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Geratherm Medical AG

Germany | Health Care | MCap EUR 13.5m

28 August 2026

UPDATE

H1 26 shows continued difficult markets; PT down, BUY

BUY (BUY)

Target price	**EUR 4.00** (4.50)
Current price	EUR 2.50
Up/downside	60.0%

ResearchHub

SCAN ME

What's it all about?

Geratherm Medical AG reported a weak H1 26 as supply chain bottlenecks in Respiratory, and weak demand and order postponements in Middle East drove down sales, despite a strong rebound in Incubator Systems. A favorable shift in product mix bolstered the gross margin and kept gross profit flat, but cost inflation pushed EBIT into the red and weighted on operating cash flow amid inventory accumulation. Management did not supply a quantitative FY26 guidance. We see the biggest risk in Healthcare Diagnostic which still faces demand uncertainty following the end of short-time work. We revise our estimates and adjust our price target from EUR 4.50 to EUR 4.00. However, the BUY rating stands, as substantial cash reserves offer strong downside protection and a favorable risk/reward profile as the group pivots toward its MedTech holding structure.

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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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Geratherm Medical AG

Germany | Health Care | MCap EUR 13.5m | EV EUR 7.3m

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H1 26 shows continued difficult markets; PT down, BUY

Slower H1 sales, higher gross margin. Geratherm reported a challenging H1 26, characterized by top-line contractions and margin pressures despite stable gross profitability. Revenues fell 12.5% yoy to EUR 7.0m, though total output (including changes in inventory) remained steady at EUR 7.9m. A favorable shift in product mix bolstered the gross margin to 75.2% (H1 25: 65.7%), maintaining gross profit virtually unchanged yoy at EUR 5.3m. However, persistent cost inflation drove operating expenses up, causing EBITDA to slump to EUR 0.0m (H1 25: EUR 0.6m) and pushing EBIT into negative territory at -EUR 0.5m (EBIT margin: -7.4% vs. 0.1% in H1 25). Consequently, EPS loss widened to -EUR 0.08 (H1 25: -EUR 0.04). Operating cash flow contracted significantly to EUR 0.2m (H1 25: EUR 0.9m) due to inventory build-ups.

Mixed Dynamics Across Business Units. Performance diverged notably across Geratherm's three core operating segments. **Healthcare Diagnostic**: Revenue dropped 12% yoy to EUR 3.0m, heavily constrained by geopolitical headwinds and order postponements in the Middle East. Short-time work at the production site ended in March 2026, allowing thermometer production to resume full capacity. **Respiratory**: Sales contracted 23% yoy to EUR 2.8m as severe supply chain bottlenecks impeded delivery fulfillment. Underlying end-market demand for the segment's diagnostic products nevertheless remains intact. **Incubator Systems**: Serving as the key growth driver, segment revenue surged 19% yoy to EUR 1.3m.

Adjusting model and price target, BUY. Management has provided no quantitative financial guidance for FY26 but expects a solid development in Respiratory and Incubator Systems. The biggest challenge probably is in Healthcare Diagnostics, where it remains to be seen if the market can absorb the ramped-up thermometer production. Given the still difficult market conditions here, we downgrade our estimates. Correspondingly, we lower our price target from EUR 4.50 to EUR 4.00. The stock's current market valuation offers significant downside protection, anchored by a robust balance sheet. Geratherm holds liquid assets and securities totaling EUR 8.8m. This provides the platform for further portfolio development, in line with the new strategy as a MedTech holding company. Thus, despite operational headwinds, we reiterate our BUY rating.

Geratherm Medical AG	2023	2024	2025	2026E	2027E	2028E
Sales	21.0	14.0	14.9	14.5	15.4	16.3
Growth yoy	-18.9%	-33.3%	6.3%	-2.5%	6.0%	6.0%
EBITDA	4.6	3.4	1.2	1.2	1.4	1.5
EBIT	2.9	1.6	0.1	-0.1	0.2	0.4
Net profit	1.1	0.7	-0.8	-0.3	0.1	0.3
Net debt (net cash)	0.9	-6.3	-6.8	-6.2	-5.8	-5.9
Net debt/EBITDA	0.2x	-1.9x	-5.5x	-5.3x	-4.2x	-3.8x
EPS reported	0.21	0.13	-0.15	-0.06	0.02	0.05
DPS	0.10	0.10	0.10	0.10	0.10	0.10
Dividend yield	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Gross profit margin	78.7%	45.4%	63.0%	70.0%	65.5%	65.5%
EBITDA margin	22.1%	24.5%	8.4%	8.0%	9.0%	9.5%
EBIT margin	13.9%	11.2%	0.6%	-0.4%	1.5%	2.7%
ROCE	8.9%	6.1%	0.4%	-0.3%	1.1%	2.3%
EV/Sales	0.7x	0.6x	0.5x	0.6x	0.6x	0.5x
EV/EBITDA	3.3x	2.3x	5.9x	7.0x	6.2x	5.5x
EV/EBIT	5.3x	5.1x	87.4x	-131.4x	37.5x	19.0x
PER	12.2x	19.1x	-16.5x	-41.2x	101.6x	52.1x

Source: Company data, mwb research

Source: Company data, mwb research

High/low 52 weeks	7.88 / 2.50
Price/Book Ratio	0.7x

Ticker / Symbols

ISIN	DE0005495626
WKN	549562
Bloomberg	GME:GR

Changes in estimates

		Sales	EBIT	EPS
2026E	old	15.0	0.2	0.04
	Δ	-3.5%	na%	na%
2027E	old	15.9	0.7	0.09
	Δ	-3.5%	-66.1%	-71.6%
2028E	old	16.9	0.9	0.11
	Δ	-3.5%	-51.4%	-57.5%

Key share data

Number of shares: (in m pcs)	5.41
Book value per share: (in EUR)	3.63
Ø trading vol.: (12 months)	1,259

Major shareholders

GMF Capital, Frankfurt	38.6%
JotWe GmbH	33.9%
Free Float	26.9%

Company description

Geratherm Medical AG is a Germany-based medical technology company. The Company operates through three segments: Healthcare Diagnostic, Incubator systems, and Respiratory.

The following table displays the half-yearly performance of **Geratherm Medical AG.**
Note that H1 24 and H2 24 are not meaningful due to the sale of apoplex.

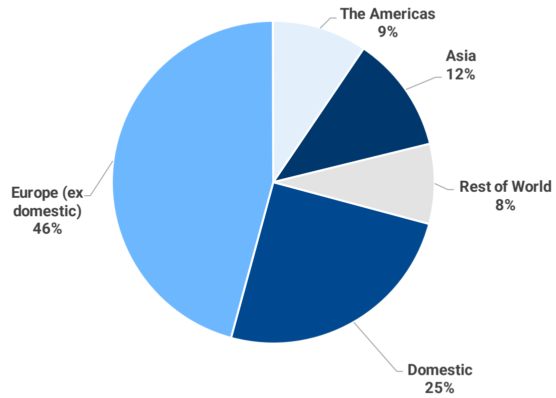
P&L data	H2 2022	H1 2023	H2 2023	H1 2024	H2 2024	H1 2025	H2 2025	H1 2026
Sales	12.3	11.5	9.5	8.4	7.0	8.0	6.9	7.0
yoy growth in %	6.7%	-6.7%	-23.1%	-27.2%	-26.5%	-4.0%	-1.2%	-12.5%
Gross profit	8.4	9.5	7.0	6.1	0.2	5.3	5.1	5.3
Gross margin in %	68.0%	82.7%	73.8%	73.2%	2.5%	65.7%	74.6%	75.2%
EBITDA	1.9	2.5	2.1	0.4	2.9	0.6	0.6	0.0
EBITDA margin in %	15.3%	22.0%	22.2%	4.9%	42.0%	7.5%	8.7%	0.3%
EBIT	1.0	1.8	1.1	-0.5	2.0	0.0	0.1	-0.5
EBIT margin in %	8.5%	15.6%	11.9%	-6.0%	28.4%	0.1%	1.3%	-7.1%
EBT	0.9	1.8	0.5	-1.2	2.2	-0.2	-0.7	-0.5
taxes paid	0.3	0.5	0.2	0.2	0.3	-0.2	-0.1	-0.1
tax rate in %	30.0%	28.2%	28.7%	-18.4%	13.6%	116.0%	12.6%	16.5%
net profit	0.7	0.7	0.4	-1.2	1.9	-0.2	-0.6	-0.4
yoy growth in %	na%	-10.9%	-41.3%	-275.3%	365.3%	-84.8%	-132.4%	127.7%
EPS	**0.14**	**0.13**	**0.08**	**-0.26**	**0.39**	**-0.04**	**-0.11**	**-0.08**

Source: Company data; mwb research

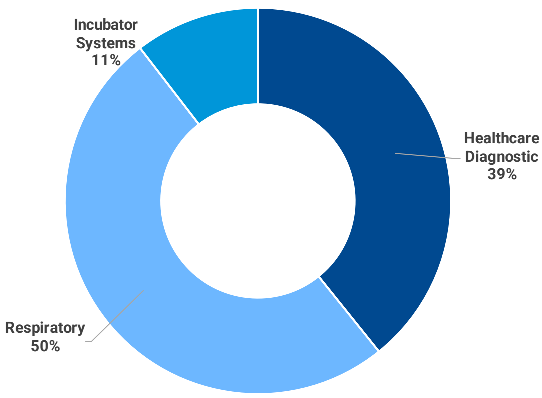
Investment case in six charts

Products & Services

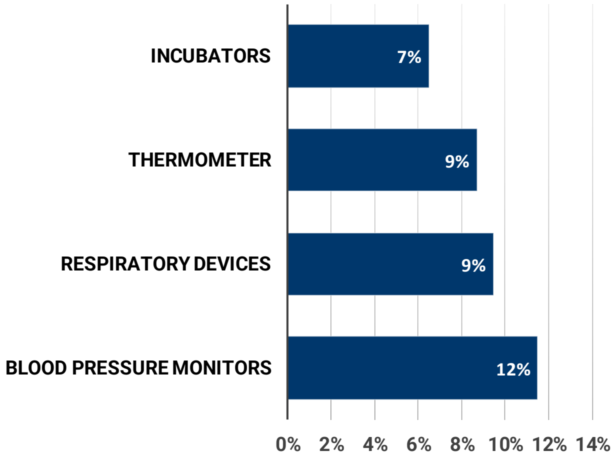
Regional sales split in %



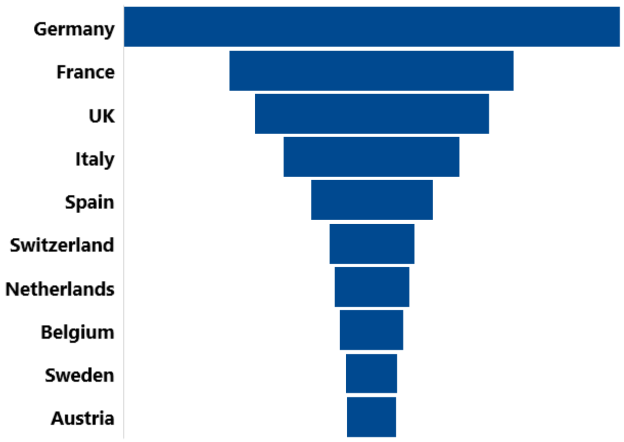
Segmental breakdown in %



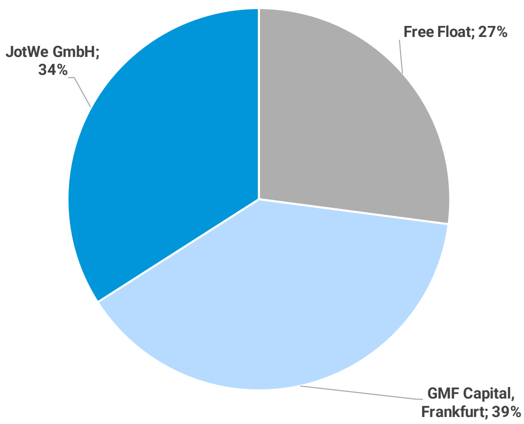
CAGR by product 22E-30E



European medical devices market share



Major Shareholders



Source: *mwb research, Geratherm*

SWOT analysis

Strengths

- focus on well defendable niche markets
- global leader in mercury-free clinical thermometers
- regular dividend payer
- solid balance sheet

Weaknesses

- relatively small-scale player
- historically sub-par returns on capital
- dependence on certain raw materials and components (gallium, multi-channel coils)
- strong control of family / promoter holding
- downlisting from regulated into open market with reduced transparency and fewer shareholder rights
- large minority holdings in core business units

Opportunities

- ongoing cost savings since arrival of the new CEO
- respiratory products could benefit from long-Covid diagnostic and treatments
- good incubator orders pipeline
- a ban of mercury-filled thermometers
- higher automation in production of clinical thermometers
- stronger focus on portfolio optimization and returns improvement

Threats

- more complex and costly certifications of medical products (new EU medical device regulation)
- prices and availability of raw materials, especially gas
- increasing minimum wage
- macro-economic factors like wars, inflation
- increasing competition from Chinese low-cost suppliers

Valuation

DCF Model

The DCF model results in a **fair value of EUR 4.02 per share**:

Top-line growth: We expect Geratherm Medical AG to grow revenues at a CAGR of 6.0% between 2026E and 2033E. The long-term growth rate is set at 2.0%.

ROCE. Returns on capital are developing from -0.3% in 2026E to 5.1% in 2033E.

WACC. Starting point the western European healthcare products asset beta of 0.87. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 8.6%. With pre-tax cost of borrowing at 5.0%, a tax rate of 30.0% and target debt/equity of 0.4 this results in a long-term WACC of 7.2%.

DCF (EURm) (except per share data and beta)	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	Terminal value
NOPAT	-0.0	0.1	0.3	0.3	0.4	0.5	0.5	0.6	
Depreciation & amortization	1.2	1.2	1.1	1.1	1.0	1.0	1.0	1.0	
Change in working capital	-0.3	-0.5	0.0	0.1	0.1	0.1	0.1	0.1	
Chg. in long-term provisions	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
Capex	-0.8	-0.8	-0.9	-0.9	-1.0	-1.0	-1.1	-1.0	
Cash flow	0.3	0.1	0.6	0.6	0.7	0.7	0.7	0.9	18.2
Present value	0.3	0.1	0.5	0.5	0.5	0.5	0.5	0.6	10.9
WACC	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%	7.2%

DCF per share derived from	
Total present value	14.4
Mid-year adj. total present value	14.9
Net debt / cash at start of year	-6.8
Financial assets	0.7
Provisions and off b/s debt	0.6
Equity value	21.8
No. of shares outstanding	5.4
Discounted cash flow / share	**4.02**
upside/(downside)	**60.9%**
Share price	**2.50**

DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2026E-2033E)	6.0%
Terminal value growth (2033E - infinity)	2.0%
Terminal year ROCE	5.1%
Terminal year WACC	7.2%

Terminal WACC derived from	
Cost of borrowing (before taxes)	5.0%
Long-term tax rate	30.0%
Equity beta	0.30
Unlevered beta (industry or company)	0.87
Target debt / equity	0.4
Relevered beta	1.10
Risk-free rate	2.0%
Equity risk premium	6.0%
Cost of equity	8.6%

Sensitivity analysis DCF

Change in WACC (%-points) \ Long term growth	1.0%	1.5%	2.0%	2.5%	3.0%
2.0%	3.0	3.1	3.2	3.3	3.4
1.0%	3.3	3.4	3.6	3.7	3.9
0.0%	3.7	3.8	4.0	4.3	4.5
-1.0%	4.2	4.4	4.7	5.1	5.6
-2.0%	4.9	5.3	5.8	6.6	7.7

Share of present value	
2026E-2029E	10.1%
2030E-2033E	13.8%
terminal value	76.1%

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 3.92 per share based on 2026E and EUR 4.94 per share on 2030E 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	2026E	2027E	2028E	2029E	2030E
EBITDA	**1.2**	**1.4**	**1.5**	**1.6**	**1.7**
- Maintenance capex	0.5	0.5	0.5	0.4	0.4
- Minorities	-0.0	0.0	0.0	0.0	0.0
- tax expenses	-0.2	0.1	0.2	0.2	0.2
= Adjusted FCF	**0.9**	**0.8**	**0.9**	**1.0**	**1.0**
Actual Market Cap	**13.6**	**13.6**	**13.6**	**13.6**	**13.6**
+ Net debt (cash)	-6.2	-5.8	-5.9	-6.0	-7.2
+ Pension provisions	0.7	0.8	0.8	0.9	0.9
+ Off B/S financing	0.0	0.0	0.0	0.0	0.0
- Financial assets	0.7	0.7	0.7	0.7	0.7
- Acc. dividend payments	0.5	1.1	1.6	2.2	2.7
EV Reconciliations	-6.7	-6.8	-7.4	-8.1	-9.7
= Actual EV'	**6.9**	**6.8**	**6.2**	**5.5**	**3.9**
Adjusted FCF yield	**12.6%**	**11.8%**	**14.6%**	**17.3%**	**26.2%**
base hurdle rate	6.0%	6.0%	6.0%	6.0%	6.0%
ESG adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
adjusted hurdle rate	6.0%	6.0%	6.0%	6.0%	6.0%
Fair EV	**14.5**	**13.3**	**15.0**	**16.0**	**17.0**
- *EV Reconciliations*	-6.7	-6.8	-7.4	-8.1	-9.7
Fair Market Cap	**21.2**	**20.1**	**22.4**	**24.1**	**26.8**
No. of shares (million)	5.4	5.4	5.4	5.4	5.4
Fair value per share in EUR	**3.92**	**3.72**	**4.15**	**4.45**	**4.94**
Premium (-) / discount (+)	**56.8%**	**48.8%**	**65.9%**	**77.9%**	**97.7%**

Sensitivity analysis FV						
Adjusted hurdle rate	4.0%	5.3	5.0	5.5	5.9	6.5
	5.0%	4.5	4.2	4.7	5.0	5.6
	6.0%	**3.9**	**3.7**	**4.1**	**4.4**	**4.9**
	7.0%	3.5	3.4	3.8	4.0	4.5
	8.0%	3.3	3.1	3.5	3.7	4.2

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 6.0%. 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 **Geratherm 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 Geratherm Medical AG consists of the stocks displayed in the chart below. As of 28 August 2026 the median market cap of the peer group was EUR 916.0m, compared to EUR 13.5m for Geratherm Medical AG. In the period under review, the peer group was more profitable than Geratherm Medical AG. The expectations for sales growth are higher for the peer group than for Geratherm Medical AG.

Peer Group – Key data

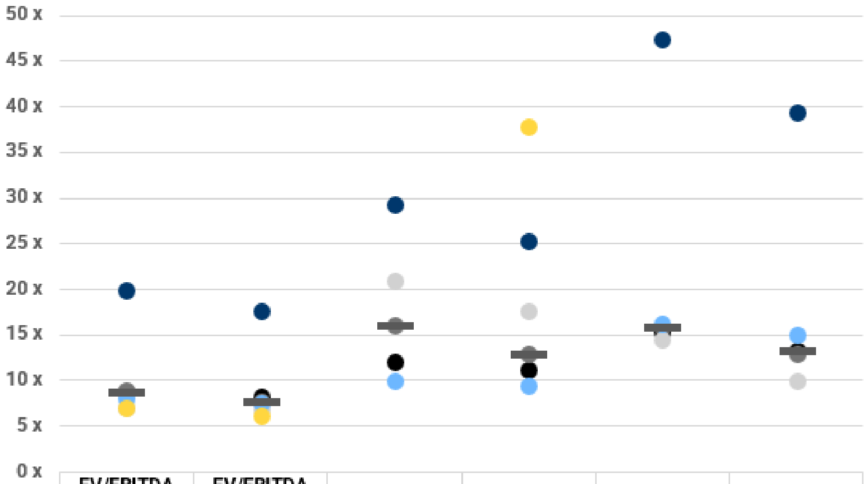
28-Aug-26	Market Cap (EURm)	EBITDA margin 2026	EBITDA margin 2027	EBIT margin 2026	EBIT margin 2027	Sales CAGR 2025-2028
● Dermapharm Holding SE	1.987	28,0%	28,7%	20,4%	21,2%	3,6%
● STRATEC SE	281	15,9%	17,1%	8,8%	10,3%	6,1%
● Gerresheimer AG	916	17,8%	18,4%	6,0%	7,0%	0,8%
● Sartorius AG Pref	16.706	30,0%	30,8%	20,4%	21,6%	8,1%
● Eckert & Ziegler SE	836	29,4%	29,0%	23,9%	23,1%	6,6%
● Geratherm Medical AG	14	8,0%	9,0%	-0,4%	1,5%	3,1%
– Peer Group Median	916	28,0%	28,7%	20,4%	21,2%	6,1%

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 2026, EV/EBITDA 2027, EV/EBIT 2026, EV/EBIT 2027, P/E 2026 and P/E 2027.

Applying these to Geratherm Medical AG results in a range of fair values from EUR 0.40 to EUR 3.00.

Peer Group – Multiples and valuation



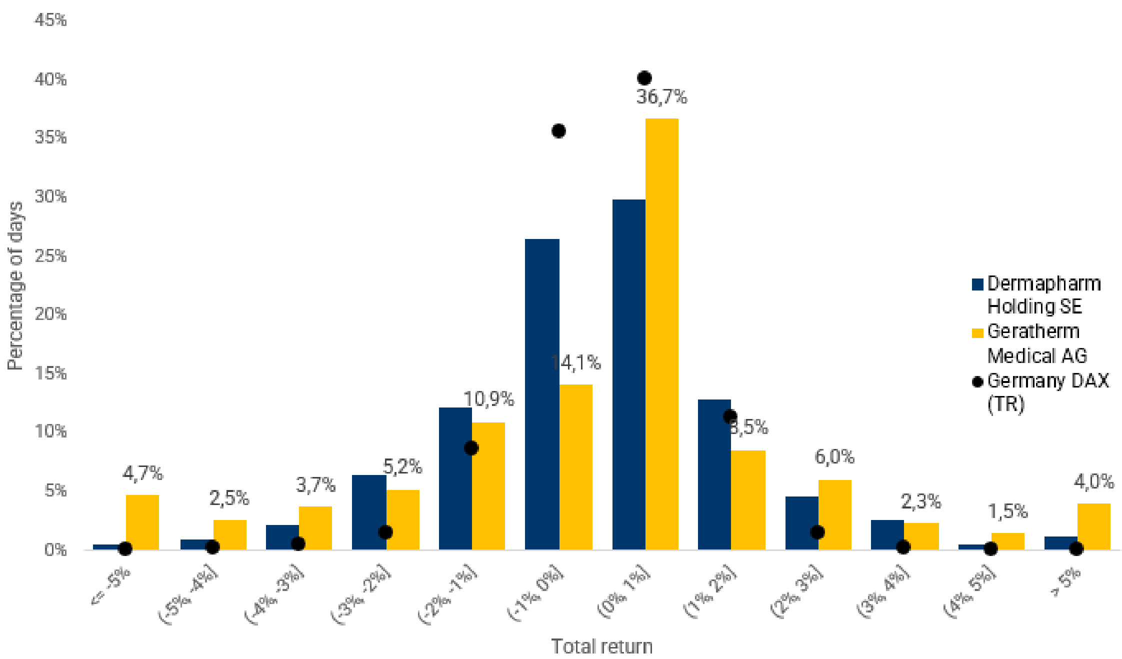
28-Aug-26	EV/EBITDA 2026	EV/EBITDA 2027	EV/EBIT 2026	EV/EBIT 2027	P/E 2026	P/E 2027
● Dermapharm Holding SE	8,8x	8,3x	12,0x	11,2x	15,3x	13,3x
● STRATEC SE	8,9x	7,8x	16,1x	12,9x	15,9x	13,0x
● Gerresheimer AG	7,0x	6,8x	20,9x	17,7x	14,5x	9,9x
● Sartorius AG Pref	20,0x	17,7x	29,4x	25,3x	47,4x	39,4x
● Eckert & Ziegler SE	8,1x	7,5x	10,0x	9,4x	16,2x	15,0x
● Geratherm Medical AG	7,0x	6,2x	-132,7x	37,8x	-41,2x	101,6x
– Peer Group Median	8,8x	7,8x	16,1x	12,9x	15,9x	13,3x
Fair Value (EUR)	2,89	3,00	0,83	1,55	-0,97	0,33

Source: FactSet, mwb research

Risk

The chart displays the **distribution of daily returns of Geratherm Medical AG** over the last 3 years, compared to the same distribution for Dermapharm Holding SE. 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 Geratherm Medical AG, the worst day during the past 3 years was 13/10/2025 with a share price decline of -23.3%. The best day was 02/10/2025 when the share price increased by 70.2%.

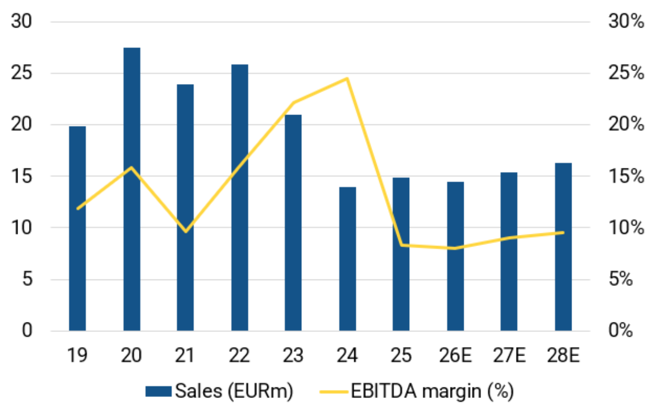
Risk – Daily Returns Distribution (trailing 3 years)



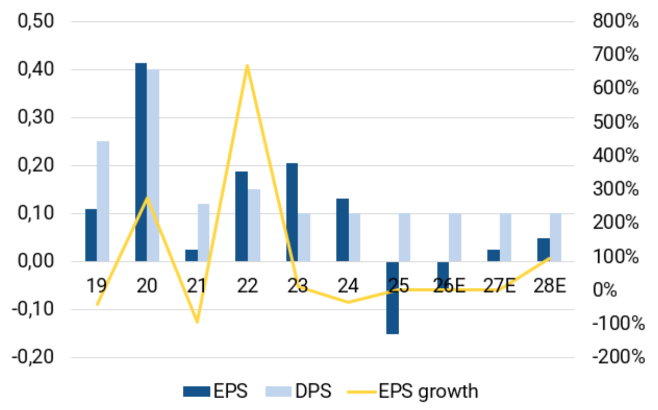
Source: FactSet, mwb research

Financials in six charts

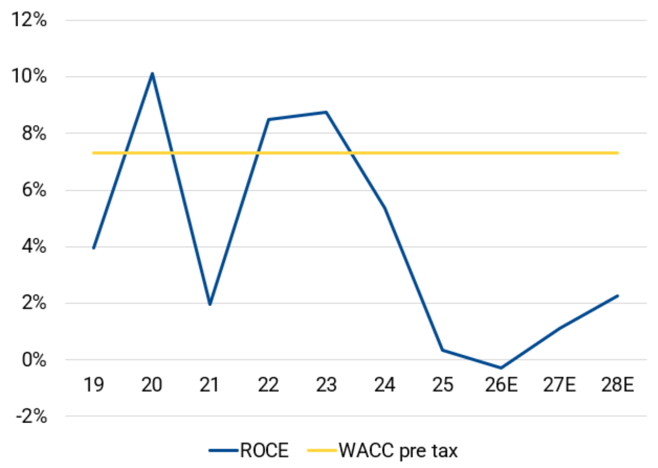
Sales vs. EBITDA margin development



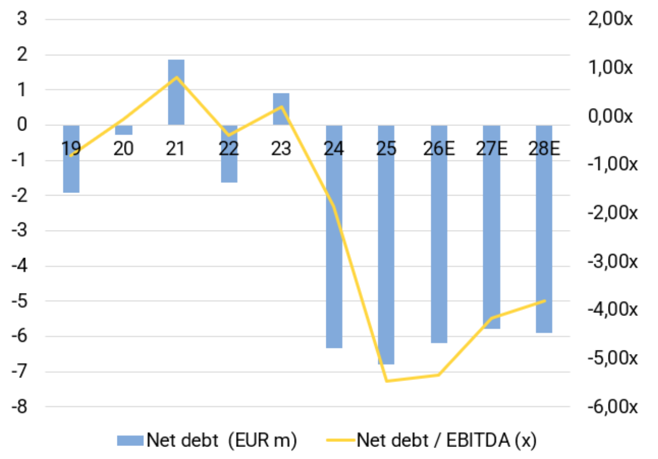
EPS, DPS in EUR & yoy EPS growth



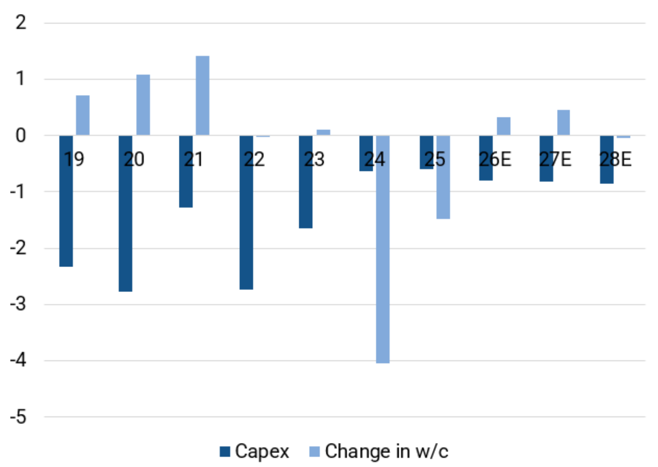
ROCE vs. WACC (pre tax)



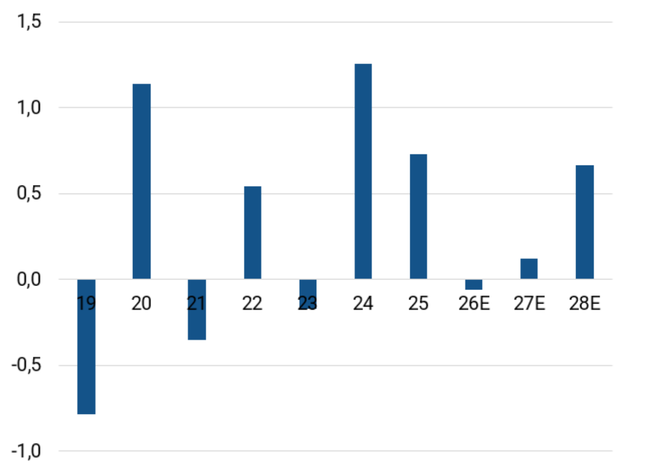
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; mwb research

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Financials

Profit and loss (EURm)	2023	2024	2025	2026E	2027E	2028E
Net sales	**21.0**	**14.0**	**14.9**	**14.5**	**15.4**	**16.3**
Sales growth	-18.9%	-33.3%	6.3%	-2.5%	6.0%	6.0%
Change in finished goods and work-in-process	3.2	-1.9	-0.5	0.0	0.0	0.0
Total sales	**24.2**	**12.1**	**14.4**	**14.5**	**15.4**	**16.3**
Material expenses	7.7	5.7	5.0	4.3	5.3	5.6
Gross profit	**16.5**	**6.3**	**9.4**	**10.1**	**10.1**	**10.7**
Other operating income	1.6	6.7	1.5	1.2	1.5	1.6
Personnel expenses	8.5	6.0	5.8	6.1	6.5	6.8
Other operating expenses	4.9	3.6	3.8	4.1	3.8	3.9
EBITDA	**4.6**	**3.4**	**1.2**	**1.2**	**1.4**	**1.5**
Depreciation	1.7	1.9	1.2	1.0	1.0	0.9
EBITA	2.9	1.6	0.1	0.1	0.4	0.6
Amortisation of goodwill and intangible assets	0.0	0.0	0.0	0.2	0.2	0.2
EBIT	**2.9**	**1.6**	**0.1**	**-0.1**	**0.2**	**0.4**
Financial result	-0.6	-0.6	-1.0	-0.5	0.0	0.0
Recurring pretax income from continuing operations	2.3	1.0	-0.9	-0.6	0.2	0.4
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	2.3	1.0	-0.9	-0.6	0.2	0.4
Taxes	0.7	0.3	-0.1	-0.2	0.1	0.2
Net income from continuing operations	1.7	0.7	-0.8	-0.4	0.1	0.3
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	**1.7**	**0.7**	**-0.8**	**-0.4**	**0.1**	**0.3**
Minority interest	-0.6	0.1	0.0	0.0	-0.0	-0.0
Net profit (reported)	1.1	0.7	-0.8	-0.3	0.1	0.3
Average number of shares	5.41	5.41	5.41	5.41	5.41	5.41
EPS reported	**0.21**	**0.13**	**-0.15**	**-0.06**	**0.02**	**0.05**

Profit and loss (common size)	2023	2024	2025	2026E	2027E	2028E
Net sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Change in finished goods and work-in-process	15%	-14%	-3%	0%	0%	0%
Total sales	**115%**	**86%**	**97%**	**100%**	**100%**	**100%**
Material expenses	37%	41%	34%	30%	35%	35%
Gross profit	**79%**	**45%**	**63%**	**70%**	**66%**	**66%**
Other operating income	7%	48%	10%	8%	10%	10%
Personnel expenses	41%	43%	39%	42%	42%	42%
Other operating expenses	24%	26%	26%	28%	25%	24%
EBITDA	**22%**	**24%**	**8%**	**8%**	**9%**	**10%**
Depreciation	8%	13%	8%	7%	6%	6%
EBITA	14%	11%	1%	1%	3%	4%
Amortisation of goodwill and intangible assets	0%	0%	0%	1%	1%	1%
EBIT	**14%**	**11%**	**1%**	**-0%**	**1%**	**3%**
Financial result	-3%	-4%	-7%	-3%	0%	0%
Recurring pretax income from continuing operations	11%	7%	-6%	-4%	1%	3%
Extraordinary income/loss	0%	0%	0%	0%	0%	0%
Earnings before taxes	11%	7%	-6%	-4%	1%	3%
Taxes	3%	2%	-0%	-1%	1%	1%
Net income from continuing operations	8%	5%	-6%	-3%	1%	2%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	**8%**	**5%**	**-6%**	**-3%**	**1%**	**2%**
Minority interest	-3%	0%	0%	0%	-0%	-0%
Net profit (reported)	**5%**	**5%**	**-6%**	**-2%**	**1%**	**2%**

Source: Company data; mwb research

Balance sheet (EURm)	2023	2024	2025	2026E	2027E	2028E
Intangible assets (exl. Goodwill)	**4.6**	**1.6**	**1.7**	**1.8**	**1.8**	**1.8**
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	9.5	7.7	7.0	6.5	6.2	5.9
Financial assets	0.6	0.7	0.7	0.7	0.7	0.7
FIXED ASSETS	**14.7**	**10.0**	**9.4**	**9.0**	**8.7**	**8.4**
Inventories	9.5	5.6	3.6	3.8	4.4	4.5
Accounts receivable	1.8	1.2	1.3	1.2	1.3	1.3
Other current assets	2.0	2.0	2.2	2.2	2.2	2.2
Liquid assets	7.7	9.6	9.3	7.1	5.8	5.9
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.1	0.1	0.2	0.1	0.2	0.2
CURRENT ASSETS	**21.1**	**18.5**	**16.6**	**14.5**	**13.9**	**14.1**
TOTAL ASSETS	**35.9**	**28.5**	**26.0**	**23.5**	**22.5**	**22.5**
SHAREHOLDERS EQUITY	**22.3**	**21.0**	**19.7**	**18.8**	**18.4**	**18.1**
MINORITY INTEREST	0.3	-0.2	-0.2	-0.2	-0.2	-0.2
Long-term debt	5.4	1.7	0.9	0.0	0.0	0.0
Provisions for pensions and similar obligations	0.9	0.7	0.6	0.7	0.8	0.8
Other provisions	0.4	0.9	0.8	0.9	0.9	1.0
Non-current liabilities	**6.7**	**3.3**	**2.2**	**1.6**	**1.7**	**1.8**
short-term liabilities to banks	3.2	1.6	1.6	0.9	0.0	0.0
Accounts payable	0.8	0.8	0.7	0.6	0.7	0.8
Advance payments received on orders	0.1	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	1.6	1.7	1.9	1.7	1.8	2.0
Deferred taxes	0.0	0.2	0.1	0.1	0.1	0.1
Deferred income	0.6	0.1	0.0	0.0	0.0	0.0
Current liabilities	**6.5**	**4.4**	**4.3**	**3.4**	**2.7**	**2.8**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**35.9**	**28.5**	**26.0**	**23.5**	**22.5**	**22.5**

Balance sheet (common size)	2023	2024	2025	2026E	2027E	2028E
Intangible assets (excl. Goodwill)	**13%**	**6%**	**7%**	**8%**	**8%**	**8%**
Goodwill	0%	0%	0%	0%	0%	0%
Property, plant and equipment	26%	27%	27%	28%	27%	26%
Financial assets	2%	3%	3%	3%	3%	3%
FIXED ASSETS	**41%**	**35%**	**36%**	**38%**	**39%**	**37%**
Inventories	26%	19%	14%	16%	20%	20%
Accounts receivable	5%	4%	5%	5%	6%	6%
Other current assets	6%	7%	9%	10%	10%	10%
Liquid assets	22%	34%	36%	30%	26%	26%
Deferred taxes	0%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	0%	0%	1%	1%	1%	1%
CURRENT ASSETS	**59%**	**65%**	**64%**	**62%**	**61%**	**63%**
TOTAL ASSETS	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
SHAREHOLDERS EQUITY	**62%**	**74%**	**76%**	**80%**	**81%**	**80%**
MINORITY INTEREST	1%	-1%	-1%	-1%	-1%	-1%
Long-term debt	15%	6%	3%	0%	0%	0%
Provisions for pensions and similar obligations	2%	3%	2%	3%	3%	4%
Other provisions	1%	3%	3%	4%	4%	4%
Non-current liabilities	**19%**	**12%**	**9%**	**7%**	**8%**	**8%**
short-term liabilities to banks	9%	6%	6%	4%	0%	0%
Accounts payable	2%	3%	3%	3%	3%	3%
Advance payments received on orders	0%	0%	0%	0%	0%	0%
Other liabilities (incl. from lease and rental contracts)	5%	6%	7%	7%	8%	9%
Deferred taxes	0%	1%	0%	1%	1%	1%
Deferred income	2%	0%	0%	0%	0%	0%
Current liabilities	**18%**	**15%**	**17%**	**14%**	**12%**	**13%**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Company data; mwb research

Cash flow statement (EURm)	2023	2024	2025	2026E	2027E	2028E
Net profit/loss	1.7	0.7	-0.8	-0.4	0.1	0.3
Depreciation of fixed assets (incl. leases)	1.7	1.9	1.2	1.0	1.0	0.9
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	0.2	0.2	0.2
Others	-1.8	-4.7	-0.5	0.2	0.1	0.1
Cash flow from operations before changes in w/c	1.6	-2.1	-0.2	1.1	1.4	1.5
Increase/decrease in inventory	0.0	3.9	1.9	-0.2	-0.6	-0.0
Increase/decrease in accounts receivable	0.0	0.6	-0.1	0.1	-0.1	-0.1
Increase/decrease in accounts payable	0.0	-0.0	-0.1	-0.1	0.1	0.0
Increase/decrease in other w/c positions	0.0	-0.5	-0.2	-0.1	0.1	0.1
Increase/decrease in working capital	-0.1	4.0	1.5	-0.3	-0.5	0.0
Cash flow from operating activities	**1.5**	**1.9**	**1.3**	**0.7**	**0.9**	**1.5**
CAPEX	-1.6	-0.6	-0.6	-0.8	-0.8	-0.9
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	-0.4	0.3	0.4	0.0	0.0	0.0
Income from asset disposals	0.0	4.2	0.0	0.0	0.0	0.0
Cash flow from investing activities	**-2.1**	**3.8**	**-0.2**	**-0.8**	**-0.8**	**-0.9**
Cash flow before financing	-0.6	5.7	1.2	-0.1	0.1	0.7
Increase/decrease in debt position	-1.9	-2.0	-0.8	-1.6	-0.9	0.0
Purchase of own shares	-0.2	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	-0.8	-0.5	-0.5	-0.5	-0.5	-0.5
Others	-0.0	-0.5	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	**-3.0**	**-3.1**	**-1.4**	**-2.1**	**-1.4**	**-0.5**
Increase/decrease in liquid assets	-3.6	2.6	-0.2	-2.2	-1.3	0.1
Liquid assets at end of period	**4.8**	**7.4**	**7.2**	**5.0**	**3.7**	**3.8**

Source: Company data; mwb research

Regional sales split (EURm)	2023	2024	2025	2026E	2027E	2028E
Domestic	4.9	3.5	2.8	2.8	2.9	3.1
Europe (ex domestic)	11.2	6.4	8.0	7.8	8.2	8.7
The Americas	2.2	1.3	1.9	1.8	1.9	2.1
Asia	1.3	1.6	1.0	0.9	1.0	1.1
Rest of World	1.2	1.1	1.2	1.2	1.2	1.3
Total sales	**21.0**	**14.0**	**14.9**	**14.5**	**15.4**	**16.3**

Regional sales split (common size)	2023	2024	2025	2026E	2027E	2028E
Domestic	23.6%	25.1%	19.1%	19.1%	19.1%	19.1%
Europe (ex domestic)	53.6%	45.8%	53.7%	53.7%	53.7%	53.7%
The Americas	10.7%	9.5%	12.6%	12.6%	12.6%	12.6%
Asia	6.3%	11.7%	6.5%	6.5%	6.5%	6.5%
Rest of World	5.8%	8.0%	8.1%	8.0%	8.0%	8.0%
Total sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Company data; mwb research

mwb research

Ratios	2023	2024	2025	2026E	2027E	2028E
Per share data						
Earnings per share reported	0.21	0.13	-0.15	-0.06	0.02	0.05
Cash flow per share	0.11	0.18	0.14	0.04	0.08	0.20
Book value per share	4.13	3.88	3.63	3.46	3.39	3.35
Dividend per share	0.10	0.10	0.10	0.10	0.10	0.10
Valuation						
P/E	12.2x	19.1x	-16.5x	-41.2x	101.6x	52.1x
P/CF	22.1x	14.0x	18.3x	62.6x	30.2x	12.7x
P/BV	0.6x	0.6x	0.7x	0.7x	0.7x	0.7x
Dividend yield (%)	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
FCF yield (%)	4.5%	7.2%	5.5%	1.6%	3.3%	7.9%
EV/Sales	0.7x	0.6x	0.5x	0.6x	0.6x	0.5x
EV/EBITDA	3.3x	2.3x	5.9x	7.0x	6.2x	5.5x
EV/EBIT	5.3x	5.1x	87.4x	-131.4x	37.5x	19.0x
Income statement (EURm)						
Sales	21.0	14.0	14.9	14.5	15.4	16.3
yoy chg in %	-18.9%	-33.3%	6.3%	-2.5%	6.0%	6.0%
Gross profit	16.5	6.3	9.4	10.1	10.1	10.7
Gross margin in %	78.7%	45.4%	63.0%	70.0%	65.5%	65.5%
EBITDA	4.6	3.4	1.2	1.2	1.4	1.5
EBITDA margin in %	22.1%	24.5%	8.4%	8.0%	9.0%	9.5%
EBIT	2.9	1.6	0.1	-0.1	0.2	0.4
EBIT margin in %	13.9%	11.2%	0.6%	-0.4%	1.5%	2.7%
Net profit	1.1	0.7	-0.8	-0.3	0.1	0.3
Cash flow statement (EURm)						
CF from operations	1.5	1.9	1.3	0.7	0.9	1.5
Capex	-1.6	-0.6	-0.6	-0.8	-0.8	-0.9
Maintenance Capex	0.9	0.9	0.6	0.5	0.5	0.5
Free cash flow	-0.2	1.3	0.7	-0.1	0.1	0.7
Balance sheet (EURm)						
Intangible assets	4.6	1.6	1.7	1.8	1.8	1.8
Tangible assets	9.5	7.7	7.0	6.5	6.2	5.9
Shareholders' equity	22.3	21.0	19.7	18.8	18.4	18.1
Pension provisions	0.9	0.7	0.6	0.7	0.8	0.8
Liabilities and provisions	10.0	4.9	3.9	2.5	1.7	1.8
Net financial debt	0.9	-6.3	-6.8	-6.2	-5.8	-5.9
w/c requirements	10.3	6.0	4.2	4.4	5.0	5.0
Ratios						
ROE	7.5%	3.1%	-4.2%	-1.9%	0.8%	1.6%
ROCE	8.9%	6.1%	0.4%	-0.3%	1.1%	2.3%
Net gearing	4.1%	-30.2%	-34.5%	-33.0%	-31.4%	-32.6%
Net debt / EBITDA	0.2x	-1.9x	-5.5x	-5.3x	-4.2x	-3.8x

Source: Company data; mwb research

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