

# INCAP

7/28/2025 09:50 am EEST

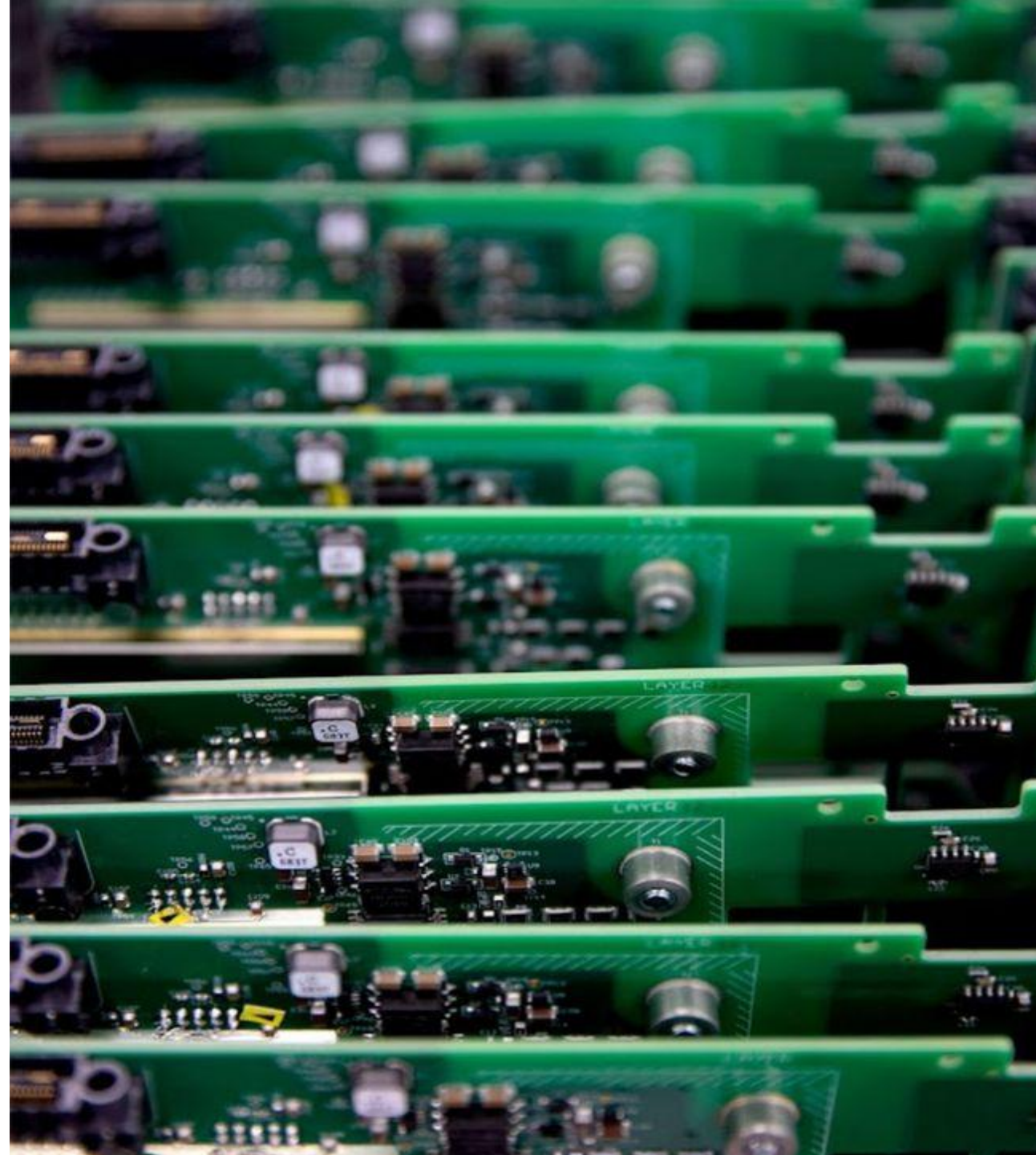
This is a summary translation of "Tulosvaroitus takana, edullinen arvostus horisontissa" report, published on 7/28/2025



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INDERES CORPORATE CUSTOMER

# COMPANY REPORT



# Profit warning behind, favorable valuation on the horizon

We raise our recommendation for Incap to Accumulate (was Reduce) and reiterate the company's target price of EUR 12.00. We lowered the company's near-term estimates, reflecting the negative profit warning issued by the company earlier this week, though the profit warning risk, which had pressured the risk/reward ratio after the Q1 report, is now off the table. Earnings are expected to decline significantly in H2, primarily due to FX effects, but we believe the upside potential from a low EV-based valuation, the M&A option, and good medium-term earnings growth potential still create an attractive return potential for the share.

## Growth and earnings growth cooled down in Q2

Incap's revenue in Q2 decreased by 4% to 55 MEUR and adjusted EBIT by 9% to 6.0 MEUR. Growth and earnings performance fell short of our estimates, but due to the negative profit warning this was no longer a significant surprise. In our view, the declines are mainly explained by the strengthening of EUR/USD and EUR/INR exchange rates, which negatively impact the company's revenue and profit mainly through translation. We estimate volumes to have remained roughly stable, but there has been no scope for their growth in the unclear trade policy situation. In the lower lines of the income statement, one-off costs slightly exceeded our estimates, and currency movements also negatively affected financial expenses. In addition, the tax rate rose to a very high level, as the company exceptionally repatriated earnings from India to the parent company in Q2 by distributing a dividend, which resulted in 2.5 MEUR in withholding taxes. As a result, Incap's EPS in Q2 was sharply below the comparison period and forecasts, at EUR 0.03. The payment of this tax item also weighed on cash flow, although Incap's operating cash flow clearly recovered in Q2 from a very weak Q1 as working capital normalized.

## Currencies to dent earnings this year

Incap reiterated the guidance it provided in the profit warning earlier this week, according to which the company's revenue for

this year is 210-230 MEUR and EBIT 23-29 MEUR. The company commented on the demand outlook for the rest of the year cautiously positively, similarly to its peers, even though trade policy uncertainties have postponed some customer deliveries and uncertainties also remain high with trade negotiations between the EU and the US ongoing. Currencies, however, are becoming a significant headwind for H2.

We lowered our current year revenue and adjusted EBIT estimates for Incap by 7% and 14% respectively, due to currency and volume-related reasons. Our revenue forecasts for the coming years decreased by 4-5% and EBIT forecasts by 6-7%. This year, we expect Incap's revenue to decrease by 4% to 221 MEUR and EBIT by 13% to 25.3 MEUR. In the coming years, we forecast the company to achieve an average of over 10% earnings growth, driven by a gradually improving market and slight market share gains (including new customers and increased shares from existing deliveries). In our view, the company should have free capacity for growth, especially in India. The main risks to our forecasts relate to the continued significant revenue share of the largest customer, global investment demand and competition. Our estimates do not include acquisitions, which are still high on the company's agenda. Following two successful acquisitions, acquisitions are in our view an option for value creation. M&A activity in the sector seems to have picked up, and we consider it possible that the company will soon find a suitable target in its own style, primarily avoiding public auction processes.

## Valuation picture is attractive

Incap's adjusted P/E ratios for 2025 and 2026 based on our estimates are 20x and 13x, and the corresponding EV/EBIT ratios are 10x and 8x. For this year, we consider the multiples to be neutral, whereas next year's figures provide a more attractive picture of the valuation, especially on an EV basis. Relative discount and the DCF value around our target price also support a positive view on the share.

## Recommendation

**Accumulate**  
(was Reduce)

**Target price:**  
**EUR 12.00**  
(was EUR 12.00)

**Share price:**  
EUR 10.82

## Business risk



## Valuation risk



	2024	2025e	2026e	2027e
<b>Revenue</b>	230	221	252	282
<b>growth-%</b>	4%	-4%	14%	12%
<b>EBIT adj.</b>	30.1	26.0	31.5	35.6
<b>EBIT-% adj.</b>	13.1 %	11.8 %	12.5 %	12.6 %
<b>Net income</b>	22.7	15.0	23.7	26.9
<b>EPS (adj.)</b>	0.79	0.53	0.82	0.93
<b>P/E (adj.)</b>	12.9	20.4	13.2	11.7
<b>P/B</b>	2.3	2.2	1.9	1.6
<b>Dividend yield-%</b>	0.0 %	0.0 %	0.0 %	0.0 %
<b>EV/EBIT (adj.)</b>	8.6	10.2	8.0	6.6
<b>EV/EBITDA</b>	7.5	8.6	6.8	5.7
<b>EV/S</b>	1.1	1.2	1.0	0.8

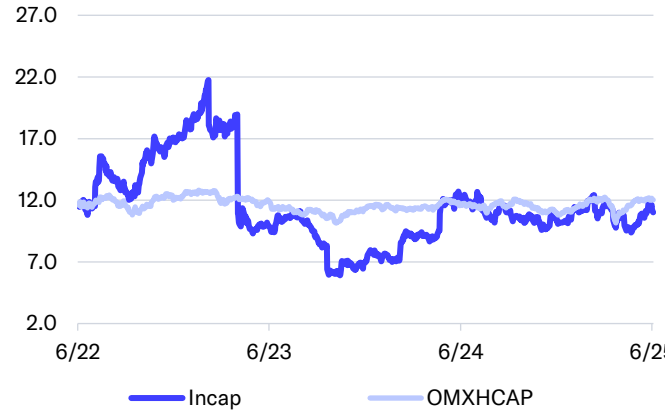
Source: Inderes

## Guidance

(Unchanged)

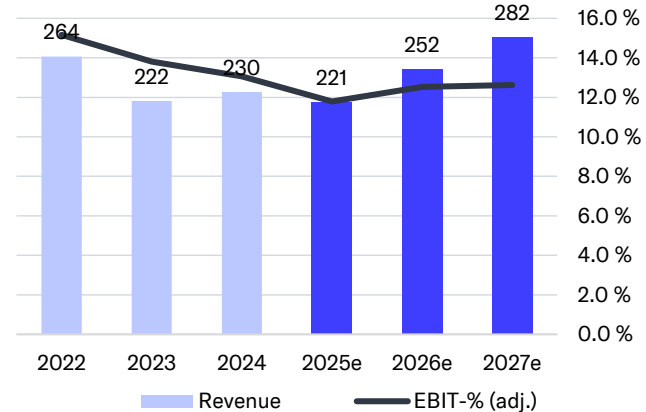
Incap estimates that the company's revenue in 2025 will be 210-230 MEUR and EBIT will be 23-29 MEUR.

## Share price



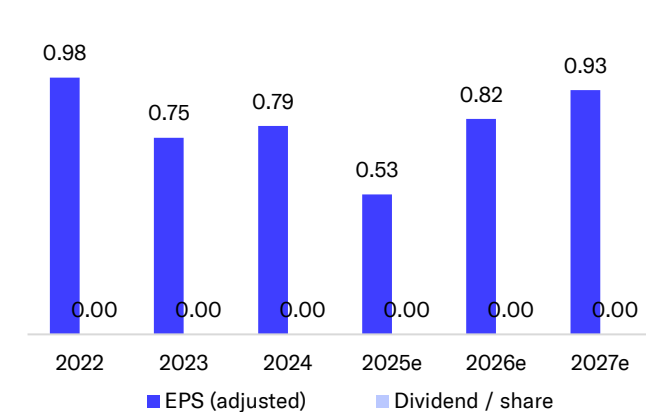
Source: Millstream Market Data AB

## Revenue and EBIT-% (adj.)



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 or volatile nature of customer industries
- Tightening competitive situation
- Company's cost efficiency deteriorating
- Supply chain disruptions
- Risk related to individual customers still elevated

Valuation	2025e	2026e	2027e
<b>Share price</b>	10.8	10.8	10.8
<b>Number of shares, millions</b>	29.4	29.4	29.4
<b>Market cap</b>	318	318	318
<b>EV</b>	266	251	234
<b>P/E (adj.)</b>	20.4	13.2	11.7
<b>P/E</b>	21.2	13.4	11.8
<b>P/B</b>	2.2	1.9	1.6
<b>P/S</b>	1.4	1.3	1.1
<b>EV/Sales</b>	1.2	1.0	0.8
<b>EV/EBITDA</b>	8.6	6.8	5.7
<b>EV/EBIT (adj.)</b>	10.2	8.0	6.6
<b>Payout ratio (%)</b>	0.0 %	0.0 %	0.0 %
<b>Dividend yield-%</b>	0.0 %	0.0 %	0.0 %

Source: Inderes

# Estimates and estimate revisions

Estimates MEUR / EUR	Q2'24 Comparison	Q2'25 Actualized	Q2'25e Inderes	Q2'25e Consensus	Consensus		Difference (%) Act. vs. Inderes	2025e Inderes
					Low	High		
Revenue	57.6	55.3	58.0				-5%	221
EBIT (adj.)	7.0	6.3	7.3				-13%	26.0
EBIT	6.8	5.9	7.2				-17%	25.3
PTP	6.6	4.3	7.0				-38%	23.1
EPS (reported)	0.17	0.03	0.18				-83%	0.51
Revenue growth-%	2.1 %	-4.1 %	0.6 %				-4.7 pp	-4.1 %
EBIT-% (adj.)	12.1 %	11.4 %	12.6 %				-1.1 pp	11.8 %

Source: Inderes

Estimate revisions MEUR / EUR	2025e		Change %	2026e		Change %	2027e		Change %
	Old	Actualized		Old	New		Old	New	
Revenue	237	221	-7%	266	252	-5%	292	282	-4%
EBIT	29.6	25.3	-15%	33.3	31.0	-7%	37.5	35.1	-6%
PTP	28.8	23.1	-20%	33.7	31.3	-7%	38.1	35.6	-6%
EPS (excl. NRIs)	0.75	0.53	-29%	0.88	0.82	-7%	0.99	0.93	-6%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

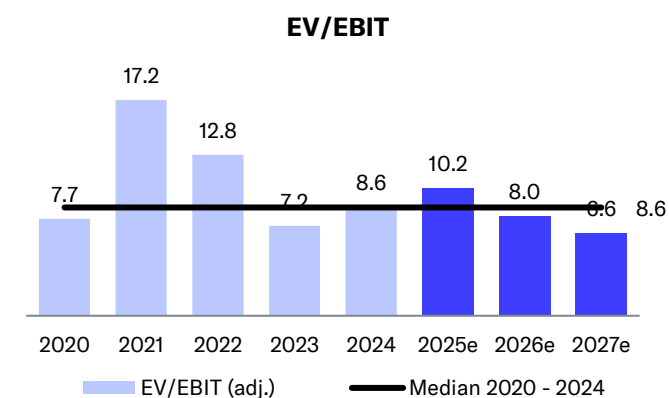
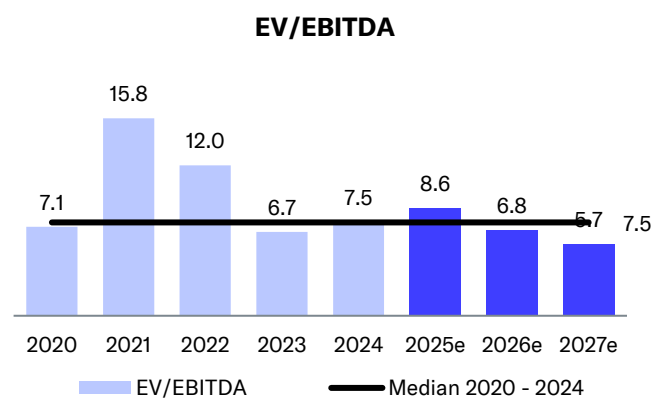
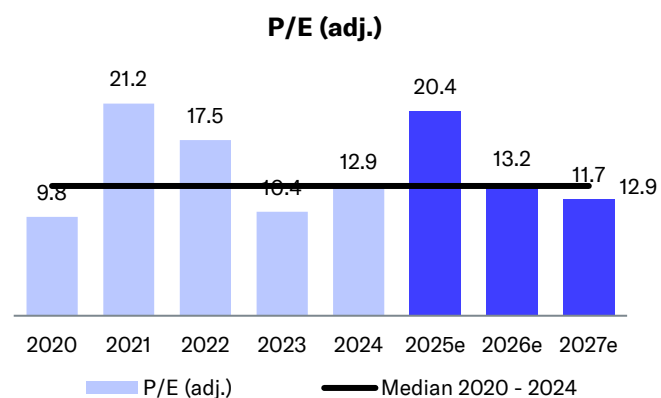
## Incap Q1'25: Confidence in the Second Half of the Year



# Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	3.69	15.70	17.10	7.75	10.24	<b>10.82</b>	<b>10.82</b>	<b>10.82</b>	<b>10.82</b>
Number of shares, millions	29.1	29.2	29.3	29.3	29.4	<b>29.4</b>	<b>29.4</b>	<b>29.4</b>	<b>29.4</b>
Market cap	107	459	500	228	301	<b>318</b>	<b>318</b>	<b>318</b>	<b>318</b>
EV	113	461	514	220	260	<b>266</b>	<b>251</b>	<b>234</b>	<b>215</b>
P/E (adj.)	9.8	21.2	17.5	10.4	12.9	<b>20.4</b>	<b>13.2</b>	<b>11.7</b>	<b>10.8</b>
P/E	11.6	21.8	18.1	11.5	13.2	<b>21.2</b>	<b>13.4</b>	<b>11.8</b>	<b>10.9</b>
P/B	2.8	7.3	5.7	2.1	2.3	<b>2.2</b>	<b>1.9</b>	<b>1.6</b>	<b>1.4</b>
P/S	1.0	2.7	1.9	1.0	1.3	<b>1.4</b>	<b>1.3</b>	<b>1.1</b>	<b>1.0</b>
EV/Sales	1.1	2.7	1.9	1.0	1.1	<b>1.2</b>	<b>1.0</b>	<b>0.8</b>	<b>0.7</b>
EV/EBITDA	7.1	15.8	12.0	6.7	7.5	<b>8.6</b>	<b>6.8</b>	<b>5.7</b>	<b>4.9</b>
EV/EBIT (adj.)	7.7	17.2	12.8	7.2	8.6	<b>10.2</b>	<b>8.0</b>	<b>6.6</b>	<b>5.5</b>
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	<b>0.0 %</b>	<b>0.0 %</b>	<b>0.0 %</b>	<b>20.0 %</b>
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	<b>0.0 %</b>	<b>0.0 %</b>	<b>0.0 %</b>	<b>1.8 %</b>

Source: Inderes



# Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B 2025e
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	
Cicor Technologies	705	757	16.4	14.0	10.6	9.1	1.3	1.1	21.8	18.2			3.8
Data Modul	80	76	34.4	11.0	7.4	5.1	0.3	0.3	134.1	20.9	0.5	0.5	0.5
Hanza	329	474	6.5	5.3	5.8	4.9	0.6	0.6	10.8	9.7	1.4	2.2	1.9
Kitron	1014	1120	12.6	9.0	5.0	4.3	0.4	0.4	25.7	19.0	1.5	2.1	1.1
Lacroix Group SA	38	145	19.6	5.7	5.8	3.6	0.3	0.3	4.6	3.0		6.8	
Jabil	19156	20343	15.1	13.6	10.2	9.4	0.8	0.8	22.1	19.0	0.2	0.2	14.3
Note AB	439	448	12.8	11.4	9.6	8.6	1.3	1.2	17.4	14.9	2.8	1.1	2.8
Scanfil	591	607	10.8	10.0	7.6	7.0	0.7	0.7	14.0	12.8	2.7	2.9	1.9
Fabrinet	8297	7457	24.4	21.2	20.9	18.2	2.5	2.2	26.2	22.9			4.9
Hana Microelectronics	412	149	3.7	3.2	1.8	1.6	0.2	0.2	11.7	10.1	4.8	5.8	0.5
SVI	364	374	14.3	12.2	8.9	8.5	0.7	0.6	13.0	12.3	2.9	3.4	1.6
TT Electronics	215	328	9.8	7.6	5.8	5.0	0.6	0.5	9.0	6.7	4.3	5.1	0.8
Katek	309	394	7.5	7.7	5.1	5.2	0.4	0.4	9.4	9.8			1.6
AQ Group AB	1506	1485	19.4	17.4	14.0	12.3	1.8	1.7	25.1	22.1	1.0	1.1	3.6
Celestica	13718	14300	21.0	17.6	17.7	15.0	1.5	1.3	26.9	22.2			8.0
<b>Incap (Inderes)</b>	<b>318</b>	<b>266</b>	<b>10.2</b>	<b>8.0</b>	<b>8.6</b>	<b>6.8</b>	<b>1.2</b>	<b>1.0</b>	<b>20.4</b>	<b>13.2</b>	<b>0.0</b>	<b>0.0</b>	<b>2.2</b>
<b>Average</b>			<b>15.2</b>	<b>11.1</b>	<b>9.1</b>	<b>7.9</b>	<b>0.9</b>	<b>0.8</b>	<b>24.8</b>	<b>14.9</b>	<b>2.2</b>	<b>2.8</b>	<b>3.4</b>
<b>Median</b>			<b>14.3</b>	<b>11.0</b>	<b>7.6</b>	<b>7.4</b>	<b>0.7</b>	<b>0.6</b>	<b>17.4</b>	<b>14.9</b>	<b>2.1</b>	<b>2.2</b>	<b>1.9</b>
<b>Diff-% to median</b>			<b>-29%</b>	<b>-27%</b>	<b>13%</b>	<b>-7%</b>	<b>85%</b>	<b>56%</b>	<b>17%</b>	<b>-11%</b>	<b>-100%</b>	<b>-100%</b>	<b>13%</b>

Source: Refinitiv / Inderes

# Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
<b>Revenue</b>	<b>222</b>	<b>51.4</b>	<b>57.6</b>	<b>61.8</b>	<b>59.3</b>	<b>230</b>	<b>52.2</b>	<b>55.3</b>	<b>56.2</b>	<b>56.9</b>	<b>221</b>	<b>252</b>	<b>282</b>	<b>304</b>
Incap	222	51.4	57.6	61.8	59.3	230	52.2	55.3	56.2	56.9	221	252	282	304
<b>EBITDA</b>	<b>32.8</b>	<b>7.4</b>	<b>8.3</b>	<b>9.3</b>	<b>9.9</b>	<b>34.9</b>	<b>7.2</b>	<b>7.4</b>	<b>8.1</b>	<b>8.3</b>	<b>31.0</b>	<b>36.7</b>	<b>40.9</b>	<b>44.3</b>
Depreciation	-4.6	-1.4	-1.4	-1.4	-1.4	-5.6	-1.5	-1.4	-1.4	-1.4	-5.7	-5.7	-5.8	-6.0
<b>EBIT (excl. NRI)</b>	<b>30.6</b>	<b>6.2</b>	<b>7.0</b>	<b>8.1</b>	<b>8.8</b>	<b>30.1</b>	<b>5.9</b>	<b>6.3</b>	<b>6.8</b>	<b>7.0</b>	<b>26.0</b>	<b>31.5</b>	<b>35.6</b>	<b>38.8</b>
<b>EBIT</b>	<b>28.2</b>	<b>6.0</b>	<b>6.8</b>	<b>7.9</b>	<b>8.5</b>	<b>29.2</b>	<b>5.7</b>	<b>5.9</b>	<b>6.7</b>	<b>6.9</b>	<b>25.3</b>	<b>31.0</b>	<b>35.1</b>	<b>38.3</b>
NRIs	-2.4	-0.2	-0.2	-0.2	-0.3	-0.8	-0.1	-0.5	-0.2	-0.2	-0.9	-0.5	-0.5	-0.5
Net financial items	-1.8	0.3	-0.3	-1.1	1.9	0.9	-0.7	-1.6	0.0	0.1	-2.2	0.3	0.5	0.5
<b>PTP</b>	<b>26.4</b>	<b>6.4</b>	<b>6.6</b>	<b>6.8</b>	<b>10.4</b>	<b>30.1</b>	<b>5.0</b>	<b>4.3</b>	<b>6.7</b>	<b>7.0</b>	<b>23.1</b>	<b>31.3</b>	<b>35.6</b>	<b>38.8</b>
Taxes	-6.6	-1.4	-1.4	-1.8	-2.7	-7.4	-1.2	-3.5	-1.6	-1.7	-8.1	-7.7	-8.7	-9.7
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
<b>Net earnings</b>	<b>19.8</b>	<b>5.0</b>	<b>5.1</b>	<b>5.0</b>	<b>7.7</b>	<b>22.7</b>	<b>3.8</b>	<b>0.9</b>	<b>5.1</b>	<b>5.3</b>	<b>15.0</b>	<b>23.7</b>	<b>26.9</b>	<b>29.1</b>
<b>EPS (adj.)</b>	<b>0.75</b>	<b>0.17</b>	<b>0.18</b>	<b>0.17</b>	<b>0.27</b>	<b>0.80</b>	<b>0.13</b>	<b>0.04</b>	<b>0.17</b>	<b>0.18</b>	<b>0.53</b>	<b>0.82</b>	<b>0.93</b>	<b>1.00</b>
<b>EPS (rep.)</b>	<b>0.68</b>	<b>0.17</b>	<b>0.17</b>	<b>0.17</b>	<b>0.26</b>	<b>0.77</b>	<b>0.13</b>	<b>0.03</b>	<b>0.17</b>	<b>0.18</b>	<b>0.51</b>	<b>0.80</b>	<b>0.91</b>	<b>0.99</b>

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
<b>Revenue growth-%</b>	-16.0 %	-29.3 %	2.1 %	23.4 %	39.7 %	3.8 %	1.6 %	-4.1 %	-8.9 %	-4.0 %	-4.1 %	14.0 %	12.0 %	8.0 %
<b>Adjusted EBIT growth-%</b>	-23.5 %	-45.9 %	-16.6 %	26.3 %	99.6 %	-1.8 %	-5.2 %	-9.7 %	-15.8 %	-20.0 %	-13.4 %	21.2 %	12.9 %	9.1 %
<b>EBITDA-%</b>	14.8 %	14.4 %	14.3 %	15.1 %	16.7 %	15.2 %	13.7 %	13.3 %	14.4 %	14.6 %	14.0 %	14.6 %	14.5 %	14.6 %
<b>Adjusted EBIT-%</b>	13.8 %	12.0 %	12.1 %	13.1 %	14.8 %	13.1 %	11.2 %	11.4 %	12.1 %	12.3 %	11.8 %	12.5 %	12.6 %	12.8 %
<b>Net earnings-%</b>	8.9 %	9.7 %	8.9 %	8.1 %	12.9 %	9.9 %	7.3 %	1.6 %	9.0 %	9.3 %	6.8 %	9.4 %	9.5 %	9.6 %

Lähde: Inderes

# Balance sheet

Assets	2023	2024	2025e	2026e	2027e
<b>Non-current assets</b>	<b>39</b>	<b>46</b>	<b>47</b>	<b>47</b>	<b>48</b>
Goodwill	8	9	9	9	9
Intangible assets	0	6	5	5	4
Tangible assets	30	31	32	32	34
Associated companies	0	0	0	0	0
Other investments	0	0	0	0	0
Other non-current assets	0	0	0	0	0
Deferred tax assets	1	1	1	1	1
<b>Current assets</b>	<b>137</b>	<b>168</b>	<b>181</b>	<b>205</b>	<b>237</b>
Inventories	71	61	61	69	77
Other current assets	0	0	0	0	0
Receivables	24	35	38	44	51
Cash and equivalents	43	72	83	92	109
<b>Balance sheet total</b>	<b>182</b>	<b>215</b>	<b>228</b>	<b>252</b>	<b>285</b>

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
<b>Equity</b>	<b>107</b>	<b>133</b>	<b>148</b>	<b>172</b>	<b>198</b>
Share capital	1	1	1	1	1
Retained earnings	90	113	128	152	179
Hybrid bonds	0	0	0	0	0
Revaluation reserve	0	0	0	0	0
Other equity	16	19	19	19	19
Minorities	0	0	0	0	0
<b>Non-current liabilities</b>	<b>33</b>	<b>32</b>	<b>30</b>	<b>25</b>	<b>25</b>
Deferred tax liabilities	1	2	2	2	2
Provisions	0	0	0	0	0
Interest bearing debt	30	27	25	20	20
Convertibles	0	0	0	0	0
Other long term liabilities	2	3	3	3	3
<b>Current liabilities</b>	<b>42</b>	<b>50</b>	<b>50</b>	<b>56</b>	<b>62</b>
Interest bearing debt	4	4	5	5	5
Payables	38	45	44	50	56
Other current liabilities	1	1	1	1	1
<b>Balance sheet total</b>	<b>182</b>	<b>215</b>	<b>228</b>	<b>252</b>	<b>285</b>



# DCF-calculation

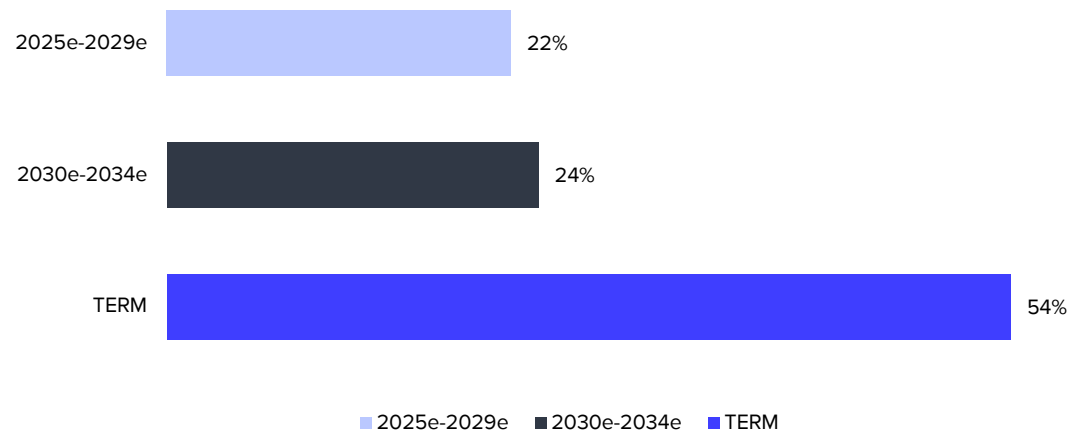
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	3.8 %	-4.1 %	14.0 %	12.0 %	8.0 %	5.0 %	4.0 %	4.0 %	3.0 %	3.0 %	2.0 %	2.0 %
EBIT-% (adj.)	12.7 %	11.5 %	12.3 %	12.5 %	12.6 %	13.0 %	13.0 %	12.7 %	12.5 %	12.0 %	12.0 %	12.0 %
<b>EBIT (operating profit)</b>	<b>29.2</b>	<b>25.3</b>	<b>31.0</b>	<b>35.1</b>	<b>38.3</b>	<b>41.5</b>	<b>43.2</b>	<b>43.9</b>	<b>44.5</b>	<b>44.0</b>	<b>44.9</b>	
+ Depreciation	5.6	5.7	5.7	5.8	6.0	6.4	6.5	6.5	6.6	6.6	6.7	
- Paid taxes	-6.9	-8.1	-7.7	-8.7	-9.7	-10.6	-11.1	-11.3	-11.5	-11.4	-11.7	
- Tax, financial expenses	0.0	-1.2	-0.2	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	
+ Tax, financial income	0.2	0.4	0.3	0.4	0.4	0.5	0.6	0.6	0.7	0.7	0.7	
- Change in working capital	6.5	-3.4	-8.8	-9.0	-8.8	-4.0	-3.4	-3.5	-2.7	-2.8	-1.9	
<b>Operating cash flow</b>	<b>34.6</b>	<b>18.8</b>	<b>20.3</b>	<b>23.4</b>	<b>26.0</b>	<b>33.5</b>	<b>35.5</b>	<b>35.9</b>	<b>37.2</b>	<b>36.8</b>	<b>38.4</b>	
+ Change in other long-term liabilities	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-7.2	-6.0	-6.0	-7.0	-7.0	-7.0	-7.0	-7.0	-7.0	-7.0	-7.6	
<b>Free operating cash flow</b>	<b>28.6</b>	<b>12.8</b>	<b>14.3</b>	<b>16.3</b>	<b>19.0</b>	<b>26.5</b>	<b>28.5</b>	<b>28.9</b>	<b>30.2</b>	<b>29.8</b>	<b>30.8</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	28.6	12.8	14.3	16.3	19.0	26.5	28.5	28.9	30.2	29.8	30.8	407
<b>Discounted FCFF</b>		<b>12.3</b>	<b>12.5</b>	<b>13.0</b>	<b>13.8</b>	<b>17.6</b>	<b>17.2</b>	<b>15.9</b>	<b>15.2</b>	<b>13.6</b>	<b>12.8</b>	<b>170</b>
Sum of FCFF present value		314	301	289	276	262	244	227	211	196	183	170
<b>Enterprise value DCF</b>		<b>314</b>										
- Interest bearing debt		-30.9										
+ Cash and cash equivalents		72.2										
-Minorities		0.0										
-Dividend/capital return		0.0										
<b>Equity value DCF</b>		<b>355</b>										
<b>Equity value DCF per share</b>		<b>12.1</b>										

## WACC

Tax-% (WACC)	25%
Target debt ratio (D/(D+E))	10%
Cost of debt	5.0 %
Equity Beta	1.7
Market risk premium	4.75%
Liquidity premium	0.0 %
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>10.4 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>9.7 %</b>

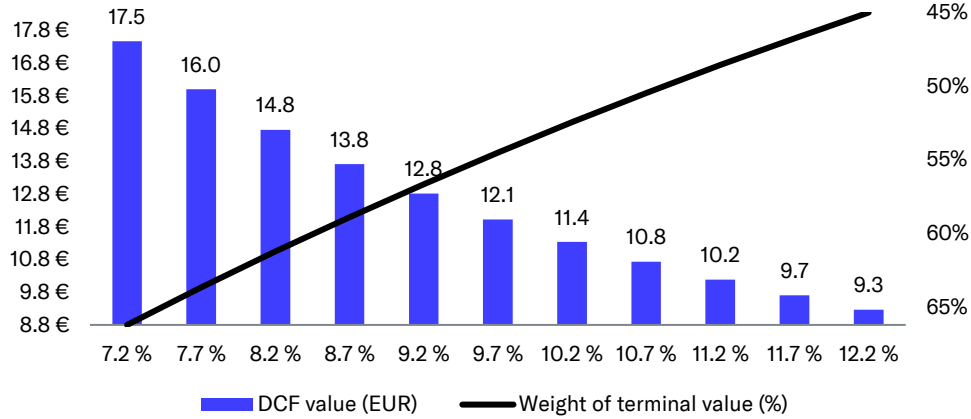
Source: Inderes

## Cash flow distribution

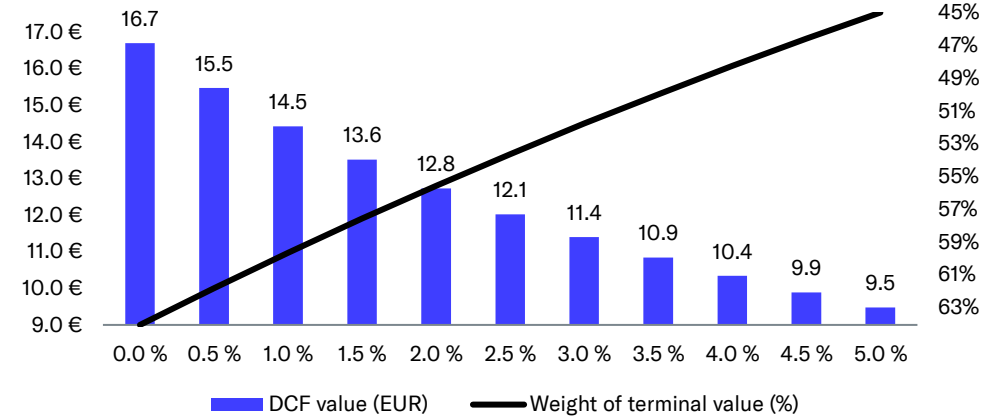


# DCF sensitivity calculations and key assumptions in graphs

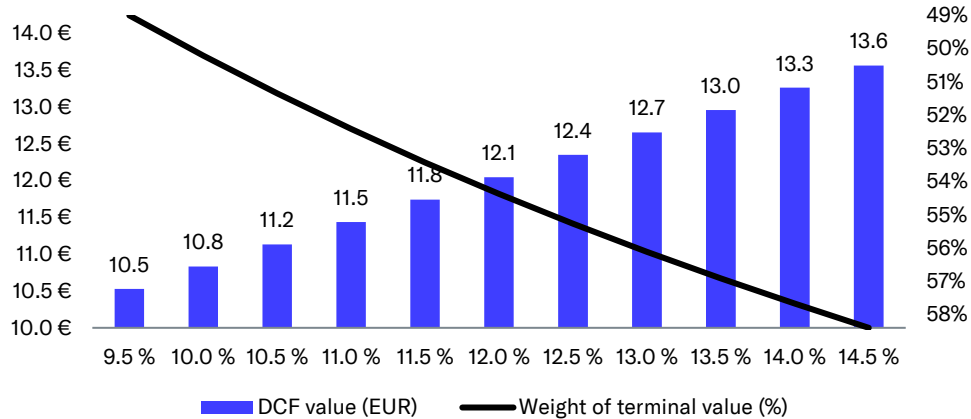
Sensitivity of DCF to changes in the WACC-%



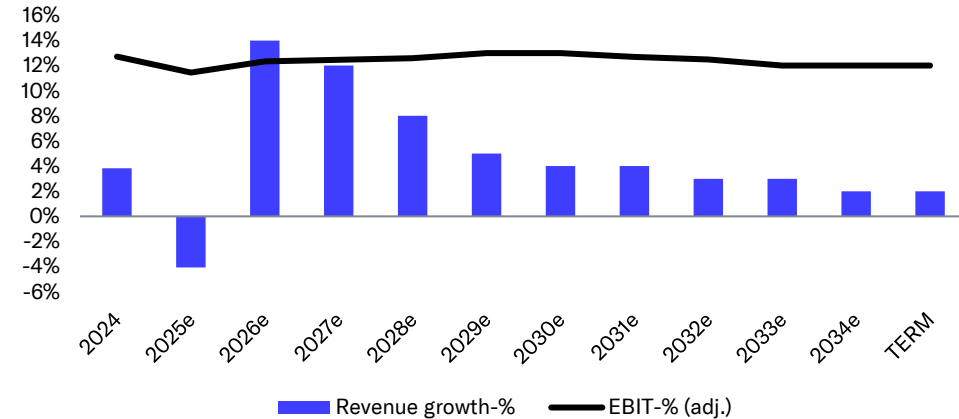
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

# Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	263.8	221.6	230.1	<b>220.7</b>	<b>251.6</b>	EPS (reported)	0.94	0.68	0.77	<b>0.51</b>	<b>0.80</b>
EBITDA	42.8	32.8	34.9	<b>31.0</b>	<b>36.7</b>	EPS (adj.)	0.98	0.75	0.79	<b>0.53</b>	<b>0.82</b>
EBIT	39.0	28.2	29.2	<b>25.3</b>	<b>31.0</b>	OCF / share	0.09	1.37	1.18	<b>0.64</b>	<b>0.69</b>
PTP	36.7	26.4	30.1	<b>23.1</b>	<b>31.3</b>	OFCF / share	-0.23	0.81	0.97	<b>0.43</b>	<b>0.48</b>
Net Income	27.6	19.8	22.7	<b>15.0</b>	<b>23.7</b>	Book value / share	2.99	3.64	4.52	<b>5.03</b>	<b>5.84</b>
Extraordinary items	-1.0	-2.4	-0.8	<b>-0.8</b>	<b>-0.5</b>	Dividend / share	0.00	0.00	0.00	<b>0.00</b>	<b>0.00</b>
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	168.4	182.3	214.8	<b>227.5</b>	<b>252.4</b>	Revenue growth-%	55%	-16%	4%	<b>-4%</b>	<b>14%</b>
Equity capital	87.4	106.8	133.0	<b>148.0</b>	<b>171.6</b>	EBITDA growth-%	46%	-23%	6%	<b>-11%</b>	<b>18%</b>
Goodwill	7.2	8.2	8.6	<b>8.6</b>	<b>8.6</b>	EBIT (adj.) growth-%	49%	-24%	-2%	<b>-13%</b>	<b>21%</b>
Net debt	13.6	-8.5	-41.2	<b>-52.5</b>	<b>-67.0</b>	EPS (adj.) growth-%	31%	-23%	6%	<b>-33%</b>	<b>54%</b>
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	16%	15%	15%	<b>14%</b>	<b>15%</b>
EBITDA	42.8	32.8	34.9	<b>31.0</b>	<b>36.7</b>	EBIT (adj.)-%	15%	14%	13%	<b>12%</b>	<b>13%</b>
Change in working capital	-30.7	14.4	6.5	<b>-3.4</b>	<b>-8.8</b>	EBIT-%	15%	13%	13%	<b>11%</b>	<b>12%</b>
Operating cash flow	2.8	40.2	34.6	<b>18.8</b>	<b>20.3</b>	ROE-%	37%	20%	19%	<b>11%</b>	<b>15%</b>
CAPEX	-9.7	-16.3	-7.2	<b>-6.0</b>	<b>-6.0</b>	ROI-%	43%	23%	20%	<b>15%</b>	<b>17%</b>
Free cash flow	-6.7	23.9	28.6	<b>12.8</b>	<b>14.3</b>	Equity ratio	54%	61%	64%	<b>67%</b>	<b>70%</b>
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	16%	-8%	-31%	<b>-36%</b>	<b>-39%</b>
EV/S	1.9	1.0	1.1	<b>1.2</b>	<b>1.0</b>						
EV/EBITDA	12.0	6.7	7.5	<b>8.6</b>	<b>6.8</b>						
EV/EBIT (adj.)	12.8	7.2	8.6	<b>10.2</b>	<b>8.0</b>						
P/E (adj.)	17.5	10.4	12.9	<b>20.4</b>	<b>13.2</b>						
P/B	5.7	2.1	2.3	<b>2.2</b>	<b>1.9</b>						
Dividend-%	0.0 %	0.0 %	0.0 %	<b>0.0 %</b>	<b>0.0 %</b>						

Source: Inderes

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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

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## Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
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 €
2/23/2024	Accumulate	9.00 €	7.94 €
5/10/2024	Accumulate	12.50 €	10.92 €
6/24/2024	Accumulate	13.50 €	12.12 €
7/29/2024	Accumulate	13.50 €	11.29 €
10/25/2024	Buy	13.00 €	10.85 €
3/3/2025	Buy	13.00 €	11.14 €
4/28/2025	Accumulate	12.00 €	9.95 €
6/23/2025	Reduce	12.00 €	11.12 €
7/27/2025	Accumulate	12.00 €	10.82 €



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