

# Incap

## Company report

10/26/2023



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✓ Inderes corporate customer

This report is a summary translation of the report “Kohti myrskyn silmää” published on 10/26/2023 at 8:09 am EEST.

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# Into the eye of the storm

We reiterate our EUR 8,00 target price and Accumulate recommendation for Incap. Incap's Q3 report was mixed, as against a much better-than-expected Q3, guidance indicates a very poor Q4 and the significant uncertainties surrounding the near-term sales to the largest customer are largely unchanged. We made no material changes to Incap's near-term earnings estimates after the Q3 report. In our view, Incap's valuation still looks very low, and thus we still see a sufficiently high return potential for investors with risk appetite in exchange for a chronically high risk level. However, we will not take a stronger positive view on the stock until there are clear signs that the business is back on track.

## Revenue and earnings development continued to exceed expectations in Q3

Incap's revenue decreased by 29% to EUR 50 million in Q3. In organic terms, the decline was even steeper, as the July Pennatronics acquisition probably increased Incap's revenue by around 15%. Incap continued to cut production in India in Q3 to reduce inventory levels for its largest customer, but the rate of contraction was much slower than estimated. The company commented positively on the organic growth of the European factories that serve other customers, but based on the figures we suspect that the organic growth of other customers has at least slowed down. In Q3, Incap's adjusted EBIT decreased by 43% year-on-year to EUR 6.4 million due to the decline in revenue. The drop was smaller than expected, probably due to higher-than-expected sales from India. The company's costs were very resilient in Q3, and relative profitability was still excellent by industry standards at almost 13% (adj. EBIT-%).

## We kept our forecast scenario unchanged

In October, Incap reiterated its downgraded guidance, estimating revenue of EUR 210-220 million and operating profit (EBIT) of EUR 24-28 million for 2023. Based on guidance and nine months of execution, Incap expects Q4 revenue of EUR 31-41 million and EBIT of EUR 0.5-3.5 million (EBIT-% around 1.5%-8.5%). Thus, the darkest moments of the largest customer's de-stocking are still at hand and the report did little to reduce the related uncertainties when looking at Q1. For other customers, the comments were positive. We interpreted the tone as slightly more cautious than in the spring and summer, which may reflect macroeconomic weakness and the strains and risks that higher interest rates pose to investment-driven demand. We did not make any material estimate revisions after the report. We still expect Incap to return to an upward trajectory in terms of growth and earnings growth in H2'24, and on our current forecasts Incap will only reach the 2022 earnings level in 2027, despite the Pennatronics acquisition. In our forecast scenario, the largest customer's de-stocking bottoms out in Q4, with the process lasting until early summer and growth continuing at a much slower pace than in recent years. Despite the economic risks, other customers remains on an upward trend in our forecast scenario. The level of risk associated with the forecasts is very high.

## Valuation is already very low if the company returns to constant earnings growth after a one-year break

Incap's adjusted P/E ratios for 2023 and 2024 based on our estimates are around 9x, and the corresponding EV/EBIT ratios are 6x and 5x. The multiples are already below the company's low historical levels for the current year, so we believe the valuation has been trampled down. Thus, we still consider the valuation of Incap, with its solid qualitative characteristics, to be attractive and the expected return sufficiently good for the high risks. However, we stress that the realization of our earnings expectations will require a turnaround in business next year and the stock is not yet supported if the slowdown in sales to the company's largest customer continues.

## Recommendation

**Accumulate**

(previous Accumulate)

**EUR 8.00**

(previous EUR 8.00)

**Share price:**

6.19 EUR



## Key figures

	2022	2023e	2024e	2025e
<b>Revenue</b>	263.8	216.7	236.1	259.7
<b>growth-%</b>	55%	-18%	9%	10%
<b>EBIT adj.</b>	40.0	28.3	28.8	31.8
<b>EBIT-% adj.</b>	15.2 %	13.1 %	12.2 %	12.2 %
<b>Net Income</b>	27.6	19.6	20.6	23.1
<b>EPS (adj.)</b>	0.98	0.72	0.71	0.80

<b>P/E (adj.)</b>	17.5	8.6	8.7	7.7
<b>P/B</b>	5.7	1.7	1.4	1.2
<b>Dividend yield-%</b>	0.0 %	0.0 %	0.0 %	0.0 %
<b>EV/EBIT (adj.)</b>	12.8	6.0	5.2	4.1
<b>EV/EBITDA</b>	12.0	5.4	4.4	3.5
<b>EV/S</b>	1.9	0.8	0.6	0.5

Source: Inderes

## Guidance

(Unchanged)

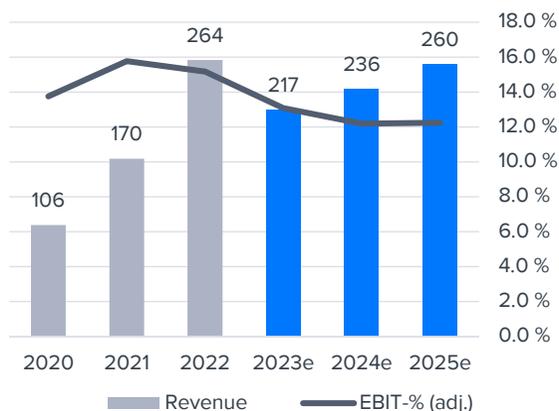
Incap expects 2023 revenue to be EUR 210-220 million (previously: to decline from last year) and operating profit (EBIT) to be EUR 24-28 million (previously: to decline from last year).

## Share price



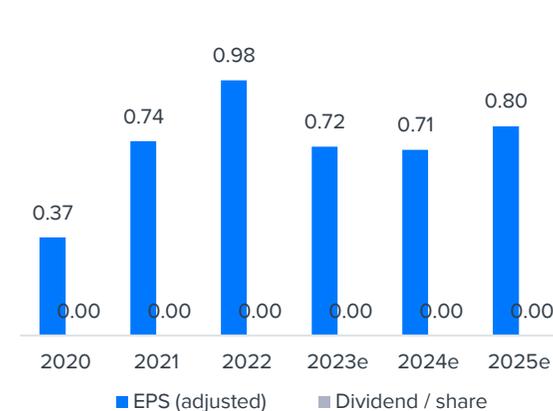
Source: Millstream Market Data AB

## Revenue and EBIT-%



Source: Inderes

## EPS and dividend



Source: Inderes



## Value drivers

- Organic growth in the electronics market, supported by global megatrends and increased outsourcing rate
- Light organization and cost structure enable a high profitability level
- Quick decision-making supports new customer procurement
- Accelerating growth with acquisitions
- Cross-selling potential created by the Pennatronics acquisition



## Risk factors

- Mutually challenging value chain position upholds a brutal competitive situation
- Cyclical nature of customer industries
- Tightening competitive situation
- Company's cost efficiency deteriorating
- Disruptions in the supply chain
- A very large single customer and an otherwise concentrated customer structure

Valuation	2023e	2024e	2025e
Share price	6.19	6.19	6.19
Number of shares, million	29.3	29.4	29.4
Market cap	182	182	182
EV	171	150	130
P/E (adj.)	8.6	8.7	7.7
P/E	9.3	8.8	7.9
P/B	1.7	1.4	1.2
P/S	0.8	0.8	0.7
EV/Sales	0.8	0.6	0.5
EV/EBITDA	5.4	4.4	3.5
EV/EBIT (adj.)	6.0	5.2	4.1
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

# Estimates and estimate revisions

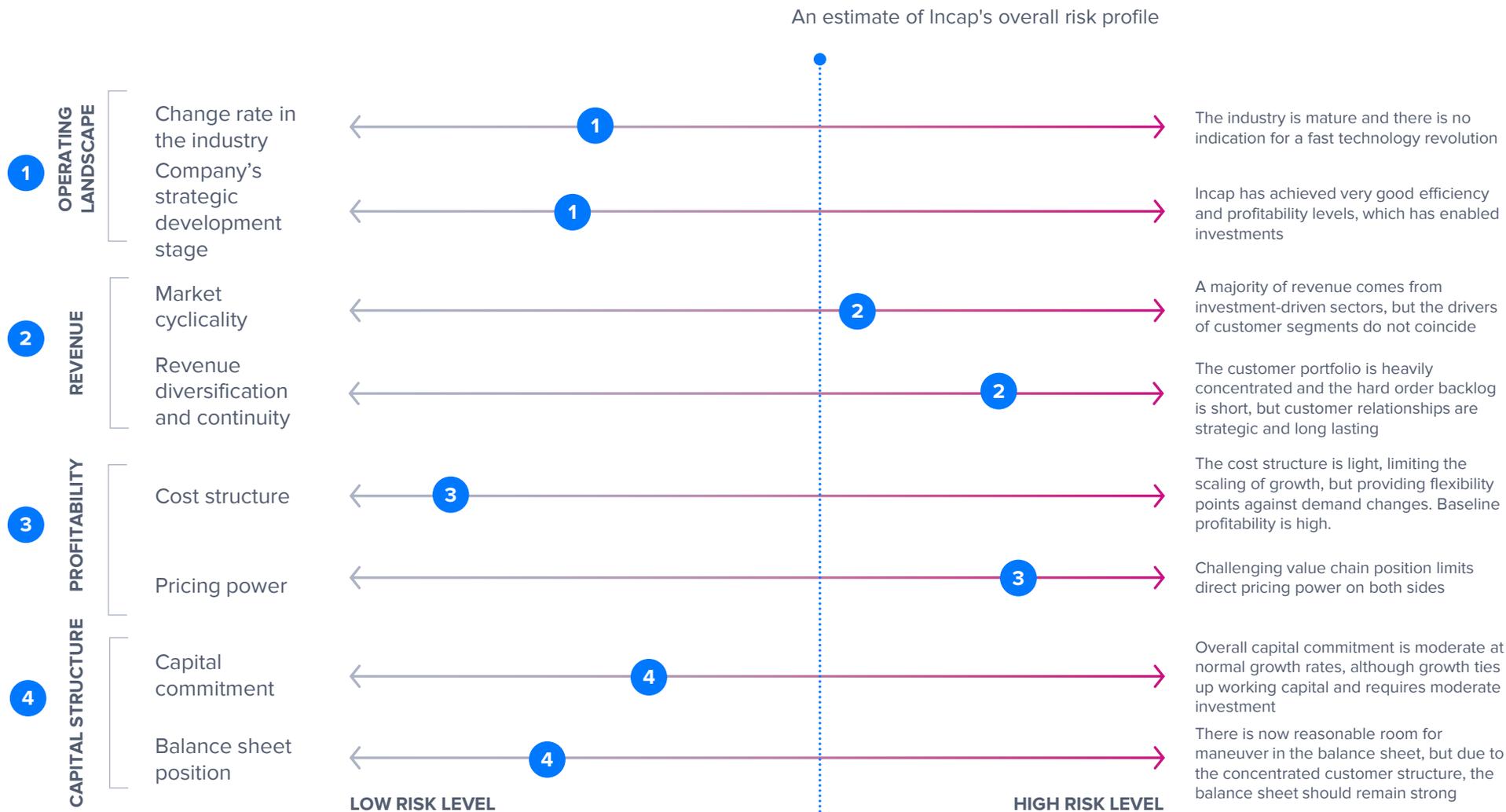
Estimates MEUR / EUR	Q3'22	Q3'23	Q3'23e	Q3'23e	Consensus		Difference (%)	2023e
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	70.6	50.0	44.0				14%	217
EBIT (adj.)	11.0	6.4	3.8				68%	28.3
EBIT	10.9	5.7	3.3				71%	26.5
EPS (reported)	0.26	0.15	0.07				104%	0.67
Revenue growth-%	50.2 %	-29.2 %	-37.7 %				8.5 pp	-17.9 %
EBIT-% (adj.)	15.6 %	12.8 %	8.6 %				4.2 pp	13.1 %

Source: Inderes

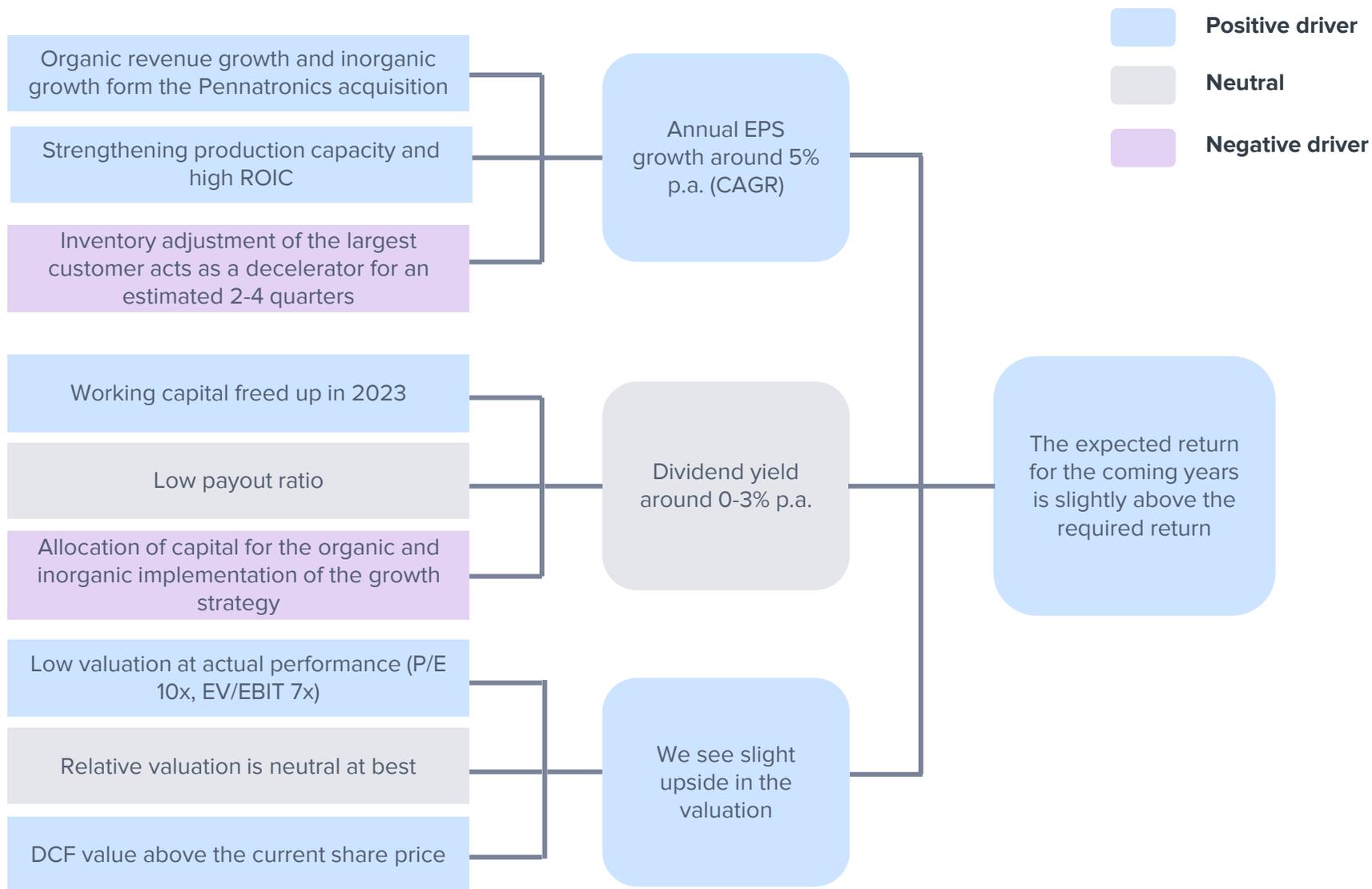
Estimate revisions MEUR / EUR	2023e		Change %	2024e		Change %	2025e		Change %
	Old	New		Vanha	Uusi		Vanha	Uusi	
Revenue	216	217	0%	236	236	0%	260	260	0%
EBITDA	30.3	31.4	4%	33.7	33.8	0%	36.6	36.8	1%
EBIT	25.3	26.5	4%	28.3	28.3	0%	31.3	31.3	0%
PTP	23.9	25.6	7%	27.1	27.1	0%	30.4	30.4	0%
EPS (excl. NRIs)	0.67	0.72	8%	0.71	0.71	0%	0.80	0.80	0%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

# Risk profile of the business model



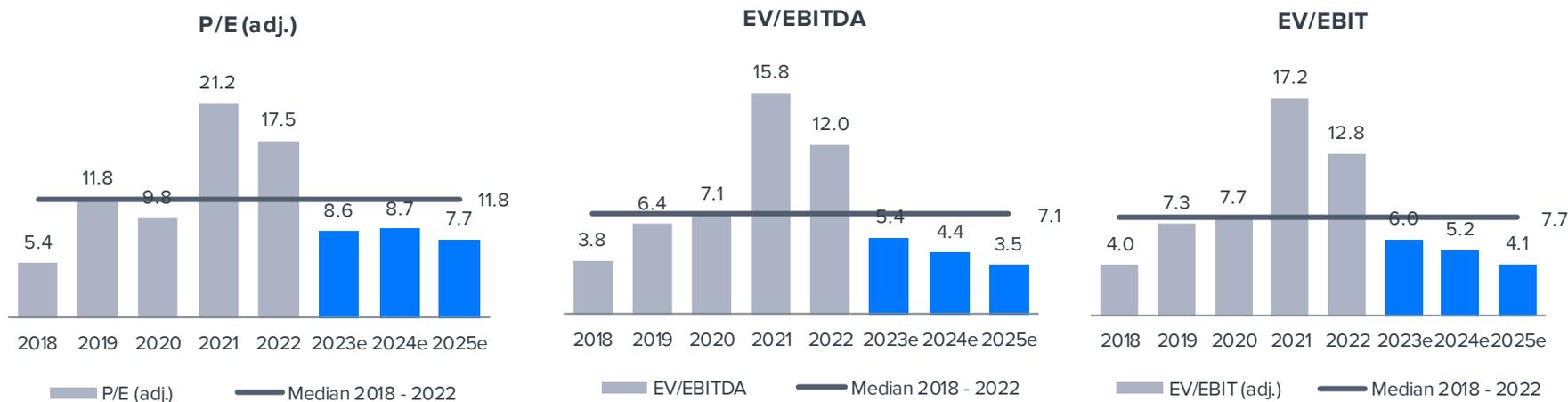
# TSR drivers Q2'23 LTM-2026e



# Valuation table

Valuation	2018	2019	2020	2021	2022	2023e	2024e	2025e	2026e
Share price	1.45	3.38	3.69	15.70	17.10	6.19	6.19	6.19	6.19
Number of shares, millions	21.9	21.9	29.1	29.2	29.3	29.3	29.4	29.4	29.4
Market cap	32	74	107	459	500	182	182	182	182
EV	35	73	113	461	514	171	150	130	109
P/E (adj.)	5.4	11.8	9.8	21.2	17.5	8.6	8.7	7.7	6.8
P/E	5.4	11.8	11.6	21.8	18.1	9.3	8.8	7.9	6.9
P/B	2.0	3.4	2.8	7.3	5.7	1.7	1.4	1.2	1.0
P/S	0.5	1.0	1.0	2.7	1.9	0.8	0.8	0.7	0.6
EV/Sales	0.6	1.0	1.1	2.7	1.9	0.8	0.6	0.5	0.4
EV/EBITDA	3.8	6.4	7.1	15.8	12.0	5.4	4.4	3.5	2.7
EV/EBIT (adj.)	4.0	7.3	7.7	17.2	12.8	6.0	5.2	4.1	3.1
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Inderes



# Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	MEUR	2023e	2024e	2023e	2024e	2023e	2024e	2023e	2024e	2023e	2024e	2023e
Cicor Technologies	158	287	12.8	11.3	6.7	6.1	0.7	0.7	18.2	14.0			1.1
Integrated Micro-Electronics	134	422	27.5	16.3	9.9	6.3	0.3	0.3		6.4			0.3
Data Modul	169	196	6.5	5.3	5.8	4.9	0.6	0.6	10.8	9.7	0.3	0.3	1.1
Hanza	225	273	12.6	9.0	5.0	4.3	0.4	0.4	11.7	10.3	1.9	2.3	1.1
Kitron	552	693	9.9	9.4	7.9	7.6	0.9	0.8	10.4	10.3	3.2	3.8	3.5
Lacroix Group SA	127	299	11.4	9.0	6.0	5.3	0.4	0.4	8.0	6.2	3.7	4.9	0.7
Jabil	15025	16307	10.2	9.5	6.5	6.5	0.5	0.5	14.6	13.0	0.3	0.3	5.5
Scanfil	499	587	9.3	9.6	7.2	7.2	0.7	0.7	10.1	10.7	3.0	3.3	1.9
Fabrinet	5645	5131	19.0	18.3	16.5	15.7	2.1	1.9	21.6	20.4			4.1
Hana Microelectronics	1155	1073	17.4	14.8	9.9	8.8	1.5	1.3	19.0	16.2	2.3	2.8	1.8
SVI	396	480	14.5	11.3	11.2	9.3	0.7	0.6	12.7	10.6	2.7	3.3	2.0
TT Electronics	331	484	8.1	7.5	6.0	5.6	0.7	0.7	8.6	7.8	4.1	4.5	0.9
Katek Se	149	189	16.8	6.5	5.2	3.5	0.2	0.2	33.4	8.6			0.9
Nolato AB	1184	1310	20.5	15.7	11.9	10.0	1.6	1.5	23.1	18.0	4.0	3.9	2.5
Celestica	3095	3619	9.0	8.4	6.9	6.5	0.5	0.5	11.5	10.2			2.1
<b>Incap (Inderes)</b>	<b>182</b>	<b>171</b>	<b>6.0</b>	<b>5.2</b>	<b>5.4</b>	<b>4.4</b>	<b>0.8</b>	<b>0.6</b>	<b>8.6</b>	<b>8.7</b>	<b>0.0</b>	<b>0.0</b>	<b>1.7</b>
<b>Average</b>			<b>13.7</b>	<b>10.8</b>	<b>8.2</b>	<b>7.2</b>	<b>0.8</b>	<b>0.7</b>	<b>15.3</b>	<b>11.5</b>	<b>2.6</b>	<b>2.9</b>	<b>2.0</b>
<b>Median</b>			<b>12.6</b>	<b>9.5</b>	<b>6.9</b>	<b>6.8</b>	<b>0.7</b>	<b>0.6</b>	<b>12.2</b>	<b>10.3</b>	<b>2.9</b>	<b>3.3</b>	<b>1.8</b>
<i>Diff.% to median</i>			<b>-52%</b>	<b>-45%</b>	<b>-21%</b>	<b>-36%</b>	<b>21%</b>	<b>1%</b>	<b>-30%</b>	<b>-15%</b>	<b>-100%</b>	<b>-100%</b>	<b>-7%</b>

Source: Refinitiv / Inderes

# Income statement

Income statement	H1'21	H2'21	2021	H1'22	H2'22	2022	H1'23	H2'23e	2023e	2024e	2025e	2026e
<b>Revenue</b>	<b>71.3</b>	<b>98.5</b>	<b>170</b>	<b>115</b>	<b>149</b>	<b>264</b>	<b>129</b>	<b>87.5</b>	<b>217</b>	<b>236</b>	<b>260</b>	<b>286</b>
Incap	71.3	98.5	170	115	149	264	129	87.5	217	236	260	286
<b>EBITDA</b>	<b>11.3</b>	<b>17.9</b>	<b>29.3</b>	<b>17.2</b>	<b>25.6</b>	<b>42.8</b>	<b>21.0</b>	<b>10.4</b>	<b>31.4</b>	<b>33.8</b>	<b>36.8</b>	<b>40.7</b>
Depreciation	-1.6	-1.7	-3.3	-1.8	-2.0	-3.8	-2.2	-2.7	-4.9	-5.6	-5.5	-5.5
<b>EBIT (excl. NRI)</b>	<b>10.2</b>	<b>16.6</b>	<b>26.8</b>	<b>15.6</b>	<b>24.4</b>	<b>40.0</b>	<b>19.8</b>	<b>8.5</b>	<b>28.3</b>	<b>28.8</b>	<b>31.8</b>	<b>35.6</b>
<b>EBIT</b>	<b>9.8</b>	<b>16.2</b>	<b>26.0</b>	<b>15.4</b>	<b>23.6</b>	<b>39.0</b>	<b>18.8</b>	<b>7.6</b>	<b>26.5</b>	<b>28.3</b>	<b>31.3</b>	<b>35.1</b>
Net financial items	-0.3	0.1	-0.3	-0.8	-1.5	-2.3	-0.5	-0.3	-0.9	-1.2	-0.9	-0.5
<b>PTP</b>	<b>9.4</b>	<b>16.3</b>	<b>25.7</b>	<b>14.6</b>	<b>22.1</b>	<b>36.7</b>	<b>18.3</b>	<b>7.3</b>	<b>25.6</b>	<b>27.1</b>	<b>30.4</b>	<b>34.7</b>
Taxes	-1.6	-3.0	-4.7	-3.4	-5.7	-9.0	-4.2	-1.7	-6.0	-6.5	-7.3	-8.3
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net earnings</b>	<b>7.8</b>	<b>13.3</b>	<b>21.1</b>	<b>11.2</b>	<b>16.4</b>	<b>27.6</b>	<b>14.1</b>	<b>5.6</b>	<b>19.6</b>	<b>20.6</b>	<b>23.1</b>	<b>26.3</b>
<b>EPS (adj.)</b>	<b>0.28</b>	<b>0.46</b>	<b>0.74</b>	<b>0.39</b>	<b>0.59</b>	<b>0.98</b>	<b>0.51</b>	<b>0.22</b>	<b>0.72</b>	<b>0.71</b>	<b>0.80</b>	<b>0.91</b>
<b>EPS (rep.)</b>	<b>0.27</b>	<b>0.45</b>	<b>0.72</b>	<b>0.38</b>	<b>0.57</b>	<b>0.94</b>	<b>0.48</b>	<b>0.19</b>	<b>0.67</b>	<b>0.70</b>	<b>0.79</b>	<b>0.90</b>

Key figures	H1'21	H2'21	2021	H1'22	H2'22	2022	H1'23	H2'23e	2023e	2024e	2025e	2026e
<b>Revenue growth-%</b>	52.2 %	65.1 %	59.4 %	60.6 %	51.6 %	55.4 %	12.7 %	-41.3 %	-17.9 %	9.0 %	10.0 %	10.0 %
<b>Adjusted EBIT growth-%</b>	83.5 %	82.3 %	82.8 %	53.1 %	47.1 %	49.4 %	26.9 %	-65.0 %	-29.2 %	1.6 %	10.4 %	12.1 %
<b>EBITDA-%</b>	15.9 %	18.2 %	17.2 %	15.0 %	17.2 %	16.2 %	16.3 %	11.9 %	14.5 %	14.3 %	14.2 %	14.2 %
<b>Adjusted EBIT-%</b>	14.3 %	16.8 %	15.8 %	13.6 %	16.4 %	15.2 %	15.3 %	9.8 %	13.1 %	12.2 %	12.2 %	12.5 %
<b>Net earnings-%</b>	10.9 %	13.5 %	12.4 %	9.8 %	11.0 %	10.5 %	10.9 %	6.4 %	9.1 %	8.7 %	8.9 %	9.2 %

Lähde: Inderes

# Balance sheet

Assets	2021	2022	2023e	2024e	2025e
<b>Non-current assets</b>	<b>23</b>	<b>33</b>	<b>39</b>	<b>37</b>	<b>37</b>
Goodwill	8	7	7	7	7
Intangible assets	0	4	6	5	4
Tangible assets	14	20	25	24	24
Associated companies	0	0	0	0	0
Other investments	0	0	0	0	0
Other non-current assets	0	1	1	1	1
Deferred tax assets	1	0	0	0	0
<b>Current assets</b>	<b>102</b>	<b>136</b>	<b>146</b>	<b>170</b>	<b>200</b>
Inventories	59	92	67	68	74
Other current assets	0	0	0	0	0
Receivables	34	36	48	50	53
Cash and equivalents	9	8	31	52	72
<b>Balance sheet total</b>	<b>130</b>	<b>168</b>	<b>185</b>	<b>207</b>	<b>236</b>

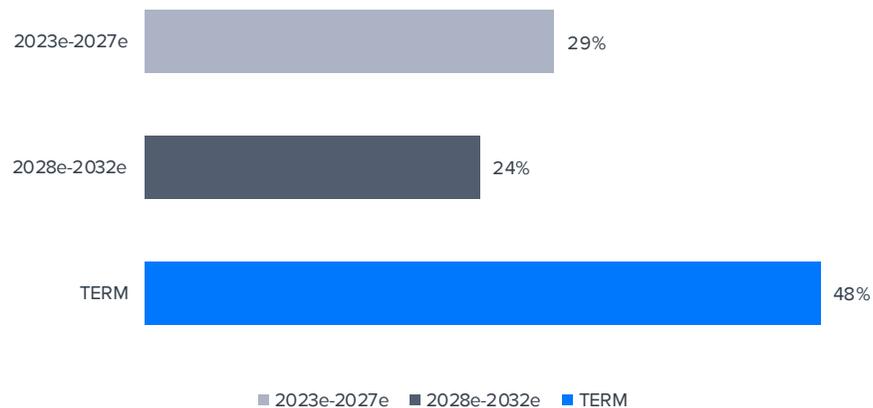
Source: Inderes

Liabilities & equity	2021	2022	2023e	2024e	2025e
<b>Equity</b>	<b>63</b>	<b>87</b>	<b>107</b>	<b>128</b>	<b>151</b>
Share capital	1	1	1	1	1
Retained earnings	42	70	89	110	133
Hybrid bonds	0	0	0	0	0
Revaluation reserve	-2	-5	-5	-5	-5
Other equity	22	22	22	22	22
Minorities	0	0	0	0	0
<b>Non-current liabilities</b>	<b>6</b>	<b>13</b>	<b>20</b>	<b>18</b>	<b>18</b>
Deferred tax liabilities	1	1	1	1	1
Provisions	2	2	2	2	2
Interest bearing debt	4	11	15	15	15
Convertibles	0	0	0	0	0
Other long term liabilities	0	0	3	0	0
<b>Current liabilities</b>	<b>60</b>	<b>68</b>	<b>57</b>	<b>62</b>	<b>68</b>
Interest bearing debt	7	11	5	5	5
Payables	53	57	52	57	62
Other current liabilities	0	1	1	1	1
<b>Balance sheet total</b>	<b>130</b>	<b>168</b>	<b>185</b>	<b>207</b>	<b>236</b>

# DCF calculation

DCF model	2022	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	TERM
Revenue growth-%	55.4 %	-17.9 %	9.0 %	10.0 %	10.0 %	7.0 %	5.0 %	4.0 %	3.0 %	3.0 %	2.0 %	2.0 %
EBIT-% (adj.)	14.8 %	12.2 %	12.0 %	12.0 %	12.3 %	13.0 %	13.5 %	13.5 %	13.0 %	12.5 %	12.5 %	12.5 %
<b>EBIT (operating profit)</b>	<b>39.0</b>	<b>26.5</b>	<b>28.3</b>	<b>31.3</b>	<b>35.1</b>	<b>39.7</b>	<b>43.3</b>	<b>45.1</b>	<b>44.7</b>	<b>44.3</b>	<b>45.1</b>	
+ Depreciation	3.8	4.9	6.0	5.9	5.9	6.0	6.1	6.2	6.3	6.3	6.2	
- Paid taxes	-8.8	-6.0	-6.5	-7.3	-8.3	-9.7	-10.6	-11.1	-11.1	-11.1	-11.3	
- Tax, financial expenses	-0.6	-0.2	-0.4	-0.4	-0.4	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	
+ Tax, financial income	0.0	0.0	0.2	0.2	0.3	0.4	0.5	0.6	0.6	0.7	0.7	
- Change in working capital	-30.7	8.6	1.5	-3.5	-5.1	-4.9	-3.7	-3.1	-2.5	-2.5	-1.7	
<b>Operating cash flow</b>	<b>2.8</b>	<b>33.8</b>	<b>29.0</b>	<b>26.2</b>	<b>27.5</b>	<b>31.3</b>	<b>35.3</b>	<b>37.3</b>	<b>37.8</b>	<b>37.4</b>	<b>38.8</b>	
+ Change in other long-term liabilities	0.3	2.7	-2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-9.7	-11.0	-4.5	-5.5	-6.0	-6.0	-6.0	-6.0	-6.0	-6.0	-6.2	
<b>Free operating cash flow</b>	<b>-6.7</b>	<b>25.5</b>	<b>21.7</b>	<b>20.6</b>	<b>21.5</b>	<b>25.3</b>	<b>29.2</b>	<b>31.3</b>	<b>31.8</b>	<b>31.4</b>	<b>32.6</b>	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-6.7	25.5	21.7	20.6	21.5	25.3	29.2	31.3	31.8	31.4	32.6	387
<b>Discounted FCFF</b>		<b>25.1</b>	<b>19.3</b>	<b>16.6</b>	<b>15.6</b>	<b>16.6</b>	<b>17.4</b>	<b>16.8</b>	<b>15.4</b>	<b>13.8</b>	<b>12.9</b>	<b>154</b>
Sum of FCFF present value		323	298	279	262	247	230	213	196	180	167	154
<b>Enterprise value DCF</b>		<b>323</b>										
- Interest bearing debt		-21.2										
+ Cash and cash equivalents		7.6										
-Minorities		0.0										
-Dividend/capital return		0.0										
<b>Equity value DCF</b>		<b>309</b>										
<b>Equity value DCF per share</b>		<b>10.5</b>										

## Cash flow distribution



## WACC

Tax-% (WACC)	25.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	5.0 %
Equity Beta	1.60
Market risk premium	4.75%
Liquidity premium	1.25%
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>11.4 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>10.6 %</b>

Source: Inderes

# Summary

Income statement	2020	2021	2022	2023e	2024e	Per share data	2020	2021	2022	2023e	2024e
Revenue	106.5	169.8	263.8	216.7	236.1	EPS (reported)	0.32	0.72	0.94	0.67	0.70
EBITDA	15.9	29.3	42.8	31.4	34.2	EPS (adj.)	0.37	0.74	0.98	0.72	0.71
EBIT	12.6	26.0	39.0	26.5	28.3	OCF / share	0.12	0.24	0.09	1.15	0.98
PTP	11.5	25.7	36.7	25.6	27.1	FCF / share	-0.44	0.03	-0.23	0.87	0.74
Net Income	9.2	21.1	27.6	19.6	20.6	Book value / share	1.32	2.15	2.99	3.65	4.34
Extraordinary items	-2.1	-0.8	-1.0	-1.9	-0.5	Dividend / share	0.00	0.00	0.00	0.00	0.00
Balance sheet	2020	2021	2022	2023e	2024e	Growth and profitability	2020	2021	2022	2023e	2024e
Balance sheet total	76.4	129.5	168.4	184.8	207.4	Revenue growth-%	50%	59%	55%	-18%	9%
Equity capital	38.5	62.9	87.4	107.1	127.7	EBITDA growth-%	39%	84%	46%	-27%	9%
Goodwill	7.1	7.5	7.2	7.2	7.2	EBIT (adj.) growth-%	45%	83%	49%	-29%	2%
Net debt	5.9	2.0	13.6	-11.3	-32.1	EPS (adj.) growth-%	30%	98%	31%	-26%	-2%
Cash flow	2020	2021	2022	2023e	2024e	EBITDA-%	15%	17%	16%	14%	15%
EBITDA	15.9	29.3	42.8	31.4	34.2	EBIT (adj.)-%	14%	16%	15%	13%	12%
Change in working capital	-10.0	-17.4	-30.7	8.6	1.5	EBIT-%	12%	15%	15%	12%	12%
Operating cash flow	3.6	7.0	2.8	33.8	29.0	ROE-%	31%	42%	37%	20%	18%
CAPEX	-18.1	-6.2	-9.7	-11.0	-4.5	ROI-%	33%	42%	43%	23%	21%
Free cash flow	-12.9	0.8	-6.7	25.5	21.7	Equity ratio	50%	52%	52%	58%	62%
						Gearing	15%	3%	16%	-11%	-25%
Valuation multiples	2020	2021	2022	2023e	2024e						
EV/S	1.1	2.7	1.9	0.8	0.6						
EV/EBITDA (adj.)	7.1	15.8	12.0	5.4	4.4						
EV/EBIT (adj.)	7.7	17.2	12.8	6.0	5.2						
P/E (adj.)	9.8	21.2	17.5	8.6	8.7						
P/B	2.8	7.3	5.7	1.7	1.4						
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %						

Source: Inderes

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## Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
5/12/2020	Accumulate	2.60 €	2.40 €
5/25/2020	Accumulate	2.80 €	2.57 €
8/27/2020	Accumulate	4.00 €	3.71 €
9/17/2020	Accumulate	4.00 €	3.60 €
10/27/2020	Accumulate	3.50 €	3.02 €
11/12/2020	Accumulate	3.80 €	3.40 €
11/26/2020	Accumulate	4.00 €	3.60 €
2/25/2021	Accumulate	5.40 €	4.88 €
4/28/2021	Accumulate	7.60 €	7.05 €
7/29/2021	Accumulate	9.20 €	8.58 €
9/16/2021	Accumulate	11.00 €	10.12 €
10/28/2021	Reduce	14.00 €	14.78 €
2/25/2022	Accumulate	14.40 €	13.42 €
3/23/2022	Reduce	14.80 €	15.08 €
4/27/2022	Reduce	14.80 €	14.00 €
	-----Analyst changed-----		
7/28/2022	Accumulate	16.00 €	14.66 €
10/19/2022	Accumulate	17.00 €	15.08 €
10/28/2022	Reduce	17.00 €	16.06 €
11/18/2022	Reduce	17.00 €	16.18 €
2/23/2023	Reduce	17.00 €	18.04 €
4/19/2023	Accumulate	12.00 €	10.92 €
4/27/2023	Accumulate	12.00 €	10.36 €
6/15/2023	Accumulate	12.00 €	9.96 €
7/4/2023	Accumulate	12.00 €	10.76 €
7/31/2023	Accumulate	12.00 €	10.72 €
10/9/2023	Accumulate	8.00 €	6.40 €
10/26/2023	Accumulate	8.00 €	6.19 €



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