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Pyramid AG

Germany | Technology | MCap EUR 21.9m

7 July 2025

UPDATE

FY24 results in-line with prelims; Margin resilience encouraging; BUY

BUY (BUY)

Target price	**EUR 1.50** (1.80)
Current price	EUR 0.95
Up/downside	57.9%

ResearchHub

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What's it all about?

Pyramid AG's FY24 results were weak but in line with prelims, with revenue down 10% to EUR 68.3m, mainly due to faytech sales decline and macro pressures. Despite this, margin resilience was encouraging—EBITDA margin held at 5% amid cost cuts and a shift to higher-margin AKHET solutions. EBIT loss narrowed to EUR –1.4m, but net loss stood at EUR –3.1m, impacted by goodwill amortization and financing costs. Cash flow was strained by a EUR 15.1m working capital build-up, raising net debt to EUR 14.8m, which however should largely be a temporary issue. Despite this, liquidity remains manageable in our view given untapped credit facilities. With a solid equity base, structural diversification, and exposure to secular tech trends, we maintain a BUY rating, but adjust our target price to EUR 1.50 (prev. EUR 1.80) amid higher interest costs.

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

Pyramid AG

Germany | Technology | MCap EUR 21.9m | EV EUR 36.7m

BUY (BUY)

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FY24 results in-line; Margin resilience encouraging; BUY

FY24 results weak but in-line. Pyramid AG has released its FY24 final results, reporting consolidated revenues of EUR 68.3m, down 10% yoy from EUR 76.0m in FY23. This shortfall reflects persistent macroeconomic pressures, particularly in the first half, and a pronounced contraction in faytech-branded sales (−34%). AKHET (+6%) and Polytouch (+1%) segments showed resilience, but not enough to offset the broader weakness. Delayed customer orders and inventory destocking were cited as key headwinds. The results came in slightly below management's revised guidance of EUR 70–73m, indicating a more challenging operating environment than anticipated.

Solid margin performance despite revenue pressure. Pyramid delivered an EBITDA of EUR 3.4m in FY24 (FY23: EUR 5.4m), translating to a 5% EBITDA margin (vs. 7.1%). This performance was underpinned by cost reductions, a 10% decrease in headcount (389 FTEs vs. 434), and operational efficiencies across divisions. Margin stability, despite top-line weakness, also reflects a shift toward higher-margin AKHET infrastructure solutions, also visible in a 100bp increase in gross margins. The company's dual-pillar strategy—industrial automation (AKHET) and POS/kiosk solutions (faytech)—continues to offer structural diversification and partial buffer against cyclical slowdowns.

Amortization and financing costs weigh on bottom line. EBIT improved to EUR −1.4m from EUR −3.5m in FY23, aided by reduced impairment charges and operating cost control. Net financial expenses of EUR 1.1m and continued goodwill amortization (EUR 4.1m) under HGB kept the group in negative territory, with a consolidated net loss of EUR −3.1m (FY23: EUR −5.0m). As in prior years, we adjust for goodwill amortization in our valuation approach, aligning with IFRS accounting standards where such charges are not recognized.

Cash flow impacted by working capital buildup. Operating cash flow dropped to EUR −9.5m (FY23: EUR +8.6m), primarily driven by a EUR 15.1m increase in inventories and receivables.

-continued-

Pyramid AG	2022	2023	2024	2025E	2026E	2027E
Sales	91.9	76.0	68.3	89.7	96.0	102.7
Growth yoy	58.3%	-17.2%	-10.2%	31.4%	7.0%	7.0%
EBITDA	4.2	5.4	3.4	5.0	5.9	6.5
EBIT**	3.4	4.8	2.8	4.4	5.2	5.7
Net profit**	5.0	-0.8	1.0	1.9	2.5	2.9
Net debt (net cash)	9.2	3.3	14.8	11.3	9.3	6.7
Net debt/EBITDA	2.2x	0.6x	4.4x	2.3x	1.6x	1.0x
EPS reported**	0.22	-0.04	0.04	0.08	0.11	0.13
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	32.1%	37.3%	38.3%	33.1%	33.1%	33.1%
EBITDA margin	4.5%	7.1%	5.0%	5.6%	6.1%	6.3%
EBIT margin	3.7%	6.3%	4.1%	4.9%	5.4%	5.5%
ROCE	6.0%	7.9%	4.2%	6.4%	7.6%	8.1%
EV/Sales	0.3x	0.3x	0.5x	0.4x	0.3x	0.3x
EV/EBITDA	7.5x	4.7x	10.9x	6.6x	5.3x	4.4x
EV/EBIT	9.1x	5.3x	13.2x	7.6x	6.0x	5.0x
PER	4.2x	-25.4x	21.9x	11.7x	8.7x	7.6x

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	0.5x

Ticker / Symbols

ISIN	DE000A254W52
WKN	A254W5
Bloomberg	M3BK:GR

Changes in estimates

		Sales	EBIT	EPS
2025E	old	90.1	4.3	0.12
	Δ	-0.4%	1.8%	-31.3%
2026E	old	96.4	5.0	0.14
	Δ	-0.4%	3.9%	-25.0%
2027E	old	103.1	5.5	0.16
	Δ	-0.4%	3.0%	-21.9%

Key share data

Number of shares: (in m pcs)	23.07
Book value per share: (in EUR)	1.83
Ø trading vol.: (12 months)	8,193

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 and RNT being its latest acquisitions that will propell the Group's sales into another sphere.

This appears to reflect strategic inventory adjustments and customer delivery timing around year-end. While not structural in nature, this working capital movement materially strained short-term liquidity and should be closely watched in FY25. Despite the cash outflows and net loss, Pyramid's financial position remained solid. Equity increased to EUR 42.3m (vs. EUR 41.8m), supported by a capital raise linked to the faytech acquisition and FX translation effects. Cash stood at EUR 5.1m, while liabilities to credit institutions rose to EUR 19.9m. This results in a net debt position of EUR 14.8m, implying a net debt/EBITDA ratio of 4.4x (vs. 0.6x in FY23). Although elevated, the ratio is still manageable given Pyramid's undrawn credit facilities and strategic asset base. Post-year-end, the sale of non-core subsidiaries has further enhanced liquidity flexibility (read here for more detail).

Cautious outlook; recovery potential intact. While no formal guidance has been provided for FY25, management remains cautiously optimistic. Structural industry trends—including digitization, automation, and growing demand for self-service and touch-based interfaces—support medium-term demand recovery. Moreover, the recent acquisition of RNT Rausch GmbH (April 2025) could contribute positively to revenue diversification and scale.

Conclusion. FY24 confirmed a tougher than expected year for Pyramid AG, but also demonstrated margin discipline and strategic focus. While elevated net debt and negative cash flow warrant attention, the company's diversified model, strong equity base, and exposure to secular growth trends offer meaningful upside. We maintain our BUY rating and adjust our price target to EUR 1.50 (previously EUR 1.80), balancing near-term caution with medium-term optimism.

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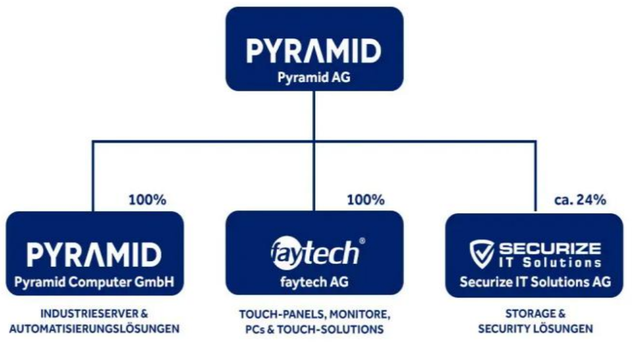
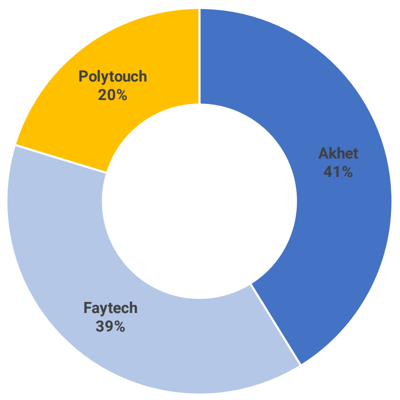
Investment case in six charts

Products & Services

Structure



Segmental breakdown in %

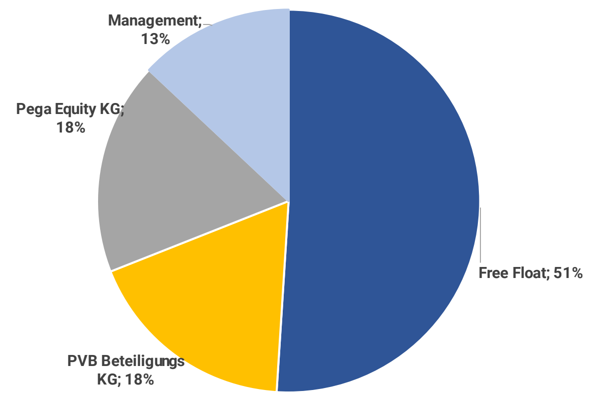


Reference clients

AMC Theatres, EDEKA, Daimler, Burger King, Airbus, Cinemark, Balluff, Siemens, Fraport, genua, Bosch, Thales

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 1.48 per share**:

Top-line growth: We expect Pyramid AG to grow revenues at a CAGR of 4.4% between 2025E and 2032E. The long-term growth rate is set at 2.0%.

ROCE. Returns on capital are developing from 6.4% in 2025E to 6.7% in 2032E.

WACC. Starting point is a historical equity beta of -0.01. Unleverering and correcting for mean reversion yields an asset beta of 1.20. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 11.9%. 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 9.2%.

DCF (EURm) (except per share data and beta)	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	Terminal value
NOPAT	2.9	3.4	3.7	3.6	3.5	3.5	3.7	3.7	
Depreciation & amortization	0.7	0.7	0.8	1.1	1.2	1.5	1.5	1.5	
Change in working capital	-3.1	-0.2	-0.1	0.4	0.9	1.0	-0.6	-0.6	
Chg. in long-term provisions	4.5	0.5	0.5	0.4	0.3	0.3	0.3	0.3	
Capex	-0.7	-1.7	-1.8	-1.7	-1.8	-1.6	-1.7	-1.7	
Cash flow	4.2	2.6	3.0	3.9	4.1	4.7	3.2	3.2	45.8
Present value	4.0	2.3	2.5	2.9	2.8	2.9	1.8	1.7	23.7
WACC	8.9%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.2%

DCF per share derived from	
Total present value	44.6
Mid-year adj. total present value	46.6
Net debt / cash at start of year	14.8
Financial assets	2.3
Provisions and off b/s debt	na
Equity value	34.1
No. of shares outstanding	23.1
Discounted cash flow / share	**1.48**
upside/(downside)	**55.8%**
Share price	**0.95**

DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2025E-2032E)	4.4%
Terminal value growth (2032E - infinity)	2.0%
Terminal year ROCE	6.7%
Terminal year WACC	9.2%

Terminal WACC derived from	
Cost of borrowing (before taxes)	5.0%
Long-term tax rate	25.0%
Equity beta	-0.01
Unlevered beta (industry or company)	1.20
Target debt / equity	0.5
Relevered beta	1.65
Risk-free rate	2.0%
Equity risk premium	6.0%
Cost of equity	11.9%

Sensitivity analysis DCF

Change in WACC (%-points)	Long term growth 1.0%	1.5%	2.0%	2.5%	3.0%
2.0%	1.0	1.1	1.1	1.1	1.2
1.0%	1.2	1.2	1.3	1.3	1.4
0.0%	1.3	1.4	1.5	1.6	1.7
-1.0%	1.6	1.7	1.8	1.9	2.0
-2.0%	1.9	2.0	2.2	2.3	2.6

Share of present value	
2025E-2028E	26.2%
2029E-2032E	20.7%
terminal value	53.2%

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 1.64 per share based on 2025E and EUR 2.49 per share on 2029E 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	2025E	2026E	2027E	2028E	2029E
EBITDA	**5.0**	**5.9**	**6.5**	**6.8**	**6.7**
- Maintenance capex	0.7	0.7	0.8	1.1	1.2
- Minorities	0.2	0.3	0.3	0.3	0.3
- tax expenses	0.9	1.2	1.4	1.4	1.3
= Adjusted FCF	**3.3**	**3.7**	**4.0**	**4.0**	**3.8**
Actual Market Cap	**21.9**	**21.9**	**21.9**	**21.9**	**21.9**
+ Net debt (cash)	11.3	9.3	6.7	3.3	-0.4
+ 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	2.3	2.3	2.3	2.3	2.3
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
EV Reconciliations	9.0	7.0	4.4	1.0	-2.7
= Actual EV'	**30.9**	**28.9**	**26.3**	**22.9**	**19.2**
Adjusted FCF yield	**10.6%**	**12.9%**	**15.2%**	**17.4%**	**19.9%**
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	**46.7**	**53.2**	**57.0**	**56.7**	**54.7**
- *EV Reconciliations*	9.0	7.0	4.4	1.0	-2.7
Fair Market Cap	**37.7**	**46.2**	**52.6**	**55.7**	**57.4**
No. of shares (million)	23.1	23.1	23.1	23.1	23.1
Fair value per share in EUR	**1.64**	**2.00**	**2.28**	**2.42**	**2.49**
Premium (-) / discount (+)	**72.1%**	**111.0%**	**140.0%**	**154.3%**	**162.0%**

Sensitivity analysis FV						
	5.0%	2.4	2.9	3.3	3.4	3.4
	6.0%	2.0	2.4	2.7	2.8	2.9
Adjusted hurdle rate	**7.0%**	**1.6**	**2.0**	**2.3**	**2.4**	**2.5**
	8.0%	1.4	1.7	2.0	2.1	2.2
	9.0%	1.2	1.5	1.7	1.9	2.0

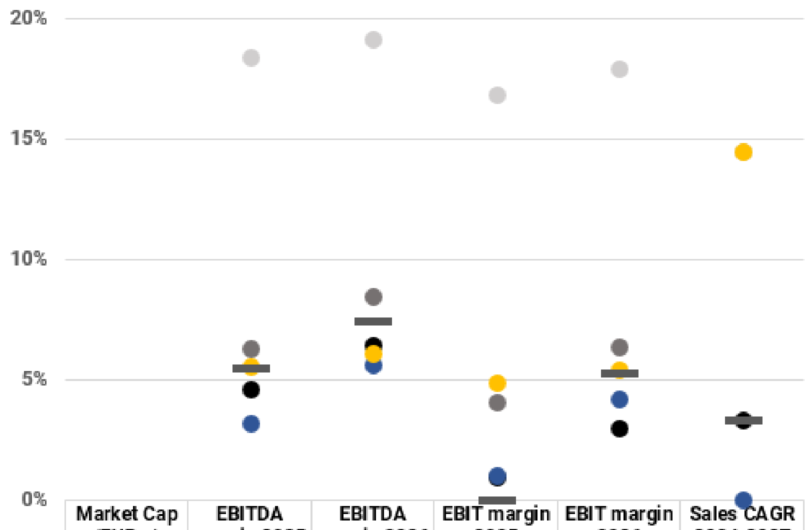
Source: Company data; mwb research

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 **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 7 July 2025 the median market cap of the peer group was EUR 93.5m, compared to EUR 21.9m 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



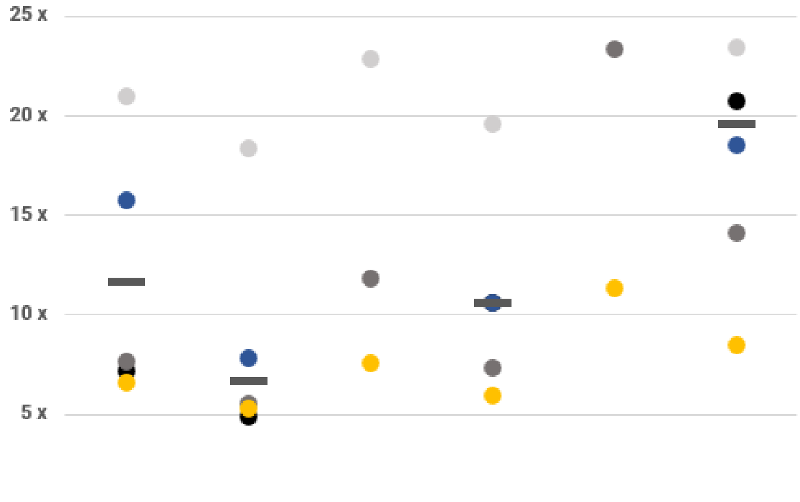
7-Jul-25	Market Cap (EURm)	EBITDA margin 2025	EBITDA margin 2026	EBIT margin 2025	EBIT margin 2026	Sales CAGR 2024-2027
● DATA MODUL Aktiengesellschaft	80	4,6%	6,5%	1,0%	3,0%	3,3%
● FORTEC Elektronik AG	52	6,4%	8,5%	4,1%	6,4%	-2,1%
● Advantech Co., Ltd.	8.626	18,4%	19,2%	16,9%	18,0%	14,5%
● Richardson Electronics, Ltd.	107	3,2%	5,7%	1,1%	4,2%	0,0%
● Pyramid AG	22	5,6%	6,1%	4,9%	5,4%	14,5%
– Peer Group Median	93	5,5%	7,5%	0,0%	5,3%	3,3%

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 2025, EV/EBITDA 2026, EV/EBIT 2025, EV/EBIT 2026, P/E 2025 and P/E 2026.

Applying these to Pyramid AG results in a range of fair values from EUR 1.22 to EUR 4.85.

Peer Group – Multiples and valuation



7-Jul-25

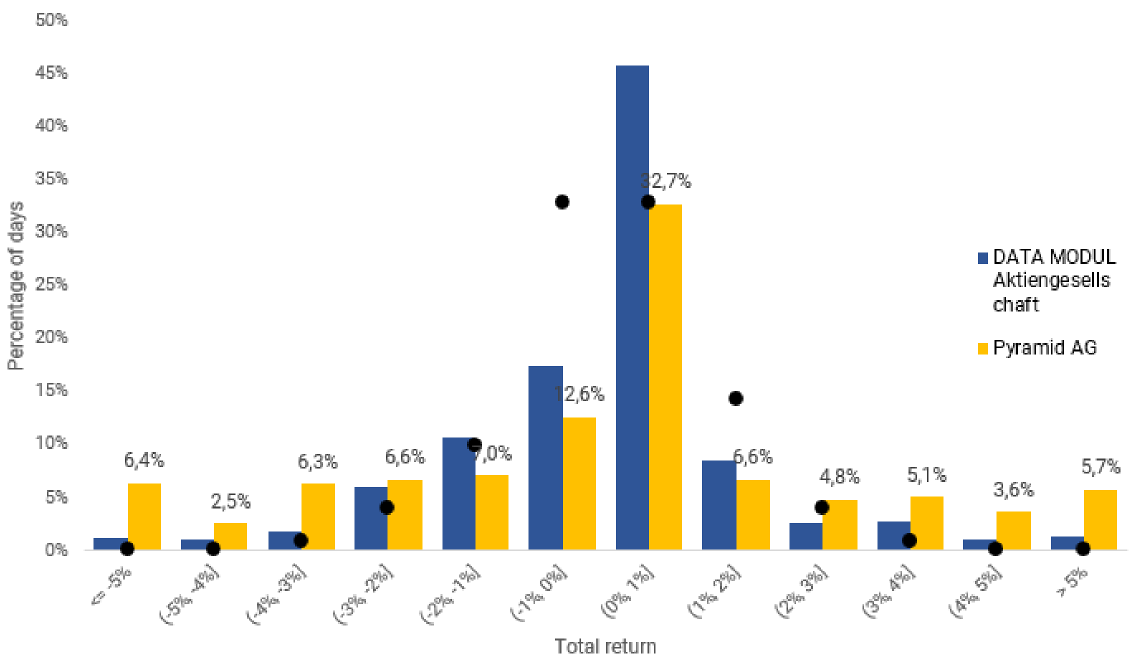
	EV/EBITDA 2025	EV/EBITDA 2026	EV/EBIT 2025	EV/EBIT 2026	P/E 2025	P/E 2026
● DATA MODUL Aktiengesellschaft	07x	05x	33x	11x	133x	21x
● FORTEC Elektronik AG	08x	06x	12x	07x	23x	14x
● Advantech Co., Ltd.	21x	18x	23x	20x	27x	23x
● Richardson Electronics, Ltd.	16x	08x	48x	11x	73x	19x
● Pyramid AG	07x	05x	08x	06x	11x	09x
– Peer Group Median	12x	07x	28x	11x	50x	20x
Fair Value (EUR)	2,06	1,22	4,85	1,91	4,05	2,13

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 Aktiengesellschaft. 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%.

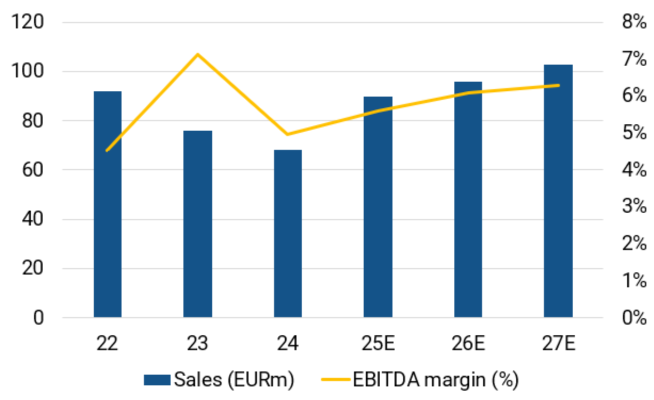
Risk – Daily Returns Distribution (trailing 3 years)



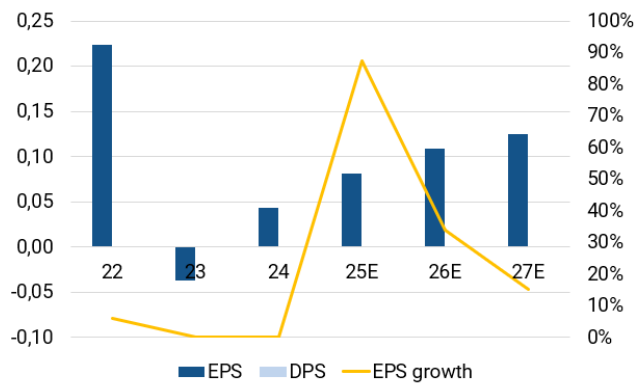
Source: FactSet, mwb research

Financials in six charts

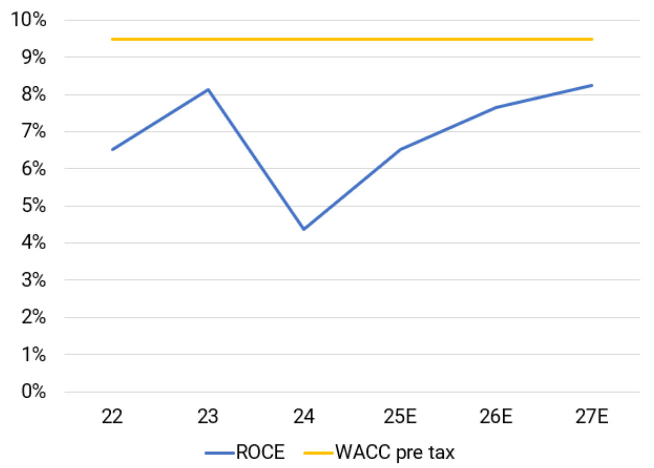
Sales vs. EBITDA margin development



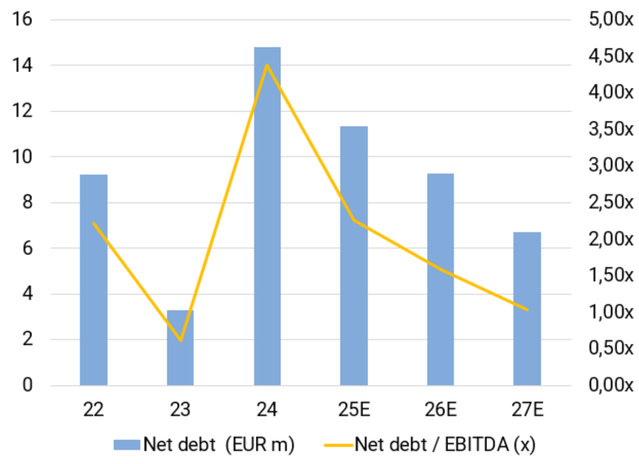
EPS, DPS in EUR & yoy EPS growth



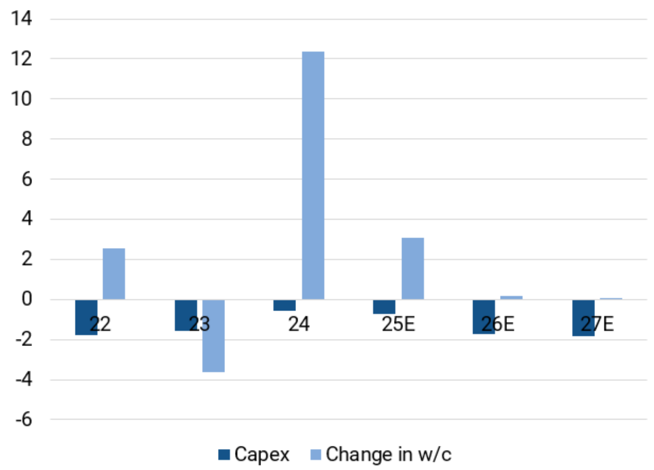
ROCE vs. WACC (pre tax)



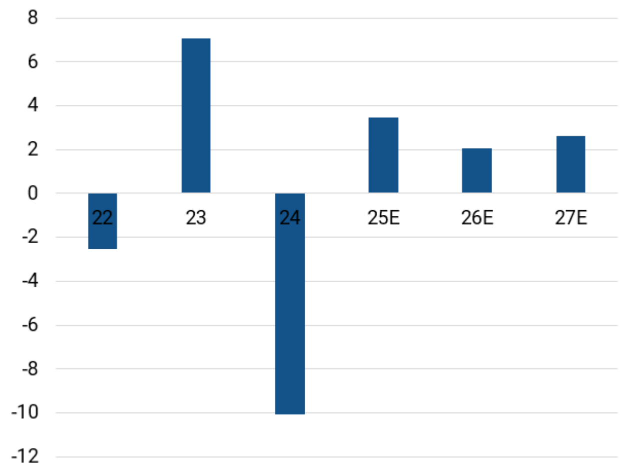
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; mwb research

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Financials

Profit and loss (EURm)	2022	2023	2024	2025E	2026E	2027E
Net sales	**91.9**	**76.0**	**68.3**	**89.7**	**96.0**	**102.7**
Sales growth	58.3%	-17.2%	-10.2%	31.4%	7.0%	7.0%
Change in finished goods and work-in-process	8.1	-1.8	6.9	0.0	0.0	0.0
Total sales	**100.0**	**74.3**	**75.1**	**89.7**	**96.0**	**102.7**
Material expenses	70.5	45.9	49.0	60.0	64.2	68.7
Gross profit	**29.5**	**28.4**	**26.1**	**29.7**	**31.8**	**34.0**
Other operating income	4.2	3.6	2.3	2.5	3.2	3.6
Personnel expenses	17.7	14.2	14.6	16.5	17.7	18.9
Other operating expenses	11.8	12.4	10.4	10.7	11.4	12.2
EBITDA	**4.2**	**5.4**	**3.4**	**5.0**	**5.9**	**6.5**
Depreciation	0.7	0.6	0.6	0.7	0.7	0.8
EBITA	3.4	4.8	2.8	4.4	5.2	5.7
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	**3.4**	**4.8**	**2.8**	**4.4**	**5.2**	**5.7**
Financial result	0.3	-5.2	-1.7	-1.4	-1.2	-1.1
Recurring pretax income from continuing operations	3.7	-0.5	1.1	3.0	4.0	4.6
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	3.7	-0.5	1.1	3.0	4.0	4.6
Taxes	-1.3	0.5	0.2	0.9	1.2	1.4
Net income from continuing operations	5.0	-1.0	0.9	2.1	2.8	3.2
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	**5.0**	**-1.0**	**0.9**	**2.1**	**2.8**	**3.2**
Minority interest	-0.0	0.1	0.1	-0.2	-0.3	-0.3
Net profit (reported)	5.0	-0.8	1.0	1.9	2.5	2.9
Average number of shares	22.15	22.15	23.07	23.07	23.07	23.07
EPS reported	**0.22**	**-0.04**	**0.04**	**0.08**	**0.11**	**0.13**

Profit and loss (common size)	2022	2023	2024	2025E	2026E	2027E
Net sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Change in finished goods and work-in-process	9%	-2%	10%	0%	0%	0%
Total sales	**109%**	**98%**	**110%**	**100%**	**100%**	**100%**
Material expenses	77%	60%	72%	67%	67%	67%
Gross profit	**32%**	**37%**	**38%**	**33%**	**33%**	**33%**
Other operating income	5%	5%	3%	3%	3%	3%
Personnel expenses	19%	19%	21%	18%	18%	18%
Other operating expenses	13%	16%	15%	12%	12%	12%
EBITDA	**5%**	**7%**	**5%**	**6%**	**6%**	**6%**
Depreciation	1%	1%	1%	1%	1%	1%
EBITA	4%	6%	4%	5%	5%	6%
Amortisation of goodwill and intangible assets	0%	0%	0%	0%	0%	0%
EBIT	**4%**	**6%**	**4%**	**5%**	**5%**	**6%**
Financial result	0%	-7%	-2%	-2%	-1%	-1%
Recurring pretax income from continuing operations	4%	-1%	2%	3%	4%	4%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	4%	-1%	2%	3%	4%	4%
Taxes	-1%	1%	0%	1%	1%	1%
Net income from continuing operations	5%	-1%	1%	2%	3%	3%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	**5%**	**-1%**	**1%**	**2%**	**3%**	**3%**
Minority interest	-0%	0%	0%	-0%	-0%	-0%
Net profit (reported)	**5%**	**-1%**	**1%**	**2%**	**3%**	**3%**

Source: Company data; mwb research

Balance sheet (EURm)	2022	2023	2024	2025E	2026E	2027E
Intangible assets (exl. Goodwill)	**0.0**	**0.2**	**0.2**	**0.2**	**0.2**	**0.2**
Goodwill	37.8	32.4	28.6	28.6	28.6	28.6
Property, plant and equipment	5.6	5.5	5.4	5.5	6.6	7.6
Financial assets	6.6	2.7	2.3	2.3	2.3	2.3
FIXED ASSETS	**50.0**	**40.9**	**36.5**	**36.6**	**37.6**	**38.7**
Inventories	25.5	16.6	24.1	24.7	26.4	28.2
Accounts receivable	2.2	1.8	8.0	9.8	9.2	8.4
Other current assets	3.2	4.8	6.3	6.3	6.3	6.3
Liquid assets	6.2	7.7	5.1	3.7	2.7	3.3
Deferred taxes	0.2	0.2	0.2	0.2	0.2	0.2
Deferred charges and prepaid expenses	0.3	0.0	0.1	0.3	0.3	0.3
CURRENT ASSETS	**37.6**	**31.1**	**43.9**	**45.0**	**45.1**	**46.8**
TOTAL ASSETS	**87.6**	**72.0**	**80.4**	**81.5**	**82.8**	**85.5**
SHAREHOLDERS EQUITY	**36.6**	**41.8**	**42.3**	**44.4**	**47.2**	**50.4**
MINORITY INTEREST	1.6	1.4	1.4	1.4	1.4	1.4
Long-term debt	15.4	8.1	19.9	15.0	12.0	10.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	3.5	6.6	2.7	7.2	7.7	8.2
Non-current liabilities	**19.0**	**14.6**	**22.6**	**22.2**	**19.7**	**18.2**
short-term liabilities to banks	0.0	2.9	0.0	0.0	0.0	0.0
Accounts payable	5.9	4.8	8.8	5.1	5.5	5.8
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)	22.9	6.0	3.2	7.2	7.7	8.2
Deferred taxes	0.0	0.3	0.0	0.0	0.0	0.0
Deferred income	1.7	0.0	2.2	1.3	1.4	1.5
Current liabilities	**30.4**	**14.1**	**14.2**	**13.6**	**14.6**	**15.6**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**87.6**	**72.0**	**80.4**	**81.5**	**82.8**	**85.5**

Balance sheet (common size)	2022	2023	2024	2025E	2026E	2027E
Intangible assets (excl. Goodwill)	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
Goodwill	43%	45%	36%	35%	35%	33%
Property, plant and equipment	6%	8%	7%	7%	8%	9%
Financial assets	8%	4%	3%	3%	3%	3%
FIXED ASSETS	**57%**	**57%**	**45%**	**45%**	**45%**	**45%**
Inventories	29%	23%	30%	30%	32%	33%
Accounts receivable	3%	2%	10%	12%	11%	10%
Other current assets	4%	7%	8%	8%	8%	7%
Liquid assets	7%	11%	6%	4%	3%	4%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	0%	0%	0%	0%	0%	0%
CURRENT ASSETS	**43%**	**43%**	**55%**	**55%**	**55%**	**55%**
TOTAL ASSETS	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
SHAREHOLDERS EQUITY	**42%**	**58%**	**53%**	**54%**	**57%**	**59%**
MINORITY INTEREST	2%	2%	2%	2%	2%	2%
Long-term debt	18%	11%	25%	18%	14%	12%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	4%	9%	3%	9%	9%	10%
Non-current liabilities	**22%**	**20%**	**28%**	**27%**	**24%**	**21%**
short-term liabilities to banks	0%	4%	0%	0%	0%	0%
Accounts payable	7%	7%	11%	6%	7%	7%
Advance payments received on orders	0%	0%	0%	0%	0%	0%
Other liabilities (incl. from lease and rental contracts)	26%	8%	4%	9%	9%	10%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	2%	0%	3%	2%	2%	2%
Current liabilities	**35%**	**20%**	**18%**	**17%**	**18%**	**18%**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Company data; mwb research

Cash flow statement (EURm)	2022	2023	2024	2025E	2026E	2027E
Net profit/loss	-4.9	-5.1	-3.3	2.1	2.8	3.2
Depreciation of fixed assets (incl. leases)	0.7	0.6	0.6	0.7	0.7	0.8
Amortisation of goodwill	9.9	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	5.1	5.3	0.0	0.0	0.0
Others	-3.8	4.4	0.2	4.5	0.5	0.5
Cash flow from operations before changes in w/c	1.8	5.0	2.8	7.2	3.9	4.5
Increase/decrease in inventory	0.0	0.0	-7.6	-0.5	-1.7	-1.8
Increase/decrease in accounts receivable	0.0	0.0	-6.2	-1.8	0.6	0.8
Increase/decrease in accounts payable	-2.5	-4.2	4.0	-3.7	0.4	0.4
Increase/decrease in other w/c positions	0.0	7.8	-2.6	3.0	0.6	0.6
Increase/decrease in working capital	-2.5	3.6	-12.4	-3.1	-0.2	-0.1
Cash flow from operating activities	**-0.7**	**8.6**	**-9.5**	**4.2**	**3.8**	**4.4**
CAPEX	-1.8	-1.6	-0.5	-0.7	-1.7	-1.8
Payments for acquisitions	-5.0	0.0	0.0	0.0	0.0	0.0
Financial investments	-1.5	-0.2	-0.4	0.0	0.0	0.0
Income from asset disposals	0.3	0.1	0.1	0.0	0.0	0.0
Cash flow from investing activities	**-8.0**	**-1.7**	**-0.9**	**-0.7**	**-1.7**	**-1.8**
Cash flow before financing	-8.8	7.0	-10.4	3.4	2.1	2.6
Increase/decrease in debt position	6.9	-4.4	8.9	-4.9	-3.0	-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	-1.3	-2.3	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.1	0.0	0.0	0.0	0.0
Cash flow from financing activities	**6.9**	**-5.6**	**6.6**	**-4.9**	**-3.0**	**-2.0**
Increase/decrease in liquid assets	-1.8	1.4	-3.8	-1.4	-0.9	0.6
Liquid assets at end of period	**6.2**	**7.7**	**4.0**	**2.5**	**1.6**	**2.2**

Source: Company data; mwb research

Regional sales split (EURm)	2022	2023	2024	2025E	2026E	2027E
Domestic	44.8	38.5	33.4	43.9	47.0	50.3
Europe (ex domestic)	13.9	14.7	20.6	27.1	29.0	31.0
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	33.2	22.8	14.2	18.7	20.0	21.4
Total sales	**91.9**	**76.0**	**68.3**	**89.7**	**96.0**	**102.7**

Regional sales split (common size)	2022	2023	2024	2025E	2026E	2027E
Domestic	48.8%	50.7%	49.0%	49.0%	49.0%	49.0%
Europe (ex domestic)	15.1%	19.3%	30.2%	30.2%	30.2%	30.2%
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	36.1%	30.0%	20.8%	20.8%	20.8%	20.8%
Total sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Company data; mwb research

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Ratios	2022	2023	2024	2025E	2026E	2027E
Per share data						
Earnings per share reported	0.22	-0.04	0.04	0.08	0.11	0.13
Cash flow per share	-0.07	0.36	-0.44	0.15	0.14	0.16
Book value per share	1.65	1.89	1.83	1.92	2.04	2.18
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	4.2x	-25.4x	21.9x	11.7x	8.7x	7.6x
P/CF	-14.3x	2.6x	-2.2x	6.3x	7.0x	6.0x
P/BV	0.6x	0.5x	0.5x	0.5x	0.5x	0.4x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-7.0%	38.1%	-46.3%	16.0%	14.2%	16.7%
EV/Sales	0.3x	0.3x	0.5x	0.4x	0.3x	0.3x
EV/EBITDA	7.5x	4.7x	10.9x	6.6x	5.3x	4.4x
EV/EBIT	9.1x	5.3x	13.2x	7.6x	6.0x	5.0x
Income statement (EURm)						
Sales	91.9	76.0	68.3	89.7	96.0	102.7
yoy chg in %	58.3%	-17.2%	-10.2%	31.4%	7.0%	7.0%
Gross profit	29.5	28.4	26.1	29.7	31.8	34.0
Gross margin in %	32.1%	37.3%	38.3%	33.1%	33.1%	33.1%
EBITDA	4.2	5.4	3.4	5.0	5.9	6.5
EBITDA margin in %	4.5%	7.1%	5.0%	5.6%	6.1%	6.3%
EBIT	3.4	4.8	2.8	4.4	5.2	5.7
EBIT margin in %	3.7%	6.3%	4.1%	4.9%	5.4%	5.5%
Net profit	5.0	-0.8	1.0	1.9	2.5	2.9
Cash flow statement (EURm)						
CF from operations	-0.7	8.6	-9.5	4.2	3.8	4.4
Capex	-1.8	-1.6	-0.5	-0.7	-1.7	-1.8
Maintenance Capex	0.7	0.6	0.6	0.7	0.7	0.8
Free cash flow	-2.5	7.1	-10.1	3.4	2.1	2.6
Balance sheet (EURm)						
Intangible assets	37.8	32.6	28.8	28.8	28.8	28.8
Tangible assets	5.6	5.5	5.4	5.5	6.6	7.6
Shareholders' equity	36.6	41.8	42.3	44.4	47.2	50.4
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	19.0	17.5	22.6	22.2	19.7	18.2
Net financial debt	9.2	3.3	14.8	11.3	9.3	6.7
w/c requirements	21.8	13.6	23.3	29.4	30.1	30.8
Ratios						
ROE	13.6%	-2.3%	2.0%	4.7%	5.9%	6.4%
ROCE	6.0%	7.9%	4.2%	6.4%	7.6%	8.1%
Net gearing	25.1%	7.8%	34.9%	25.6%	19.7%	13.3%
Net debt / EBITDA	2.2x	0.6x	4.4x	2.3x	1.6x	1.0x

Source: Company data; mwb research

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