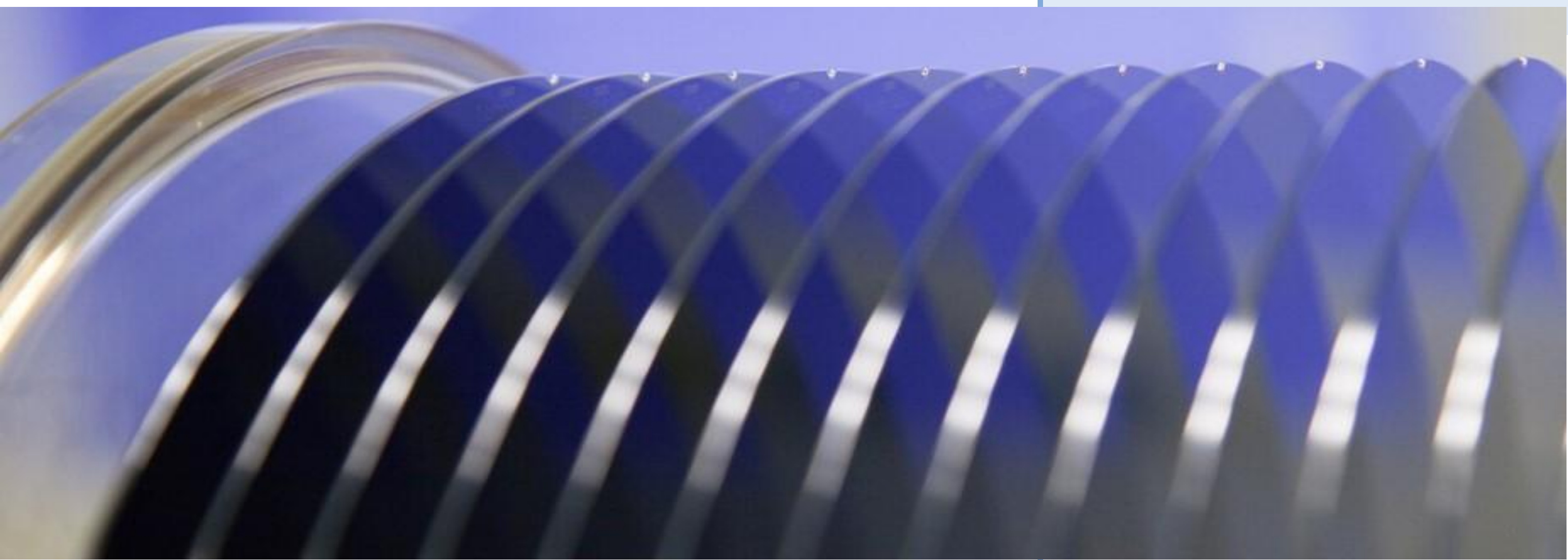
Siltronic AG

Germany | Semiconductors | MCap EUR 1,554.0m

9 January 2026

UPDATE



Downgrade to HOLD on balanced risk-reward.

HOLD (BUY)

Target price **EUR 53.50** (57.50)
Current price EUR 51.80
Up/downside 3.3%

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What's it all about?

We downgrade Siltronic to HOLD after recent share price strength closed the gap to our fair value. While optimism around memory supply bottlenecks has supported sentiment, this has yet to translate into meaningful customer engagement amid still-elevated inventories. Power remains the biggest drag, as continued weakness in automotive and industrial end-markets pushes the recovery and inventory digestion further out. At the same time, higher than we initially anticipated COGS, depreciation, and interest expense related to the FabNext ramp-up and increased debt burden are set to put significant pressure on mid-term margins. With valuation now implying a more balanced risk-reward, where upside hinges on demand strength translating into material volumes, while downside risks are skewed toward timing, mid-term margin pressure, FX headwinds. We cut our price target to EUR 53.50 from EUR 57.50 and step back to the sidelines until visibility improves.

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Siltronic AG

Germany | Semiconductors | MCap EUR 1,554.0m | EV EUR 2,914.3m

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Downgrade to HOLD on balanced risk-reward.

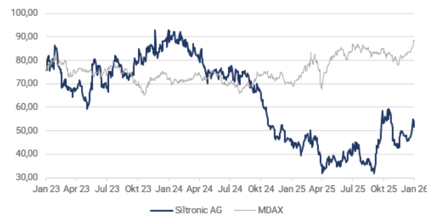
Downgrade to HOLD following recent share price strength. After the latest rally from mid-November, Siltronic is once again approaching our revised fair value, prompting us to move back to HOLD. While the recent spike has been supported by renewed optimism around memory bottlenecks and tighter supply, our recent discussions with the company suggest that this has not yet translated into tangible customer engagement. Memory inventories remain bloated, and visibility on a meaningful pickup in orders is still limited. That said, industry flows suggest that memory inventories should gradually improve over the course of the year.

Estimates revised down; recovery intact but pushed out. We have adjusted our estimates to reflect a more demanding ramp-up at FabNext than initially anticipated, including structurally higher depreciation (approaching ~1/3 of revenues at peak), higher COGS during the ramp phase (unquantified by the company), and increased interest expense stemming from a higher debt burden. Taken together, these factors are set to exert meaningful pressure on mid-term margins (2026–27). On the demand side, elevated customer inventories persist, most notably in power, where weaker-than-expected automotive and industrial activity continues to weigh on order momentum, likely extending inventory hangover effects into 2026 (we underestimated this). In contrast, logic (AI-related) remains the primary area of strength.

Balanced risk-reward at current levels. While valuation still appears undemanding on a P/B basis, we now see a more symmetric risk-reward profile. Upside from here would require a tangible acceleration in end-market demand, beyond the ~8% wafer consumption growth in 2025, to accelerate inventory digestion and translate into sustained volume momentum, particularly in industrial and automotive, where Siltronic's high-margin FZ technology offers meaningful leverage. Conversely, downside risks are skewed toward recovery timing, FX headwinds (EUR ~-50m sales impact in 2025E), and mid-term margin pressure. We therefore downgrade Siltronic to **HOLD (from BUY)** and revise our price target to **EUR 53.50**, reflecting lower 2026/27 earnings power and a longer path to normalization.

Siltronic AG	2022	2023	2024	2025E	2026E	2027E
Sales	1,805.3	1,513.8	1,412.8	1,335.1	1,455.3	1,615.3
Growth yoy	28.5%	-16.1%	-6.7%	-5.5%	9.0%	11.0%
EBITDA	673.5	435.1	363.7	308.1	405.9	513.7
EBIT	495.6	231.3	125.2	-46.7	-91.7	22.6
Net profit	390.6	184.4	63.0	-59.8	-87.5	-14.1
Net debt (net cash)	-270.5	518.4	1,226.2	1,417.2	1,320.3	1,140.5
Net debt/EBITDA	-0.4x	1.2x	3.4x	4.6x	3.3x	2.2x
EPS reported	13.02	6.15	2.10	-1.99	-2.92	-0.47
DPS	3.00	1.20	0.20	0.00	0.00	0.00
Dividend yield	5.8%	2.3%	0.4%	0.0%	0.0%	0.0%
Gross profit margin	34.1%	24.6%	19.5%	10.0%	8.0%	17.0%
EBITDA margin	37.3%	28.7%	25.7%	23.1%	27.9%	31.8%
EBIT margin	27.5%	15.3%	8.9%	-3.5%	-6.3%	1.4%
ROCE	16.4%	7.2%	3.2%	-1.2%	-2.5%	0.6%
EV/EBITDA	2.1x	5.1x	8.0x	10.0x	7.4x	5.5x
EV/EBIT	2.8x	9.6x	23.3x	-66.2x	-32.7x	125.0x
PER	4.0x	8.4x	24.7x	-26.0x	-17.8x	-110.0x
FCF yield	40.4%	18.4%	6.9%	-10.8%	-6.9%	0.8%

Source: Company data, mwb research



Source: Company data, mwb research

High/low 52 weeks	61.75 / 31.70
Price/Book Ratio	0.8x

Ticker / Symbols

ISIN	DE000WAF3001
WKN	WAF300
Bloomberg	WAF:GR

Changes in estimates

		Sales	EBIT	EPS
2025E	old	1,342.2	-47.0	-1.87
	Δ	-0.5%	na%	na%
2026E	old	1,483.1	44.5	0.37
	Δ	-1.9%	na%	na%
2027E	old	1,631.4	104.4	1.75
	Δ	-1.0%	-78.3%	na%

Key share data

Number of shares: (in m pcs)	30.00
Book value per share: (in EUR)	67.00
Ø trading vol.: (12 months)	104,836

Major shareholders

Wacker Chemie AG	30.8%
Sino-American Silicon Products	13.7%
Free Float	55.5%

Company description

Siltronic AG is the only Western-based wafer manufacturer with a global presence, supplying hyperpure silicon wafers with diameters of up to 300mm to leading customers in the semiconductor industry. Siltronic is a customer-focused company with a commitment to quality, precision, growth and innovation.

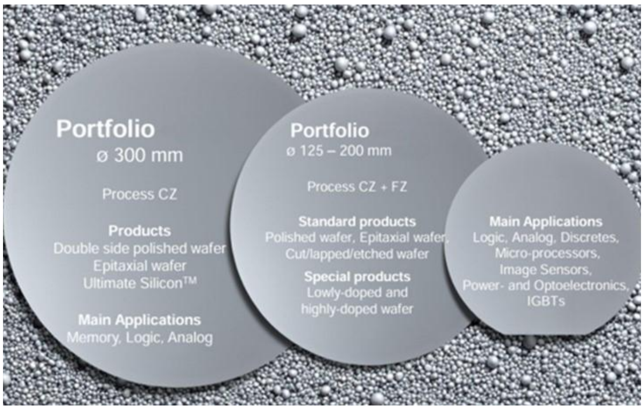
The following table displays the quarterly performance of **Siltronic AG.**

P&L data	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Sales	356.6	343.5	351.3	357.3	361.0	345.8	329.0	300.3
yoy growth in %	-24.5%	-15.1%	-13.0%	2.3%	1.2%	0.7%	-6.3%	-16.0%
Gross profit	79.2	70.1	70.6	69.2	65.5	54.9	60.0	-3.6
Gross margin in %	22.2%	20.4%	20.1%	19.4%	18.1%	15.9%	18.2%	-1.2%
EBITDA	91.1	90.8	90.6	89.4	93.0	78.3	86.4	65.7
EBITDA margin in %	25.5%	26.4%	25.8%	25.0%	25.8%	22.6%	26.3%	21.9%
EBIT	36.8	36.0	33.0	28.9	27.0	14.9	23.7	-31.4
EBIT margin in %	10.3%	10.5%	9.4%	8.1%	7.5%	4.3%	7.2%	-10.5%
EBT	34.6	32.9	26.2	22.3	18.9	7.5	14.4	-10.7
taxes paid	2.3	5.2	3.8	3.5	20.6	3.2	0.2	4.0
tax rate in %	6.6%	15.8%	14.5%	15.7%	109.0%	42.7%	1.4%	-37.4%
net profit	32.3	27.7	22.4	18.8	-1.6	4.3	14.6	-43.9
yoy growth in %	-69.8%	-61.8%	-59.2%	-43.2%	-105.0%	-84.5%	-34.8%	-333.5%
EPS	**1.01**	**0.86**	**0.73**	**0.60**	**-0.08**	**0.08**	**0.38**	**-1.29**

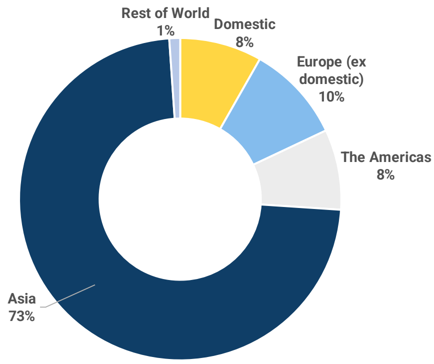
Source: Company data; mwb research

Investment case in six charts

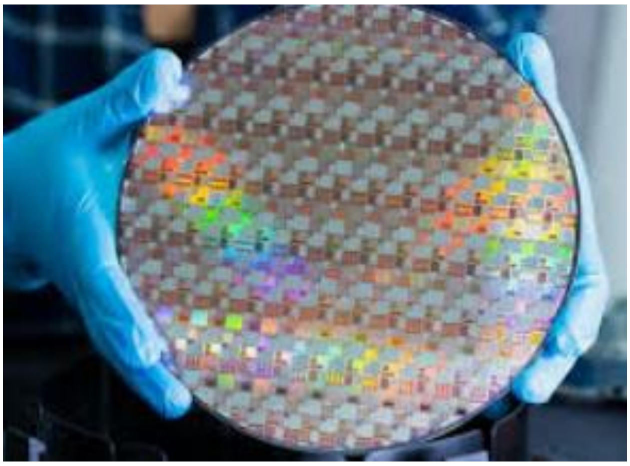
Products & Services



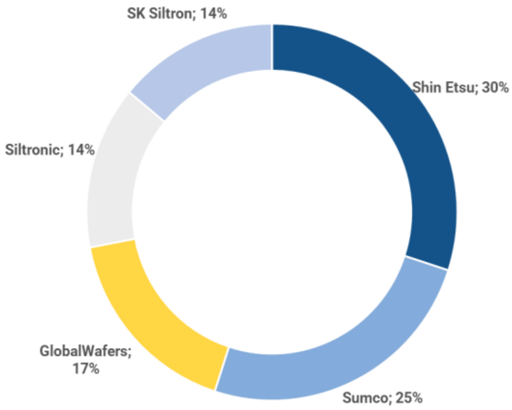
Regional sales split in %



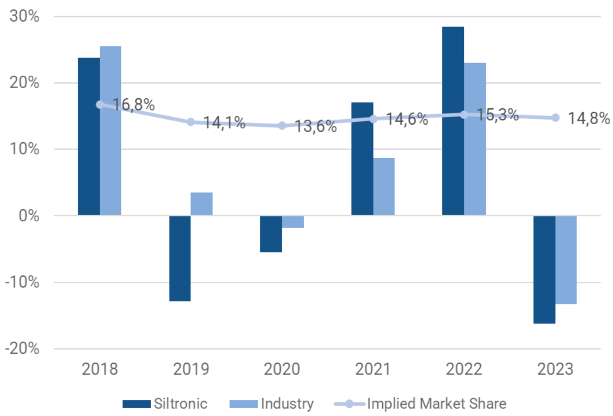
Silicon Wafer



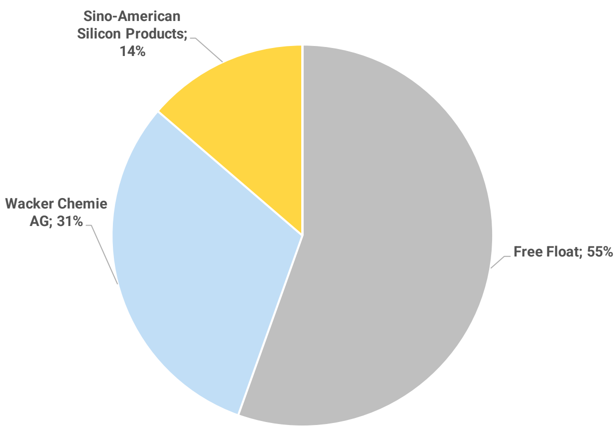
Market Share of Top 5 Wafer Producers



Silicon Wafer Growth (€)



Shareholder Structure



Source: Company data; mwb research

SWOT analysis

Strengths

- Know-how with over 50 years of experience in silicon technologies and innovations
- The only Western-based wafer supplier with a global presence, enabling reliable and fast supply
- One of the top players in the leading-edge 300mm wafers and 200 Float Zone based activities tailored for the power segment
- Well-diversified and robust product mix in the memory, logic, and especially in the power segment
- Transparent and predictable market due to highly consolidated industry

Weaknesses

- High dependency on the semiconductor industry and its cyclical nature
- Heavy reliance on key customers for a significant portion of revenue (66% of revenue is attributed to 10 top customers)
- High fixed cost
- Prolonged customer Inventory overhang

Opportunities

- Leveraging growth potential from the Megatrends such as AI, digitalization, and electromobility
- Target growth opportunities in Asian and emerging markets
- Improving profitability through cost and production optimization

Threats

- Failing to adapt with the rapid technological changes
- Geopolitical tension and upcoming competition from China may impact demand

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Valuation

DCF Model

The DCF model results in a **fair value of EUR 53.68 per share**:

Top-line growth: We expect Siltronic AG to grow revenues at a CAGR of 5.4% between 2025E and 2032E. The long-term growth rate is set at 2.0%.

ROCE. Returns on capital are developing from -1.2% in 2025E to 6.7% in 2032E.

WACC. Starting point is a historical equity beta of 1.45. Unlevering and correcting for mean reversion yields an asset beta of 1.01. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 9.0%. With pre-tax cost of borrowing at 5.0%, a tax rate of 20.0% and target debt/equity of 0.2 this results in a long-term WACC of 8.2%.

DCF (EURm) (except per share data and beta)	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	Terminal value
NOPAT	-27.5	-55.9	16.2	118.8	133.4	148.9	159.2	156.7	
Depreciation & amortization	354.8	497.6	491.1	416.1	426.2	421.4	418.7	417.8	
Change in working capital	-98.0	-14.7	5.9	-23.8	-18.7	-20.3	-22.1	14.4	
Chg. in long-term provisions	-17.5	-1.6	21.0	12.7	6.7	6.9	7.1	7.4	
Capex	-360.5	-291.1	-323.1	-359.6	-388.0	-399.6	-411.6	-424.0	
Cash flow	-148.7	134.3	211.1	164.1	159.8	157.3	151.4	172.3	2,842.4
Present value	-148.9	124.9	182.1	131.3	118.5	108.3	96.6	102.0	1,642.3
WACC	7.7%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%	8.2%

DCF per share derived from	
Total present value	2,357.0
Mid-year adj. total present value	2,447.5
Net debt / cash at start of year	733.5
Financial assets	30.6
Provisions and off b/s debt	134.1
Equity value	1,610.5
No. of shares outstanding	30.0
Discounted cash flow / share	**53.68**
upside/(downside)	**3.6%**
Share price	**51.80**

DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2025E-2032E)	5.4%
Terminal value growth (2032E - infinity)	2.0%
Terminal year ROCE	6.7%
Terminal year WACC	8.2%

Terminal WACC derived from	
Cost of borrowing (before taxes)	5.0%
Long-term tax rate	20.0%
Equity beta	1.45
Unlevered beta (industry or company)	1.01
Target debt / equity	0.2
Relevered beta	1.17
Risk-free rate	2.0%
Equity risk premium	6.0%
Cost of equity	9.0%

Sensitivity analysis DCF

Change in WACC (%-points)	Long term growth 1.0%	1.5%	2.0%	2.5%	3.0%
2.0%	28.8	30.9	33.3	35.9	39.0
1.0%	36.0	38.8	42.1	45.7	50.0
0.0%	45.3	49.2	53.7	59.0	65.3
-1.0%	57.5	63.1	69.8	77.9	87.9
-2.0%	74.5	83.0	93.6	107.0	124.6

Share of present value	
2025E-2028E	12.3%
2029E-2032E	18.0%
terminal value	69.7%

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 -50.43 per share based on 2025E and EUR 35.82 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	**308.1**	**405.9**	**513.7**	**602.7**	**636.1**
- Maintenance capex	343.9	495.0	490.5	415.9	426.2
- Minorities	-4.0	-5.8	-0.9	6.9	7.8
- tax expenses	-31.0	-45.3	-7.3	53.3	60.9
= Adjusted FCF	**-0.9**	**-38.0**	**31.5**	**126.6**	**141.1**
Actual Market Cap	**1,554.0**	**1,554.0**	**1,554.0**	**1,554.0**	**1,554.0**
+ Net debt (cash)	1,417.2	1,320.3	1,140.5	985.3	864.4
+ Pension provisions	120.2	119.3	132.5	140.4	144.6
+ Off b/s financing	0.0	0.0	0.0	0.0	0.0
- Financial assets	30.6	30.6	30.6	30.6	30.6
- Acc. dividend payments	6.0	6.0	6.0	6.0	36.9
EV Reconciliations	1,500.7	1,403.0	1,236.3	1,089.1	941.5
= Actual EV'	**3,054.7**	**2,957.0**	**2,790.3**	**2,643.1**	**2,495.5**
Adjusted FCF yield	**-0.0%**	**-1.3%**	**1.1%**	**4.8%**	**5.7%**
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	**-12.2**	**-542.3**	**449.7**	**1,808.9**	**2,016.1**
- *EV Reconciliations*	1,500.7	1,403.0	1,236.3	1,089.1	941.5
Fair Market Cap	**-1,512.9**	**-1,945.3**	**-786.7**	**719.7**	**1,074.6**
No. of shares (million)	30.0	30.0	30.0	30.0	30.0
Fair value per share in EUR	**-50.43**	**-64.84**	**-26.22**	**23.99**	**35.82**
Premium (-) / discount (+)	**-197.4%**	**-225.2%**	**-150.6%**	**-53.7%**	**-30.8%**

Sensitivity analysis fair value						
Adjusted hurdle rate	5.0%	-50.6	-72.1	-20.2	48.1	62.7
	6.0%	-50.5	-67.9	-23.7	34.0	47.0
	7.0%	**-50.4**	**-64.8**	**-26.2**	**24.0**	**35.8**
	8.0%	-50.4	-62.6	-28.1	16.5	27.4
	9.0%	-50.3	-60.8	-29.6	10.6	20.9

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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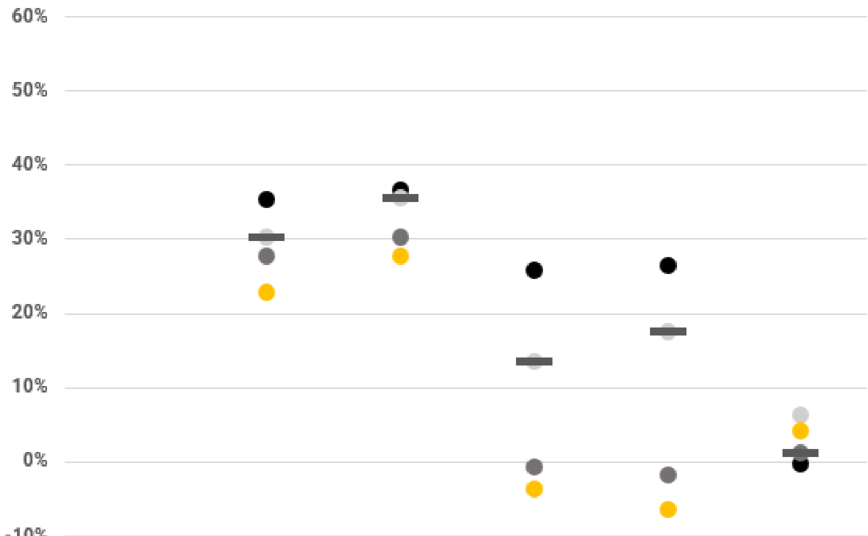
Peer group analysis

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 **Siltronic 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 Siltronic AG consists of the stocks displayed in the graphs below. As of 9 January 2026 the median market cap of the peer group was EUR 5,575.8m, compared to EUR 1,554.0m for Siltronic AG. In the period under review, the peer group was more profitable than Siltronic AG. The expectations for sales growth are lower for the peer group than for Siltronic AG.

Peer Group – Key data



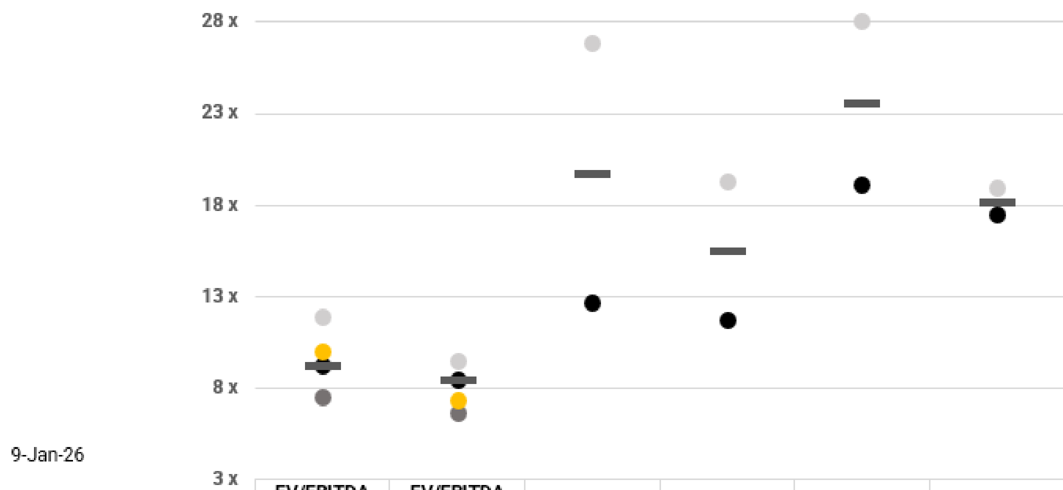
9-Jan-26	Market Cap (EURm)	EBITDA margin 2025	EBITDA margin 2026	EBIT margin 2025	EBIT margin 2026	Sales CAGR 2024-2027
● Shin-Etsu Chemical Co Ltd	55.469	35,6%	36,8%	25,9%	26,6%	-0,2%
● SUMCO Corporation	2.849	28,0%	30,4%	-0,5%	-1,6%	1,4%
● GlobalWafers Co., Ltd.	5.576	30,5%	35,7%	13,6%	17,6%	6,3%
● Siltronic AG	1.554	23,1%	27,9%	-3,5%	-6,3%	4,3%
– Peer Group Median	5.576	30,5%	35,7%	13,6%	17,6%	1,4%

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 Siltronic AG results in a range of fair values from EUR 7.12 to EUR 63.81.

Peer Group – Multiples and valuation



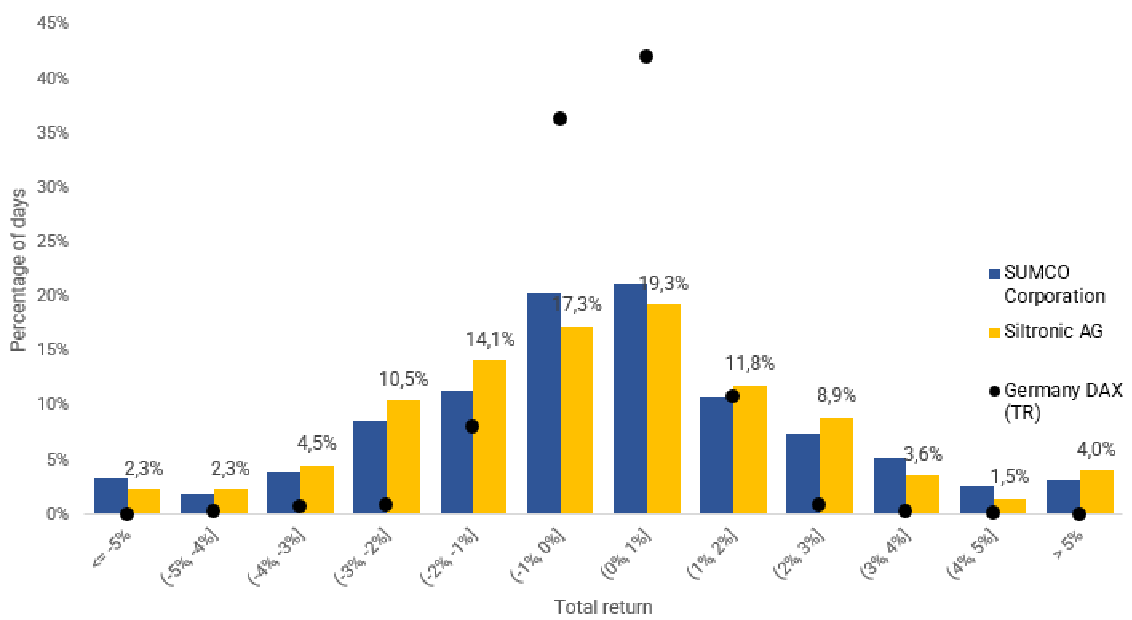
	EV/EBITDA 2025	EV/EBITDA 2026	EV/EBIT 2025	EV/EBIT 2026	P/E 2025	P/E 2026
● Shin-Etsu Chemical Co Ltd	9,2x	8,5x	12,7x	11,8x	19,2x	17,5x
● SUMCO Corporation	7,5x	6,7x	0,0x	0,0x	0,0x	0,0x
● GlobalWafers Co., Ltd.	11,9x	9,5x	26,9x	19,3x	28,1x	18,9x
● Siltronic AG	10,0x	7,4x	-66,2x	-32,7x	-26,0x	-17,8x
– Peer Group Median	9,2x	8,5x	19,8x	15,5x	23,6x	18,2x
Fair Value (EUR)	43,71	63,81	-82,06	-98,75	-47,11	-53,15

Source: FactSet, mwb research

Risk

The chart displays the **distribution of daily returns of Siltronic AG** over the last 3 years, compared to the same distribution for SUMCO Corporation. We have also included the distribution for the index Germany DAX (TR). 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 Siltronic AG, the worst day during the past 3 years was 09/04/2025 with a share price decline of -10.0%. The best day was 02/10/2025 when the share price increased by 12.2%.

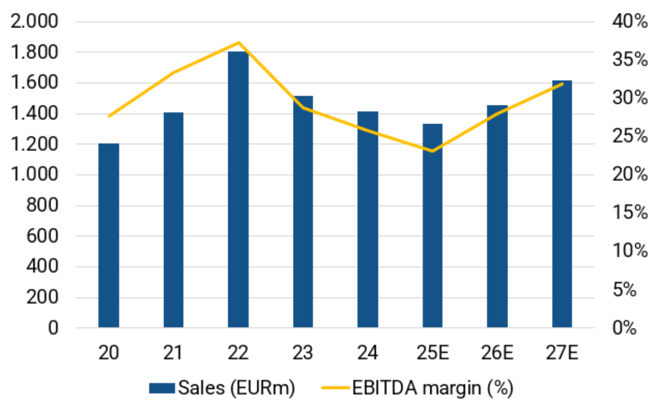
Risk – Daily Returns Distribution (trailing 3 years)



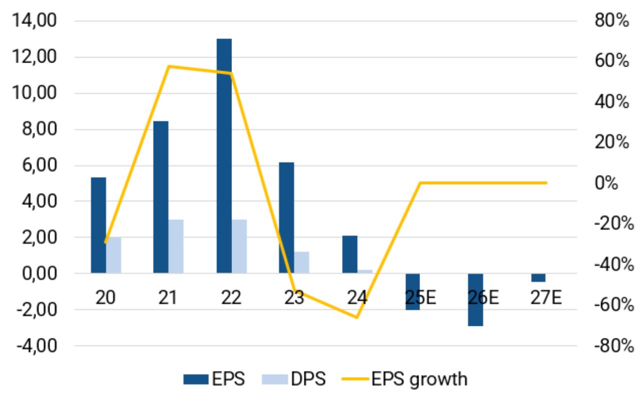
Source: FactSet, mwb research

Financials in six charts

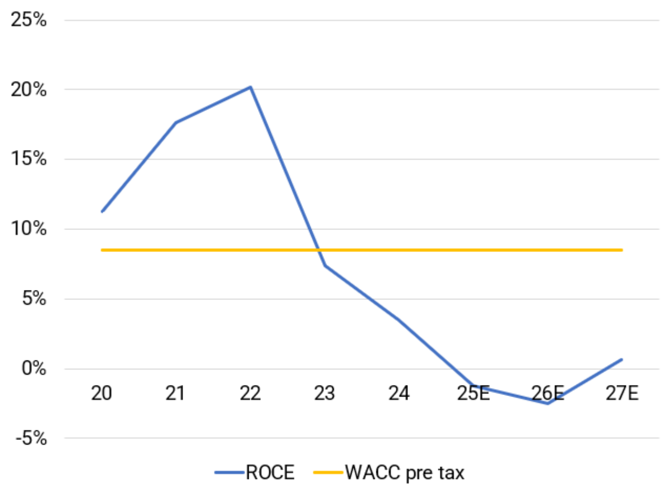
Sales vs. EBITDA margin development



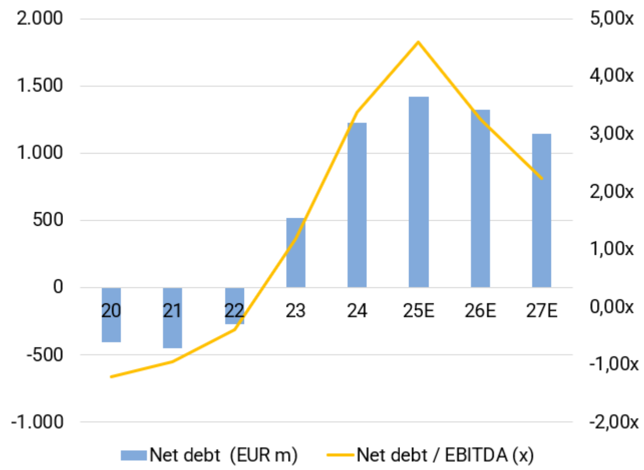
EPS, DPS in EUR & yoy EPS growth



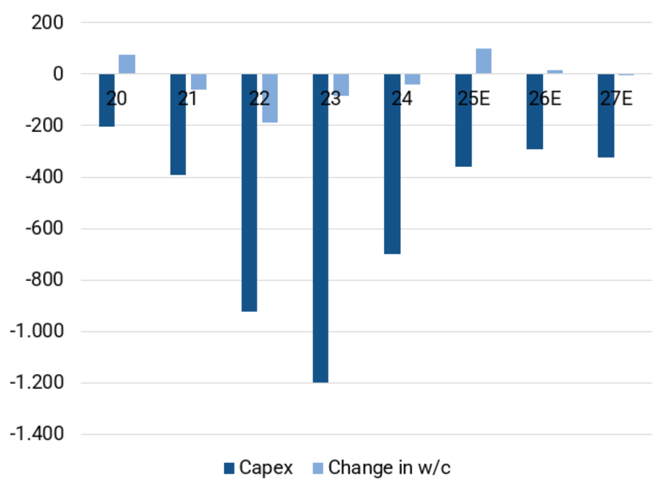
ROCE vs. WACC (pre tax)



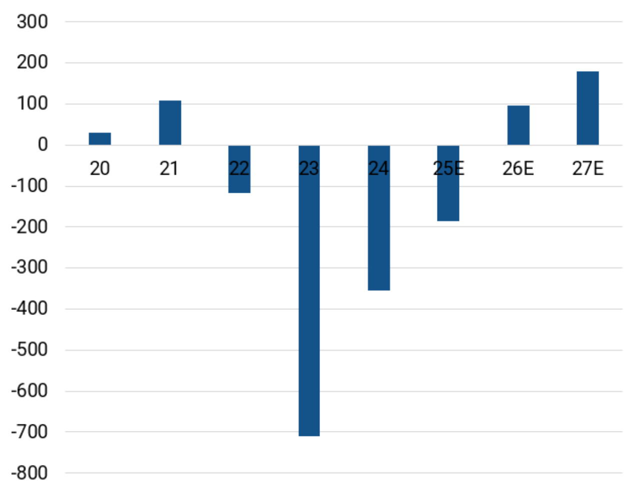
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; mwb research

mwb research

Financials

Profit and loss (EURm)	2022	2023	2024	2025E	2026E	2027E
Sales	**1,805.3**	**1,513.8**	**1,412.8**	**1,335.1**	**1,455.3**	**1,615.3**
Sales growth	28.5%	-16.1%	-6.7%	-5.5%	9.0%	11.0%
Cost of sales	1,189.9	1,141.6	1,137.4	1,201.6	1,338.8	1,340.7
Gross profit	**615.4**	**372.2**	**275.4**	**133.5**	**116.4**	**274.6**
SG&A expenses	68.1	70.5	67.7	73.4	65.5	77.5
Research and development	89.5	87.6	83.1	80.1	84.4	93.7
Other operating expenses (income)	-37.8	-17.2	-0.6	26.7	58.2	80.8
EBITDA	**673.5**	**435.1**	**363.7**	**308.1**	**405.9**	**513.7**
Depreciation	176.0	202.5	237.2	343.9	495.0	490.5
EBITA	497.5	232.6	126.5	-35.8	-89.1	23.2
Amortisation of goodwill and intangible assets	1.9	1.3	1.3	10.9	2.6	0.6
EBIT	**495.6**	**231.3**	**125.2**	**-46.7**	**-91.7**	**22.6**
Financial result	-8.5	-0.5	-24.9	-48.0	-47.0	-45.0
Recurring pretax income from continuing operations	487.1	230.8	100.3	-94.7	-138.7	-22.4
Extraordinary income/loss	0.0	0.0	1.0	0.0	0.0	0.0
Earnings before taxes	487.1	230.8	101.3	-94.7	-138.7	-22.4
Taxes	52.7	29.5	33.1	-31.0	-45.3	-7.3
Net income from continuing operations	434.4	201.3	68.2	-63.8	-93.4	-15.1
Result from discontinued operations (net of tax)	0.0	0.0	-1.0	0.0	0.0	0.0
Net income	**434.4**	**201.3**	**67.2**	**-63.8**	**-93.4**	**-15.1**
Minority interest	-43.8	-16.9	-4.2	4.0	5.8	0.9
Net profit (reported)	390.6	184.4	63.0	-59.8	-87.5	-14.1
Average number of shares	30.00	30.00	30.00	30.00	30.00	30.00
EPS reported	**13.02**	**6.15**	**2.10**	**-1.99**	**-2.92**	**-0.47**

Profit and loss (common size)	2022	2023	2024	2025E	2026E	2027E
Sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Cost of sales	66%	75%	81%	90%	92%	83%
Gross profit	**34%**	**25%**	**19%**	**10%**	**8%**	**17%**
SG&A expenses	4%	5%	5%	6%	4%	5%
Research and development	5%	6%	6%	6%	6%	6%
Other operating expenses (income)	-2%	-1%	-0%	2%	4%	5%
EBITDA	**37%**	**29%**	**26%**	**23%**	**28%**	**32%**
Depreciation	10%	13%	17%	26%	34%	30%
EBITA	28%	15%	9%	-3%	-6%	1%
Amortisation of goodwill and intangible assets	0%	0%	0%	1%	0%	0%
EBIT	**27%**	**15%**	**9%**	**-4%**	**-6%**	**1%**
Financial result	-0%	-0%	-2%	-4%	-3%	-3%
Recurring pretax income from continuing operations	27%	15%	7%	-7%	-10%	-1%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	27%	15%	7%	-7%	-10%	-1%
Taxes	3%	2%	2%	-2%	-3%	-0%
Net income from continuing operations	24%	13%	5%	-5%	-6%	-1%
Result from discontinued operations (net of tax)	0%	0%	-0%	0%	0%	0%
Net income	**24%**	**13%**	**5%**	**-5%**	**-6%**	**-1%**
Minority interest	-2%	-1%	-0%	0%	0%	0%
Net profit (reported)	**22%**	**12%**	**4%**	**-4%**	**-6%**	**-1%**

Source: Company data; mwb research

Balance sheet (EURm)	2022	2023	2024	2025E	2026E	2027E
Intangible assets (exl. Goodwill)	**1.2**	**1.7**	**14.3**	**3.4**	**0.8**	**0.2**
Goodwill	20.5	20.5	20.5	20.5	20.5	20.5
Property, plant and equipment	2,342.5	3,439.1	3,820.8	3,837.4	3,633.4	3,466.0
Financial assets	53.8	38.0	30.6	30.6	30.6	30.6
FIXED ASSETS	**2,418.0**	**3,499.3**	**3,886.2**	**3,891.9**	**3,685.3**	**3,517.3**
Inventories	277.6	300.8	308.3	279.8	293.4	293.9
Accounts receivable	236.8	162.4	142.9	135.0	151.5	172.6
Other current assets	33.3	156.2	449.9	449.9	449.9	449.9
Liquid assets	1,041.0	386.2	297.1	8.9	40.8	110.6
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	44.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	**1,632.7**	**1,005.6**	**1,198.2**	**873.7**	**935.6**	**1,027.0**
TOTAL ASSETS	**4,050.7**	**4,504.9**	**5,084.4**	**4,765.6**	**4,621.0**	**4,544.3**
SHAREHOLDERS EQUITY	**1,885.0**	**1,904.4**	**2,009.9**	**1,940.1**	**1,846.8**	**1,831.7**
MINORITY INTEREST	182.1	195.3	205.3	205.3	205.3	205.3
Long-term debt	760.5	894.6	1,440.8	1,376.1	1,326.1	1,226.1
Provisions for pensions and similar obligations	119.5	146.0	134.1	120.2	119.3	132.5
Other provisions	63.2	74.0	75.7	72.1	71.3	79.2
Non-current liabilities	**943.2**	**1,114.6**	**1,650.6**	**1,568.4**	**1,516.7**	**1,437.7**
short-term liabilities to banks	10.0	10.0	82.5	50.0	35.0	25.0
Accounts payable	336.1	452.5	280.5	246.9	282.4	286.5
Advance payments received on orders	562.3	588.8	565.9	480.6	436.6	428.1
Other liabilities (incl. from lease and rental contracts)	89.9	212.5	259.9	245.6	267.7	297.2
Deferred taxes	2.9	2.5	8.7	8.7	8.7	8.7
Deferred income	39.2	24.3	21.1	19.9	21.7	24.1
Current liabilities	**1,040.4**	**1,290.6**	**1,218.6**	**1,051.8**	**1,052.2**	**1,069.6**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**4,050.7**	**4,504.9**	**5,084.4**	**4,765.6**	**4,621.0**	**4,544.3**

Balance sheet (common size)	2022	2023	2024	2025E	2026E	2027E
Intangible assets (excl. Goodwill)	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
Goodwill	1%	0%	0%	0%	0%	0%
Property, plant and equipment	58%	76%	75%	81%	79%	76%
Financial assets	1%	1%	1%	1%	1%	1%
FIXED ASSETS	**60%**	**78%**	**76%**	**82%**	**80%**	**77%**
Inventories	7%	7%	6%	6%	6%	6%
Accounts receivable	6%	4%	3%	3%	3%	4%
Other current assets	1%	3%	9%	9%	10%	10%
Liquid assets	26%	9%	6%	0%	1%	2%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	1%	0%	0%	0%	0%	0%
CURRENT ASSETS	**40%**	**22%**	**24%**	**18%**	**20%**	**23%**
TOTAL ASSETS	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
SHAREHOLDERS EQUITY	**47%**	**42%**	**40%**	**41%**	**40%**	**40%**
MINORITY INTEREST	4%	4%	4%	4%	4%	5%
Long-term debt	19%	20%	28%	29%	29%	27%
Provisions for pensions and similar obligations	3%	3%	3%	3%	3%	3%
Other provisions	2%	2%	1%	2%	2%	2%
Non-current liabilities	**23%**	**25%**	**32%**	**33%**	**33%**	**32%**
short-term liabilities to banks	0%	0%	2%	1%	1%	1%
Accounts payable	8%	10%	6%	5%	6%	6%
Advance payments received on orders	14%	13%	11%	10%	9%	9%
Other liabilities (incl. from lease and rental contracts)	2%	5%	5%	5%	6%	7%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred income	1%	1%	0%	0%	0%	1%
Current liabilities	**26%**	**29%**	**24%**	**22%**	**23%**	**24%**
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	434.4	201.3	67.2	-63.8	-93.4	-15.1
Depreciation of fixed assets (incl. leases)	176.0	202.5	238.5	343.9	495.0	490.5
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	10.9	2.6	0.6
Others	5.7	-1.5	0.0	-17.5	-1.6	21.0
Cash flow from operations before changes in w/c	616.1	402.3	305.7	273.5	402.6	497.0
Increase/decrease in inventory	-58.0	-27.5	-3.0	28.5	-13.6	-0.4
Increase/decrease in accounts receivable	40.6	51.6	28.0	7.9	-16.5	-21.1
Increase/decrease in accounts payable	10.9	10.2	-2.7	-33.6	35.5	4.1
Increase/decrease in other w/c positions	194.9	51.3	16.5	-100.7	-20.2	23.3
Increase/decrease in working capital	188.4	85.6	38.8	-98.0	-14.7	5.9
Cash flow from operating activities	**804.5**	**487.9**	**344.5**	**175.5**	**387.9**	**502.9**
CAPEX	-922.7	-1,198.8	-699.9	-360.5	-291.1	-323.1
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	-411.9	567.1	-260.3	0.0	0.0	0.0
Income from asset disposals	0.2	2.8	0.4	0.0	0.0	0.0
Cash flow from investing activities	**-1,334.4**	**-628.9**	**-959.8**	**-360.5**	**-291.1**	**-323.1**
Cash flow before financing	-529.9	-141.0	-615.3	-185.0	96.9	179.8
Increase/decrease in debt position	667.1	132.8	561.6	-97.2	-65.0	-110.0
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	-90.0	-90.0	-36.0	-6.0	0.0	0.0
Others	0.0	0.0	-0.6	0.0	0.0	0.0
Effects of exchange rate changes on cash	17.2	-4.3	0.6	0.0	0.0	0.0
Cash flow from financing activities	**594.3**	**38.5**	**525.6**	**-103.2**	**-65.0**	**-110.0**
Increase/decrease in liquid assets	64.4	-102.5	-89.7	-288.2	31.9	69.8
Liquid assets at end of period	**488.7**	**386.2**	**296.5**	**8.3**	**40.2**	**110.0**

Source: Company data; mwb research

Regional sales split (EURm)	2022	2023	2024	2025E	2026E	2027E
Domestic	132.3	124.6	94.1	88.9	96.9	107.6
Europe (ex domestic)	196.8	147.7	128.9	121.8	132.8	147.4
The Americas	185.2	122.0	133.3	126.0	137.3	152.4
Asia	1,271.6	1,103.0	1,024.5	968.2	1,055.3	1,171.4
Rest of World	19.4	16.5	32.1	30.3	33.1	36.7
Total sales	**1,805.3**	**1,513.8**	**1,412.8**	**1,335.1**	**1,455.3**	**1,615.3**

Regional sales split (common size)	2022	2023	2024	2025E	2026E	2027E
Domestic	7.3%	8.2%	6.7%	6.7%	6.7%	6.7%
Europe (ex domestic)	10.9%	9.8%	9.1%	9.1%	9.1%	9.1%
The Americas	10.3%	8.1%	9.4%	9.4%	9.4%	9.4%
Asia	70.4%	72.9%	72.5%	72.5%	72.5%	72.5%
Rest of World	1.1%	1.1%	2.3%	2.3%	2.3%	2.3%
Total sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Company data; mwb research

Ratios	2022	2023	2024	2025E	2026E	2027E
Per share data						
Earnings per share reported	13.02	6.15	2.10	-1.99	-2.92	-0.47
Cash flow per share	20.95	9.51	3.58	-5.61	-3.57	0.41
Book value per share	62.83	63.48	67.00	64.67	61.56	61.06
Dividend per share	3.00	1.20	0.20	0.00	0.00	0.00
Valuation						
P/E	4.0x	8.4x	24.7x	-26.0x	-17.8x	-110.0x
P/CF	2.5x	5.4x	14.5x	-9.2x	-14.5x	125.4x
P/BV	0.8x	0.8x	0.8x	0.8x	0.8x	0.8x
Dividend yield (%)	5.8%	2.3%	0.4%	0.0%	0.0%	0.0%
FCF yield (%)	40.4%	18.4%	6.9%	-10.8%	-6.9%	0.8%
EV/Sales	0.8x	1.5x	2.1x	2.3x	2.1x	1.8x
EV/EBITDA	2.1x	5.1x	8.0x	10.0x	7.4x	5.5x
EV/EBIT	2.8x	9.6x	23.3x	-66.2x	-32.7x	125.0x
Income statement (EURm)						
Sales	1,805.3	1,513.8	1,412.8	1,335.1	1,455.3	1,615.3
yoy chg in %	28.5%	-16.1%	-6.7%	-5.5%	9.0%	11.0%
Gross profit	615.4	372.2	275.4	133.5	116.4	274.6
Gross margin in %	34.1%	24.6%	19.5%	10.0%	8.0%	17.0%
EBITDA	673.5	435.1	363.7	308.1	405.9	513.7
EBITDA margin in %	37.3%	28.7%	25.7%	23.1%	27.9%	31.8%
EBIT	495.6	231.3	125.2	-46.7	-91.7	22.6
EBIT margin in %	27.5%	15.3%	8.9%	-3.5%	-6.3%	1.4%
Net profit	390.6	184.4	63.0	-59.8	-87.5	-14.1
Cash flow statement (EURm)						
CF from operations	804.5	487.9	344.5	175.5	387.9	502.9
Capex	-922.7	-1,198.8	-699.9	-360.5	-291.1	-323.1
Maintenance Capex	176.0	202.5	237.2	343.9	495.0	490.5
Free cash flow	-118.2	-710.9	-355.4	-185.0	96.9	179.8
Balance sheet (EURm)						
Intangible assets	21.7	22.2	34.8	23.9	21.3	20.7
Tangible assets	2,342.5	3,439.1	3,820.8	3,837.4	3,633.4	3,466.0
Shareholders' equity	1,885.0	1,904.4	2,009.9	1,940.1	1,846.8	1,831.7
Pension provisions	119.5	146.0	134.1	120.2	119.3	132.5
Liabilities and provisions	953.2	1,124.6	1,733.1	1,618.4	1,551.7	1,462.7
Net financial debt	-270.5	518.4	1,226.2	1,417.2	1,320.3	1,140.5
w/c requirements	-384.0	-578.1	-395.2	-312.7	-274.1	-248.1
Ratios						
ROE	23.0%	10.6%	3.3%	-3.3%	-5.1%	-0.8%
ROCE	16.4%	7.2%	3.2%	-1.2%	-2.5%	0.6%
Net gearing	-14.4%	27.2%	61.0%	73.0%	71.5%	62.3%
Net debt / EBITDA	-0.4x	1.2x	3.4x	4.6x	3.3x	2.2x

Source: Company data; mwb research

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5. Date and time of first publication of this financial analysis
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6. Risk information

- Stock exchange investments and investments in companies (shares) are always speculative and involve the risk of total loss.
- This is particularly true in respect of investments in companies which are not established and/or small and have no established business or corporate assets.
- Share prices may fluctuate significantly. This is particularly true for shares with low liquidity (market breadth). Even small orders can have a significant impact on the share price.
- In the case of shares in narrow markets, it may also happen that there is no or very little actual trading there and that published prices are not based on actual trading but have only been provided by a stockbroker.
- In such markets a shareholder cannot expect to find a buyer for his shares at all and/or at reasonable prices. In such narrow markets there is a very high possibility of manipulating prices and in such markets there are often considerable price fluctuations.
- An investment in shares with low liquidity and low market capitalization is therefore highly speculative and represents a very high risk.
- There is no regulated market for unlisted shares and securities and a sale is not possible or only possible on an individual basis.

7. Major Sources of Information Part of the information required for this research report was made available by the issuer of the financial instrument. Furthermore, this report is based on publicly available sources (such as, for example, Bloomberg, Reuters, VWD-Trader and the relevant daily press) believed to be reliable. mwb research AG has checked the information for plausibility but not for accuracy or completeness.

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10. Miscellaneous According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published free of charge under https:// www.mwb.-research.com.

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