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123fahrschule SE

Germany | Software & Services | MCap EUR 15.5m

16 July 2026

UPDATE

Bundesrat reduces reform risk; H1 supports guidance; BUY confirmed.

BUY (BUY)

Target price	**EUR 5.20** (5.20)
Current price	EUR 2.60
Up/downside	100.0%

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What's it all about?

123fahrschule's preliminary H1 2026 results broadly support our full-year expectations. Revenue increased slightly to EUR 13.0m despite a declining market, while reported and adjusted EBITDA reached EUR 0.85m and EUR 1.1m, respectively. The core driving school business improved, and Foerst is expected to accelerate in H2 on stronger simulator demand. FahrerWerk added five locations through its first asset-light partnership, supporting the model's expansion potential. Meanwhile, the Bundesrat left the reform's key digital elements unchanged, reducing regulatory risk. With estimates unchanged, we reiterate our BUY rating and EUR 5.20 price target for the shares.

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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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123fahrschule SE

Germany | Software & Services | MCap EUR 15.5m | EV EUR 21.0m

BUY (BUY)

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Bundesrat reduces reform risk; H1 supports guidance; BUY.

Bundesrat leaves key reform elements unchanged. 123fahrschule (123fs) released preliminary, unaudited H1 2026 results on July 16 and reported further progress on the driving school reform. On July 13, the Bundesrat issued its opinion without challenging the elements most relevant to 123fs, particularly digital theory instruction. Regulatory risk has therefore declined, although the bill must still pass through the Bundestag. 123fs continues to expect the reform to take effect in January 2027.

Slight revenue growth despite a declining market. Group revenue increased slightly to approximately EUR 13.0m in H1, compared with EUR 12.9m in the prior-year period. According to the company, the core driving school business improved both revenue and EBITDA, outperforming the broader market. Foerst recorded an expected slight decline due to a difficult comparison base, as H1 2025 benefited from several large orders. Based on its existing order backlog and rising reform-driven demand for driving simulators, management expects a significantly stronger performance in H2.

FahrerWerk with stronger footprint. FahrerWerk signed its first cooperation partner and is expanding its footprint by five locations in Hamburg, Hanover, Erfurt, Halle/Leipzig, and Mörfelden-Walldorf. The partnership provides initial evidence that the location model can be rolled out geographically with limited capital investment by the company. Due to long course durations and lead times related to participant recruitment and public funding processes, the financial contribution is likely to become more visible primarily from 2027 onward.

Adjusted EBITDA at a solid level; H2 needs to deliver stronger earnings. Reported group EBITDA amounted to approximately EUR 0.85m in H1, while adjusted EBITDA was approximately EUR 1.1m (EUR 1.0m for H1 25) after excluding planned growth investments. Reported H1 EBITDA represents approximately 47% of our FY26E estimate of EUR 1.8m and is therefore in line with our expectations.

Conclusion. To reach our expected FY26 revenue and earnings, the company would need to generate revenues of c. EUR 16m and EBITDA contribution of approximately EUR 1m in the second half.

– continued –

123fahrschule SE	2023	2024	2025	2026E	2027E	2028E
Sales	20.6	22.5	25.0	29.6	34.6	39.1
Growth yoy	23.7%	9.2%	11.1%	18.2%	17.0%	13.0%
EBITDA	-0.9	0.5	-1.5	1.8	3.1	4.7
EBIT	-4.3	-3.2	-6.5	-2.3	-1.1	0.2
Net profit	-3.9	-7.0	-6.5	-2.4	-1.4	-0.2
Net debt (net cash)	1.7	1.3	5.6	3.9	4.2	3.3
Net debt/EBITDA	-1.9x	2.5x	-3.8x	2.2x	1.3x	0.7x
EPS reported	-0.80	-1.26	-1.17	-0.40	-0.23	-0.04
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%	99.3%	98.4%	99.0%	99.0%	99.0%
EBITDA margin	-4.3%	2.4%	-5.9%	6.0%	9.0%	12.0%
EBIT margin	-20.9%	-14.2%	-25.8%	-7.7%	-3.1%	0.5%
ROCE	-21.2%	-23.2%	-56.4%	-22.5%	-12.3%	2.2%
EV/Sales	0.8x	0.7x	0.8x	0.7x	0.6x	0.5x
EV/EBITDA	-19.4x	31.6x	-14.3x	10.9x	6.3x	4.0x
EV/EBIT	-4.0x	-5.3x	-3.3x	-8.5x	-18.1x	98.8x
PER	-3.2x	-2.1x	-2.2x	-6.5x	-11.5x	-68.5x

Source: Company data, mwb research

Source: Company data, mwb research

High/low 52 weeks	3.92 / 2.20
Price/Book Ratio	3.0x

Ticker / Symbols

ISIN	DE000A2P4HL9
WKN	A2P4HL
Bloomberg	123F:GR

Changes in estimates

		Sales	EBIT	EPS
2026E	old	29.6	-2.3	-0.40
	Δ	0.0%	na%	na%
2027E	old	34.6	-1.1	-0.23
	Δ	0.0%	na%	na%
2028E	old	39.1	0.2	-0.04
	Δ	0.0%	0.0%	na%

Key share data

Number of shares: (in m pcs)	5.96
Book value per share: (in EUR)	0.86
Ø trading vol.: (12 months)	3,077

Major shareholders

venturecapital.de	12.1%
Delphi	11.2%
KlickVentures	10.1%
Free Float	55.5%

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.

We view our estimates for FY26E as readily achievable based on the H1 performance, as we consider the improved performance of the core business, the expected recovery at Foerst, and FahrerWerk's first cooperation partner as positive developments. At the same time, the Bundesrat's opinion has reduced regulatory risk, although the legislative process has not been completed yet. With no changes to our estimates, we reiterate our BUY rating and EUR 5.20 price target.

Background information:

123fahrschule simulator – product sample and live test in Hamburg

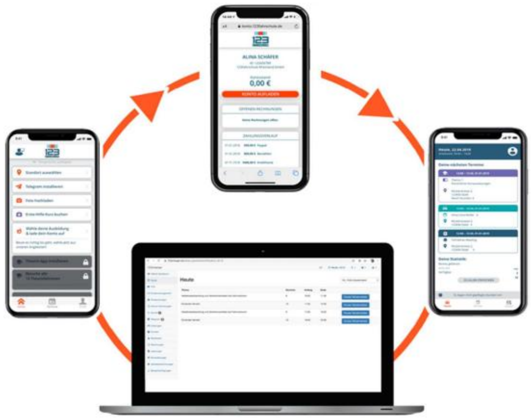
Source: FOERST GmbH, mwb research

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 2027.
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 in 2026, becoming effective in 2027. **(click here: reform video)** 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 2027 onwards.

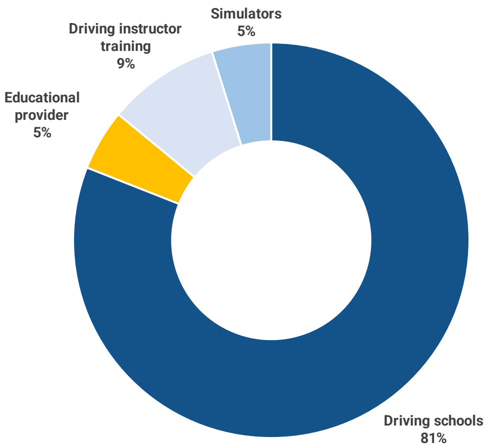
Investment case in six charts

New-school driving school: 360-digital ecosystem



Old school driving school: 100% analog

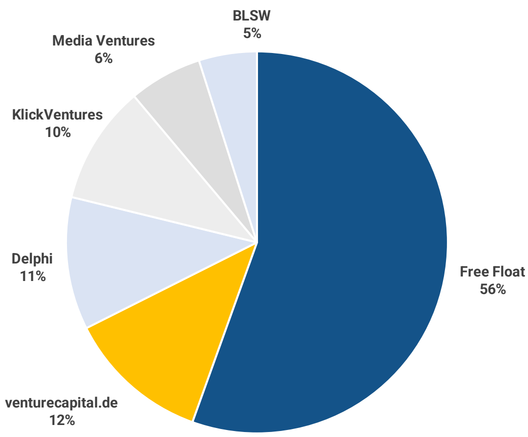
Segmental breakdown in %



Operations with 60+ locatinos

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
- 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
- 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 5.24 per share**:

Top-line growth: We expect 123fahrschule SE to grow revenues at a CAGR of 6.4% between 2026E and 2033E. The long-term growth rate is set at 2.0%.

ROCE. Returns on capital are developing from -22.5% in 2026E to 19.9% in 2033E.

WACC. Starting point is a historical equity beta of 1.85. Unlevering and correcting for mean reversion yields an asset beta of 1.30. Combined with a risk-free rate of 2.0% and an equity risk premium of 6.0% this yields cost of equity of 15.3%. 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 9.4%.

DCF (EURm) (except per share data and beta)	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	Terminal value
NOPAT	-2.0	-1.0	0.2	1.5	2.5	3.1	3.2	3.4	
Depreciation & amortization	4.0	4.2	4.5	4.2	4.0	3.5	3.5	3.5	
Change in working capital	1.2	-0.1	-0.1	0.0	0.2	0.2	0.2	0.2	
Chg. in long-term provisions	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1	
Capex	-2.3	-3.0	-3.3	-3.5	-3.5	-3.6	-3.6	-3.7	
Cash flow	1.0	0.1	1.3	2.3	3.3	3.3	3.3	3.4	46.7
Present value	1.0	0.1	1.0	1.7	2.1	1.9	1.8	1.6	23.9
WACC	10.2%	10.2%	10.2%	10.2%	10.2%	10.2%	10.2%	10.2%	9.4%

DCF per share derived from	
Total present value	35.1
Mid-year adj. total present value	36.8
Net debt / cash at start of year	5.6
Financial assets	0.0
Provisions and off b/s debt	na
Equity value	31.2
No. of shares outstanding	6.0
Discounted cash flow / share	**5.24**
upside/(downside)	**101.6%**
Share price	**2.60**

DCF avg. growth and earnings assumptions	
Planning horizon avg. revenue growth (2026E-2033E)	6.4%
Terminal value growth (2033E - infinity)	2.0%
Terminal year ROCE	19.9%
Terminal year WACC	9.4%

Terminal WACC derived from	
Cost of borrowing (before taxes)	5.0%
Long-term tax rate	30.0%
Equity beta	1.85
Unlevered beta (industry or company)	1.30
Target debt / equity	1.0
Relevered beta	2.22
Risk-free rate	2.0%
Equity risk premium	6.0%
Cost of equity	15.3%

Sensitivity analysis DCF

Change in WACC (%-points)	Long term growth 1.0%	1.5%	2.0%	2.5%	3.0%
2.0%	3.5	3.7	3.8	4.0	4.2
1.0%	4.0	4.2	4.4	4.7	5.0
0.0%	4.7	5.0	5.2	5.6	5.9
-1.0%	5.6	5.9	6.3	6.8	7.3
-2.0%	6.7	7.2	7.7	8.4	9.3

Share of present value	
2026E-2029E	10.7%
2030E-2033E	21.2%
terminal value	68.1%

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 -2.81 per share based on 2026E and EUR 9.04 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	**1.8**	**3.1**	**4.7**	**5.9**	**6.9**
- Maintenance capex	3.0	3.0	3.0	3.0	3.0
- Minorities	0.0	0.0	0.0	0.0	0.0
- tax expenses	-0.3	-0.2	-0.0	0.2	0.3
= Adjusted FCF	**-0.9**	**0.3**	**1.7**	**2.8**	**3.6**
Actual Market Cap	**15.5**	**15.5**	**15.5**	**15.5**	**15.5**
+ Net debt (cash)	3.9	4.2	3.3	1.4	-2.5
+ 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	3.9	4.2	3.3	1.4	-2.5
= Actual EV'	**19.4**	**19.7**	**18.8**	**16.9**	**13.0**
Adjusted FCF yield	**-4.6%**	**1.5%**	**9.2%**	**16.4%**	**27.7%**
base hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
ESG adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
adjusted hurdle rate	7.0%	7.0%	7.0%	7.0%	7.0%
Fair EV	**-12.8**	**4.2**	**24.6**	**39.4**	**51.4**
- *EV Reconciliations*	3.9	4.2	3.3	1.4	-2.5
Fair Market Cap	**-16.8**	**0.1**	**21.3**	**38.0**	**53.9**
No. of shares (million)	6.0	6.0	6.0	6.0	6.0
Fair value per share in EUR	**-2.81**	**0.01**	**3.57**	**6.38**	**9.04**
Premium (-) / discount (+)	**-208.2%**	**-99.6%**	**37.5%**	**145.5%**	**247.7%**

Sensitivity analysis FV

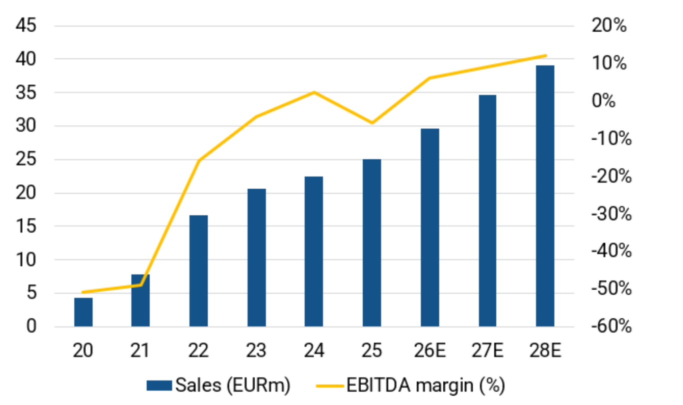
Adjusted hurdle rate	5.0%	-3.7	0.3	5.2	9.0	12.5
	6.0%	-3.2	0.1	4.3	7.5	10.5
	7.0%	**-2.8**	**0.0**	**3.6**	**6.4**	**9.0**
	8.0%	-2.5	-0.1	3.1	5.6	8.0
	9.0%	-2.3	-0.1	2.7	4.9	7.1

Source: Company data; mwb research

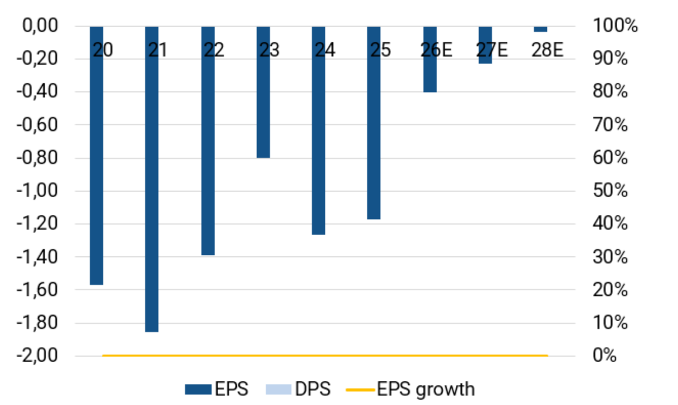
Simply put, the model assumes that investors require companies to generate a minimum return on the investor's purchase price. The required after-tax return equals the model's hurdle rate of 7.0%. Anything less suggests the stock is expensive; anything more suggests the stock is cheap. **ESG adjustments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

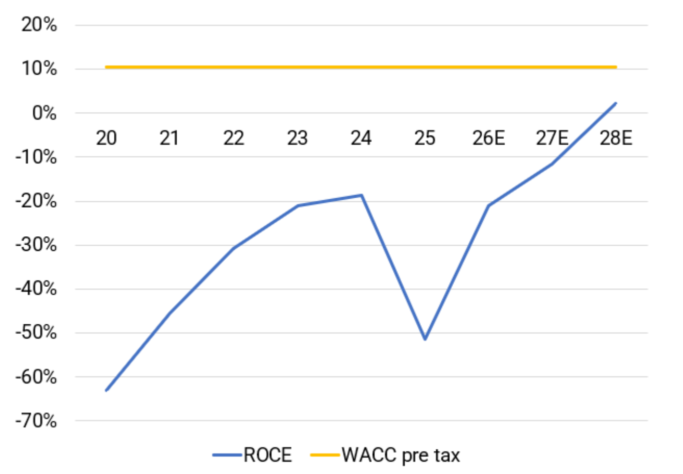
Sales vs. EBITDA margin development



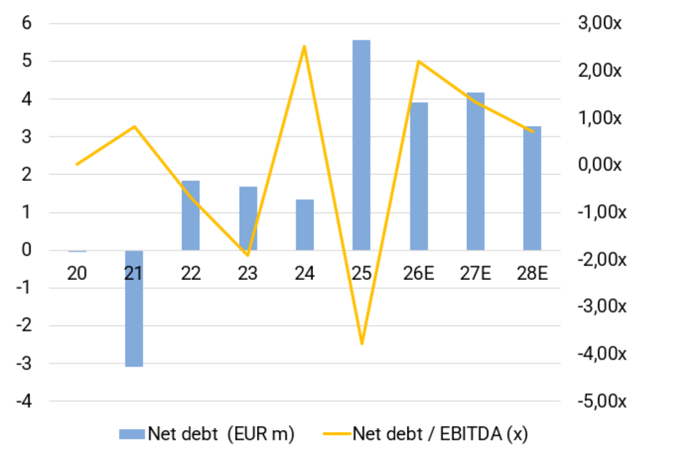
EPS, DPS in EUR & yoy EPS growth



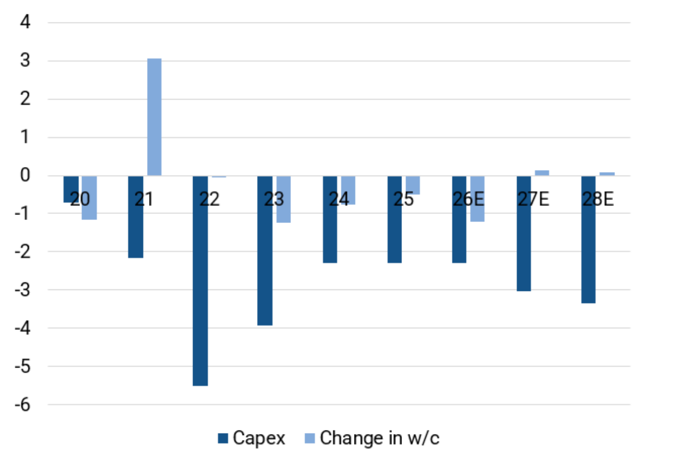
ROCE vs. WACC (pre tax)



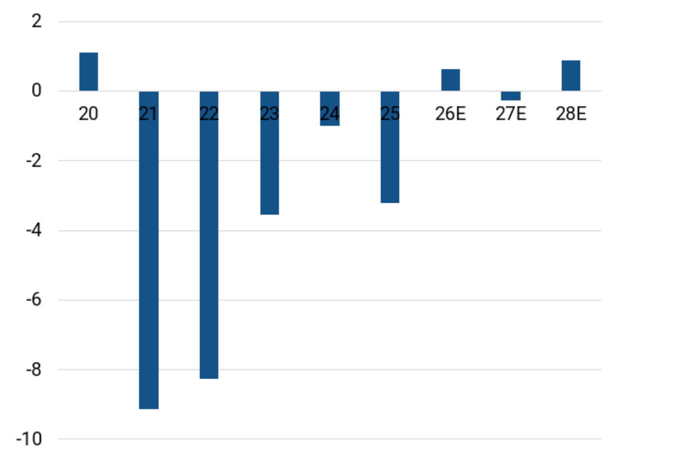
Net debt and net debt/EBITDA



Capex & chgn in w/c requirements in EURm



Free Cash Flow in EURm



Source: Company data; mwb research

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Financials

Profit and loss (EURm)	2023	2024	2025	2026E	2027E	2028E
Net sales	**20.6**	**22.5**	**25.0**	**29.6**	**34.6**	**39.1**
Sales growth	23.7%	9.2%	11.1%	18.2%	17.0%	13.0%
Change in finished goods and work-in-process	0.0	0.0	-0.1	0.0	0.0	0.0
Total sales	**20.6**	**22.5**	**24.9**	**29.6**	**34.6**	**39.1**
Material expenses	0.0	0.2	0.3	0.3	0.3	0.4
Gross profit	**20.6**	**22.4**	**24.6**	**29.3**	**34.2**	**38.7**
Other operating income	1.2	2.4	1.9	1.5	2.1	2.7
Personnel expenses	13.7	13.6	15.8	18.9	22.1	25.0
Other operating expenses	9.0	10.6	12.1	10.1	11.1	11.7
EBITDA	**-0.9**	**0.5**	**-1.5**	**1.8**	**3.1**	**4.7**
Depreciation	1.8	2.5	3.1	3.0	3.0	3.0
EBITA	-2.7	-2.0	-4.6	-1.2	0.1	1.7
Amortisation of goodwill and intangible assets	1.6	1.2	1.9	1.1	1.2	1.5
EBIT	**-4.3**	**-3.2**	**-6.5**	**-2.3**	**-1.1**	**0.2**
Financial result	-0.0	-0.0	-0.3	-0.4	-0.4	-0.4
Recurring pretax income from continuing operations	-4.4	-3.2	-6.7	-2.7	-1.5	-0.3
Extraordinary income/loss	0.0	-3.7	0.0	0.0	0.0	0.0
Earnings before taxes	-4.4	-6.9	-6.7	-2.7	-1.5	-0.3
Taxes	-0.4	0.1	-0.2	-0.3	-0.2	-0.0
Net income from continuing operations	-3.9	-7.0	-6.5	-2.4	-1.4	-0.2
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	**-3.9**	**-7.0**	**-6.5**	**-2.4**	**-1.4**	**-0.2**
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	-3.9	-7.0	-6.5	-2.4	-1.4	-0.2
Average number of shares	4.88	5.56	5.56	5.96	5.96	5.96
EPS reported	**-0.80**	**-1.26**	**-1.17**	**-0.40**	**-0.23**	**-0.04**

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	0%	0%	-0%	0%	0%	0%
Total sales	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Material expenses	0%	1%	1%	1%	1%	1%
Gross profit	**100%**	**99%**	**98%**	**99%**	**99%**	**99%**
Other operating income	6%	10%	7%	5%	6%	7%
Personnel expenses	66%	60%	63%	64%	64%	64%
Other operating expenses	44%	47%	48%	34%	32%	30%
EBITDA	**-4%**	**2%**	**-6%**	**6%**	**9%**	**12%**
Depreciation	9%	11%	12%	10%	9%	8%
EBITA	-13%	-9%	-18%	-4%	0%	4%
Amortisation of goodwill and intangible assets	8%	5%	7%	4%	3%	4%
EBIT	**-21%**	**-14%**	**-26%**	**-8%**	**-3%**	**0%**
Financial result	-0%	-0%	-1%	-2%	-1%	-1%
Recurring pretax income from continuing operations	-21%	-14%	-27%	-9%	-4%	-1%
Extraordinary income/loss	0%	-17%	0%	0%	0%	0%
Earnings before taxes	-21%	-31%	-27%	-9%	-4%	-1%
Taxes	-2%	0%	-1%	-1%	-1%	-0%
Net income from continuing operations	-19%	-31%	-26%	-8%	-4%	-1%
Result from discontinued operations (net of tax)	0%	0%	0%	0%	0%	0%
Net income	**-19%**	**-31%**	**-26%**	**-8%**	**-4%**	**-1%**
Minority interest	0%	0%	0%	0%	0%	0%
Net profit (reported)	**-19%**	**-31%**	**-26%**	**-8%**	**-4%**	**-1%**

Source: Company data; mwb research

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Balance sheet (EURm)	2023	2024	2025	2026E	2027E	2028E
Intangible assets (exl. Goodwill)	**2.6**	**3.4**	**3.4**	**3.1**	**3.2**	**2.7**
Goodwill	8.7	7.1	5.4	5.4	5.4	5.4
Property, plant and equipment	4.3	3.7	3.7	2.1	0.9	0.2
Financial assets	2.5	0.0	0.0	0.0	0.0	0.0
FIXED ASSETS	**18.1**	**14.2**	**12.5**	**10.7**	**9.5**	**8.4**
Inventories	0.0	0.3	0.2	0.2	0.3	0.3
Accounts receivable	3.0	2.8	3.2	3.2	3.8	4.3
Other current assets	0.9	2.3	0.9	0.9	0.9	0.9
Liquid assets	0.7	0.4	0.4	2.0	1.8	2.7
Deferred taxes	3.5	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.3	0.6	0.3	0.3	0.4
CURRENT ASSETS	**8.2**	**6.1**	**5.4**	**6.7**	**7.1**	**8.5**
TOTAL ASSETS	**26.3**	**20.3**	**17.8**	**17.4**	**16.6**	**16.9**
SHAREHOLDERS EQUITY	**16.4**	**11.4**	**4.8**	**3.4**	**2.1**	**1.8**
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term debt	2.3	1.8	6.0	6.0	6.0	6.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	1.4	0.6	0.7	0.8	0.8	0.9
Non-current liabilities	**3.8**	**2.4**	**6.7**	**6.7**	**6.8**	**6.8**
short-term liabilities to banks	0.1	0.0	0.0	0.0	0.0	0.0
Accounts payable	0.6	1.0	0.8	0.9	1.0	1.1
Advance payments received on orders	2.1	3.0	3.3	3.3	3.4	3.4
Other liabilities (incl. from lease and rental contracts)	2.2	1.6	1.5	1.6	1.7	1.8
Deferred taxes	0.2	0.2	0.0	0.0	0.0	0.0
Deferred income	0.8	0.7	0.8	1.5	1.7	2.0
Current liabilities	**6.1**	**6.6**	**6.4**	**7.3**	**7.8**	**8.3**
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**26.3**	**20.3**	**17.8**	**17.4**	**16.6**	**16.9**

Balance sheet (common size)	2023	2024	2025	2026E	2027E	2028E
Intangible assets (excl. Goodwill)	**10%**	**17%**	**19%**	**18%**	**20%**	**16%**
Goodwill	33%	35%	30%	31%	33%	32%
Property, plant and equipment	16%	18%	21%	12%	5%	1%
Financial assets	10%	0%	0%	0%	0%	0%
FIXED ASSETS	**69%**	**70%**	**70%**	**61%**	**57%**	**49%**
Inventories	0%	1%	1%	1%	2%	2%
Accounts receivable	11%	14%	18%	19%	23%	25%
Other current assets	4%	12%	5%	5%	6%	6%
Liquid assets	3%	2%	2%	12%	11%	16%
Deferred taxes	13%	0%	0%	0%	0%	0%
Deferred charges and prepaid expenses	0%	1%	3%	2%	2%	2%
CURRENT ASSETS	**31%**	**30%**	**30%**	**39%**	**43%**	**51%**
TOTAL ASSETS	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
SHAREHOLDERS EQUITY	**62%**	**56%**	**27%**	**20%**	**12%**	**11%**
MINORITY INTEREST	0%	0%	0%	0%	0%	0%
Long-term debt	9%	9%	33%	34%	36%	35%
Provisions for pensions and similar obligations	0%	0%	0%	0%	0%	0%
Other provisions	6%	3%	4%	4%	5%	5%
Non-current liabilities	**14%**	**12%**	**37%**	**39%**	**41%**	**40%**
short-term liabilities to banks	0%	0%	0%	0%	0%	0%
Accounts payable	2%	5%	5%	5%	6%	7%
Advance payments received on orders	8%	15%	18%	19%	20%	20%
Other liabilities (incl. from lease and rental contracts)	8%	8%	8%	9%	10%	10%
Deferred taxes	1%	1%	0%	0%	0%	0%
Deferred income	3%	4%	5%	8%	10%	12%
Current liabilities	**23%**	**32%**	**36%**	**42%**	**47%**	**49%**
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	-3.9	-7.0	-6.5	-2.4	-1.4	-0.2
Depreciation of fixed assets (incl. leases)	1.2	1.2	1.9	3.0	3.0	3.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	2.2	2.5	3.1	1.1	1.2	1.5
Others	-0.4	3.8	0.1	0.1	0.1	0.1
Cash flow from operations before changes in w/c	-0.9	0.5	-1.4	1.7	2.9	4.3
Increase/decrease in inventory	0.0	0.0	0.0	0.0	-0.0	-0.0
Increase/decrease in accounts receivable	-0.4	0.8	-0.4	-0.1	-0.6	-0.5
Increase/decrease in accounts payable	1.6	-0.1	-0.2	0.1	0.1	0.1
Increase/decrease in other w/c positions	0.0	0.1	1.1	1.1	0.4	0.3
Increase/decrease in working capital	1.2	0.8	0.5	1.2	-0.1	-0.1
Cash flow from operating activities	**0.4**	**1.3**	**-0.9**	**2.9**	**2.8**	**4.2**
CAPEX	-3.9	-2.3	-2.3	-2.3	-3.0	-3.3
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.2	0.1	0.2	0.0	0.0	0.0
Cash flow from investing activities	**-3.7**	**-2.2**	**-2.1**	**-2.3**	**-3.0**	**-3.3**
Cash flow before financing	-3.3	-0.9	-3.0	0.6	-0.3	0.9
Increase/decrease in debt position	0.3	-0.7	3.4	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	3.5	1.1	0.0	1.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	-0.2	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	**3.8**	**0.5**	**3.2**	**1.0**	**0.0**	**0.0**
Increase/decrease in liquid assets	0.4	-0.3	0.2	1.6	-0.3	0.9
Liquid assets at end of period	**0.7**	**0.4**	**0.7**	**2.3**	**2.0**	**2.9**

Source: Company data; mwb research

Regional sales split (EURm)	2023	2024	2025	2026E	2027E	2028E
Domestic	20.6	22.5	24.7	29.6	34.6	39.1
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	**20.6**	**22.5**	**25.0**	**29.6**	**34.6**	**39.1**

Regional sales split (common size)	2023	2024	2025	2026E	2027E	2028E
Domestic	100.0%	100.0%	98.8%	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

mwb research

Ratios	2023	2024	2025	2026E	2027E	2028E
Per share data						
Earnings per share reported	-0.80	-1.26	-1.17	-0.40	-0.23	-0.04
Cash flow per share	-0.29	-0.22	-0.73	-0.01	-0.04	0.21
Book value per share	3.37	2.04	0.86	0.57	0.35	0.31
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00
Valuation						
P/E	-3.2x	-2.1x	-2.2x	-6.5x	-11.5x	-68.5x
P/CF	-8.9x	-12.0x	-3.6x	-190.0x	-66.7x	12.6x
P/BV	0.8x	1.3x	3.0x	4.5x	7.5x	8.5x
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield (%)	-11.2%	-8.3%	-28.0%	-0.5%	-1.5%	8.0%
EV/Sales	0.8x	0.7x	0.8x	0.7x	0.6x	0.5x
EV/EBITDA	-19.4x	31.6x	-14.3x	10.9x	6.3x	4.0x
EV/EBIT	-4.0x	-5.3x	-3.3x	-8.5x	-18.1x	98.8x
Income statement (EURm)						
Sales	20.6	22.5	25.0	29.6	34.6	39.1
yoy chg in %	23.7%	9.2%	11.1%	18.2%	17.0%	13.0%
Gross profit	20.6	22.4	24.6	29.3	34.2	38.7
Gross margin in %	100.0%	99.3%	98.4%	99.0%	99.0%	99.0%
EBITDA	-0.9	0.5	-1.5	1.8	3.1	4.7
EBITDA margin in %	-4.3%	2.4%	-5.9%	6.0%	9.0%	12.0%
EBIT	-4.3	-3.2	-6.5	-2.3	-1.1	0.2
EBIT margin in %	-20.9%	-14.2%	-25.8%	-7.7%	-3.1%	0.5%
Net profit	-3.9	-7.0	-6.5	-2.4	-1.4	-0.2
Cash flow statement (EURm)						
CF from operations	0.4	1.3	-0.9	2.9	2.8	4.2
Capex	-3.9	-2.3	-2.3	-2.3	-3.0	-3.3
Maintenance Capex	1.8	2.5	3.1	3.0	3.0	3.0
Free cash flow	-3.5	-1.0	-3.2	0.6	-0.3	0.9
Balance sheet (EURm)						
Intangible assets	11.3	10.5	8.8	8.6	8.7	8.2
Tangible assets	4.3	3.7	3.7	2.1	0.9	0.2
Shareholders' equity	16.4	11.4	4.8	3.4	2.1	1.8
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities and provisions	3.9	2.4	6.7	6.7	6.8	6.8
Net financial debt	1.7	1.3	5.6	3.9	4.2	3.3
w/c requirements	0.2	-1.0	-0.7	-0.8	-0.3	0.0
Ratios						
ROE	-23.8%	-61.9%	-135.8%	-70.3%	-65.6%	-12.4%
ROCE	-21.2%	-23.2%	-56.4%	-22.5%	-12.3%	2.2%
Net gearing	10.3%	11.8%	115.6%	114.8%	202.9%	179.5%
Net debt / EBITDA	-1.9x	2.5x	-3.8x	2.2x	1.3x	0.7x

Source: Company data; mwb research

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