2025E	2026E
Net sales	**58.0**	**91.9**	**76.0**	**68.6**	**73.1**	**78.2**
Sales growth	0.5%	58.3%	-17.2%	-9.8%	6.5%	7.0%
Change in finished goods and work-in-process	0.4	8.1	-1.8	0.0	0.0	0.0
Total sales	**58.4**	**100.0**	**74.3**	**68.6**	**73.1**	**78.2**
Material expenses	38.9	70.5	45.9	46.0	48.9	52.3
Gross profit	**19.6**	**29.5**	**28.4**	**22.6**	**24.2**	**25.9**
Other operating income	0.9	4.2	3.6	1.9	2.0	2.6
Personnel expenses	9.0	17.7	14.2	12.7	13.4	14.4
Other operating expenses	5.8	11.8	12.4	8.2	8.7	9.3
EBITDA	**5.7**	**4.2**	**5.4**	**3.6**	**4.1**	**4.8**
Depreciation	0.3	0.7	0.6	0.7	0.7	0.8
EBITA	5.3	3.4	4.8	2.9	3.3	3.9
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	**5.3**	**3.4**	**4.8**	**2.9**	**3.3**	**3.9**
Financial result	-0.2	0.3	-5.2	-0.6	-0.4	-0.2
Recurring pretax income from continuing operations	5.1	3.7	-0.5	2.3	3.0	3.8
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	5.1	3.7	-0.5	2.3	3.0	3.8
Taxes	1.2	-1.3	0.5	0.7	0.9	1.1
Net income from continuing operations	3.9	5.0	-1.0	1.6	2.1	2.6
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	**3.9**	**5.0**	**-1.0**	**1.6**	**2.1**	**2.6**
Minority interest	0.0	-0.0	0.1	-0.0	-0.0	-0.0
Net profit (reported)	3.9	5.0	-0.8	1.6	2.1	2.6
Average number of shares	18.55	22.15	22.15	23.07	23.07	23.07
EPS reported	**0.21**	**0.22**	**-0.04**	**0.07**	**0.09**	**0.11**

Profit and loss (common size)	2021	2022	2023	2024P	2025E	2026E
Net sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Change in finished goods and work-in-process	1%	9%	-2%	0%	0%	0%
Total sales	**101%**	**109%**	**98%**	**100%**	**100%**	**100%**
Material expenses	67%	77%	60%	67%	67%	67%
Gross profit	**34%**	**32%**	**37%**	**33%**	**33%**	**33%**
Other operating income	2%	5%	5%	3%	3%	3%
Personnel expenses	15%	19%	19%	19%	18%	18%
Other operating expenses	10%	13%	16%	12%	12%	12%
EBITDA	**10%**	**5%**	**7%**	**5%**	**6%**	**6%**
Depreciation	1%	1%	1%	1%	1%	1%
EBITA	9%	4%	6%	4%	5%	5%
Amortisation of goodwill and intangible assets	0%	0%	0%	0%	0%	0%
EBIT	**9%**	**4%**	**6%**	**4%**	**5%**	**5%**
Financial result	-0%	0%	-7%	-1%	-0%	-0%
Recurring pretax income from continuing operations	9%	4%	-1%	3%	4%	5%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	9%	4%	-1%	3%	4%	5%
Taxes	2%	-1%	1%	1%	1%	1%
Net income from continuing operations	7%	5%	-1%	2%	3%	3%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	**7%**	**5%**	**-1%**	**2%**	**3%**	**3%**
Minority interest	0%	-0%	0%	-0%	-0%	-0%
Net profit (reported)	**7%**	**5%**	**-1%**	**2%**	**3%**	**3%**

Source: Company data; mwb research

Balance sheet (EURm)	2021	2022	2023	2024P	2025E	2026E
Intangible assets (exl. Goodwill)	**0.0**	**0.0**	**0.2**	**0.2**	**0.2**	**0.2**
Goodwill	0.0	37.8	32.4	32.4	32.4	32.4
Property, plant and equipment	0.0	5.6	5.5	6.2	7.0	7.5
Financial assets	46.6	6.6	2.7	2.7	2.7	2.7
FIXED ASSETS	**46.6**	**50.0**	**40.9**	**41.6**	**42.3**	**42.8**
Inventories	0.0	25.5	16.6	17.6	18.1	18.6
Accounts receivable	1.2	2.2	1.8	2.3	2.4	2.6
Other current assets	0.0	3.2	4.8	4.8	4.8	4.8
Liquid assets	0.0	6.2	7.7	4.6	2.2	1.8
Deferred taxes	0.0	0.2	0.2	0.2	0.2	0.2
Deferred charges and prepaid expenses	0.0	0.3	0.0	0.2	0.2	0.2
CURRENT ASSETS	**1.3**	**37.6**	**31.1**	**29.7**	**28.0**	**28.2**
TOTAL ASSETS	**47.9**	**87.6**	**72.0**	**71.3**	**70.3**	**71.1**
SHAREHOLDERS EQUITY	**41.8**	**36.6**	**41.8**	**43.5**	**45.6**	**48.2**
MINORITY INTEREST	0.0	1.6	1.4	1.4	1.4	1.4
Long-term debt	5.9	15.4	8.1	8.0	6.0	3.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	0.2	3.5	6.6	5.5	5.8	6.3
Non-current liabilities	**6.1**	**19.0**	**14.6**	**13.5**	**11.8**	**9.3**
short-term liabilities to banks	0.0	0.0	2.9	2.0	0.0	0.0
Accounts payable	0.0	5.9	4.8	4.0	4.2	4.4
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	0.0	22.9	6.0	5.5	5.8	6.3
Deferred taxes	0.0	0.0	0.3	0.3	0.3	0.3
Deferred income	0.0	1.7	0.0	1.0	1.1	1.2
Current liabilities	**0.0**	**30.4**	**14.1**	**12.9**	**11.4**	**12.2**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**47.9**	**87.6**	**72.0**	**71.3**	**70.3**	**71.1**

Balance sheet (common size)	2021	2022	2023	2024P	2025E	2026E
Intangible assets (excl. Goodwill)	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
Goodwill	0%	43%	45%	45%	46%	46%
Property, plant and equipment	0%	6%	8%	9%	10%	11%
Financial assets	97%	8%	4%	4%	4%	4%
FIXED ASSETS	**97%**	**57%**	**57%**	**58%**	**60%**	**60%**
Inventories	0%	29%	23%	25%	26%	26%
Accounts receivable	3%	3%	2%	3%	3%	4%
Other current assets	0%	4%	7%	7%	7%	7%
Liquid assets	0%	7%	11%	6%	3%	2%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	0%	0%	0%	0%	0%	0%
CURRENT ASSETS	**3%**	**43%**	**43%**	**42%**	**40%**	**40%**
TOTAL ASSETS	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
SHAREHOLDERS EQUITY	**87%**	**42%**	**58%**	**61%**	**65%**	**68%**
MINORITY INTEREST	0%	2%	2%	2%	2%	2%
Long-term debt	12%	18%	11%	11%	9%	4%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	0%	4%	9%	8%	8%	9%
Non-current liabilities	**13%**	**22%**	**20%**	**19%**	**17%**	**13%**
short-term liabilities to banks	0%	0%	4%	3%	0%	0%
Accounts payable	0%	7%	7%	6%	6%	6%
Advance payments received on orders	0%	0%	0%	0%	0%	0%
Other liabilities (incl. from lease and rental contracts)	0%	26%	8%	8%	8%	9%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	0%	2%	0%	1%	2%	2%
Current liabilities	**0%**	**35%**	**20%**	**18%**	**16%**	**17%**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Company data; mwb research

Cash flow statement (EURm)	2021	2022	2023	2024P	2025E	2026E
Net profit/loss	3.9	-4.9	-5.1	1.6	2.1	2.6
Depreciation of fixed assets (incl. leases)	0.0	0.7	0.6	0.7	0.7	0.8
Amortisation of goodwill	0.0	9.9	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	5.1	0.0	0.0	0.0
Others	0.0	-3.8	4.4	-1.1	0.4	0.4
Cash flow from operations before changes in w/c	3.9	1.8	5.0	1.2	3.2	3.9
Increase/decrease in inventory	-2.0	0.0	0.0	-1.0	-0.4	-0.5
Increase/decrease in accounts receivable	0.4	0.0	0.0	-0.5	-0.1	-0.2
Increase/decrease in accounts payable	0.9	-2.5	-4.2	-0.8	0.1	0.3
Increase/decrease in other w/c positions	0.0	0.0	7.8	0.3	0.4	0.5
Increase/decrease in working capital	-0.7	-2.5	3.6	-2.0	-0.1	0.0
Cash flow from operating activities	**3.2**	**-0.7**	**8.6**	**-0.8**	**3.1**	**3.9**
CAPEX	0.0	-1.8	-1.6	-1.4	-1.5	-1.4
Payments for acquisitions	-19.5	-5.0	0.0	0.0	0.0	0.0
Financial investments	0.0	-1.5	-0.2	0.0	0.0	0.0
Income from asset disposals	0.0	0.3	0.1	0.0	0.0	0.0
Cash flow from investing activities	**-19.5**	**-8.0**	**-1.7**	**-1.4**	**-1.5**	**-1.4**
Cash flow before financing	-16.3	-8.8	7.0	-2.1	1.7	2.5
Increase/decrease in debt position	5.9	6.9	-4.4	-1.0	-4.0	-3.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	10.9	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	7.0	0.0	-1.3	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.1	0.0	0.0	0.0
Cash flow from financing activities	**23.8**	**6.9**	**-5.6**	**-1.0**	**-4.0**	**-3.0**
Increase/decrease in liquid assets	7.5	-1.8	1.4	-3.1	-2.3	-0.5
Liquid assets at end of period	**8.1**	**6.2**	**7.7**	**4.6**	**2.2**	**1.8**

Source: Company data; mwb research

Regional sales split (EURm)	2021	2022	2023	2024P	2025E	2026E
Domestic	58.0	44.8	0.0	0.0	0.0	0.0
Europe (ex domestic)	0.0	13.9	0.0	0.0	0.0	0.0
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	33.2	0.0	0.0	0.0	0.0
Total sales	**58.0**	**91.9**	**76.0**	**68.6**	**73.1**	**78.2**

Regional sales split (common size)	2021	2022	2023	2024P	2025E	2026E
Domestic	100.0%	48.8%	0.0%	0.0%	0.0%	0.0%
Europe (ex domestic)	0.0%	15.1%	0.0%	0.0%	0.0%	0.0%
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%	36.1%	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	2024P	2025E	2026E
Per share data						
Earnings per share reported	0.21	0.22	-0.04	0.07	0.09	0.11
Cash flow per share	0.17	-0.03	0.39	-0.06	0.10	0.13
Book value per share	2.25	1.65	1.89	1.89	1.98	2.09
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	3.6x	3.4x	-20.1x	10.6x	8.4x	6.7x
P/CF	4.3x	-22.6x	1.9x	-12.0x	7.3x	5.6x
P/BV	0.3x	0.5x	0.4x	0.4x	0.4x	0.4x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	23.1%	-4.4%	52.0%	-8.3%	13.8%	17.8%
EV/Sales	0.4x	0.3x	0.3x	0.3x	0.3x	0.2x
EV/EBITDA	4.1x	6.4x	3.8x	6.3x	5.1x	3.9x
EV/EBIT	4.4x	7.7x	4.3x	7.7x	6.3x	4.7x
Income statement (EURm)						
Sales	58.0	91.9	76.0	68.6	73.1	78.2
yoy chg in %	0.5%	58.3%	-17.2%	-9.8%	6.5%	7.0%
Gross profit	19.6	29.5	28.4	22.6	24.2	25.9
Gross margin in %	33.7%	32.1%	37.3%	33.0%	33.1%	33.1%
EBITDA	5.7	4.2	5.4	3.6	4.1	4.8
EBITDA margin in %	9.7%	4.5%	7.1%	5.3%	5.6%	6.1%
EBIT	5.3	3.4	4.8	2.9	3.3	3.9
EBIT margin in %	9.2%	3.7%	6.3%	4.3%	4.6%	5.0%
Net profit	3.9	5.0	-0.8	1.6	2.1	2.6
Cash flow statement (EURm)						
CF from operations	3.2	-0.7	8.6	-0.8	3.1	3.9
Capex	0.0	-1.8	-1.6	-1.4	-1.5	-1.4
Maintenance Capex	0.0	0.0	0.0	0.7	0.7	0.8
Free cash flow	3.2	-2.5	7.1	-2.1	1.7	2.5
Balance sheet (EURm)						
Intangible assets	0.0	37.8	32.6	32.6	32.6	32.6
Tangible assets	0.0	5.6	5.5	6.2	7.0	7.5
Shareholders' equity	41.8	36.6	41.8	43.5	45.6	48.2
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	6.1	19.0	17.5	15.5	11.8	9.3
Net financial debt	5.9	9.2	3.3	5.4	3.8	1.2
w/c requirements	1.2	21.8	13.6	15.9	16.3	16.8
Ratios						
ROE	9.4%	13.6%	-2.3%	3.8%	4.6%	5.5%
ROCE	11.1%	6.0%	7.9%	4.9%	5.7%	6.7%
Net gearing	14.1%	25.1%	7.8%	12.5%	8.2%	2.6%
Net debt / EBITDA	1.0x	2.2x	0.6x	1.5x	0.9x	0.3x

Source: Company data; mwb research

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