

10th of November 2025
Europe | Metallurgy

DR. KALLIWODA
RESEARCH GmbH

Initiation of Coverage

BUY

Target Price: CZK 321

Reuters: GEV.PR
Bloomberg: GEV CP Equity
Industry: Powder Metallurgy
Country: Slovakia
ISIN: SK1000025322
Website: <https://www.gevorkyan.sk/en>

Last price in CZK: 230
High Low
Price 52 W.: 278 208
Market cap. in CZK 3 831 172 560
Number of shares 16 657 272

Shareholder Structure, as of 31.12.2024

Artur Gevorkyan 77%
Institutional Investors 10%
Private Investors 8%
Jeremie Co-Investment Fund 3%
BHS Fund II. - Private Equity 3%

Total 100%

GEVORKYAN 12- month share price performance

4 weeks 7%
12 weeks 6%
52 weeks -9%

Portfolio diversification

in %
Automotive & Machinery 28%
Cosmetics, Medical, Fashion & E 17%
Hands Tools & Garden Equipme 16%
Security & Civil Arms 15%
Oil Industry 12%
Others 18%

Chart: 12 Months



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GEVORKYAN, a.s.

A company you can build on

- Master advanced processes such as Metal Injection Molding, Hot Isostatic Pressing, and additive manufacturing (3D printing), alongside traditional sintering.
- Revenue growth: €7 million in 2014 to € 139 million in 2024
- Production capacity: 7 million parts monthly (3 000 types, 150 new parts developed per year).
- Acquisitions: SKF Sweden (2023), Poland (2024), Italy (in progress).
- H1 2025 revenues were €42,2 million, an increase by 11% YoY, and EBITDA of €13,8 million, a 15% YoY growth, reaching an EBITDA margin of 32,7% (+1.2 p.p. YoY). The Company intends to pay dividends in the future.
- ESG focus: own H₂ and N₂ generators (100% green hydrogen), investment in photovoltaic plant (2025/26), 90% of PM materials are made of recycled material. Powder metallurgy enables sustainable, low-waste, and energy-efficient production.
- Based on our DCF model, we have determined a fair value of CZK 300 and a target price of CZK 321.

EUR mln	2023	2024	2025e	2026e	2027e	2028e
Net sales	60 767	75 686	84 730	95 525	108 402	123 849
EBITDA	20 773	26 369	31 058	36 250	41 991	48 183
EBIT	8 900	10 846	12 430	14 828	17 356	20 591
Net income	3 830	3 787	4 507	5 639	5 993	6 595
EPS	0,23	0,23	0,27	0,34	0,36	0,40
BVPS	4,31	4,53	4,68	4,84	5,03	5,23
RoE	5,3%	5,0%	5,8%	7,0%	7,2%	7,6%
EBIT margin	14,6%	14,3%	14,7%	15,5%	16,0%	16,6%
P/E	42,5x	50,3x	35,2x	28,2x	26,5x	24,1x
P/BVPS	2,3x	2,5x	2,0x	2,0x	1,9x	1,8x
EV/EBITDA	9,9x	9,0x	7,7x	6,7x	6,1x	5,6x

Source: Dr. Kalliwoda Research GmbH © 2025

Table of Contents

1	Company History: 29 Years of GEVORKYAN	3
2	Equity Story & Growth Drivers	4
3	Company Profile – Business Areas	5
4	Business Model	6
5	Technologies.....	7
6	SWOT	10
7	Governance	11
8	Market Data and Market Environment.....	12
9	Outlook	14
10	Valuation DCF Model	16
11	Contacts	17
12	Material Information, Disclosures and Disclaimers.....	18

1 Company History: 29 Years of GEVORKYAN

In 1977, Robert Gevorkyan Sr. launched a powder metallurgy plant in the Urals, starting a family tradition in this field. In 1996, his son, Dipl. Ing. Artur Gevorkyan, established GEVORKYAN, a.s. in Banská Bystrica, Slovakia, as a family company built “on a green field.” With no parent company or external backing, the company developed its first furnaces and presses in-house, gradually gaining recognition for its flexibility and innovative approach.

Between 2001 and 2007, GEVORKYAN expanded with its own tool and hardening shops, creating the foundation for larger-scale production. During the 2008 financial crisis, the company experienced growth because customers were forced to find more efficient solutions. Over the following decade, GEVORKYAN became one of the most innovative powder metallurgy companies in Europe, supplying advanced components to a wide range of industries.

In 2023, the company was awarded with the CVCA & SLOVCA Private Equity Deal Award in Slovakia. In 2024, the company was recognized with the National Award of the Slovak Republic for Quality and Social Responsibility, and its founder Artur Gevorkyan was named TREND Top Manager of the Year. By 2025, GEVORKYAN had firmly established itself as a European leader in powder metallurgy, earning recognition as a three-time Deloitte Best Managed Company and a KPMG Responsible Business recipient.

2 Equity Story & Growth Drivers

GEVORKYAN is a European leader in powder metallurgy. Its unique setup brings together all four core technologies: Powder Metallurgy (PM), Metal and Ceramic Injection Moulding (MIM/CIM), Hot Isostatic Pressing (HIP), and Additive Manufacturing (3D printing) under one roof, creating a globally distinctive innovation platform. The company's activities are complemented by its in-house toolmaking, automation, and digitalization ensuring efficient, scalable, and flexible production.

GEVORKYAN is listed on the Prague Stock Exchange (Prime Market) and dual-listed on the Bratislava Stock Exchange, providing investors access to a growth-driven, innovative industrial company. Investing in GEVORKYAN means investing in a family-founded business with nearly three decades of experience, a proven international expansion strategy, and strong potential to benefit from megatrends in energy efficiency, reshoring, e-mobility, and green technologies.

Unique technological platform: GEVORKYAN is the only company worldwide uniting all four powder metallurgy technologies (PM, MIM/CIM, HIP, 3D printing) in a single plant. This enables unmatched flexibility in choosing the best-fit process, delivering innovative, cost-efficient solutions at scale. Continuous robotization and digitalization ensure efficient, non-stop operations and long-term competitiveness.

Innovation-led customer partnerships: The company is a development supplier for global leaders, designing around 150 new products annually. Half of its portfolio represents world-firsts in powder metallurgy, with one-third of products entirely new creations. Nearly all customers rely on GEVORKYAN as a single-source partner, spanning industries from automotive and aerospace to cosmetics, defense, agriculture, and medical devices.

Balanced organic and acquisition growth: GEVORKYAN combines in-house innovation with targeted acquisitions to expand capacity and portfolio breadth. Its IPO on the Prague Stock Exchange and dual listing in Bratislava have strengthened the balance sheet, enabling international acquisitions in Sweden and Poland. R&D collaborations with institutes in Germany and Sweden further accelerate material and process development. GEVORKYAN develops its own MIM feedstock in-house, ensuring full control over material quality and enabling tailored solutions for its customers.

Sustainability and structural megatrends: Green manufacturing is embedded in GEVORKYAN's model, with almost zero waste, net-shape production, and reduced carbon footprint. Global reshoring from Asia to Europe, demand for energy-efficient solutions, and growth in e-mobility, drones, and defense are powerful tailwinds. The company is strategically positioned to benefit from ESG-driven transformation and diversification beyond the traditional automotive sector.

3 Company Profile – Business Areas

GEVORKYAN a.s., Slovakia (Vlkanová Plant)

GEVORKYAN a.s., headquartered in Vlkanová, Slovakia, centralizes all manufacturing at its main plant, where key technologies are concentrated on-site. The company has no direct operations in Ukraine and Russia, but NATO defense demand linked to the conflict has become a notable growth catalyst. GEVORKYAN's integration strategy focuses on consolidating production in Slovakia while maintaining customer access and sales representation abroad.

Related Companies Abroad

- **GEVORKYAN CZ:** Functions as a financing and bond-issuing vehicle, managing EUR bonds.
- **Sweden (SKF, 2023):** acquisition of SKF's powder metallurgy operations. Production and technology were integrated into the Slovak plant; no separate facility remains.
- **Poland (Altha Powder Metallurgy, 2024):** Technologies and customer base were relocated to Slovakia, contributing modestly to revenue and smoothing integration, with one-off costs of over €2 million in 2024.
- **Italy (2025 acquisitions):** Three companies and one Austrian portfolio transfer are expected to add €12–14 million in annual revenue once fully integrated. Production will be divided between Slovakia and Italy.
- **Austria:** Home to an R&D center, potentially serving future acquisitions.
- **USA and Mexico:** Serve as representative offices to maintain client access and market presence.



GEVORKYAN Corporate Presentation, April 8, 2025 – Aerial view of the Vlkanová production site.

4 Business Model

Integrated Industrial Model

GEVORKYAN, a.s. operates as an integrated manufacturer specializing in powder metallurgy and advanced metal processing. The company combines four complementary technologies—Powder Metallurgy (PM), Metal and Ceramic Injection Molding (MIM/CIM), Hot Isostatic Pressing (HIP), and Additive Manufacturing (3D printing), within a single production system. This rare combination provides a transparent and flexible technological platform that allows GEVORKYAN to select the most efficient method for each product, offering customers cost-effective and high-quality technical solutions.

Research, Development, and Engineering

Research and innovation form the core of GEVORKYAN's operations. Its in-house R&D department employs a team of specialized engineers who develop new metal powder formulations, design components, and test advanced production processes. Around 150 new products are developed each year, often in collaboration with European research institutes and industrial partners. By integrating design, testing, and material science expertise, the company ensures rapid product development and technological differentiation in demanding industries such as automotive, aerospace, healthcare, and defense.

Production and Process Control

GEVORKYAN manages the entire production chain in-house, from tool design to final packaging. Its tool shop produces molds and compaction tools, while the production lines carry out mixing, molding, sintering, machining, and surface and heat treatment. These operations are supported by proprietary automation and digitalization systems that ensure precision, efficiency, and continuous operation 24/7. This structure enables the company to guarantee full quality control, quick adaptation to customer needs, and the delivery of complex components with tight tolerances.

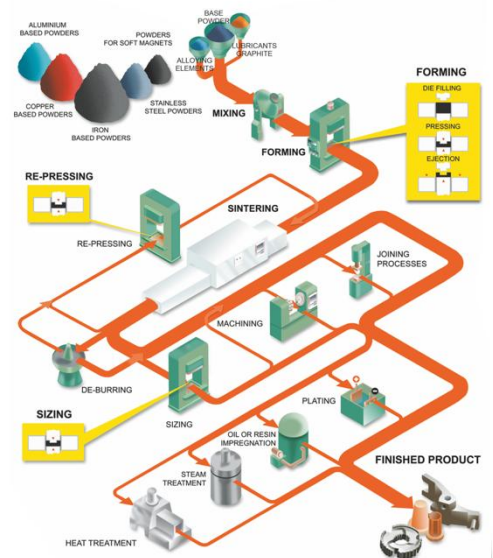
Commercial and Partnership Approach

The company positions itself as a development partner rather than a conventional supplier, acting as a single-source provider for most of its clients. By offering complete technological solutions, GEVORKYAN helps clients spanning over thirty countries across Europe, America, and Asia replace traditional manufacturing methods with innovative, material-saving alternatives. While based in Slovakia, the company supplies clients worldwide, from automotive brands like Porsche, Toyota, BMW, Volkswagen, Maserati and Bentley to hand-tool makers such as Bosch, Makita and Black & Decker, agricultural producers like John Deere, and luxury cosmetics firms such as Versace and Hugo Boss.

5 Technologies

Powder Metallurgy (PM)

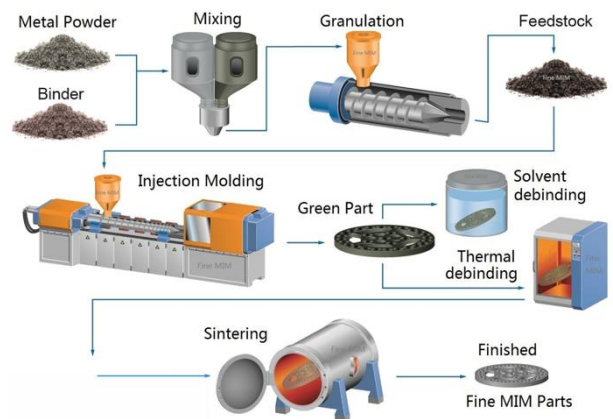
The company's foundation lies in classic sintering-based powder metallurgy, which involves three key stages: mixing, forming, and sintering. In the first stage, the right metal powder combination is carefully developed to meet specific material and performance requirements. The mixed powders are then compacted in precision-designed molds using custom tooling developed in-house. Finally, the compacted parts are sintered in specialized furnaces, achieving high density and mechanical strength. This process ensures exceptional material utilization and near-net-shape production, minimizing machining, energy consumption, and waste. Through the development of tailored metal powder compositions, proprietary processing technologies, and advanced tooling, GEVORKYAN produces high-performance and unique components.



Sintering – Classic Powder Metallurgy

Metal and Ceramic Injection Moulding (MIM/CIM)

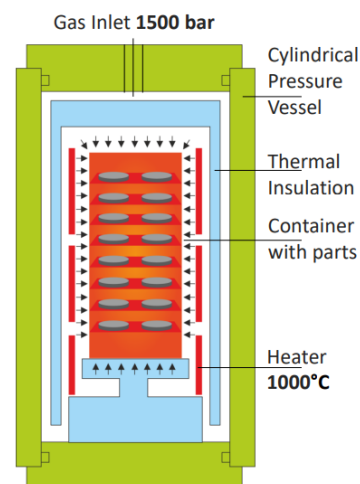
Through its MIM/CIM division, GEVORKYAN develops advanced feedstocks that combine metallic or ceramic powders with polymers. The Metal and Ceramic Injection Molding processes involve four key stages: mixing suitable powder–polymer combinations, molding by injection into precise forms, debinding to remove polymers, and sintering in specialized high-temperature furnaces. In 2025, the company launched its own in-house MIM material production, supported by new high-pressure furnaces operating between 300°C and 1 500°C. This vertical integration allows GEVORKYAN to design and produce its own injection molds, develop proprietary powder-polymer formulations, and manufacture complex components with exceptional dimensional accuracy and mechanical performance. MIM and CIM technologies are particularly suited for high-precision applications in the medical, defense, and precision-engineering sectors.



Metal Injection Molding (MIM) / Ceramic Injection Molding (CIM)

Hot Isostatic Pressing (HIP)

Gevorkyan employs advanced Hot Isostatic Pressing (HIP) technology to densify sintered or cast metal components through the combined action of extreme pressure and temperature. The process operates at pressures up to 1 500 bar and temperatures around 1 000°C, within an inert argon or nitrogen atmosphere. This treatment effectively eliminates residual porosity, producing fully dense materials with superior fatigue strength, corrosion resistance, and dimensional precision. HIP is particularly critical for aerospace, automotive, and energy applications, where exceptional material integrity and reliability are essential.



Hot Isostatic Pressing (HIP)

Additive Manufacturing (3D Printing)

The company operates a specialized Additive Manufacturing (AM) division for metal and ceramic components. This process deposits fine layers of powder material that are sintered to full density. Additive Manufacturing (AM) was implemented to eliminate long waiting times for machine spare parts, which previously took several weeks to produce. It is now primarily used to manufacture custom tools and spare parts for high-value machinery, while ongoing R&D focuses on expanding its application to industrial and aerospace sectors. AM complements Powder Metallurgy (PM) and Metal Injection Molding (MIM) by providing enhanced design flexibility, particularly for low-volume or prototype production.



Additive Manufacturing

Automation, Digitalisation, and Environmental Efficiency

Gevorkyan's core technologies Powder Metallurgy, Metal and Ceramic Injection Molding (MIM/CIM), Hot Isostatic Pressing (HIP), and Additive Manufacturing (AM) are inherently resource-efficient and environmentally friendly. Supported by in-house automation, robotisation, and digitalisation capabilities, as well as a proprietary tool shop for compacting tools and moulds, the company ensures flexibility, precision, and consistent quality control. Advanced simulation software and robotic workstations enable 24/7 automated production with minimal manual intervention, strengthening scalability and cost efficiency. These processes minimize material waste, lower energy consumption, and reduce the need for extensive machining compared to conventional casting methods. Gevorkyan also operates its own nitrogen and hydrogen generators, produces green hydrogen via electrolysis, and plans to integrate photovoltaic power generation and battery storage by 2026, enhancing energy independence, sustainability, and long-term operational resilience.

6 SWOT

Strengths

- **European Leader in Powder Metallurgy:** GEVORKYAN is recognized as one of the most innovative companies worldwide in powder metallurgy, combining PM, MIM, HIP, and AM technologies under one roof – a unique offering in Europe.
- **Strong R&D and Innovation Capacity:** The company develops over 150 new products annually, with ~50% never produced before by powder metallurgy, ensuring a strong innovation pipeline.
- **Diversified Customer Base:** Supplies prestigious global brands across multiple sectors (automotive, oil & gas, cosmetics, hand tools, agriculture, defense), reducing dependence on any single industry.
- **High Automation and Efficiency:** Operating with roughly one robot per two workers, GEVORKYAN achieves industry-leading cost efficiency and maintains a long-term EBITDA margin above 30%.
- **Long-term Contracts and Visibility:** Most customer contracts span 5–7 years, with a high proportion of revenues (over 75% in coming years) already contracted, providing stability.

Opportunities

- **Rising Demand for Advanced Materials:** Growing applications in aerospace, defense, robotics, and electric vehicles support long-term growth.
- **End of Capex Cycle:** With investments slowing after 2025, free cash flow is expected to turn positive from 2026, enabling deleveraging and potential shareholder returns.
- **Sustainability and Circular Economy:** Over 90% of production waste is recycled, aligning with environmental trends and offering reputational and regulatory advantages.
- **Technological Leadership:** Unique expertise in combining PM, MIM, HIP, and AM creates opportunities in sectors where no other supplier offers similar integrated solutions.

Weaknesses

- **High Leverage Increase:** Total long-term liabilities increased from €51.5 million in 2023 to €81.7 million in 2024, reflecting a heavier debt burden mainly from new bond issues.
- **Dependence on Key Expertise:** The company's unique know-how and innovation culture are closely linked to its core engineering team and leadership.
- **High Capital Intensity:** Significant investment requirements for new machinery expansion weigh on free cash flow, though this is expected to improve post-2026.
- **Limited International Footprint of Facilities:** Despite global clients, core production is concentrated in Slovakia, creating exposure to regional risks.
- **Smaller Free Float and Liquidity:** With around 77% ownership by the founder, the free float is limited, constraining share liquidity.

Threats

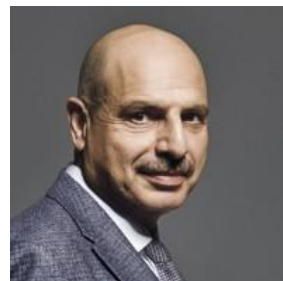
- **Macroeconomic and Geopolitical Risks:** geopolitical tensions (e.g., war in Ukraine) could pressure operations.
- **Competitive Pressure:** While highly innovative, GEVORKYAN could face competition from established metallurgy firms and emerging AM specialists worldwide.
- **Currency and Interest Rate Risks:** With international operations and financing, the company is exposed to exchange rate fluctuations and financing costs.
- **Regulatory and Compliance Risks:** Expansion into medical and aerospace sectors increases exposure to stringent international standards and compliance requirements.

7 Governance

Executive Board:

1. Artur Gevorkyan – Chairman of the Board of Directors

Since 1996, he has served as the Founder, CEO, and Chairman of GEVORKYAN a.s., where he also holds a majority share of the company. Artur Gevorkyan is a graduate with a degree in Aircraft Construction from the National Aerospace University in Kharkiv. Prior to founding GEVORKYAN, he was the CEO of Bumerang, the first private powder metallurgy company in Ukraine. Under his leadership, GEVORKYAN has grown into a global leader in powder metallurgy and advanced manufacturing technologies.



2. Andrej Bátorvský – Chief Financial Officer

Since 2021, Andrej Bátorvský has been CFO of GEVORKYAN a.s. and Chairman of the Supervisory Board since 2022. He played a key role in the company's record IPO on the Prague Stock Exchange's PX Start market and oversees financial strategy, capital structure, and debt management, including the 2024 green bond issuance. Previously, he served as Finance Controlling Director. Named CFO of the Year in 2023, he is recognized for leadership in finance, innovation, and sustainability. He holds a Master's in Finance, Banking, and Investment from Matej Bel University.



3. Robert Gevorkyan - Quality Manager

Since 2018, Robert Gevorkyan has been Quality System Manager at GEVORKYAN a.s., leading the development of global quality management systems. He oversees ISO, automotive (IATF 16949), and defense/aerospace certifications, ensuring quality across technologies. Previously, he worked in production, procurement, and logistics, and gained experience in the powder metallurgy sector. As the son of founder and CEO Artur Gevorkyan, he continues the family's legacy of innovation, reliability, and excellence.



8 Market Data and Market Environment

Global Industrial Manufacturing

The global industrial manufacturing sector remains the backbone of the world economy, with output concentrated in major regions such as China, the United States, the European Union, Japan, and India. In 2023–2024, global manufacturing showed modest but uneven growth, reflecting cyclical fluctuations in investment, trade, and energy costs. China continues to dominate, particularly in metal demand and production, accounting for more than half of global primary aluminum consumption.

The sector is undergoing a structural transformation. Electrification and the rise of electric vehicles are reshaping demand for critical metals such as nickel, copper, and lithium. Parallel trends in digitalization and Industry 4.0, notably the adoption of additive manufacturing, robotics, and advanced automation, are redefining cost structures and production models. Sustainability has also become a central theme, with recycling and circular economy initiatives gaining momentum as companies seek to reduce emissions and mitigate supply risks. At the same time, the high concentration of raw-material supply in a few countries, coupled with geopolitical tensions, continues to expose the sector to volatility and strategic vulnerabilities.

European Industrial Manufacturing

In Europe, the industrial manufacturing sector remains large but under pressure. According to Eurostat, the value of sold production fell from €5 975 billion in 2023 to €5 860 billion in 2024, a decline of 1.9% in nominal terms. Industrial production indicators suggest stagnation or modest contraction in several core economies, with Germany, traditionally the manufacturing engine, facing challenges from energy costs and competitiveness pressures.

Despite these headwinds, Europe maintains a strong position in high-value-added segments such as automotive, aerospace, and advanced mechanical engineering. These industries drive demand for specialty alloys, lightweight materials, and high-purity metals. European industrial policy, framed by the Green Deal and the broader decarbonisation agenda, further accelerates the transition toward electrification, energy efficiency, and closed-loop recycling systems. However, reliance on imported critical raw materials remains a structural weakness. Supply concentration outside Europe heightens exposure to price shocks and geopolitical risks, underscoring the importance of investment in recycling technologies, alternative supply chains, and R&D in new metallurgical processes.

According to EUROFER's "Economic and Steel Market Outlook Q1 2025", output across the European steel and metals sector is projected to grow by 0.9 % in 2025 and by 2.1 % in 2026, indicating that moderate recovery is expected but significant structural headwinds persist, particularly in energy-intensive industries. These figures align with EY's assessment of a slow but stabilizing European industrial base.

Powder Metallurgy

Powder metallurgy (PM) has emerged as a dynamic segment within the broader metallurgical industry, with applications across automotive, aerospace, medical, and tool markets. The technology enables the production of complex shapes with minimal waste, making it well aligned with both cost-efficiency and sustainability objectives.

Market size estimates vary significantly depending on scope. Conservative assessments place the global PM market at around \$3–4 billion in 2024, while broader definitions that include additive metal powders and extended services estimate a market closer to \$26 billion. Regardless of methodology, consensus points toward strong growth, with compound annual growth rates ranging from 4% to more than 8% over the next decade.

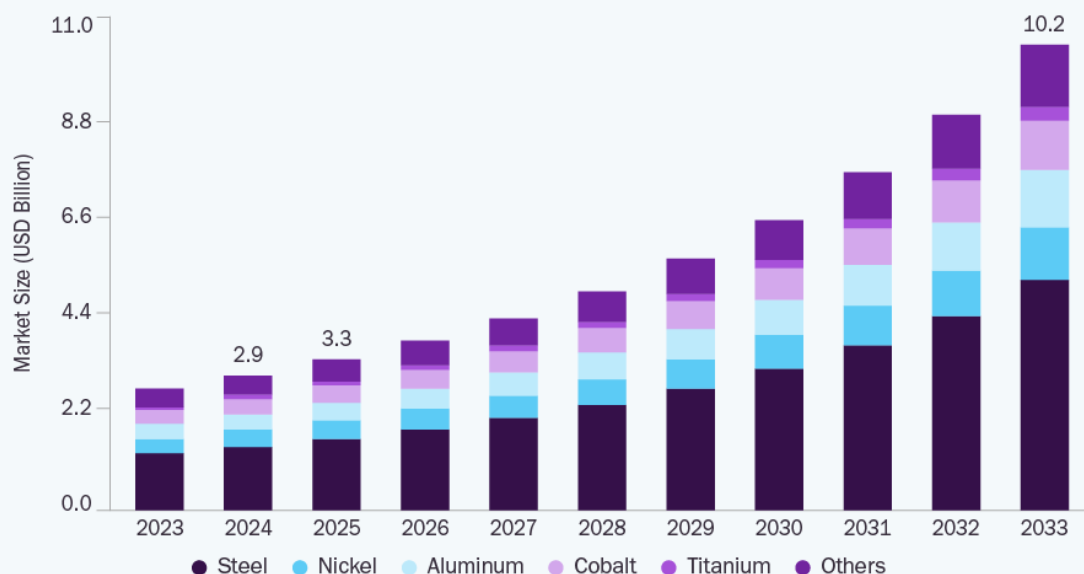
The main growth drivers are clear: the automotive industry's transition to electrification, which requires high-performance magnetic and structural components; the rapid adoption of additive manufacturing, particularly in aerospace and medical implants; and rising demand for lightweight, resource-efficient solutions. Asia-Pacific leads the market in terms of volume and cost competitiveness, while Europe positions itself in premium niches, where certification and advanced engineering capabilities are decisive.

Risks remain, particularly around raw-material price volatility, stringent certification requirements, and intense competition in metal powder supply. Nevertheless, powder metallurgy represents one of the most promising avenues for value creation within the metallurgical industry, benefiting from its overlap with sustainability trends, advanced manufacturing technologies, and the long-term structural shift towards lightweight and efficient materials.

KPMG, in its Q1 and Q2 2025 Metals Industry Updates, emphasizes that after a muted 2024, the metals sector in the US entered 2025 with renewed optimism, driven by policy support, tariffs, and strengthening demand from renewable energy and infrastructure. While tariffs are intended to empower domestic players, KPMG highlights that uncertainty, especially in global trade and cost inflation, will continue to shape the sector's investment decisions. Companies with strong resilience, a focus on automation, and advanced niche capabilities are expected to outperform as the market stabilizes.

Powder Metallurgy Market

Size, by Material, 2023 - 2033 (USD Billion)



9 Outlook

Industrial manufacturing remains under pressure from subdued demand and elevated energy costs in Europe. According to Eurostat, the value of sold production declined in 2024, reflecting weaker output in core economies such as Germany and Italy. Nevertheless, Europe retains global leadership in high-value-added industries, including automotive, aerospace, and advanced mechanical engineering. The Green Deal framework and the European decarbonisation agenda are expected to stimulate investment in lightweight materials, recycling technologies, and energy-efficient production. These trends align closely with GEVORKYAN's core capabilities in powder metallurgy and sustainable metal component manufacturing. Geopolitical developments continue to influence the company's outlook. GEVORKYAN has no direct operations in Ukraine but supplies to European defense manufacturers. The ongoing conflict has indirectly increased demand for high-performance defense components, supporting growth in this segment. Defense-related revenues are projected to reach 30–40% of total turnover by 2030.

According to the EY Industry Barometer Q1 2025, metal production and processing rebounded strongly after pandemic losses, but growth has since leveled off. The industry is stabilizing at a lower but steady operating level, with modest growth of around 2% for 2024–2025. EY stresses that companies investing in automation, innovation, and ESG initiatives are best positioned for resilience and value creation in this new equilibrium.

Deloitte's 2025 outlook for the metals and manufacturing sector underlines the rising complexity and uncertainty related to geopolitics, supply chains, and sustainability targets. The firm suggests that future sector leaders must accelerate digital and AI adoption, drive decarbonisation, and empower their workforces for resilience and innovation. For PM and advanced component players, Deloitte sees ongoing structural opportunities tied to the electrification shift, investment in green technologies, and supply chain transformation.

Within the powder metallurgy (PM) industry, growth remains robust despite cost pressures and certification complexity. Global market estimates range between \$3 and 4 billion for traditional PM and up to \$26 billion when including additive manufacturing powders. The segment is expected to grow by 4–8% annually, supported by increasing adoption in electrified vehicles, aerospace, and medical devices. Europe positions itself in high-margin niches that require advanced engineering and quality certification.

GEVORKYAN's R&D activities are multidirectional, integrating materials science, process technology, and component innovation. Current research focuses on new alloys for the oil & gas sector, soft magnetic materials for electric mobility, and precision components for defense, aerospace, and medical applications. The company also develops proprietary machinery and automation systems, including in-house tooling via GPM Tools and robotic calibration lines. AI is increasingly integrated into the innovation process, supporting design optimization, predictive maintenance, quality control, and reduction of energy and material consumption. These efforts contribute directly to process efficiency and cost competitiveness.

Sustainability remains a central element of GEVORKYAN's strategy. The company issued €30 million in green bonds to finance energy-efficient machinery, automation, and battery systems. Self-sufficiency measures such as on-site nitrogen and hydrogen generation have reduced dependence on external suppliers. Future initiatives include expansion of solar energy capacity and closed-loop recycling of powders and scrap.

Over the next 12 months, GEVORKYAN expects stable to moderately increasing demand, supported by diversification across strategic industries and further integration of automation and AI into production. Capital expenditure will remain focused on sustainability, robotization, and energy efficiency. Despite persistent inflationary pressures and geopolitical uncertainty, the company maintains a cautious yet positive outlook. With its advanced R&D, technological independence, and growing role in defense and green manufacturing, we believe GEVORKYAN is well positioned to deliver long-term, sustainable growth.

10 Valuation DCF Model

Using our DCF model and a calculated WACC of 6,9 %, we determine a fair value of CZK 300 and a 12-month price target of CZK 321. Conservative sales growth rates and a prudent capital structure are applied. At the current share price of CZK 230, this represents an upside potential of approximately 40 % to our target price.

Discounted Cash Flow Model calculated on October 31st 2025

all figures in TEUR unless otherwise indicated

	2025E	2026E	2027E	2028E	2029E	2030E
Net sales	84 730	95 525	108 402	123 849	142 253	165 867
(y-o-y change)	11,95%	12,74%	13,48%	14,25%	14,86%	16,60%
EBIT	12 430	14 828	17 356	20 591	24 887	32 310
EBIT margin	14,67%	15,52%	16,01%	16,63%	17,49%	19,48%
NOPLAT	9 447	11 270	13 191	15 649	18 914	24 556
+ Depreciation	18 628	21 422	24 635	27 591	30 626	33 995
= Net operating cash flow	28 075	32 691	37 826	43 241	49 540	58 551
- Total investments (Capex and WC)	33 302	28 764	30 911	36 655	40 380	44 453
Capital expenditure	28 802	25 722	26 030	31 510	35 011	38 923
Change in Working Capital	4 500	3 042	4 881	5 145	5 368	5 530
=Free Cash Flow (FCF)	-5 227	3 927	6 915	6 586	9 161	14 098
PV of FCFs	-5 227	3 438	5 664	5 047	6 569	9 458

PV of FCFs in explicit period	24 949 375
PV of terminal period	268 694 939
Implied Enterprise value (EV)	293 644 314
- Net debt	88 045 000
+ Investments / - Minorities	0
Shareholder value	205 599 314
Number of shares outstanding (thousands)	16 657 272

WACC	6,9%
Equity costs	10,0%
Debt costs before tax	5,5%
Tax rate	24,0%
Debt costs after tax	4,2%
Equity ratio	46,4%
Debt ratio	53,6%
Fairvalue per share in EUR today	12,3
Fairvalue per share in EUR in 12 months	13,2
Fairvalue per share in CZK today	300
Fairvalue per share in CZK in 12 months	321
EUR/CZK	24,32

Source: Dr. Kalliwoda Research GmbH © 2025

WACC assumptions

Growth assumptions

Long-term growth rate 1,6%

Equity

Risk-free rate 3,5%

Equity risk premium 6,5%

Beta 1,0

Cost of Equity 10,0%

Cost of Debt (before tax) 5,5%

Tax rate on interest 24,0%

Debt costs (after tax) 4,2%

Equity 46,4%

Debt 53,6%

WACC 6,9%

Source: Dr. Kalliwoda Research GmbH © 2025

11 Contacts

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