# BIOHIT OYJ

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# COMPANY REPORT

# Strong earnings clouded by weak cash flow

*Biohit's H1 revenue grew by 6% and was slightly below our estimate. On the other hand, EBIT was clearly above our expectations. The strong profitability was driven, in particular, by the high proportion of the company's own production in sales during H1. Items comparable to receivables on the balance sheet continued to increase, and the outlook for their collection is uncertain. According to management, cash flows will be recognized gradually over the coming years. We are making a modest downward adjustment to our forecasts based on a slower pace of growth than we had anticipated and uncertainty regarding the outlook. In line with our forecasts, we adjust our target price to EUR 3.3 (was EUR 3.5) and, following the increase in the share price, lower our recommendation to Accumulate (was Buy).*

### Revenue in line with guidance and our expectations

Revenue increased by 5.7% to 7.8 MEUR (H1'25: 7.4 MEUR) and missed our estimate of around 0.2 MEUR. Growth settled at the lower end of the 5-10% guidance range for 2026. Growth was particularly driven by the GastroPanel product family, which grew by around 90%, according to the company. Geographically, growth came mainly from the Other Countries segment. Screenings initiated in Chile also contributed to growth in the North and South America segment, though figures remained low in absolute terms. The subsidiaries' performance was sluggish as UK sales decreased by 3.8% due to price competition and Italian sales fell by 29.8% due to the subsidiary's shutdown and transition to a distributor model. In addition, the comparison period was strong for ColonView due to a tender that was won during that period.

### Reported earnings excellent, but repatriation of cash flows remains delayed

EBIT rose by 28.6% to 1.5 MEUR (H1'25: 1.2 MEUR), and the EBIT margin was as high as 19.4% (H1'25: 15.9%). This result was well above our forecast of 1.1 MEUR. This overshoot is due to Biohit's high-margin manufacturing, particularly the growth in GastroPanel's share in H1, which increased the gross margin relative to the comparison period. Operating expenses were also slightly lower than we had expected. This is explained by the average number of employees during the period, which was 45 (H1'25: 49). We estimate that the decrease in personnel is due to the shutdown of the Italian subsidiary and expect it to be temporary since the number of employees was already trending upward at the end of the period (47). On the balance sheet, contract assets related to receivables from China continued to grow, totaling 10.6 MEUR at the end of the period (H1'25: 6.6 MEUR). According to management, the receivables will be collected gradually over the coming years. From the outside, it is impossible to assess the timeline for repatriation or the risks associated with it. Due mainly to the growth of these items, operating cash flow was weak at -1.3 MEUR. Cash flow from investing activities was -0.5 MEUR.

### Moderate downward revisions

We are modestly lowering our revenue forecast for the coming years (4–6%) to reflect the development of the subsidiaries, uncertainty in China, and the likely delay in the FDA process. Our EBIT estimate is also decreasing moderately, in line with revenue.. In the big picture, we believe the investment case remains unchanged after the H1 report, and we expect the company to continue its profitable growth in the coming years, even though visibility remains relatively low. The expiration of the China agreement could have a significant impact and may also bring some negative surprises.

### Valuation is moderate – growth in receivables clouds the picture

Based on our 2027 forecasts, the stock's P/E ratio is approximately 17x and the EV/EBIT ratio, which takes net cash into account, is approximately 11x, which is clearly below that of global diagnostic peers. In our view, acceptable EV/EBIT multiples are under pressure due to the rapid growth in receivables. The EV/S ratio for 2027 is 1.8x, which is justified given the company's strong profitability. Our DCF model indicates a share value of EUR 3.3. We still believe the risk/reward ratio is favorable, although growth in Chinese receivables and termination of the agreement obscure the outlook.

**Recommendation**

**Accumulate**

(was Buy)

**Target price:**

**EUR 3.30**

(was EUR 3.50)

**Share price:**

EUR 2.79

**Business risk**

●●●○○

**Valuation risk**

●●○○○

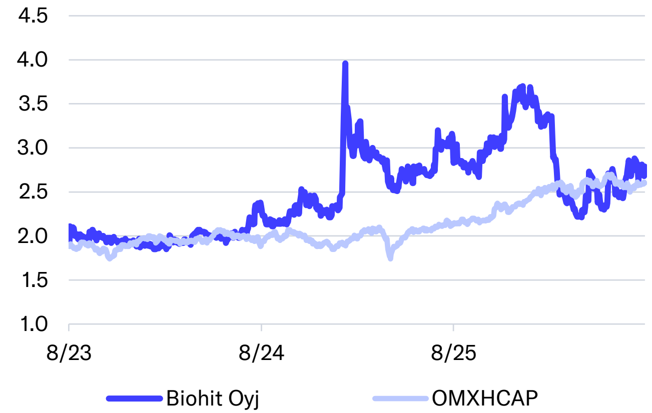
| | 2025 | 2026e | 2027e | 2028e |
|---|---|---|---|---|
| **Revenue** | 15.7 | 16.3 | 17.9 | 19.9 |
| **growth-%** | 10% | 4% | 10% | 11% |
| **EBIT adj.** | 2.9 | 3.0 | 2.9 | 3.0 |
| **EBIT-% adj.** | 18.5 % | 18.2 % | 16.4 % | 15.2 % |
| **Net Income** | 2.7 | 2.6 | 2.5 | 2.6 |
| **EPS (adj.)** | 0.18 | 0.17 | 0.17 | 0.17 |
| | | | | |
| **P/E (adj.)** | 20.8 | 16.5 | 16.9 | 16.5 |
| **P/B** | 3.7 | 2.4 | 2.2 | 2.0 |
| **Dividend yield-%** | 0.0 % | 1.8 % | 1.8 % | 1.8 % |
| **EV/EBIT (adj.)** | 18.6 | 13.4 | 12.3 | 10.6 |
| **EV/EBITDA** | 15.9 | 11.8 | 7.8 | 6.6 |
| **EV/S** | 3.4 | 2.5 | 2.0 | 1.6 |

Source: Inderes

### Guidance

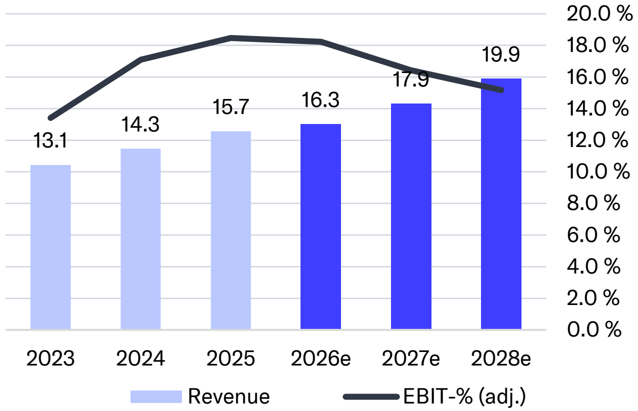
Revenue growth to 16.5-17.3 MEUR (5-10% growth vs. 2025). EBIT margin of at least 10%.

## Share price



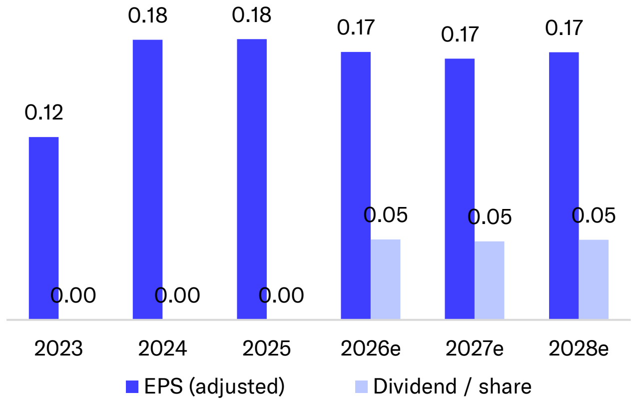

Source: Millistream Market Data AB

## Revenue and EBIT % (adj.)




Source: Inderes

## EPS and dividend




Source: Inderes

## Value drivers

- A large market with plenty of room for growth and opportunities
- New GastroPanel® quick tests to drive growth
- Opportunity to expand into new markets, especially in the Americas
- Defensive nature of revenue and good customer retention

## Risk factors

- Company's resources are small compared to its competitors
- Product development is required to successfully build future growth as the current product portfolio is quite old
- Future visibility is relatively weak
- Dependence on large distributors
- Concentrated ownership

| Valuation | 2026e | 2027e | 2028e |
|---|---|---|---|
| **Share price** | 2.79 | 2.79 | 2.79 |
| **Number of shares, millions** | 15.2 | 15.2 | 15.2 |
| **Market cap** | 42 | 42 | 42 |
| **EV** | 40 | 36 | 32 |
| **P/E (adj.)** | 16.5 | 16.9 | 16.5 |
| **P/E** | 16.5 | 16.9 | 16.5 |
| **P/B** | 2.4 | 2.2 | 2.0 |
| **P/S** | 2.6 | 2.4 | 2.1 |
| **EV/Sales** | 2.5 | 2.0 | 1.6 |
| **EV/EBITDA** | 11.8 | 7.8 | 6.6 |
| **EV/EBIT (adj.)** | 13.4 | 12.3 | 10.6 |
| **Payout ratio (%)** | 30.0 % | 30.0 % | 30.0 % |
| **Dividend yield-%** | 1.8 % | 1.8 % | 1.8 % |

Source: Inderes

# Reported earnings excellent – repatriation of cash flows delayed

## Revenue was close to our estimates

Biohit's H1 revenue was 7.8 MEUR, while our estimate was 8.0 MEUR. Thus, the deviation downward was 0.2 MEUR. Growth from the comparison period was 5.7%, whereas we had estimated 8%. The discrepancy arose from two sources. First, we anticipated that Chile's national program's commercial progress would be more clearly reflected already in the early-year figures; growth from the Americas came in at 71.9%, but the absolute euro figures fell short of our expectations. Second, the decline in sales at subsidiaries in the United Kingdom (-3.8%) and Italy (-29.8%) came as a negative surprise. According to management's comments, revenue related to Chile's screening is gradually growing, and the company has high expectations for the United Kingdom in the coming years. There are some uncertainties about Italy's future development, but to offset the decline in revenue, operating expenses in Italy have also fallen as a result of the subsidiary's shutdown.

## Reported earnings were very strong

EBIT was 1.5 MEUR, which is 0.4 MEUR above our estimate of 1.1 MEUR. The margin was 19.4%, whereas we had estimated an EBIT of 14.2%. The overperformance came from both the gross margin, supported by the sales mix, and lower operational costs than we expected. In H1, the sales mix was weighted toward the company's own high-margin manufacturing. Biohit's gross margin typically varies from report to report, so we are not yet interpreting this as a structural improvement in profitability. Costs lower than our forecasts can be attributed to the average number of employees, which fell to 45 (H1'25: 49). We believe the surprisingly low number of personnel is explained by the shutdown of the Italian subsidiary. By the end of the period, the number of employees had already risen to 47, and we expect the expense gap to be temporary as the company focuses on sustaining its growth. Earnings were impacted by a one-time impairment loss of 0.2 MEUR on financial assets, which highlights the strong operational performance.

## Balance sheet and cash flow

Biohit's equity ratio strengthened to 78.9% (74.1%) due to profitable earnings. Cash and cash equivalents totaled 1.6 MEUR, and including other current financial assets, the total was 2.9 MEUR (5.1 MEUR), meaning that liquid assets declined significantly. Contract assets related to receivables from China continued to grow, already totaling 10.6 MEUR at the end of the period (H1'25: 6.6 MEUR). Thus, revenue from China is currently generating weak cash flow.

Cash flow from operating activities amounted to -1.3 MEUR (H1'25: -0.9 MEUR), and investments were -0.5 MEUR (-0.2 MEUR), resulting in free cash flow remaining at approximately -1.8 MEUR. Cash flow was negatively impacted by a 3.1 MEUR increase in working capital (primarily contract items). According to management, the receivables will be collected gradually over the coming years. From the outside, it is difficult to assess the timeline for repatriation or the risks associated with it.

| Estimates | H1'25 | H1'26 | H1'26e | H1'26e | Consensus | | Difference (%) | 2026e |
|---|---|---|---|---|---|---|---|---|
| MEUR / EUR | Comparison | Actualized | Inderes | Consensus | Low | High | Act. vs. inderes | Inderes |
| Revenue | 7.4 | 7.8 | 8.0 | | | | -2% | 16.3 |
| EBITDA | 1.4 | 1.7 | 1.4 | | | | 23% | 3.4 |
| EBIT | 1.2 | 1.5 | 1.1 | | | | 32% | 3.0 |
| EPS (reported) | 0.06 | 0.09 | 0.06 | | | | 46% | 0.17 |
| DPS | | | | | | | | 0.00 |
| | | | | | | | | |
| Revenue growth-% | -0.4 % | 5.4 % | 8.0 % | | | | -2.6 pp | 3.6 % |
| EBIT-% (adj.) | 16.2 % | 21.0 % | 14.2 % | | | | 6.8 pp | 18.2 % |

Source: Inderes

# Downward revisions to estimates

## Estimate revisions

- We lowered our revenue estimates for the coming years by 4-6%.
- This decrease is based on the uncertainty of China's royalty revenues, the development of the subsidiaries, and the probable delay in FDA approval.
- Our EBIT estimate for the current year has improved due to a strong start to the year.
- Our EBIT estimates for the following years will decline moderately, in line with the lower revenue estimate.
- The timeline for the start of the clinical trial related to the FDA marketing authorization application remains unclear. According to our estimates, the earliest realistic launch would be in 2028, but the risk of delays is increasing.
- The uncertainty in the forecasts stems from the contract situation in China, which has accounted for a significant portion of Biohit's revenue. The current agreement is expiring, and there is limited visibility regarding its continuation.

## Operational earnings drivers

- GastroPanel sales are growing, driven by rapid tests (venous blood test and fingertip blood test).
- Sales mix development. The profitability of own production is higher than that of distribution and OEM products. However, visibility into the development of the sales mix is limited.
- Launch in the United States. Biohit is preparing a clinical trial aimed at obtaining marketing authorization in the United States. Nevertheless, the launch in the world's largest diagnostics market may not occur during the 2024–28 strategy period yet.
- Progress of screenings. Biohit has succeeded in securing sales for Chile's national screenings starting in 2026. Studies are also underway in other countries, which could lead to similar screening projects and generate growing defensive revenue for Biohit.
- Low investment needs. Biohit's cost structure includes many fixed costs that we do not believe need to increase rapidly.

| Estimate revisions | 2026e | 2026e | Change | 2027e | 2027e | Change | 2028e | 2028e | Change |
|---|---|---|---|---|---|---|---|---|---|
| MEUR / EUR | Old | New | % | Old | New | % | Old | New | % |
| Revenue | 17.0 | 16.3 | -4% | 18.7 | 17.9 | -4% | 21.2 | 19.9 | -6% |
| EBITDA | 3.1 | 3.4 | 8% | 4.6 | 4.6 | 0% | 5.1 | 4.9 | -5% |
| EBIT | 2.6 | 3.0 | 13% | 3.0 | 2.9 | -2% | 3.3 | 3.0 | -8% |
| PTP | 2.8 | 3.2 | 12% | 3.2 | 3.1 | -2% | 3.5 | 3.2 | -8% |
| EPS (excl. NRIs) | 0.15 | 0.18 | 21% | 0.17 | 0.17 | -2% | 0.18 | 0.17 | -8% |
| DPS | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 | 0.00 | |

Source: Inderes

# Risk/reward ratio still attractive

### Earnings multiples are moderate considering growth and profitability potential

Biohit's P/E ratios of 16x and 17x for 2026-2027 are neutral. However, we believe that the company's valuation is better described by the EV/EBIT ratio that considers the large net cash, which for the current year of 2026 is 12x and 11x for the next year. Although EV/EBIT multiples are low, their use is becoming a growing concern as the amount of receivables on the balance sheet and related risks are increasing. Earnings multiples continue to fall in the coming years, although the lack of visibility means that the reliability of the estimates suffer when assessing the longer term. In our view, the multiples are moderate and also include some safety margin. Compared to the company's own recent history (2022–2025), the multiples are at a below-average level.

The median 2026–2027 EV/EBIT ratio for the peer group is 17x–16x. The peer group consists of large, mainly US-based diagnostic companies in a more mature stage that earn higher multiples than Biohit due to their lower risk profile. The current premium has grown due to the decrease in Biohit's multiples. In our opinion, the difference to peers is cautiously attractive at the moment.

We find the earnings multiples moderate for Biohit when considering the expected growth rate and defensiveness of the industry. Biohit's high gross margin (historically around 65%) creates the potential for healthy mid-term earnings growth and profitability, although we see pressure on the gross margin as a result of the sales mix development. The profitability potential is indicated by the EBIT margin of mature diagnostic companies in 2024 of 17% (Bloomberg Global In Vitro Diagnostic Competitors Index companies).

### On revenue basis, the share is neutrally priced compared to history and the peers

Biohit's revenue-based 2026 EV/S multiple is 2.1x and 1.8x for 2027. The multiples are in line with the company's recent history, with a median of 2.1x for 2021–2025. The median EV/S ratio for Biohit's peers is 2.7x for 2026.

### Cash flow calculation indicates a reasonable upside

The DCF model indicates a current value of future cash flows of EUR 3.3 per share and thus an upside that is above the required return. Our terminal growth assumption is 2.5%, based on the growth outlook of the health care needs of the aging population. For the terminal, we assume an EBIT margin of 17%, driven by the industry's mature companies and Biohit's high sales margin. We have used a weighted average cost of capital (WACC) of 10%. WACC is elevated by the risk of forecasts materializing, the company's small size and concentrated ownership. Risks related to receivables have also increased in recent years. On the other hand, growth successes and the defensive nature of the industry have a downward effect on the WACC.

### Valuation summary

Our view on the fair value of Biohit's share is EUR 2.4-3.6, which corresponds to a 2027 EV/EBIT range of 10x-16x and an EV/S range of 1.5x-2.5x. Key to our view are the earnings and revenue multiples, which indicate that the share is attractively priced. The pricing compared to peers and relative to the company's history is also moderate, although the peer group we use does not correspond particularly well with Biohit. The DCF model also indicates sufficient upside potential.

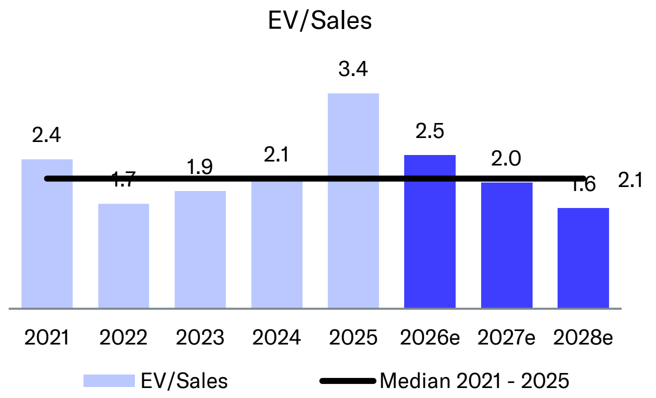
| Valuation | 2026e | 2027e | 2028e |
|---|---|---|---|
| Share price | 2.79 | 2.79 | 2.79 |
| Number of shares, millions | 15.2 | 15.2 | 15.2 |
| Market cap | 42 | 42 | 42 |
| EV | 40 | 36 | 32 |
| P/E (adj.) | 16.5 | 16.9 | 16.5 |
| P/E | 16.5 | 16.9 | 16.5 |
| P/B | 2.4 | 2.2 | 2.0 |
| P/S | 2.6 | 2.4 | 2.1 |
| EV/Sales | 2.5 | 2.0 | 1.6 |
| EV/EBITDA | 11.8 | 7.8 | 6.6 |
| EV/EBIT (adj.) | 13.4 | 12.3 | 10.6 |
| Payout ratio (%) | 30.0 % | 30.0 % | 30.0 % |
| Dividend yield-% | 1.8 % | 1.8 % | 1.8 % |

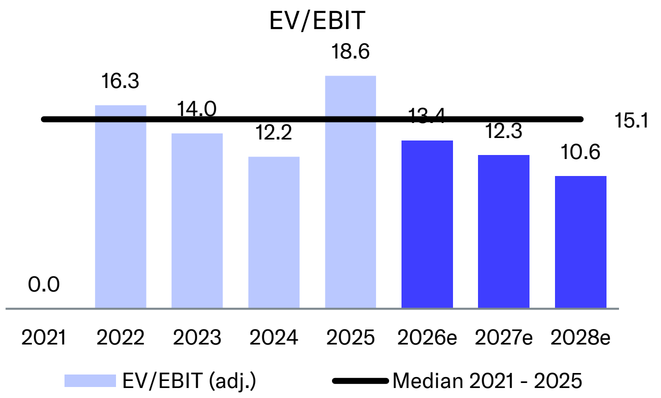
Source: Inderes

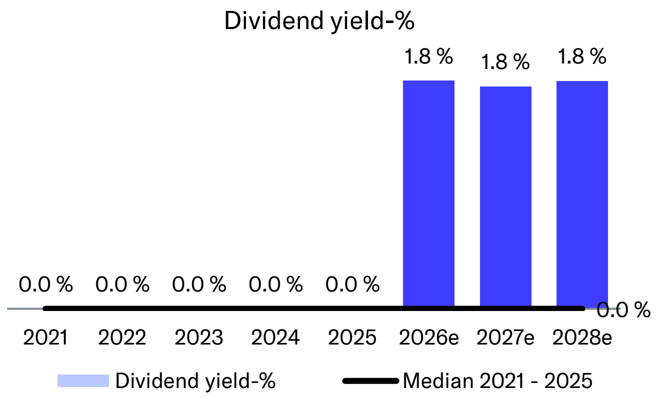
# Valuation table

| Valuation | 2021 | 2022 | 2023 | 2024 | 2025 | 2026e | 2027e | 2028e | 2029e |
|---|---|---|---|---|---|---|---|---|---|
| **Share price** | 1.84 | 1.57 | 1.92 | 2.29 | 3.69 | **2.79** | **2.79** | **2.79** | **2.79** |
| **Number of shares, millions** | 15.0 | 15.0 | 15.1 | 15.1 | 15.2 | **15.2** | **15.2** | **15.2** | **15.2** |
| **Market cap** | 28 | 24 | 29 | 35 | 56 | **42** | **42** | **42** | **42** |
| **EV** | 22 | 18 | 25 | 30 | 54 | **40** | **36** | **32** | **30** |
| **P/E (adj.)** | neg. | | 16.6 | 12.9 | 20.8 | **16.5** | **16.9** | **16.5** | **12.9** |
| **P/E** | neg. | 39.3 | 16.6 | 12.9 | 20.8 | **16.5** | **16.9** | **16.5** | **12.9** |
| **P/B** | 3.8 | 3.1 | 3.1 | 2.8 | 3.7 | **2.4** | **2.2** | **2.0** | **1.8** |
| **P/S** | 3.0 | 2.2 | 2.2 | 2.4 | 3.6 | **2.6** | **2.4** | **2.1** | **1.8** |
| **EV/Sales** | 2.4 | 1.7 | 1.9 | 2.1 | 3.4 | **2.5** | **2.0** | **1.6** | **1.3** |
| **EV/EBITDA** | 44.0 | 11.4 | 11.7 | 10.4 | 15.9 | **11.8** | **7.8** | **6.6** | **5.0** |
| **EV/EBIT (adj.)** | neg. | 16.3 | 14.0 | 12.2 | 18.6 | **13.4** | **12.3** | **10.6** | **7.6** |
| **Payout ratio (%)** | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | **30.0 %** | **30.0 %** | **30.0 %** | **50.0 %** |
| **Dividend yield-%** | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | **1.8 %** | **1.8 %** | **1.8 %** | **3.9 %** |

Source: Inderes




The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

# Peer group valuation

| Peer group valuation<br>Company | Market cap<br>MEUR | EV<br>MEUR | EV/EBIT<br>2026e | <br>2027e | EV/EBITDA<br>2026e | <br>2027e | EV/S<br>2026e | <br>2027e | P/E<br>2026e | <br>2027e | Dividend yield-%<br>2026e | <br>2027e | P/B<br>2026e |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Abbott Laboratories | 158358 | 182338 | 18.1 | 16.5 | 15.9 | 14.2 | 4.2 | 3.8 | 19.1 | 17.4 | 2.4 | 2.6 | 3.9 |
| bioMérieux SA | 8593 | 8361 | 12.4 | 11.3 | 8.4 | 7.8 | 2.0 | 1.9 | 16.6 | 15.3 | 1.4 | 1.5 | 1.9 |
| Bio Rad Laboratories Inc | 7742 | 7427 | 29.8 | 27.1 | 20.0 | 18.8 | 3.3 | 3.3 | 37.0 | 34.2 | 1.9 | 1.9 | 1.3 |
| Boule Diagnostics AB | 14 | 33 | 44.9 | 13.8 | 13.3 | 8.0 | 0.8 | 0.7 | | 17.7 | | | 0.9 |
| DiaSorin SpA | 4168 | 4740 | 16.8 | 15.2 | 12.0 | 11.1 | 3.8 | 3.6 | 19.4 | 17.4 | 1.7 | 1.8 | 2.4 |
| Immunovia AB | 11 | 6 | | | | | 20.4 | 3.8 | | | | | 2.3 |
| Qiagen NV | 7576 | 8442 | 16.1 | 14.9 | 12.3 | 11.5 | 4.6 | 4.3 | 17.1 | 15.9 | 0.5 | 0.8 | 2.3 |
| Q-linea AB | 30 | 14 | | | | | 1.5 | 0.7 | | | | | |
| SD Biosensor | 482 | 370 | | 87.3 | 5.4 | 4.1 | 0.7 | 0.6 | | | | | 1.1 |
| Sysmex | 5582 | 5511 | 10.7 | 16.7 | 9.2 | 9.3 | 2.0 | 1.9 | 23.0 | 23.8 | 2.3 | 2.4 | 2.0 |
| Exact Sciences Corp | | | | | | | | | | | | | |
| OraSure Technologies Inc | 249 | 96 | | | | | 0.9 | 0.8 | | | | | 1.0 |
| Biohit Oyj (Inderes) | 42 | 40 | 13.4 | 12.3 | 11.8 | 7.8 | 2.5 | 2.0 | 16.5 | 16.9 | 1.8 | 1.8 | 2.4 |
| Average | | | 21.3 | 25.4 | 12.1 | 10.6 | 4.9 | 2.9 | 22.0 | 20.3 | 1.7 | 1.8 | 2.8 |
| Median | | | 16.8 | 15.8 | 12.2 | 10.2 | 2.7 | 2.6 | 19.3 | 17.4 | 1.8 | 1.8 | 2.0 |
| Diff-% to median | | | -20% | -22% | -3% | -23% | -8% | -22% | -15% | -3% | 2% | -3% | 19% |

Source: Refinitiv / Inderes

# Income statement

| Income statement | H1'24 | H2'24 | 2024 | H1'25 | H2'25 | 2025 | H1'26 | H2'26e | 2026e | H1'27e | H2'27e | 2027e | 2028e | 2029e |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue** | **7.4** | **6.9** | **14.3** | **7.4** | **8.3** | **15.7** | **7.8** | **8.5** | **16.3** | **8.6** | **9.3** | **17.9** | **19.9** | **23.0** |
| **EBITDA** | **1.5** | **1.4** | **2.9** | **1.4** | **2.0** | **3.4** | **1.7** | **1.7** | **3.4** | **1.4** | **1.6** | **4.6** | **4.9** | **5.9** |
| Depreciation | -0.2 | -0.2 | -0.4 | -0.2 | -0.3 | -0.5 | -0.2 | -0.2 | -0.4 | 0.0 | 0.0 | -1.7 | -1.8 | -2.0 |
| **EBIT (excl. NRI)** | **1.3** | **1.2** | **2.5** | **1.2** | **1.7** | **2.9** | **1.5** | **1.5** | **3.0** | **1.4** | **1.6** | **2.9** | **3.0** | **3.9** |
| **EBIT** | **1.3** | **1.2** | **2.5** | **1.2** | **1.7** | **2.9** | **1.5** | **1.5** | **3.0** | **1.4** | **1.6** | **2.9** | **3.0** | **3.9** |
| Net financial items | 0.2 | 0.2 | 0.4 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.2 | 0.0 | 0.0 | 0.2 | 0.2 | 0.2 |
| **PTP** | **1.5** | **1.4** | **2.8** | **1.2** | **1.7** | **2.9** | **1.6** | **1.6** | **3.2** | **1.4** | **1.6** | **3.1** | **3.2** | **4.1** |
| Taxes | -0.2 | 0.1 | -0.1 | -0.2 | 0.0 | -0.2 | -0.2 | -0.3 | -0.5 | 0.0 | 0.0 | -0.6 | -0.6 | -0.8 |
| **Net earnings** | **1.3** | **1.4** | **2.7** | **1.0** | **1.7** | **2.7** | **1.4** | **1.3** | **2.7** | **1.4** | **1.6** | **2.5** | **2.6** | **3.3** |
| **EPS (rep.)** | **0.08** | **0.09** | **0.18** | **0.06** | **0.11** | **0.18** | **0.09** | **0.08** | **0.17** | **0.09** | **0.10** | **0.17** | **0.17** | **0.22** |

| Key figures | H1'24 | H2'24 | 2024 | H1'25 | H2'25 | 2025 | H1'26 | H2'26e | 2026e | H1'27e | H2'27e | 2027e | 2028e | 2029e |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue growth-%** | 14.3 % | 5.3 % | 9.8 % | -0.4 % | 20.3 % | 9.6 % | 5.4 % | 2.0 % | 3.6 % | 10.0 % | 10.0 % | 10.0 % | 11.0 % | 16.0 % |
| **Adjusted EBIT growth-%** | -16.7 % | 380.0 % | 40.0 % | -4.0 % | 41.7 % | 18.4 % | 26.3 % | -14.6 % | 2.3 % | -10.6 % | 9.2 % | -0.9 % | 2.6 % | 29.9 % |
| **EBITDA-%** | 19.5 % | 20.3 % | 19.9 % | 18.9 % | 24.1 % | 21.7 % | 22.0 % | 19.6 % | 20.7 % | 15.8 % | 17.0 % | 25.8 % | 24.5 % | 25.6 % |
| **Adjusted EBIT-%** | 16.8 % | 17.4 % | 17.1 % | 16.2 % | 20.5 % | 18.5 % | 19.4 % | 17.1 % | 18.2 % | 15.8 % | 17.0 % | 16.4 % | 15.2 % | 17.0 % |
| **Net earnings-%** | 16.8 % | 20.7 % | 18.7 % | 13.0 % | 21.0 % | 17.2 % | 18.1 % | 14.9 % | 16.5 % | 15.8 % | 17.0 % | 14.0 % | 12.9 % | 14.3 % |

Source: Inderes

Full-year earnings per share are calculated using the number of shares at year-end.

# Balance sheet

| Assets | 2024 | 2025 | 2026e | 2027e | 2028e |
|---|---|---|---|---|---|
| **Non-current assets** | **1.3** | **3.1** | **4.2** | **4.7** | **5.0** |
| Goodwill | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Intangible assets | 0.5 | 0.7 | 1.0 | 1.1 | 1.2 |
| Tangible assets | 0.7 | 1.9 | 3.2 | 3.5 | 3.8 |
| Associated companies | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other investments | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Other non-current assets | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Deferred tax assets | 0.0 | 0.4 | 0.0 | 0.0 | 0.0 |
| **Current assets** | **14.1** | **16.7** | **18.7** | **16.2** | **17.8** |
| Inventories | 1.0 | 0.8 | 0.8 | 0.9 | 1.4 |
| Other current assets | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Receivables | 6.4 | 11.1 | 11.4 | 8.9 | 6.0 |
| Cash and equivalents | 6.7 | 4.8 | 6.5 | 6.3 | 10.5 |
| **Balance sheet total** | **15.5** | **19.8** | **23.0** | **20.9** | **22.9** |

Source: Inderes

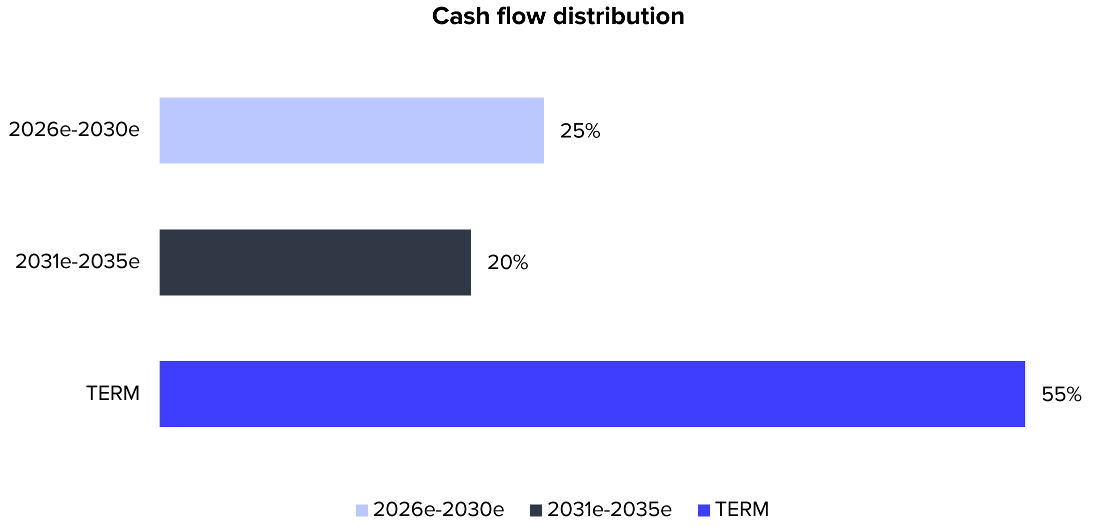
| Liabilities & equity | 2024 | 2025 | 2026e | 2027e | 2028e |
|---|---|---|---|---|---|
| **Equity** | **12.2** | **15.1** | **17.6** | **19.4** | **21.2** |
| Share capital | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 |
| Retained earnings | 6.5 | 9.3 | 11.9 | 13.6 | 15.4 |
| Hybrid bonds | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Revaluation reserve | -1.9 | -1.9 | -1.9 | -1.9 | -1.9 |
| Other equity | 5.3 | 5.3 | 5.3 | 5.3 | 5.3 |
| Minorities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Non-current liabilities** | **0.3** | **1.2** | **2.9** | **-0.1** | **-0.1** |
| Deferred tax liabilities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Provisions | 0.0 | -0.1 | -0.1 | -0.1 | -0.1 |
| Interest bearing debt | 0.3 | 1.3 | 3.0 | 0.0 | 0.0 |
| Convertibles | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other long term liabilities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Current liabilities** | **3.0** | **3.5** | **2.4** | **1.6** | **1.8** |
| Interest bearing debt | 1.6 | 1.4 | 1.0 | 0.0 | 0.0 |
| Payables | 1.4 | 2.1 | 1.5 | 1.6 | 1.8 |
| Other current liabilities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| **Balance sheet total** | **15.5** | **19.8** | **23.0** | **20.9** | **22.9** |

# DCF-calculation

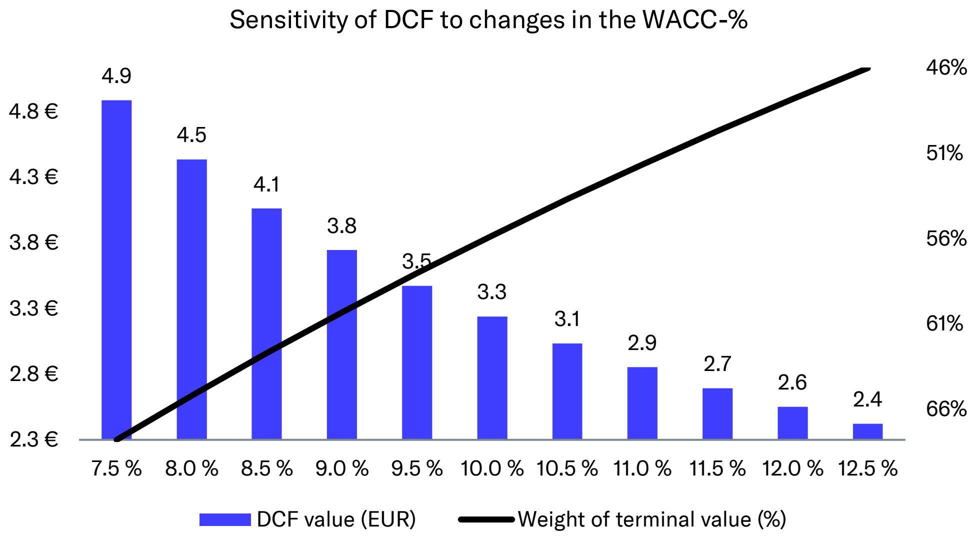
| DCF model | 2025 | 2026e | 2027e | 2028e | 2029e | 2030e | 2031e | 2032e | 2033e | 2034e | 2035e | TERM |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue growth-% | 9.6 % | 3.6 % | 10.0 % | 11.0 % | 16.0 % | 16.0 % | 12.0 % | 10.0 % | 5.0 % | 3.0 % | 2.5 % | 2.5 % |
| EBIT-% | 18.5 % | 18.2 % | 16.4 % | 15.2 % | 17.0 % | 17.0 % | 17.0 % | 17.0 % | 17.0 % | 17.0 % | 17.0 % | 17.0 % |
| **EBIT (operating profit)** | **2.9** | **3.0** | **2.9** | **3.0** | **3.9** | **4.5** | **5.1** | **5.6** | **5.9** | **6.1** | **6.2** | |
| + Depreciation | 0.5 | 0.4 | 1.7 | 1.8 | 2.0 | 2.1 | 2.2 | 2.3 | 2.5 | 2.6 | 2.7 | |
| - Paid taxes | -0.6 | -0.1 | -0.6 | -0.6 | -0.8 | -0.9 | -1.1 | -1.2 | -1.2 | -1.3 | -1.2 | |
| - Tax, financial expenses | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| + Tax, financial income | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| - Change in working capital | -3.8 | -1.0 | 2.5 | 2.7 | 0.0 | -0.9 | -0.8 | -0.7 | -0.4 | -0.2 | -0.2 | |
| **Operating cash flow** | **-1.0** | **2.3** | **6.5** | **6.9** | **5.1** | **4.8** | **5.5** | **6.1** | **6.8** | **7.2** | **7.5** | |
| + Change in other long-term liabilities | -0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| - Gross CAPEX | -1.9 | -2.0 | -2.1 | -2.2 | -2.3 | -2.4 | -2.5 | -2.6 | -2.8 | -2.9 | -2.7 | |
| **Free operating cash flow** | **-2.9** | **0.4** | **4.4** | **4.7** | **2.9** | **2.5** | **3.0** | **3.5** | **4.0** | **4.3** | **4.8** | |
| +/- Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| FCFF | -2.9 | 0.4 | 4.4 | 4.7 | 2.9 | 2.5 | 3.0 | 3.5 | 4.0 | 4.3 | 4.8 | 64.8 |
| **Discounted FCFF** | | **0.4** | **3.9** | **3.8** | **2.1** | **1.6** | **1.8** | **1.9** | **2.0** | **1.9** | **1.9** | **26.4** |
| Sum of FCFF present value | | 47.5 | 47.2 | 43.3 | 39.5 | 37.5 | 35.8 | 34.1 | 32.2 | 30.2 | 28.3 | 26.4 |
| **Enterprise value DCF** | | **47.5** | | | | | | | | | | |
| - Interest bearing debt | | -2.7 | | | | | | | | | | |
| + Cash and cash equivalents | | 4.8 | | | | | | | | | | |
| + Associated companies | | 0.0 | | | | | | | | | | |
| -Minorities | | 0.0 | | | | | | | | | | |
| -Dividend/capital return | | 0.0 | | | | | | | | | | |
| **Equity value DCF** | | **49.6** | | | | | | | | | | |
| **Equity value DCF per share** | | **3.3** | | | | | | | | | | |

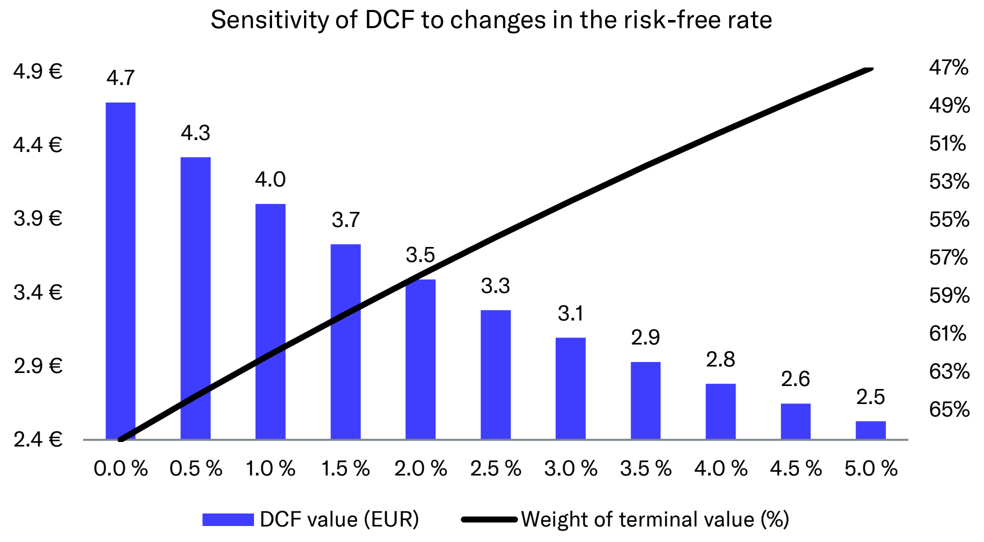
| WACC | |
|---|---|
| Tax-% (WACC) | 20.0 % |
| Target debt ratio (D/(D+E) | 10.0 % |
| Cost of debt | 6.0 % |
| Equity Beta | 1.50 |
| Market risk premium | 4.75% |
| Liquidity premium | 1.00% |
| Risk free interest rate | 2.5 % |
| **Cost of equity** | **10.6 %** |
| **Weighted average cost of capital (WACC)** | **10.0 %** |

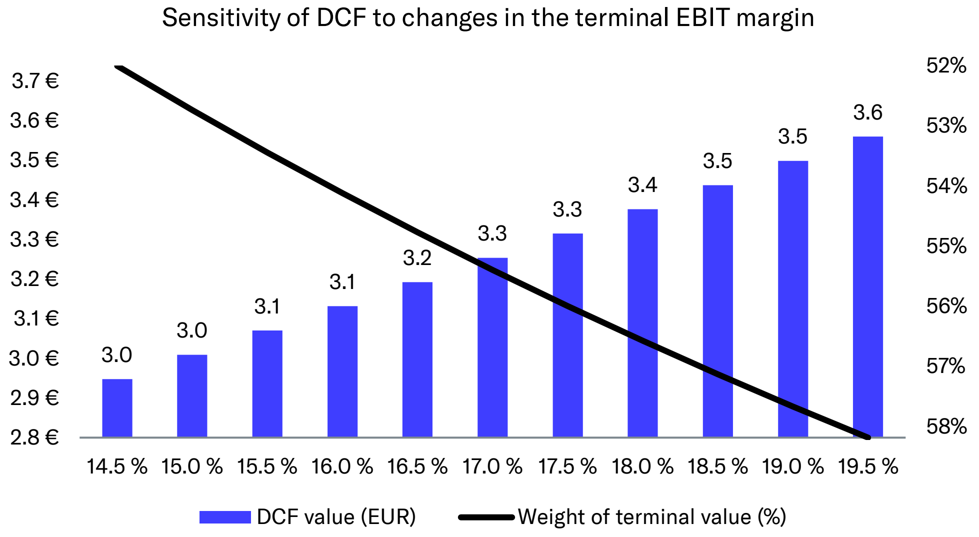
Source: Inderes

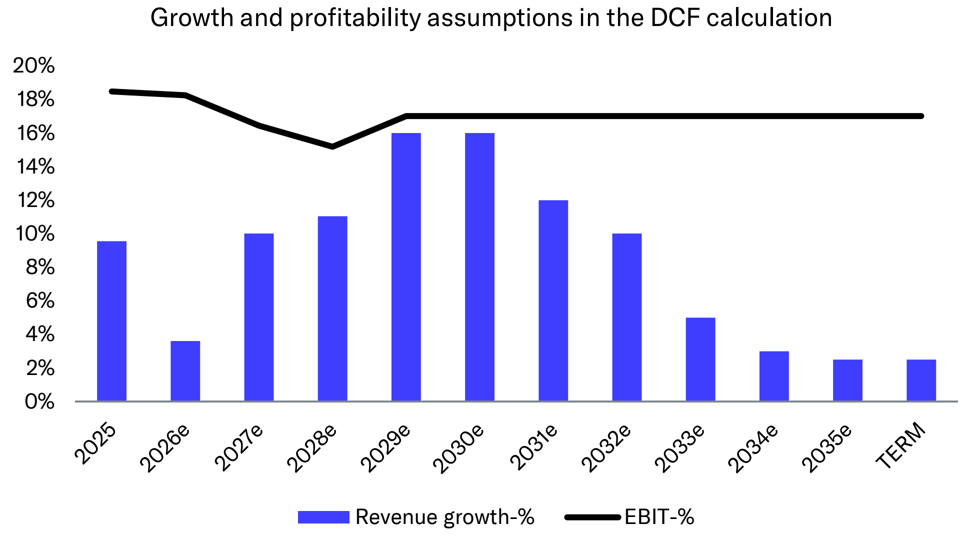


# DCF sensitivity calculations and key assumptions in graphs




Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

# Summary

| Income statement | 2023 | 2024 | 2025 | 2026e | 2027e |
|---|---|---|---|---|---|
| Revenue | 13.1 | 14.3 | 15.7 | **16.3** | **17.9** |
| EBITDA | 2.1 | 2.9 | 3.4 | **3.4** | **4.6** |
| EBIT | 1.8 | 2.5 | 2.9 | **3.0** | **2.9** |
| PTP | 2.2 | 2.8 | 2.9 | **3.1** | **3.1** |
| Net Income | 1.8 | 2.7 | 2.7 | **2.6** | **2.5** |
| Extraordinary items | 0.0 | 0.0 | 0.0 | **0.0** | **0.0** |

| Balance sheet | 2023 | 2024 | 2025 | 2026e | 2027e |
|---|---|---|---|---|---|
| Balance sheet total | 12.9 | 15.5 | 19.8 | **23.0** | **20.9** |
| Equity capital | 9.5 | 12.2 | 15.1 | **17.6** | **19.4** |
| Goodwill | 0.0 | 0.0 | 0.0 | **0.0** | **0.0** |
| Net debt | -4.5 | -4.8 | -2.1 | **-2.5** | **-6.3** |

| Cash flow | 2023 | 2024 | 2025 | 2026e | 2027e |
|---|---|---|---|---|---|
| EBITDA | 2.1 | 2.9 | 3.4 | **3.4** | **4.6** |
| Change in working capital | -2.7 | -2.3 | -3.8 | **-1.0** | **2.5** |
| Operating cash flow | -0.9 | 0.5 | -1.0 | **2.3** | **6.5** |
| CAPEX | -0.4 | -0.6 | -1.9 | **-2.0** | **-2.1** |
| Free cash flow | -1.3 | 0.0 | -2.9 | **0.4** | **4.4** |

| Valuation multiples | 2023 | 2024 | 2025 | 2026e | 2027e |
|---|---|---|---|---|---|
| EV/S | 1.9 | 2.1 | 3.4 | **2.5** | **2.0** |
| EV/EBITDA | 11.7 | 10.4 | 15.9 | **11.8** | **7.8** |
| EV/EBIT (adj.) | 14.0 | 12.2 | 18.6 | **13.4** | **12.3** |
| P/E (adj.) | 16.6 | 12.9 | 20.8 | **16.5** | **16.9** |
| P/B | 3.1 | 2.8 | 3.7 | **2.4** | **2.2** |
| Dividend-% | 0.0 % | 0.0 % | 0.0 % | **1.8 %** | **1.8 %** |

Source: Inderes

| Per share data | 2023 | 2024 | 2025 | 2026e | 2027e |
|---|---|---|---|---|---|
| EPS (reported) | 0.12 | 0.18 | 0.18 | **0.17** | **0.17** |
| EPS (adj.) | 0.12 | 0.18 | 0.18 | **0.17** | **0.17** |
| OCF / share | -0.06 | 0.03 | -0.06 | **0.15** | **0.43** |
| OFCF / share | -0.09 | 0.00 | -0.19 | **0.03** | **0.29** |
| Book value / share | 0.63 | 0.81 | 0.99 | **1.16** | **1.27** |
| Dividend / share | 0.00 | 0.00 | 0.00 | **0.00** | **0.00** |

| Growth and profitability | 2023 | 2024 | 2025 | 2026e | 2027e |
|---|---|---|---|---|---|
| Revenue growth-% | 19% | 10% | 10% | **4%** | **10%** |
| EBITDA growth-% | 31% | 36% | 19% | **-1%** | **37%** |
| EBIT (adj.) growth-% | 55% | 40% | 18% | **2%** | **-1%** |
| EPS (adj.) growth-% | | 53% | 0% | **-5%** | **-3%** |
| EBITDA-% | 16.1 % | 19.9 % | 21.7 % | **20.7 %** | **25.8 %** |
| EBIT (adj.)-% | 13.4 % | 17.1 % | 18.5 % | **18.2 %** | **16.4 %** |
| EBIT-% | 13.4 % | 17.1 % | 18.5 % | **18.2 %** | **16.4 %** |
| ROE-% | 20.6 % | 24.7 % | 19.8 % | **15.8 %** | **13.6 %** |
| ROI-% | 19.1 % | 23.5 % | 18.2 % | **15.1 %** | **15.3 %** |
| Equity ratio | 73.1 % | 79.0 % | 76.0 % | **76.7 %** | **92.8 %** |
| Gearing | -47.6 % | -39.6 % | -14.0 % | **-14.3 %** | **-32.7 %** |
| Net debt/EBITDA | -2.1 | -1.7 | -0.6 | **-0.7** | **-1.4** |
| EBITDA/net financials | -5.3 | -8.1 | | **-33.7** | **-23.1** |

The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years. Per-share figures are calculated using the number of shares at year-end.

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| | |
|---|---|
| Buy | The 12-month risk-adjusted expected shareholder return of the share is very attractive |
| Accumulate | The 12-month risk-adjusted expected shareholder return of the share is attractive |
| Reduce | The 12-month risk-adjusted expected shareholder return of the share is weak |
| Sell | The 12-month risk-adjusted expected shareholder return of the share is very weak |

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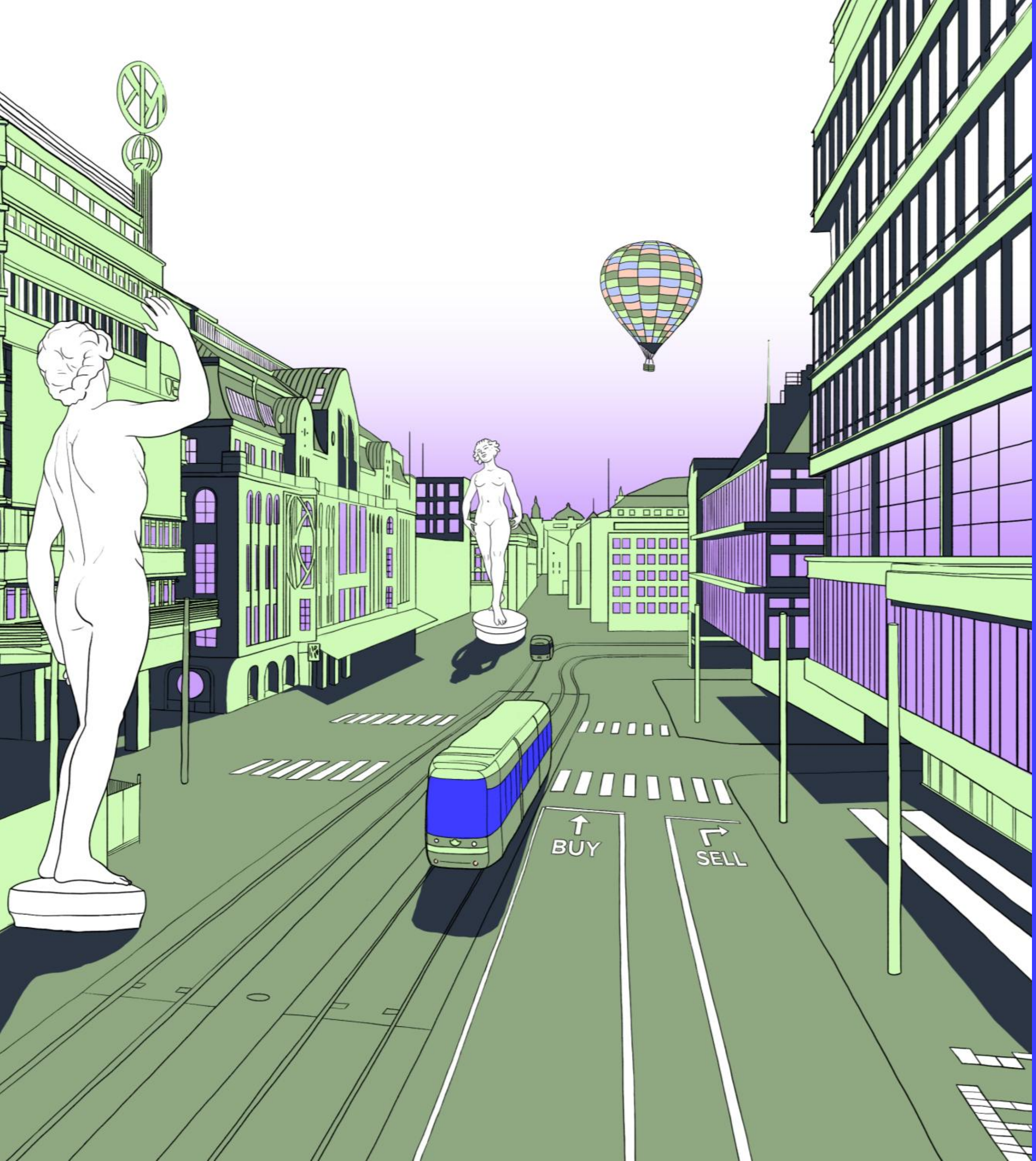
## Recommendation history (>12 mo)

| Date | Recommendation | Target | Share price |
|---|---|---|---|
| 6/30/2023 | Accumulate | 2.10 € | 1.78 € |
| 8/10/2023 | Accumulate | 2.40 € | 2.11 € |
| 12/20/2023 | Accumulate | 2.30 € | 1.92 € |
| 2/15/2023 | Buy | 2.40 € | 2.01 € |
| 8/8/2024 | Accumulate | 2.70 € | 2.29 € |
| 12/22/2024 | Buy | 2.90 € | 2.31 € |
| 1/15/2025 | Reduce | 3.20 € | 3.41 € |
| 2/13/2025 | Reduce | 3.20 € | 3.09 € |
| 3/2/2025 | Accumulate | 3.20 € | 2.86 € |
| 8/7/2025 | Accumulate | 3.40 € | 2.89 € |
| 11/13/2025 | Reduce | 3.70 € | 3.58 € |
| 1/16/2026 | Accumulate | 3.70 € | 3.33 € |
| 2/12/2026 | Accumulate | 3.50 € | 3.07 € |
| 5/29/2026 | Buy | 3.50 € | 2.47 € |
| 8/6/2026 | Accumulate | 3.30 € | 2.79 € |

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