

# Exel Composites

## Company report

5/02/2021 12:10



**Joonas Korkiakoski**  
+358 40 182 8660  
joonas.korkiakoski@inderes.fi



**Antti Viljakainen**  
+358 44 591 2216  
antti.viljakainen@inderes.fi

✓ Inderes corporate customer

This report is a summary translation of the report "Tuulta purjeissa ja tilauskirjoissa" published on 05/02/2021 at 12:10 pm

**inde  
res.**

# Wind in the sails and order books

Exel published its Q1 report on Friday. The company's operational performance was slightly better than we expected. The key causes of joy in the report were in our opinion related to excellently developed new orders, record-high order book, and, thus, the short-term order situation that seems good. The longer-term outlook is also great, and Exel's own competitiveness is not reprehensible either. The annual return expectation consisting of expected earnings growth and a small dividend is, in our opinion, still sufficient considering the risks. Thus, we reiterate our Accumulate recommendation and revise our target price to EUR 11.50 (previously EUR 9.20) supported by our increased estimates.

## The year kicked-off successfully

In Q1, Exel's revenue grew by 11% to EUR 31 million, which exceeded our EUR 28.9 million estimate. Examined by customer industries, the important Wind power (+27%) and Building and infrastructure (13%) performance was strong, while among the smaller industries Defense's (+79%) perky performance continued and Telecommunications (+109%) exceeded the weak comparison figures significantly. Geographically growth was strongest in the strategically important Asia-Pacific, where volumes grew by 59%. In Q1, Exel generated EUR 2.5 million in adjusted EBIT, which was a bit higher than our expectation. During Q1, Exel's profitability was depressed somewhat by higher logistics costs caused by global delivery chain challenges. As far as we can see, the company did not face any significant problems related to raw material availability in Q1. We feel Exel's Q1 was successful operatively speaking and the company continued its consistent performance.

## Future looks good

For the ongoing year Exel's guidance is that revenue and adjusted operating profit will grow. In Q1, Exel's order intake development was broad-based and extremely strong, and the company's order book reached a record high EUR 47.3 million. Considering this, the management's comments and the strong drivers found underneath Exel's own top applications we raised our estimates for 2021. In the full year we expect Exel's revenue to grow by 7% to EUR 116 million supported by the good performance in key customer industries and a pick-up in industries that have suffered more from the pandemic. We expect adjusted EBIT to amount to EUR 10.8 million supported by volume growth and the earnings support from the North American unit for the whole year. Considering the increasing demand in key industries and Exel's own structural abilities we expect Exel to continue growing profitably also after 2021. The key risks in the next few years are as usual connected to the development of industrial end demand and chronically short visibility.

## Earnings growth controls return expectation

Exel's adjusted P/E ratios for 2021 and 2022 based on our estimates are 17x and 15x while the corresponding EV/EBITDA ratios are 10x and 8x. Considering the neutral multiple range, historical valuation, and the company's improved quality we do not consider the current valuation too high. On the other hand, we do not see considerable upside in the multiples considering the risks related to the expected development. We feel Exel's earnings growth outlook is good, which together with a small dividend also raises the annual return expectation above the ROE requirement. Thus, the return/risk ratio is good enough in our opinion.

## Recommendation

### Accumulate

(previous Accumulate)

### EUR 11.50

(previous EUR 9.20)

### Share price:

10.88



## Key indicators

	2020	2021e	2022e	2023e
Revenue	109	116	121	126
growth %	5%	7%	4%	4%
EBIT adjusted	9.7	10.8	12.3	13.0
EBIT % adjusted	8.9%	9.3%	10.2%	10.4%
Net profit	5.4	7.7	8.7	9.2
EPS (adjusted)	0.47	0.65	0.73	0.77
P/E (adjusted)	15.7	16.8	14.9	14.0
P/B	3.0	3.7	3.2	2.8
Dividend yield %	2.7%	2.0%	2.2%	2.4%
EV/EBIT (adjusted)	12.3	14.5	12.2	10.8
EV/EBITDA	7.8	9.7	8.2	7.4
EV/Revenue	1.1	1.3	1.2	1.1

Source: Inderes

## Guidance

(Unchanged)

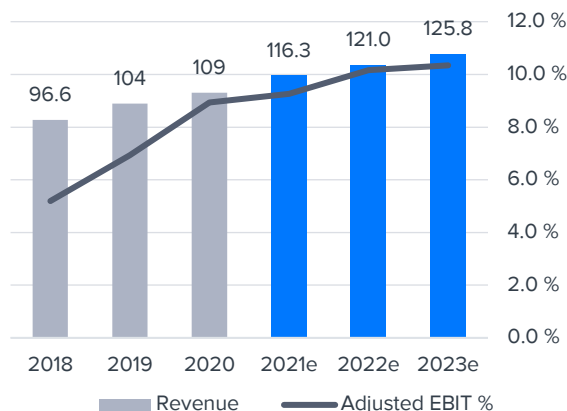
Exel Composites expects revenue and adjusted operating profit in 2021 to increase compared to 2020.

## Share price



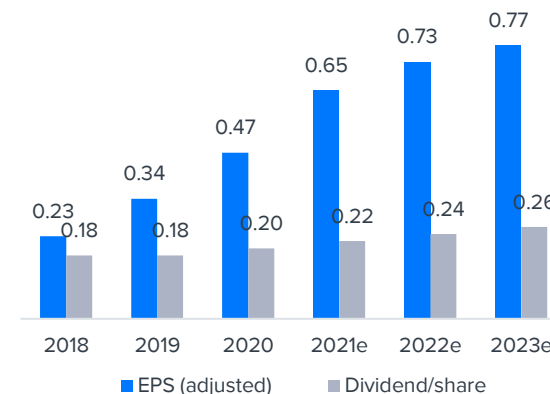
Source: Thomson Reuters

## Revenue and EBIT %



Source: Inderes

## EPS and dividend



Source: Inderes



### Value drivers

- Growing composite market creates a good basis for organic growth
- Profitability approaching its potential
- Boosting growth with acquisitions



### Risk factors

- Somewhat cyclical and volatile demand
- Relatively fixed cost structure
- Concentrated customer portfolio
- Debt elevated in balance sheet
- Unsuccessful growth would depress acceptable valuation multiples
- Margin pressure caused by delivery chain problems in the short term



### Valuation

- When earnings growth materializes, the share cannot be considered expensive
- In our opinion the annual return expectation is sufficient even though there are no clear support levels for the share if earnings development does not meet our expectations

MCAP

**129**

EUR million

EV

**156**

EUR million

P/E (adjusted)

**17x**

2021e

EV/EBITDA

**10x**

2021e

# Estimates

Estimates	Q1'20	Q1'21	Q1'21e	Q1'21e	Consensus		Difference (%)	2021e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	27.8	31.0	28.9	29.5	28.9	- 30.0	7%	116.3
EBIT (adj.)	2.1	2.5	2.4	2.4	2.4	- 2.4	3%	10.8
EBIT	1.9	2.4	2.4	2.4	2.4	- 2.4	1%	10.7
EPS (adj.)	0.07	0.17	0.14	0.14	0.14	- 0.14	24%	0.65
Revenue growth-%	2.6 %	11.3 %	4.0 %	6.1 %	3.9 %	- 7.9 %	7.3 pp	7.1 %
EBIT-% (adj.)	7.6 %	7.9 %	8.3 %	8.1 %	8.3 %	- 8.0 %	-0.3 pp	9.3 %

Source: Inderes & Infront (consensus)

Estimate revisions	2021e	2021e	Change	2022e	2022e	Change	2023e	2023e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	112	116	3%	116	121	4%	119	126	6%
EBITDA	15.8	16.1	2%	17.0	18.2	7%	17.6	19.1	8%
EBIT (exc. NRIs)	10.5	10.8	3%	11.0	12.3	11%	11.6	13.0	13%
EBIT	10.5	10.7	2%	11.0	12.3	11%	11.6	13.0	13%
PTP	9.6	10.5	10%	10.1	11.4	12%	10.7	12.1	14%
EPS (excl. NRIs)	0.61	0.65	7%	0.65	0.73	12%	0.68	0.77	14%
DPS	0.22	0.22	0%	0.24	0.24	0%	0.26	0.26	0%

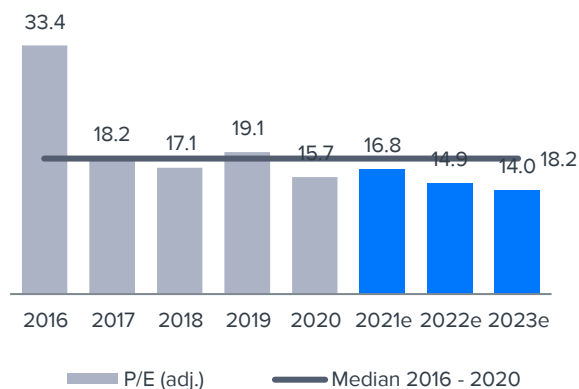
Source: Inderes

# Valuation table

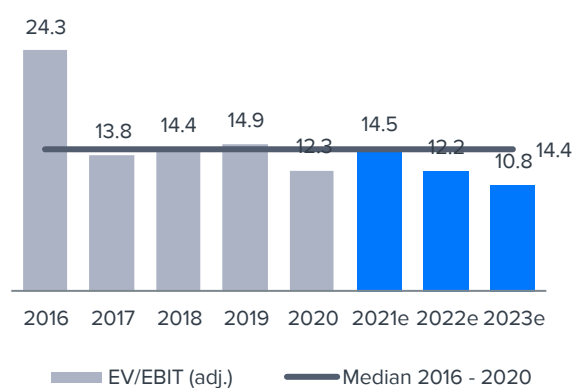
Valuation	2016	2017	2018	2019	2020	2021e	2022e	2023e	2024e
Share price	5.02	6.57	4.00	6.48	7.38	10.9	10.9	10.9	10.9
Number of shares, millions	11.9	11.9	11.9	11.9	11.9	11.9	11.9	11.9	11.9
Market cap	60	78	48	77	88	129	129	129	129
EV	63	87	72	107	119	156	150	141	135
P/E (adj.)	33.4	18.2	17.1	19.1	15.7	16.8	14.9	14.0	13.2
P/E	>100	18.4	>100	32.0	16.4	16.9	14.9	14.0	13.2
P/FCF	48.3	neg.	neg.	20.1	24.2	20.3	13.0	10.8	12.8
P/B	2.2	2.7	1.8	2.9	3.0	3.7	3.2	2.8	2.4
P/S	0.8	0.9	0.5	0.7	0.8	1.1	1.1	1.0	1.0
EV/Sales	0.9	1.0	0.7	1.0	1.1	1.3	1.2	1.1	1.0
EV/EBITDA	16.0	9.3	7.8	10.0	7.8	9.7	8.2	7.4	6.8
EV/EBIT (adj.)	24.3	13.8	14.4	14.9	12.3	14.5	12.2	10.8	9.8
Payout ratio (%)	502.0 %	84.1 %	554.7 %	88.8 %	44.3 %	34.1 %	33.0 %	33.6 %	34.1 %
Dividend yield-%	2.0 %	4.6 %	4.5 %	2.8 %	2.7 %	2.0 %	2.2 %	2.4 %	2.6 %

Source: Inderes

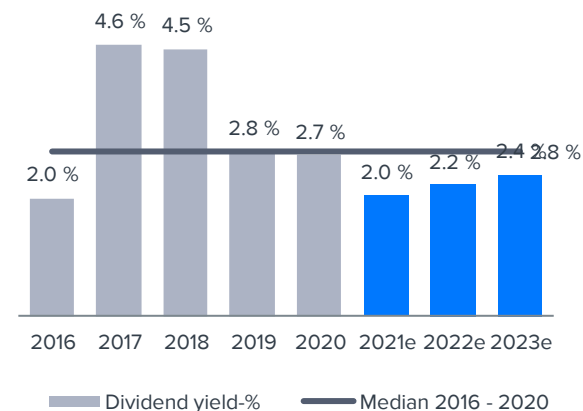
P/E (adj.)



EV/EBIT



Dividend yield %



# Income statement

Income statement	2019	Q1'20	Q2'20	Q3'20	Q4'20	2020	Q1'21	Q2'21e	Q3'21e	Q4'21e	2021e	2022e	2023e	2024e
Revenue	104	27.8	27.2	26.0	27.5	108.6	31.0	29.1	27.6	28.6	116.3	121.0	125.8	130.8
Group	104	27.8	27.2	26.0	27.5	109	31.0	29.1	27.6	28.6	116.3	121.0	125.8	130.8
Adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	10.7	3.2	3.8	3.3	4.9	15.3	3.8	4.3	3.6	4.3	16.1	18.2	19.1	19.8
Depreciation	-5.6	-1.3	-1.0	-1.4	-2.2	-5.9	-1.3	-1.3	-1.3	-1.3	-5.3	-5.9	-6.0	-6.0
EBIT (excl. NRI)	7.2	2.1	2.9	2.0	2.7	9.7	2.5	3.0	2.3	3.0	10.8	12.3	13.0	13.8
EBIT	5.1	1.9	2.8	2.0	2.7	9.4	2.4	3.0	2.3	3.0	10.7	12.3	13.0	13.8
Adjustments	-2.1	-0.2	-0.1	0.0	0.0	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net financial items	-1.2	-0.6	0.2	-0.6	-1.3	-2.3	0.5	-0.2	-0.2	-0.2	-0.2	-0.9	-0.9	-0.9
PTP	3.9	1.3	3.0	1.3	1.5	7.1	2.9	2.8	2.0	2.8	10.5	11.4	12.1	12.9
Taxes	-1.5	-0.6	-0.4	-0.3	-0.4	-1.8	-1.0	-0.7	-0.5	-0.7	-2.8	-2.7	-2.9	-3.1
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	0.0	0.0
Net earnings	2.4	0.7	2.5	1.1	1.1	5.4	2.0	2.1	1.5	2.1	7.7	8.7	9.2	9.8
EPS (adj.)	0.34	0.07	0.22	0.09	0.09	0.47	0.17	0.18	0.13	0.17	0.65	0.73	0.77	0.82
EPS (rep.)	0.20	0.06	0.21	0.09	0.09	0.45	0.17	0.18	0.13	0.17	0.64	0.73	0.77	0.82

Key figures	2019	Q1'20	Q2'20	Q3'20	Q4'20	2020	Q1'21	Q2'21e	Q3'21e	Q4'21e	2021e	2022e	2023e	2024e
Revenue growth-%	7.4 %	2.6 %	2.9 %	10.2 %	3.4 %	4.6 %	11.3 %	7.0 %	6.0 %	4.0 %	7.1 %	4.0 %	4.0 %	4.0 %
Adjusted EBIT growth-%	43.5 %	7.4 %	29.2 %	19.4 %	103.7 %	34.9 %	17.0 %	4.3 %	15.6 %	10.1 %	11.0 %	14.0 %	5.9 %	5.8 %
EBITDA-%	10.3 %	11.5 %	13.9 %	12.8 %	18.0 %	14.1 %	12.1 %	14.9 %	13.1 %	15.2 %	13.8 %	15.1 %	15.1 %	15.1 %
Adjusted EBIT-%	6.9 %	7.6 %	10.6 %	7.6 %	9.9 %	8.9 %	7.9 %	10.3 %	8.3 %	10.5 %	9.3 %	10.2 %	10.4 %	10.5 %
Net earnings-%	2.3 %	2.5 %	9.3 %	4.1 %	3.9 %	4.9 %	6.4 %	7.1 %	5.6 %	7.3 %	6.6 %	7.2 %	7.3 %	7.5 %

Source: Inderes

# Balance sheet

Assets	2019	2020	2021e	2022e	2023e
<b>Non-current assets</b>	<b>41.6</b>	<b>47.8</b>	<b>47.1</b>	<b>47.2</b>	<b>47.2</b>
Goodwill	13.0	12.6	12.6	12.6	12.6
Intangible assets	4.3	3.9	4.0	4.0	4.1
Tangible assets	22.8	29.4	30.1	30.2	30.1
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.1	0.0	0.1	0.1	0.1
Deferred tax assets	1.4	1.7	0.3	0.3	0.3
<b>Current assets</b>	<b>43.8</b>	<b>49.0</b>	<b>45.4</b>	<b>46.0</b>	<b>47.8</b>
Inventories	16.9	16.2	16.3	16.9	15.1
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	20.0	20.9	20.9	20.6	21.4
Cash and equivalents	6.9	12.0	8.1	8.5	11.3
<b>Balance sheet total</b>	<b>85.4</b>	<b>96.8</b>	<b>92.4</b>	<b>93.1</b>	<b>95.0</b>

Source: Inderes

Liabilities & equity	2019	2020	2021e	2022e	2023e
<b>Equity</b>	<b>26.3</b>	<b>28.9</b>	<b>34.7</b>	<b>40.7</b>	<b>47.1</b>
Share capital	2.1	2.1	2.1	2.1	2.1
Retained earnings	19.0	22.2	27.5	33.6	39.9
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	5.2	4.5	5.0	5.0	5.0
Minorities	0.0	0.0	0.0	0.0	0.0
<b>Non-current liabilities</b>	<b>15.6</b>	<b>14.1</b>	<b>19.7</b>	<b>16.5</b>	<b>18.3</b>
Deferred tax liabilities	0.3	0.2	0.2	0.2	0.2
Provisions	0.0	0.0	0.0	0.0	0.0
Long term debt	14.8	12.9	19.0	15.8	17.6
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.6	0.9	0.5	0.5	0.5
<b>Current liabilities</b>	<b>43.4</b>	<b>53.9</b>	<b>38.1</b>	<b>35.9</b>	<b>29.7</b>
Short term debt	22.4	30.3	16.0	12.8	5.5
Payables	21.0	23.6	22.1	23.1	24.2
Other current liabilities	0.0	0.0	0.0	0.0	0.0
<b>Balance sheet total</b>	<b>85.4</b>	<b>96.8</b>	<b>92.4</b>	<b>93.1</b>	<b>95.0</b>

# DCF calculation

DCF model	2020	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	TERM
EBIT (operating profit)	9.4	10.7	12.3	13.0	13.8	13.5	13.9	14.3	14.0	14.0	14.4	
+ Depreciation	5.9	5.3	5.9	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	
- Paid taxes	-2.2	-1.4	-2.7	-2.9	-3.1	-3.1	-3.2	-3.4	-3.4	-3.5	-3.6	
- Tax, financial expenses	-0.6	-0.1	-0.2	-0.2	-0.2	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	2.4	-1.7	0.7	2.1	-0.4	-0.2	-0.2	-0.3	-0.3	-0.4	-0.4	
Operating cash flow	14.9	12.9	16.0	18.0	16.1	16.0	16.3	16.6	16.2	16.1	16.4	
+ Change in other long-term liabilities	0.4	-0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-11.7	-6.1	-6.1	-6.1	-6.1	-6.1	-6.1	-6.1	-6.1	-6.0	-6.2	
Free operating cash flow	3.6	6.4	10.0	11.9	10.1	10.0	10.3	10.6	10.2	10.1	10.2	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	3.6	6.4	10.0	11.9	10.1	10.0	10.3	10.6	10.2	10.1	10.2	225
Discounted FCFF		6.1	8.8	9.8	7.7	7.1	6.7	6.5	5.8	5.3	5.0	110
Sum of FCFF present value		179	172	164	154	146	139	132	126	120	115	110
Enterprise value DCF		179										
- Interesting bearing debt		-43.1										
+ Cash and cash equivalents		12.0										
-Minorities		0.0										
-Dividend/capital return		-2.4										
Equity value DCF		145										
Equity value DCF per share		12.2										
Cash flow distribution												
2021e-2025e												22%
2026e-2030e												16%
TERM												62%
Wacc												
Tax-% (WACC)		25.0 %										
Target debt ratio (D/(D+E))		25.0 %										
Cost of debt		5.0 %										
Equity Beta		1.25										
Market risk premium		5.00%										
Liquidity premium		0.75%										
Risk free interest rate		2.0 %										
Cost of equity		9.0 %										
Weighted average cost of capital (WACC)		7.7 %										



# Summary

Income statement	2018	2019	2020	2021e	2022e	Per share data	2018	2019	2020	2021e	2022e
Revenue	96.6	103.8	108.6	116.3	121.0	EPS (reported)	0.03	0.20	0.45	0.64	0.73
EBITDA	9.3	10.7	15.3	16.1	18.2	EPS (adj.)	0.23	0.34	0.47	0.65	0.73
EBIT	2.2	5.1	9.4	10.7	12.3	OCF / share	-0.11	0.83	1.26	1.08	1.35
PTP	1.7	3.9	7.1	10.5	11.4	FCF / share	-1.03	0.32	0.30	0.53	0.84
Net Income	0.4	2.4	5.4	7.7	8.7	Book value / share	2.17	2.21	2.43	2.91	3.42
Extraordinary items	-2.8	-2.1	-0.3	0.0	0.0	Dividend / share	0.18	0.18	0.20	0.22	0.24
Balance sheet	2018	2019	2020	2021e	2022e	Growth and profitability	2018	2019	2020	2021e	2022e
Balance sheet total	74.6	85.4	96.8	92.4	93.1	Revenue growth-%	12%	7%	5%	7%	4%
Equity capital	25.8	26.3	28.9	34.7	40.7	EBITDA growth-%	-1%	15%	43%	5%	13%
Goodwill	12.8	13.0	12.6	12.6	12.6	EBIT (adj.) growth-%	-20%	44%	35%	11%	14%
Net debt	24.8	30.2	31.2	26.8	20.2	EPS (adj.) growth-%	-35%	45%	38%	37%	12%
Cash flow	2018	2019	2020	2021e	2022e	EBITDA-%	9.6 %	10.3 %	14.1 %	13.8 %	15.1 %
EBITDA	9.3	10.7	15.3	16.1	18.2	EBIT (adj.)-%	5.2 %	6.9 %	8.9 %	9.3 %	10.2 %
Change in working capital	-8.8	1.9	2.4	-1.7	0.7	EBIT-%	2.3 %	4.9 %	8.7 %	9.2 %	10.2 %
Operating cash flow	-1.3	9.9	14.9	12.9	16.0	ROE-%	1.4 %	9.3 %	19.5 %	24.2 %	23.0 %
CAPEX	-10.9	-6.1	-11.7	-6.1	-6.1	ROI-%	4.4 %	8.6 %	13.9 %	15.2 %	17.7 %
Free cash flow	-12.3	3.8	3.6	6.4	10.0	Equity ratio	34.6 %	30.8 %	29.8 %	37.5 %	43.7 %
						Gearing	96.3 %	114.9 %	107.9 %	77.4 %	49.5 %
Largest shareholders	% of shares					Valuation multiples	2018	2019	2020	2021e	2022e
Handelsbanken Fonder	8.7 %					EV/S	0.7	1.0	1.1	1.3	1.2
OP Fonder	7.4 %					EV/EBITDA (adj.)	7.8	10.0	7.8	9.7	8.2
Taaleritehtaan Rahastoyhtiö Oy	6.7 %					EV/EBIT (adj.)	14.4	14.9	12.3	14.5	12.2
Swedbank Robur Fonder	6.5 %					P/E (adj.)	17.1	19.1	15.7	16.8	14.9
Lazard Freres Gestion	5.2 %					P/E	1.8	2.9	3.0	3.7	3.2
						Dividend-%	4.5 %	2.8 %	2.7 %	2.0 %	2.2 %

Source: Inderes

# Disclaimer and recommendation history

The information presented in Inderes reports is obtained from several different public sources that Inderes considers to be reliable. Inderes aims to use reliable and comprehensive information, but Inderes does not guarantee the accuracy of the presented information. Any opinions, estimates and forecasts represent the views of the authors. Inderes is not responsible for the content or accuracy of the presented information. Inderes and its employees are also not responsible for the financial outcomes of investment decisions made based on the reports or any direct or indirect damage caused by the use of the information. The information used in producing the reports may change quickly. Inderes makes no commitment to announcing any potential changes to the presented information and opinions.

The reports produced by Inderes are intended for informational use only. The reports should not be construed as offers or advice to buy, sell or subscribe investment products. Customers should also understand that past performance is not a guarantee of future results. When making investment decisions, customers must base their decisions on their own research and their estimates of the factors that influence the value of the investment and take into account their objectives and financial position and use advisors as necessary. Customers are responsible for their investment decisions and their financial outcomes.

Reports produced by Inderes may not be edited, copied or made available to others in their entirety, or in part, without Inderes' written consent. No part of this report, or the report as a whole, shall be transferred or shared in any form to the United States, Canada or Japan or the citizens of the aforementioned countries. The legislation of other countries may also lay down restrictions pertaining to the distribution of the information contained in this report. Any individuals who may be subject to such restrictions must take said restrictions into account.

Inderes issues target prices for the shares it follows. The recommendation methodology used by Inderes is based on the share's 12-month expected total shareholder return (including the share price and dividends) and takes into account Inderes' view of the risk associated with the expected returns. The recommendation policy consists of four tiers: Sell, Reduce, Accumulate and Buy. As a rule, Inderes' investment recommendations and target prices are reviewed at least 2–4 times per year in connection with the companies' interim reports, but the recommendations and target prices may also be changed at other times depending on the market conditions. The issued recommendations and target prices do not guarantee that the share price will develop in line with the estimate. Inderes primarily uses the following valuation methods in determining target prices and recommendations: Cash flow analysis (DCF), valuation multiples, peer group analysis and sum of parts analysis. The valuation methods and target price criteria used are always company-specific and they may vary significantly depending on the company and (or) industry.

Inderes' recommendation policy is based on the following distribution relative to the 12-month risk-adjusted expected total shareholder return.

Buy The 12-month risk-adjusted expected shareholder return of the share is very attractive

Accumulate The 12-month risk-adjusted expected shareholder return of the share is attractive

Reduce The 12-month risk-adjusted expected shareholder return of the share is weak

Sell The 12-month risk-adjusted expected shareholder return of the share is very weak

The assessment of the 12-month risk-adjusted expected total shareholder return based on the above-mentioned definitions is company-specific and subjective. Consequently, similar 12-month expected total shareholder returns between different shares may result in different recommendations, and the recommendations and 12-month expected total shareholder returns between different shares should not be compared with each other. The counterpart of the expected total shareholder return is Inderes' view of the risk taken by the investor, which varies considerably between companies and scenarios. Thus, a high expected total shareholder return does not necessarily lead to positive performance when the risks are exceptionally high and, correspondingly, a low expected total shareholder return does not necessarily lead to a negative recommendation if Inderes considers the risks to be moderate.

The analysts who produce Inderes' research and Inderes employees cannot have 1) shareholdings that exceed the threshold of significant financial gain or 2) shareholdings exceeding 1% in any company subject to Inderes' research activities. Inderes Oy can only own shares in the target companies it follows to the extent shown in the company's model portfolio investing real funds. All of Inderes Oy's shareholdings are presented in itemised form in the model portfolio. Inderes Oy does not have other shareholdings in the target companies analysed. The remuneration of the analysts who produce the analysis are not directly or indirectly linked to the issued recommendation or views. Inderes Oy does not have investment bank operations.

Inderes or its partners whose customer relationships may have a financial impact on Inderes may, in their business operations, seek assignments with various issuers with respect to services provided by Inderes or its partners. Thus, Inderes may be in a direct or indirect contractual relationship with an issuer that is the subject of research activities. Inderes and its partners may provide investor relations services to issuers. The aim of such services is to improve communication between the company and the capital markets. These services include the organisation of investor events, advisory services related to investor relations and the production of investor research reports.

More information about research disclaimers can be found at [www.inderes.fi/research-disclaimer](http://www.inderes.fi/research-disclaimer).

Inderes has made an agreement with the issuer and target of this report, which entails compiling a research report.

## Recommendation history (>12 mo)

Date	Recommendation	Target price	Share price
09-01-19	Reduce	4.35 €	4.17 €
18-02-19	Reduce	4.35 €	4.15 €
05-03-19	Reduce	4.35 €	4.19 €
15-04-19	Reduce	4.35 €	4.14 €
06-05-19	Accumulate	4.60 €	4.25 €
24-07-19	Accumulate	5.00 €	4.52 €
31-10-19	Accumulate	5.30 €	4.80 €
22-11-19	Accumulate	6.30 €	5.76 €
18-02-20	Accumulate	6.50 €	6.14 €
16-03-20	Accumulate	4.10 €	3.96 €
07-05-20	Accumulate	5.10 €	4.80 €
22-07-20	Accumulate	6.00 €	5.52 €
02-11-20	Accumulate	6.80 €	6.40 €
08-12-20	Accumulate	7.00 €	6.50 €
19-02-21	Accumulate	9.20 €	8.76 €
02-05-21	Accumulate	11.50 €	10.88 €



Inderes' mission is to connect listed companies and investors. We produce high-quality research and content for the needs of our extensive investor community.

At Inderes we believe that open data is every investor's fundamental right. We guarantee investors' access to award-winning research, insightful video content and an active investor community.

For listed companies we ensure that there is always high-quality information available on the company for investors and shareholders for decision making, and that data collected from investors can be utilized by the companies.

Over 100 Finnish listed companies want to serve their shareholders and investors through us by utilizing our company research services, data driven IR services, content creation and consulting.

#### Inderes Oy

Itämerentori 2

FI-00180 Helsinki, Finland

+358 10 219 4690

Award-winning research at [inderes.fi](https://inderes.fi)



STARMINE  
ANALYST AWARDS  
FROM REFINITIV



THOMSON REUTERS  
ANALYST AWARDS



Juha Kinnunen  
2012, 2016, 2017, 2018, 2019, 2020



Mikael Rautanen  
2014, 2016, 2017, 2019



Sauli Vilén  
2012, 2016, 2018, 2019, 2020



Antti Viljakainen  
2014, 2015, 2016, 2018, 2019, 2020



Petri Kajaani  
2017, 2019, 2020



Joni Grönqvist  
2019, 2020



Erkki Vesola  
2018, 2020



Petri Gostowski  
2020



Atte Riikola  
2020



Olli Koponen  
2020

**Research belongs  
to everyone.**