mwb research

123fahrschule SE

Germany | Software & Services | MCap EUR 20.6m

15 September 2025

UPDATE

Growth driven by branch expansion, mid-term upside intact. BUY.

BUY (BUY)

Target price	**EUR 6.20** (6.20)
Current price	EUR 3.70
Up/downside	67.6%

ResearchHub

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What's it all about?

123fahrschule (123fs) confirmed prelims with H1 25 revenue up 17% yoy to EUR 12.9m and EBITDA nearly doubling to EUR 1.0m (7.6% margin). Net registrations rose c.30% to 6,000, supported by branch growth to 61 locations, including a new flagship in Cologne. The private customer segment advanced over 20% yoy, offsetting declines in professional driver and instructor training. Simulator revenues reached EUR 0.7m, but demand for car simulators remains constrained pending regulation. H2 focus will be cash flow and efficiency under "Optimize–Grow–Innovate." Backed by solid results and highlighting long-term digitalization and consolidation potential, we confirm our price target of EUR 6.20 target and our BUY rating.

MAIN AUTHOR
Harald Hof
h.hof@mwb-research.com
+49 40 309 293-58

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

123fahrschule SE

Germany | Software & Services | MCap EUR 20.6m | EV EUR 21.9m

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Growth driven by branch expansion, mid-term upside intact.

Results confirmed. 123fahrschule (123fs) has released its H1 25 report, confirming the preliminary figures published in mid-August. Revenue increased by 17% yoy to EUR 12.9m, while EBITDA nearly doubled to EUR 1.0m, translating into a margin of 7.6%. Net registrations rose strongly by c.30% to around 6,000, and the number of driving hours increased slightly to 103,000 (+3% yoy). This overall growth was supported by the continued expansion of the branch network, which reached 61 locations by the end of June, thereby driving registrations, and brand visibility across major urban areas. These results underscore the scalability of the business model.

Operational developments. The branch network expanded from 56 locations at end-June 2024 to 61 by June 2025, including the opening of a flagship site in Cologne. This development was driving the private customer segment, which expanded revenues by more than 20% yoy to EUR 10.2m and now accounts for nearly 80% of total revenues. By contrast, revenues from professional driver training (EUR 0.8m) and instructor training (EUR 1.2m) declined by 13% and 28% yoy respectively, reflecting economic weakness in corporate demand and fewer instructor trainees. The new simulator business contributed EUR 0.7m, driven by truck simulators, while demand for car simulators remained subdued as regulatory clarity is still pending.

Outlook H2 2025. In the second half, the company will prioritize cash flow maximization and liquidity preservation, supported by proceeds from a convertible bond issued earlier in 2025. Revenue and EBITDA are expected to improve yoy, though the simulator segment will likely remain below initial expectations due to the delayed legislative process and extended delivery times. However, the introduced strategic framework "Optimize–Grow–Innovate" should provide additional efficiency gains and prepare the business for the expected regulatory changes.

Conclusion. 123fahrschule is positioned to benefit in the medium term from sector consolidation as aging driving school owners create attractive M&A opportunities. The structural shortage of instructors may further accelerate adoption of digital training methods, where the company holds a competitive advantage. Given the confirmed results and the long-term potential from digitalization and consolidation of the fragmented market, we reiterate our BUY rating with a price target of EUR 6.20.

123fahrschule SE	2022	2023	2024	2025E	2026E	2027E
Sales	16.7	20.6	22.5	27.8	33.1	38.0
Growth yoy	114.8%	23.7%	9.2%	23.7%	18.8%	15.0%
EBITDA	-2.7	-0.9	0.5	2.1	3.3	3.6
EBIT	-5.6	-4.3	-3.2	-1.7	-0.6	-0.3
Net profit	-4.3	-3.9	-7.0	-1.7	-0.7	-0.5
Net debt (net cash)	1.8	1.7	1.3	2.5	1.7	0.8
Net debt/EBITDA	-0.7x	-1.9x	2.5x	1.2x	0.5x	0.2x
EPS reported	-1.39	-0.80	-1.26	-0.31	-0.13	-0.09
DPS	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross profit margin	100.0%	100.0%	99.3%	100.0%	100.0%	100.0%
EBITDA margin	-16.0%	-4.3%	2.4%	7.5%	10.0%	9.5%
EBIT margin	-33.8%	-20.9%	-14.2%	-6.1%	-1.7%	-0.9%
ROCE	-27.6%	-21.2%	-23.2%	-12.5%	-4.3%	-2.7%
EV/Sales	1.3x	1.1x	1.0x	0.8x	0.7x	0.6x
EV/EBITDA	-8.4x	-25.1x	41.1x	11.1x	6.7x	5.9x
EV/EBIT	-4.0x	-5.2x	-6.9x	-13.5x	-39.5x	-63.9x
PER	-2.7x	-4.6x	-2.9x	-12.0x	-28.6x	-39.6x

Source: Company data, mwb research

Source: Company data, mwb research

High/low 52 weeks	4.72 / 2.12
Price/Book Ratio	1.8x

Ticker / Symbols

ISIN	DE000A2P4HL9
WKN	A2P4HL
Bloomberg	123F:GR

Changes in estimates

		Sales	EBIT	EPS
2025E	old	27.8	-1.7	-0.31
	Δ	0.0%	na%	na%
2026E	old	33.1	-0.6	-0.13
	Δ	0.0%	na%	na%
2027E	old	38.0	-0.3	-0.09
	Δ	0.0%	na%	na%

Key share data

Number of shares: (in m pcs)	5.56
Book value per share: (in EUR)	2.04
Ø trading vol.: (12 months)	5,065

Major shareholders

venturecapital.de	13.8%
Delphi	12.8%
KlickVentures	7.0%
Free Float	53.7%

Company description

123fahreschule SE is the disruptive player of driving license training and education in Germany. The company's goal is the modernization as well as the digitization of products, services, and processes in order to provide a high-quality training for private and professional customers nationwide. In addition, 123fahrschule is aiming the consolidation of the highly fragmented market.

Background information:

123fahrschule simulator – product sample and live test in Hamburg

Source: FOERST GmbH, mwb research

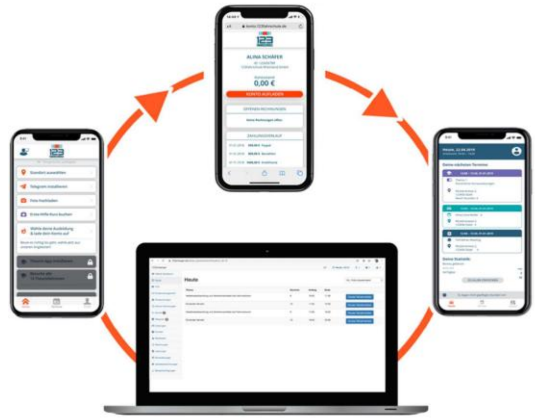
123fahreschule is the disruptive force in the German driving school market. The company's goal is the modernization as well as the digitization of products, services, and processes. 123fs aims to provide high-quality training for private and business customers nationwide. 123fs operates digitally via its proprietary software and e-learning solutions, while many competitors still rely on premise theory lessons in a classroom. However, it is due to the regulatory framework that despite the digital approach physical sites (classrooms) must be operated regionally.

Online theory classes expected from 2026.

In Germany, online theory lessons were considered an exception during the pandemic. But, according to the Federal Ministry of Digital Affairs and Transport's, e-learning will be permanently recognized by law in Germany from 01.01.2026. Currently, driving schools are only allowed to train their students in face-to-face classes. Back in 2016, 123fs set out to revolutionize the German driving school market with digital innovations. This is now expected to take place from 2026 onwards.

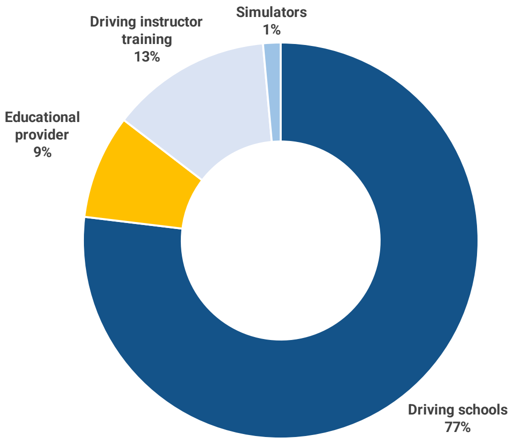
Investment case in six charts

New-school driving school: 360-digital ecosystem

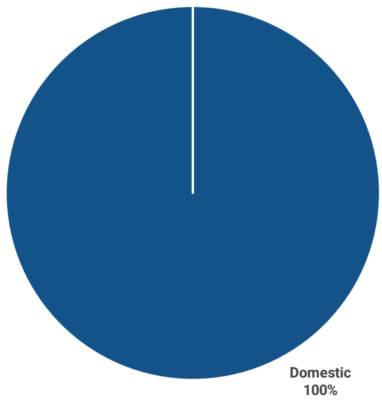


Old school driving school: 100% analog

Segmental breakdown in %

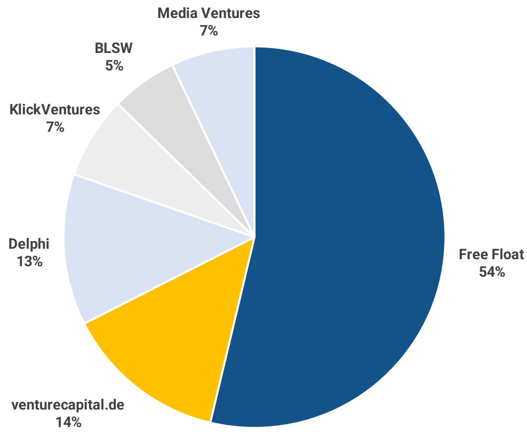


Regional sales split in %



Driving simulator are expected to replace driving lessons

Major Shareholders



Source: Company data, mwb research

SWOT analysis

Strengths

- Scalable B2C business model
- First mover advantage in a roll-up business model
- Experienced management team
- Knowledge and learnings of customer behaviour can be adopted & scaled
- Diversified revenue streams (B2C business) across Germany
- Agility and flexibility due to a lean organisational structure
- Favourable purchase multiples visible in low goodwill despite several M&A transactions (HGB)
- Own education of driving instructors solves skilled worker bottleneck

Weaknesses

- Steady need of technical innovation / development and hence IT costs
- Constant implementation of changed regulations regarding software and continued education of instructors necessary
- International expansion unlikely due to the heterogenous regulatory environment across Europe
- Further capital / fresh money needed to finance growth

Opportunities

- German driving school market in transition: consolidation & digitization
- Highly fragmented market offers attractive M&A opportunities
- Covid-19 could serve as catalyst for increasing online penetration
- Roll-up model provides above-average growth opportunities in a stable growing market

Threats

- Overall high market rivalry due to broad competitions – fragmented market
- Copycats: Digital players could adopt the business model
- Easing of regulatory framework needed for faster expansion
- Return of pandemic related barriers e.g., no driving exams or bottleneck of exam dates

Valuation

DCF Model

The DCF model results in a **fair value of EUR 6.22 per share**:

Top-line growth: We expect 123fahrschule SE to grow revenues at a CAGR of 8.4% between 2025E and 2032E. The long-term growth rate is set at 2.0%.

ROCE. Returns on capital are developing from -12.5% in 2025E to 11.1% in 2032E.

WACC. Starting point is a historical equity beta of 1.75. Unlevering and correcting for mean reversion yields an asset beta of 1.38. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 16.1%. With pre-tax cost of borrowing at 5.0%, a tax rate of 30.0% and target debt/equity of 1.0 this results in a long-term WACC of 9.8%.

DCF (EURm) (except per share data and beta)	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	Terminal value
NOPAT	-1.5	-0.5	-0.3	0.4	1.1	1.6	1.6	1.7	
Depreciation & amortization	3.8	3.9	3.9	4.2	4.2	4.3	4.4	4.4	
Change in working capital	-0.9	0.1	0.2	0.4	0.6	0.8	0.2	0.2	
Chg. in long-term provisions	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
Capex	-2.4	-2.5	-2.8	-2.8	-2.7	-2.7	-2.8	-2.8	
Cash flow	-1.0	1.1	1.1	2.3	3.3	4.0	3.5	3.6	46.6
Present value	-1.0	0.9	0.9	1.6	2.2	2.4	1.9	1.7	23.6
WACC	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	9.8%

DCF per share derived from	
Total present value	34.2
Mid-year adj. total present value	35.9
Net debt / cash at start of year	1.3
Financial assets	0.0
Provisions and off b/s debt	na
Equity value	34.6
No. of shares outstanding	5.6
Discounted cash flow / share	**6.22**
upside/(downside)	**68.1%**
Share price	**3.70**

DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2025E-2032E)	8.4%
Terminal value growth (2032E - infinity)	2.0%
Terminal year ROCE	11.1%
Terminal year WACC	9.8%

Terminal WACC derived from	
Cost of borrowing (before taxes)	5.0%
Long-term tax rate	30.0%
Equity beta	1.75
Unlevered beta (industry or company)	1.38
Target debt / equity	1.0
Relevered beta	2.34
Risk-free rate	2.0%
Equity risk premium	6.0%
Cost of equity	16.1%

Sensitivity analysis DCF

Change in WACC (%-points)	Long term growth 1.0%	1.5%	2.0%	2.5%	3.0%
2.0%	4.4	4.6	4.7	4.9	5.1
1.0%	5.0	5.2	5.4	5.6	5.9
0.0%	5.7	5.9	6.2	6.5	6.9
-1.0%	6.5	6.9	7.3	7.8	8.3
-2.0%	7.7	8.2	8.7	9.4	10.2

Share of present value	
2025E-2028E	7.3%
2029E-2032E	23.7%
terminal value	69.0%

Source: mwb research

mwb research

FCF Yield Model

Due to the fact that companies rarely bear sufficient resemblance to peers in terms of geographical exposure, size or competitive strength and in order to adjust for the pitfalls of weak long-term visibility, an Adjusted Free Cash Flow analysis (Adjusted FCF) has been conducted.

The adjusted Free Cash Flow Yield results in a fair value between EUR -1.01 per share based on 2025E and EUR 7.59 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	**2.1**	**3.3**	**3.6**	**4.7**	**5.5**
- Maintenance capex	2.5	2.6	2.6	2.7	2.7
- Minorities	0.0	0.0	0.0	0.0	0.0
- tax expenses	-0.2	-0.1	-0.1	0.0	0.1
= Adjusted FCF	**-0.2**	**0.8**	**1.0**	**2.0**	**2.6**
Actual Market Cap	**20.6**	**20.6**	**20.6**	**20.6**	**20.6**
+ Net debt (cash)	2.5	1.7	0.8	-1.2	-4.3
+ Pension provisions	0.0	0.0	0.0	0.0	0.0
+ Off B/S financing	0.0	0.0	0.0	0.0	0.0
- Financial assets	0.0	0.0	0.0	0.0	0.0
- Acc. dividend payments	0.0	0.0	0.0	0.0	0.0
EV Reconciliations	2.5	1.7	0.8	-1.2	-4.3
= Actual EV'	**23.1**	**22.3**	**21.4**	**19.3**	**16.2**
Adjusted FCF yield	**-0.9%**	**3.7%**	**4.9%**	**10.2%**	**16.3%**
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	**-3.1**	**11.6**	**14.9**	**28.0**	**37.8**
- EV Reconciliations	2.5	1.7	0.8	-1.2	-4.3
Fair Market Cap	**-5.6**	**9.9**	**14.1**	**29.3**	**42.2**
No. of shares (million)	5.6	5.6	5.6	5.6	5.6
Fair value per share in EUR	**-1.01**	**1.79**	**2.53**	**5.27**	**7.59**
Premium (-) / discount (+)	**-127.3%**	**-51.7%**	**-31.6%**	**42.3%**	**105.0%**

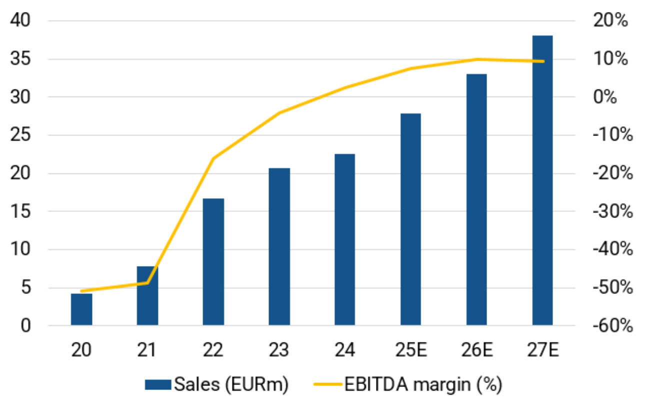
Sensitivity analysis FV						
	5.0%	-1.2	2.6	3.6	7.3	10.3
	6.0%	-1.1	2.1	3.0	6.1	8.7
Adjusted hurdle rate	**7.0%**	**-1.0**	**1.8**	**2.5**	**5.3**	**7.6**
	8.0%	-0.9	1.5	2.2	4.6	6.7
	9.0%	-0.9	1.3	1.9	4.1	6.1

Source: Company data; mwb research

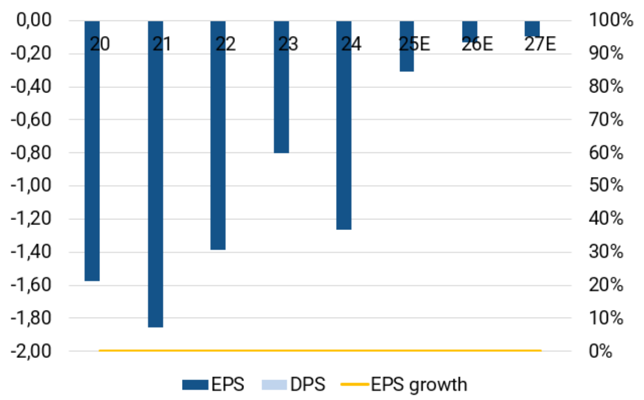
Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 7.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments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

Financials in six charts

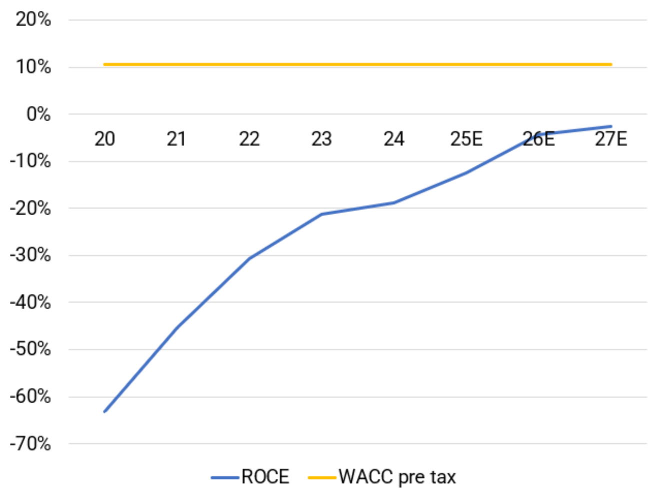
Sales vs. EBITDA margin development



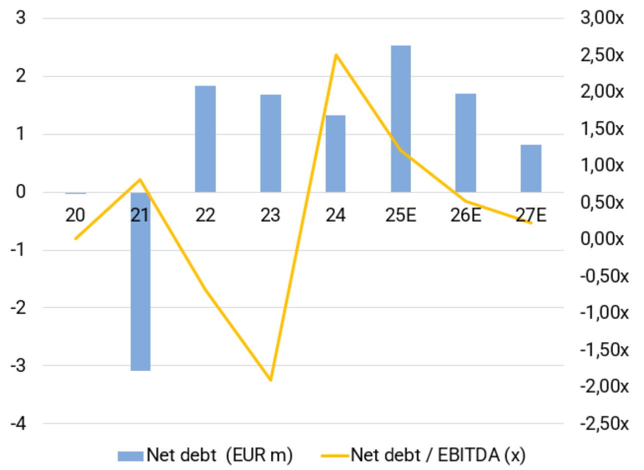
EPS, DPS in EUR & yoy EPS growth



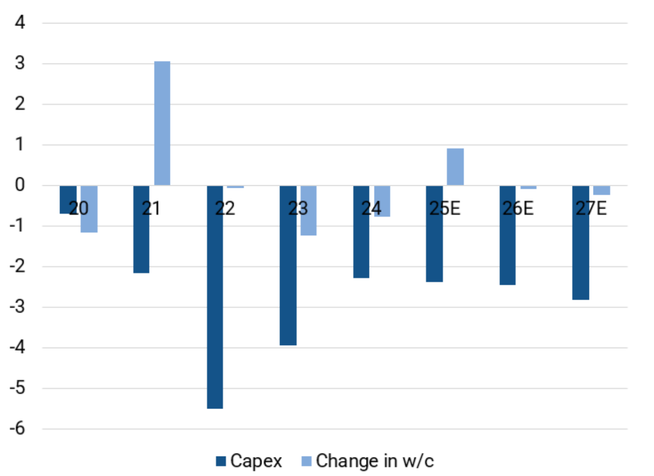
ROCE vs. WACC (pre tax)



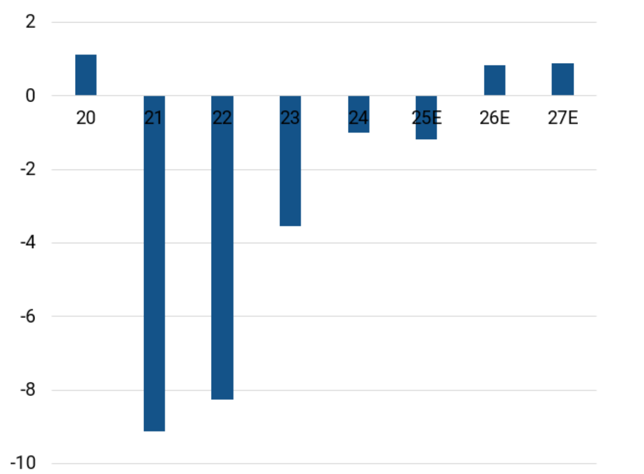
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; mwb research

Financials

Profit and loss (EURm)	2022	2023	2024	2025E	2026E	2027E
Net sales	**16.7**	**20.6**	**22.5**	**27.8**	**33.1**	**38.0**
Sales growth	114.8%	23.7%	9.2%	23.7%	18.8%	15.0%
Change in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	**16.7**	**20.6**	**22.5**	**27.8**	**33.1**	**38.0**
Material expenses	0.0	0.0	0.2	0.0	0.0	0.0
Gross profit	**16.7**	**20.6**	**22.4**	**27.8**	**33.1**	**38.0**
Other operating income	1.1	1.2	2.4	0.0	0.0	0.0
Personnel expenses	12.0	13.7	13.6	17.4	20.5	24.0
Other operating expenses	8.4	9.0	10.6	8.4	9.3	10.5
EBITDA	**-2.7**	**-0.9**	**0.5**	**2.1**	**3.3**	**3.6**
Depreciation	1.0	1.8	2.5	2.5	2.6	2.6
EBITA	-3.6	-2.7	-2.0	-0.5	0.7	1.0
Amortisation of goodwill and intangible assets	2.0	1.6	1.2	1.3	1.3	1.3
EBIT	**-5.6**	**-4.3**	**-3.2**	**-1.7**	**-0.6**	**-0.3**
Financial result	-0.0	-0.0	-0.0	-0.3	-0.3	-0.3
Recurring pretax income from continuing operations	-5.7	-4.4	-3.2	-2.0	-0.8	-0.6
Extraordinary income/loss	0.0	0.0	-3.7	0.0	0.0	0.0
Earnings before taxes	-5.7	-4.4	-6.9	-2.0	-0.8	-0.6
Taxes	-1.4	-0.4	0.1	-0.2	-0.1	-0.1
Net income from continuing operations	-4.3	-3.9	-7.0	-1.7	-0.7	-0.5
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	**-4.3**	**-3.9**	**-7.0**	**-1.7**	**-0.7**	**-0.5**
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-4.3	-3.9	-7.0	-1.7	-0.7	-0.5
Average number of shares	3.11	4.88	5.56	5.56	5.56	5.56
EPS reported	**-1.39**	**-0.80**	**-1.26**	**-0.31**	**-0.13**	**-0.09**

Profit and loss (common size)	2022	2023	2024	2025E	2026E	2027E
Net sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Change in finished goods and work-in-process	0%	0%	0%	0%	0%	0%
Total sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Material expenses	0%	0%	1%	0%	0%	0%
Gross profit	**100%**	**100%**	**99%**	**100%**	**100%**	**100%**
Other operating income	6%	6%	10%	0%	0%	0%
Personnel expenses	72%	66%	60%	63%	62%	63%
Other operating expenses	50%	44%	47%	30%	28%	27%
EBITDA	**-16%**	**-4%**	**2%**	**8%**	**10%**	**10%**
Depreciation	6%	9%	11%	9%	8%	7%
EBITA	-22%	-13%	-9%	-2%	2%	3%
Amortisation of goodwill and intangible assets	12%	8%	5%	5%	4%	3%
EBIT	**-34%**	**-21%**	**-14%**	**-6%**	**-2%**	**-1%**
Financial result	-0%	-0%	-0%	-1%	-1%	-1%
Recurring pretax income from continuing operations	-34%	-21%	-14%	-7%	-2%	-2%
Extraordinary income/loss	0%	0%	-17%	0%	0%	0%
Earnings before taxes	-34%	-21%	-31%	-7%	-2%	-2%
Taxes	-8%	-2%	0%	-1%	-0%	-0%
Net income from continuing operations	-26%	-19%	-31%	-6%	-2%	-1%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	**-26%**	**-19%**	**-31%**	**-6%**	**-2%**	**-1%**
Minority interest	0%	0%	0%	0%	0%	0%
Net profit (reported)	**-26%**	**-19%**	**-31%**	**-6%**	**-2%**	**-1%**

Source: Company data; mwb research

Balance sheet (EURm)	2022	2023	2024	2025E	2026E	2027E
Intangible assets (exl. Goodwill)	**1.7**	**2.6**	**3.4**	**2.9**	**2.4**	**2.4**
Goodwill	9.2	8.7	7.1	7.1	7.1	7.1
Property, plant and equipment	4.5	4.3	3.7	2.8	1.9	0.7
Financial assets	2.2	2.5	0.0	0.0	0.0	0.0
FIXED ASSETS	**17.6**	**18.1**	**14.2**	**12.8**	**11.3**	**10.2**
Inventories	0.0	0.0	0.3	0.0	0.0	0.0
Accounts receivable	3.5	3.0	2.8	4.6	5.0	5.2
Other current assets	0.3	0.9	2.6	2.6	2.6	2.6
Liquid assets	0.3	0.7	0.4	0.9	1.7	2.6
Deferred taxes	3.0	3.5	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.3	0.3	0.3
CURRENT ASSETS	**7.1**	**8.2**	**6.1**	**8.3**	**9.6**	**10.8**
TOTAL ASSETS	**24.8**	**26.3**	**20.3**	**21.1**	**20.9**	**21.0**
SHAREHOLDERS EQUITY	**16.8**	**16.4**	**11.4**	**9.6**	**8.9**	**8.4**
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	0.3	2.3	1.8	3.4	3.4	3.4
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	1.5	1.4	0.6	0.6	0.6	0.7
Non-current liabilities	**1.7**	**3.8**	**2.4**	**4.0**	**4.0**	**4.1**
short-term liabilities to banks	1.9	0.1	0.0	0.0	0.0	0.0
Accounts payable	1.1	0.6	1.0	1.1	1.2	1.3
Advance payments received on orders	0.0	2.1	3.0	3.0	3.1	3.1
Other liabilities (incl. from lease and rental contracts)	2.6	2.2	1.6	1.7	1.8	1.9
Deferred taxes	0.6	0.2	0.2	0.2	0.2	0.2
Deferred income	0.0	0.8	0.7	1.4	1.7	1.9
Current liabilities	**6.2**	**6.1**	**6.6**	**7.5**	**8.0**	**8.5**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**24.8**	**26.3**	**20.3**	**21.1**	**20.9**	**21.0**

Balance sheet (common size)	2022	2023	2024	2025E	2026E	2027E
Intangible assets (excl. Goodwill)	**7%**	**10%**	**17%**	**14%**	**11%**	**11%**
Goodwill	37%	33%	35%	34%	34%	34%
Property, plant and equipment	18%	16%	18%	13%	9%	4%
Financial assets	9%	10%	0%	0%	0%	0%
FIXED ASSETS	**71%**	**69%**	**70%**	**60%**	**54%**	**49%**
Inventories	0%	0%	1%	0%	0%	0%
Accounts receivable	14%	11%	14%	22%	24%	25%
Other current assets	1%	4%	13%	12%	13%	13%
Liquid assets	1%	3%	2%	4%	8%	12%
Deferred taxes	12%	13%	0%	0%	0%	0%
Deferred charges and prepaid expenses	0%	0%	0%	1%	1%	2%
CURRENT ASSETS	**29%**	**31%**	**30%**	**40%**	**46%**	**51%**
TOTAL ASSETS	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
SHAREHOLDERS EQUITY	**68%**	**62%**	**56%**	**46%**	**43%**	**40%**
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	1%	9%	9%	16%	16%	16%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	6%	6%	3%	3%	3%	3%
Non-current liabilities	**7%**	**14%**	**12%**	**19%**	**19%**	**19%**
short-term liabilities to banks	8%	0%	0%	0%	0%	0%
Accounts payable	5%	2%	5%	5%	6%	6%
Advance payments received on orders	0%	8%	15%	14%	15%	15%
Other liabilities (incl. from lease and rental contracts)	10%	8%	8%	8%	9%	9%
Deferred taxes	3%	1%	1%	1%	1%	1%
Deferred income	0%	3%	4%	7%	8%	9%
Current liabilities	**25%**	**23%**	**32%**	**35%**	**38%**	**41%**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Company data; mwb research

Cash flow statement (EURm)	2022	2023	2024	2025E	2026E	2027E
Net profit/loss	-4.4	-3.9	-7.0	-1.7	-0.7	-0.5
Depreciation of fixed assets (incl. leases)	1.0	1.2	1.2	2.5	2.6	2.6
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	2.0	2.2	2.5	1.3	1.3	1.3
Others	-1.4	-0.4	3.8	0.0	0.1	0.1
Cash flow from operations before changes in w/c	-2.8	-0.9	0.5	2.1	3.2	3.5
Increase/decrease in inventory	0.0	0.0	0.0	0.3	0.0	0.0
Increase/decrease in accounts receivable	-3.7	-0.4	0.8	-1.8	-0.4	-0.2
Increase/decrease in accounts payable	3.6	1.6	-0.1	0.1	0.1	0.1
Increase/decrease in other w/c positions	0.2	0.0	0.1	0.5	0.4	0.4
Increase/decrease in working capital	0.1	1.2	0.8	-0.9	0.1	0.2
Cash flow from operating activities	**-2.8**	**0.4**	**1.3**	**1.2**	**3.3**	**3.7**
CAPEX	-5.5	-3.9	-2.3	-2.4	-2.5	-2.8
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	-2.1	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.2	0.1	0.0	0.0	0.0
Cash flow from investing activities	**-7.6**	**-3.7**	**-2.2**	**-2.4**	**-2.5**	**-2.8**
Cash flow before financing	-10.3	-3.3	-0.9	-1.2	0.8	0.9
Increase/decrease in debt position	2.1	0.3	-0.7	1.6	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	5.4	3.5	1.1	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	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	**7.5**	**3.8**	**0.5**	**1.6**	**0.0**	**0.0**
Increase/decrease in liquid assets	-2.8	0.4	-0.3	0.4	0.8	0.9
Liquid assets at end of period	**0.3**	**0.7**	**0.4**	**0.9**	**1.7**	**2.6**

Source: Company data; mwb research

Regional sales split (EURm)	2022	2023	2024	2025E	2026E	2027E
Domestic	16.7	20.6	22.5	27.8	33.1	38.0
Europe (ex domestic)	0.0	0.0	0.0	0.0	0.0	0.0
The Americas	0.0	0.0	0.0	0.0	0.0	0.0
Asia	0.0	0.0	0.0	0.0	0.0	0.0
Rest of World	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	**16.7**	**20.6**	**22.5**	**27.8**	**33.1**	**38.0**

Regional sales split (common size)	2022	2023	2024	2025E	2026E	2027E
Domestic	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Europe (ex domestic)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
The Americas	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asia	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rest of World	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
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	-1.39	-0.80	-1.26	-0.31	-0.13	-0.09
Cash flow per share	-1.20	-0.29	-0.22	-0.25	0.13	0.19
Book value per share	5.42	3.37	2.04	1.73	1.60	1.51
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	-2.7x	-4.6x	-2.9x	-12.0x	-28.6x	-39.6x
P/CF	-3.1x	-12.7x	-17.0x	-15.0x	29.5x	19.3x
P/BV	0.7x	1.1x	1.8x	2.1x	2.3x	2.5x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-32.5%	-7.9%	-5.9%	-6.6%	3.4%	5.2%
EV/Sales	1.3x	1.1x	1.0x	0.8x	0.7x	0.6x
EV/EBITDA	-8.4x	-25.1x	41.1x	11.1x	6.7x	5.9x
EV/EBIT	-4.0x	-5.2x	-6.9x	-13.5x	-39.5x	-63.9x
Income statement (EURm)						
Sales	16.7	20.6	22.5	27.8	33.1	38.0
yoy chg in %	114.8%	23.7%	9.2%	23.7%	18.8%	15.0%
Gross profit	16.7	20.6	22.4	27.8	33.1	38.0
Gross margin in %	100.0%	100.0%	99.3%	100.0%	100.0%	100.0%
EBITDA	-2.7	-0.9	0.5	2.1	3.3	3.6
EBITDA margin in %	-16.0%	-4.3%	2.4%	7.5%	10.0%	9.5%
EBIT	-5.6	-4.3	-3.2	-1.7	-0.6	-0.3
EBIT margin in %	-33.8%	-20.9%	-14.2%	-6.1%	-1.7%	-0.9%
Net profit	-4.3	-3.9	-7.0	-1.7	-0.7	-0.5
Cash flow statement (EURm)						
CF from operations	-2.8	0.4	1.3	1.2	3.3	3.7
Capex	-5.5	-3.9	-2.3	-2.4	-2.5	-2.8
Maintenance Capex	1.0	1.8	2.5	2.5	2.6	2.6
Free cash flow	-8.3	-3.5	-1.0	-1.2	0.8	0.9
Balance sheet (EURm)						
Intangible assets	10.9	11.3	10.5	10.0	9.5	9.5
Tangible assets	4.5	4.3	3.7	2.8	1.9	0.7
Shareholders' equity	16.8	16.4	11.4	9.6	8.9	8.4
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	3.6	3.9	2.4	4.0	4.0	4.1
Net financial debt	1.8	1.7	1.3	2.5	1.7	0.8
w/c requirements	2.4	0.2	-1.0	0.4	0.7	0.7
Ratios						
ROE	-25.6%	-23.8%	-61.9%	-17.9%	-8.1%	-6.2%
ROCE	-27.6%	-21.2%	-23.2%	-12.5%	-4.3%	-2.7%
Net gearing	10.9%	10.3%	11.8%	26.3%	19.1%	9.7%
Net debt / EBITDA	-0.7x	-1.9x	2.5x	1.2x	0.5x	0.2x

Source: Company data; mwb research

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Contacts

mwb research AG
Mittelweg 142
20148 Hamburg
Germany

Tel.: +49 40 309 293-52
Email.: contact@mwb-research.com
Website: www.mwb-research.com
Research: www.research-hub.de

Research

HARALD HOF
Senior Analyst
Tel: +49 40 309 293-53
E-Mail: h.hof@mwb-research.com

LEON MÜHLENBRUCH
Analyst
Tel: +49 40 309 293-57
E-Mail: l.muehlenbruch@mwb-research.com

ABED JARAD
Analyst
Tel: +49 40 309 293-54
E-Mail: a.jarad@mwb-research.com

JENS-PETER RIECK
Analyst
Tel: +49 40 309 293-54
E-Mail: jp.rieck@mwb-research.com

THOMAS WISSLER
Senior Analyst
Tel: +49 40 309 293-58
E-Mail: t.wissler@mwb-research.com

DR. OLIVER WOJAHN, CFA
Senior Analyst
Tel: +49 40 309 293-55
E-Mail: o.wojahn@mwb-research.com

ALEXANDER ZIENKOWICZ
Senior Analyst
Tel: +49 40 309 293-56
E-Mail: a.zienkowicz@mwb-research.com

Sales

HOLGER NASS
Head of Sales
Tel: +49 40 309 293-52
E-Mail: h.nass@mwb-research.com

Team Assistant

HANNAH GABERT
Team Assistant
Tel: +49 40 309 293-52
E-Mail: h.gabert@mwb-research.com

mwb fairtrade
Wertpapierhandelsbank AG
Rottenbucher Straße 28
82166 Gräfelfing

Tel: +49 89 85852-0
Fax: +49 89 85852-505
Website: www.mwbfairtrade.com
E-Mail: info@mwbfairtrade.com

Sales / Designated Sponsoring /Corporate Finance

ALEXANDER DEUSS
Institutional Sales
Tel: +49 40 36 0995-22
E-Mail: adeuss@mwbfairtrade.com

SASCHA GUENON
Head of Designated Sponsoring
Tel: +49 40 360 995-23
E-Mail: sguenon@mwbfairtrade.com

JAN NEYNABER
Institutional Sales
Tel: +49 69 1387-1255
E-Mail: jneynaber@mwbfairtrade.com

DIRK WEYERHÄUSER
Corporate Finance
Tel: +49 69 1387-1250
E-Mail: dweyerhaeuser@mwbfairtrade.com

Locations

HAMBURG (Research)
Mittelweg 142
20148 Hamburg
+49 40 309 293-52

HAMBURG (Corporates & Markets)
Kleine Johannisstraße 4
20457 Hamburg
+49 40 360 995-0

FRANKFURT A.M.
Unterlindau 29
60323 Frankfurt am Main
+49 40 360 995-22

MUNICH
Rottenbucher Str. 28
82166 Gräfelfing
+49 89-85852-0

BERLIN
Kurfürstendamm 151
10709 Berlin

HANNOVER
An der Börse 2
30159 Hannover

Our research can be found at

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