

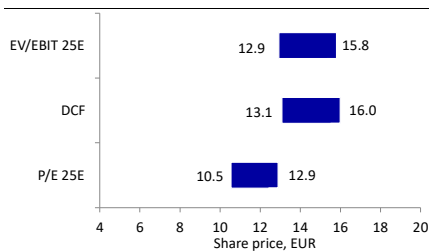
KEY DATA

Stock country	Finland
Bloomberg	ICP1V.FH
Reuters	ICP1V.HE
Share price (close)	EUR 11.46
Free float	
Market cap. (bn)	EUR 0.34/EUR 0.34
Website	www.incapcorp.com
Next report date	28 Feb 2025

PERFORMANCE



VALUATION APPROACH (EUR/SHARE)



ESTIMATE CHANGES

Year	2024E	2025E	2026E
Sales	0%	-2%	-2%
EBIT (adj)	0%	-2%	-2%

Source: Nordea estimates

Nordea IB & Equity - Analysts

Pasi Väisänen
Director

We forecast revenue growth above 10% for 2025

Revenue growth could be as high as ~50% y/y for Q4 2024E, due to a low comparison. For 2025, we forecast 18% y/y revenue growth. The company's factory in the US is performing well, and Incap has not suffered from the relatively weak Nordic EMS market to the same extent as many of its competitors have. Moreover, orders coming from its biggest customer have recovered well. Our fair value range remains at EUR 12.1-14.8 per share, based on a DCF analysis and backed by a peer group comparison. Incap's 2025E EV/EBIT is currently 21% below the peer group median. Our fair value range indicates EV/EBIT of 9.2-11.6x for 2025E.

Positive momentum has continued

We expect net sales and EBIT to improve q/q for Q4 2024. We forecast Q4 net sales of EUR 64m (LSEG Data & Analytics consensus: EUR 64m). Revenue growth will likely be above 50% for Q4 on a y/y basis. Our EBIT forecast for Q4 is EUR 8.1m (consensus: EUR 8.0m). The EMS market has been challenging, suggesting the company could be cautious regarding full-year 2025 guidance. We expect Incap to guide for y/y revenue and EBIT growth for 2025. This verbal guidance on results day might appear modest, but we believe the company's internal aim is for 10-20% revenue growth in 2025. Its visibility for customer orders is at a normal level. Peer companies have ~10% average forecast revenue growth for 2025, according to LSEG, and Incap's growth momentum looks to be better than the sector average.

Valuation does not appear stretched

The company has no factories in China, but it does have one in the US. However, its revenues are not exposed to customers in Canada or to renewables in the US, which have suffered due to President Trump's policies. One important driver for the equity story is that uncertainty related to its largest customer is fading away. We do not believe the share deserves to trade at a discount to the EMS sector, because risks have declined and revenue growth is back. The company's relative profitability is excellent, its financial position is strong and M&A capabilities are good. Its EV/EBIT for 2025E is 8.5x, meaning its valuation is not very stretched.

SUMMARY TABLE - KEY FIGURES

EURm	2020	2021	2022	2023	2024E	2025E	2026E
Total revenue	106	170	264	222	235	276	296
EBITDA (adj)	16	29	43	36	36	40	42
EBIT (adj)	13	26	39	31	29	34	36
EBIT (adj) margin	11.8%	15.3%	14.7%	13.8%	12.5%	12.3%	12.1%
EPS (adj, EUR)	0.40	0.72	0.94	0.75	0.69	0.86	0.90
EPS (adj) growth	40.3%	78.2%	30.8%	-20.1%	-8.3%	25.2%	4.7%
DPS (ord, EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	0.8	2.7	2.0	1.0	1.3	1.1	0.9
EV/EBIT (adj)	7.1	17.8	13.2	7.2	10.7	8.7	7.6
P/E (adj)	9.1	21.8	18.2	10.3	16.6	13.3	12.7
P/BV	2.2	7.3	5.7	2.1	2.7	2.2	1.9
Dividend yield (ord)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF Yield bef A&D, lease	2.3%	1.1%	-1.3%	15.3%	4.2%	5.5%	6.9%
Net debt	5	2	14	-8	-23	-41	-65
Net debt/EBITDA	0.3	0.1	0.3	-0.3	-0.7	-1.0	-1.6
ROIC after tax	27.4%	34.5%	34.4%	22.5%	21.5%	23.9%	24.1%

Source: Company data and Nordea estimates

Estimate revisions and quarterly estimates

ESTIMATE REVISIONS (EURm; EPS IN EUR)

	New estimates				Old estimates				Difference %			
	Q4 2024E	2024E	2025E	2026E	Q4 2024E	2024E	2025E	2026E	Q4 2024E	2024E	2025E	2026E
Sales	64	235	276	296	65	236	282	302	-2%	0%	-2%	-2%
Adj. EBIT	8	29	34	36	8	29	35	36	0%	0%	-2%	-2%
Adj. EBIT margin	12.7%	12.5%	12.3%	12.1%	12.5%	12.5%	12.3%	12.1%	0.2pp	0.1pp	0.0pp	0.0pp
Adj. EPS	0.20	0.69	0.86	0.90	0.20	0.69	0.88	0.92	0%	0%	-2%	-2%

Source: Nordea estimates

ESTIMATES BY QUARTER (EURm)

	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24E	Q1 25E	Q2 25E	Q3 25E	Q4 25E
Incap Group												
Sales	72.7	56.4	50.1	42.4	51.4	57.6	61.8	64.0	66.2	68.2	70.3	71.7
Sales growth (%)	36%	-8%	-29%	-46%	-29%	2%	23%	51%	29%	18%	14%	12%
Adj. EBITDA	12.4	9.3	7.6	5.8	7.5	8.4	9.5	9.6	9.7	9.8	10.0	10.2
Adj. EBITDA margin (%)	17%	17%	15%	14%	15%	15%	15%	15%	15%	14%	14%	14%
Adj. EBIT	11.4	8.3	6.4	4.4	6.2	7.0	8.0	8.1	8.3	8.4	8.6	8.8
Adj. EBIT margin (%)	16%	15%	13%	10%	12%	12%	13%	13%	13%	12%	12%	12%
Net financials	-0.4	-0.2	0.1	-1.3	0.3	-0.3	-2.4	-0.3	-0.2	-0.2	-0.2	-0.2
PTP	10.9	7.3	5.8	2.4	6.3	6.5	5.4	7.7	7.9	7.9	8.2	8.4
Net result adj.	8.5	6.5	5.1	2.1	5.1	5.3	3.8	6.0	6.2	6.2	6.4	6.5
Net result	8.4	5.7	4.4	1.4	4.9	5.1	3.6	5.8	6.0	6.0	6.2	6.4
EPS adj. (EUR)	0.29	0.22	0.17	0.07	0.17	0.18	0.13	0.20	0.21	0.21	0.22	0.22
EPS (EUR)	0.28	0.19	0.15	0.05	0.17	0.17	0.12	0.20	0.20	0.21	0.21	0.22

Source: Company data and Nordea estimates

Peer group financials

PEER GROUP FINANCIALS

	SALES (EURm)				SALES GROWTH				EBIT MARGIN			
	2023	2024E	2025E	2026E	2023	2024E	2025E	2026E	2023	2024E	2025E	2026E
Hon Hai Precision Industry Co Ltd	181 989	202 032	249 198	285 425	-7%	11%	23%	15%	3%	3%	3%	3%
Delta Electronics Inc	11 849	12 496	14 349	16 157	4%	4%	15%	13%	10%	12%	13%	14%
Jabil Inc	32 010	26 145	26 040	27 422	4%	-17%	-4%	5%	5%	5%	5%	6%
Pegatron Corp	37 117	33 592	36 734	38 099	-5%	-11%	10%	4%	1%	1%	2%	2%
Universal Scientific Industrial Shngh	7 761	8 068	8 749	9 628	-11%	-1%	8%	10%	4%	3%	4%	4%
Fabrinet	2 425	2 691	3 261	3 680	17%	9%	18%	13%	11%	10%	10%	11%
Accton Technology Corp	2 486	3 087	3 820	4 268	9%	24%	24%	12%	13%	12%	14%	15%
Venture Corporation Ltd	2 078	2 040	2 157	2 269	-22%	-8%	6%	5%	10%	10%	10%	10%
Sanmina Corp	8 453	6 780	7 868	8 413	13%	-15%	9%	7%	6%	5%	6%	6%
Inventec Corp	15 202	18 390	20 442	22 100	-5%	21%	11%	9%	1%	2%	2%	2%
Plexus Corp	3 983	3 548	3 948	4 320	10%	-6%	4%	9%	5%	5%	6%	6%
Foxconn Interconnect Technology Ltd	3 802	4 359	5 395	6 379	-7%	9%	24%	18%	6%	6%	8%	8%
Celestica Inc	7 214	9 317	10 449	12 276	10%	21%	12%	17%	5%	6%	7%	7%
Ducommun Inc	686	762	804	856	6%	3%	6%	6%	8%	10%	11%	12%
Sercomm Corp	1 848	1 681	1 900	2 178	-3%	-10%	13%	15%	5%	5%	5%	5%
Note AB (publ)	382	341	n.a.	n.a.	15%	-8%	8%	11%	10%	9%	10%	10%
Kitron ASA	775	645	679	768	21%	-17%	5%	13%	9%	8%	9%	9%
Scanfil Oyj	902	774	849	914	7%	-14%	10%	8%	7%	7%	7%	7%
SIIX Corp	1 990	1 846	1 969	2 116	12%	-1%	7%	7%	4%	0%	0%	0%
TT electronics PLC	708	636	645	674	-1%	-14%	1%	5%	8%	6%	8%	10%
Hanza AB	373	425	525	612	17%	17%	23%	17%	8%	5%	7%	8%
Cicor Technologies Ltd	420	519	578	617	24%	23%	11%	7%	6%	7%	8%	8%
Valuetronics Holdings Ltd	237	198	217	229	-1%	-17%	-1%	8%	5%	10%	9%	9%
Lacroix Group SA	761	676	0	0	8%	-12%	0%	0%	2%	3%	0%	0%
Inission AB	198	188	190	199	14%	-3%	1%	5%	7%	6%	7%	7%
Group median					6.9%	-2.9%	9.2%	9.4%	5.7%	6.1%	7.0%	7.1%
Incap (Nordea)	264	222	235	276	-16.0%	6.0%	17.7%	7.0%	12.7%	12.2%	12.0%	11.8%
diff. from median (pp)					-22.8	8.8	8.5	-2.4	7.0	6.1	5.1	4.7

Source: Company data, LSEG Data & Analytics and Nordea estimates

Peer group valuation

PEER GROUP VALUATION (x)

	P/E				EV/EBIT				P/B			
	2023	2024E	2025E	2026E	2023	2024E	2025E	2026E	2023	2024E	2025E	2026E
Hon Hai Precision Industry Co Ltd	10.4	15.2	11.8	10.2	7.4	12.1	9.5	8.0	1.6	1.5	1.3	1.2
TT Electronics	24.5	26.5	21.6	18.2	20.2	20.2	16.4	13.7	5.2	4.6	4.0	3.5
Jabil Inc	19.0	9.8	18.9	16.4	10.3	9.3	13.1	12.2	7.7	9.8	13.1	10.4
Pegatron Corp	14.9	14.4	13.7	12.8	16.8	15.7	11.0	9.7	1.3	1.3	1.3	1.2
Universal Scientific Industrial Shangh	17.4	19.2	15.6	12.5	13.5	15.6	13.0	10.5	1.8	1.9	1.8	1.6
Fabrinet	19.3	30.2	20.6	18.1	16.1	28.8	19.1	16.8	5.2	4.5	3.9	3.3
Accton Technology Corp	33.0	38.0	28.9	24.5	23.5	31.5	22.8	19.2	17.1	13.9	11.1	9.0
Foxconn Interconnect Technology	14.7	14.5	13.1	12.4	9.7	9.0	8.1	7.6	1.2	1.3	1.2	1.2
Sanmina Corp	10.5	17.6	14.4	12.4	6.3	10.3	9.8	8.7	1.4	2.1	n.a.	n.a.
Inventec Corp	31.0	21.6	16.7	14.5	28.1	16.7	14.3	13.2	2.7	2.5	2.5	2.3
Universal Scientific Industrial	18.8	34.1	20.6	18.5	12.5	19.2	16.0	14.1	3.3	3.3	2.7	2.5
Foxconn Interconnect Technology Ltd	8.3	19.2	12.2	8.8	5.5	13.3	9.2	7.4	1.4	1.3	1.2	1.1
Celestica Inc	14.4	25.6	26.9	22.2	9.8	17.9	21.0	17.4	10.5	5.6	0.0	n.a.
Ducommun Inc	45.7	19.9	16.6	13.9	21.5	14.8	12.9	11.4	1.5	1.5	1.4	1.3
Sercomm Corp	15.3	15.9	14.0	12.7	11.0	11.8	10.3	8.9	3.0	2.5	2.2	0.0
Note AB (publ)	13.5	17.2	n.a.	n.a.	11.3	12.4	11.2	9.7	3.1	2.8	2.3	2.0
Kitron ASA	11.7	20.9	16.2	13.6	10.4	16.0	13.4	11.6	4.0	3.2	2.9	2.5
Scanfil Oyj	10.5	13.1	11.7	10.6	9.2	10.3	9.2	8.6	2.0	1.8	1.7	1.5
SIIX Corp	8.4	11.6	7.5	6.3	9.2	0.0	n.a.	n.a.	0.7	0.6	0.6	0.5
TT electronics PLC	4.6	7.6	5.2	3.9	8.7	8.6	6.3	4.9	0.5	0.6	0.5	0.5
Hanza AB	16.1	27.9	13.5	10.6	12.2	17.4	10.3	8.0	2.8	2.4	2.1	1.8
Cicor Technologies Ltd	26.2	14.8	12.5	11.2	6.9	8.2	6.9	6.3	1.8	2.0	1.7	1.5
Valuetronics Holdings Ltd	8.3	7.0	8.7	8.4	0.0	2.2	2.6	2.3	0.7	0.8	0.6	0.6
Lacroix Group SA	33.7	3.6	0.0	0.0	13.7	8.6	0.0	0.0	0.8	0.0	n.a.	n.a.
Inission AB	11.0	11.2	9.1	8.0	8.2	10.3	9.0	8.1	1.7	1.3	1.1	1.0
Group median	14.9	17.2	13.9	12.4	10.4	12.4	10.7	9.3	1.8	2.0	1.7	1.5
Incap (Nordea)	10.3	16.3	13.0	12.4	7.2	10.5	8.5	7.4	2.1	2.6	2.2	1.9
diff. from average	-31%	-5%	-6%	0%	-31%	-15%	-21%	-20%	16%	29%	26%	24%

Source: LSEG Data & Analytics and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Total revenue	39	49	59	71	106	170	264	222	235	276	296
Revenue growth	26.4%	25.7%	21.5%	20.5%	49.9%	59.4%	55.3%	-16.0%	6.0%	17.7%	7.0%
of which organic	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
of which FX	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA	4	5	9	11	16	29	43	33	35	40	41
Depreciation and impairments PPE	0	0	-1	-1	-2	-3	-3	-5	-6	-6	-6
of which leased assets	0	0	0	-1	-1	-1	-1	-2	-2	-2	-2
EBITA	4	5	9	10	14	26	39	29	29	34	35
Amortisation and impairments	0	0	0	0	-1	-1	0	-1	-1	-1	-1
EBIT	4	5	9	10	13	26	39	28	29	33	35
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	-1	-1	-1	0	-1	0	-2	-2	-3	-1	-1
of which lease interest	0	0	0	0	0	0	0	0	0	0	0
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	3	4	8	10	12	26	37	26	26	32	34
Reported taxes	-1	-1	-2	-3	-2	-5	-9	-7	-6	-8	-8
Net profit from continued operations	2	3	6	6	9	21	28	20	19	25	26
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0	0	0	0	0
Net profit to equity	2	3	6	6	9	21	28	20	19	25	26
EPS, EUR	0.10	0.14	0.27	0.29	0.40	0.72	0.94	0.67	0.66	0.83	0.88
DPS, EUR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which ordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Profit margin in percent

EBITDA	10.7%	10.2%	15.5%	16.1%	15.0%	17.2%	16.2%	15.1%	14.8%	14.3%	14.0%
EBITA	9.8%	9.3%	14.6%	14.2%	12.7%	15.6%	14.9%	13.0%	12.4%	12.2%	12.0%
EBIT	9.8%	9.3%	14.6%	14.2%	11.8%	15.3%	14.7%	12.7%	12.2%	12.0%	11.8%

Adjusted earnings

EBITDA (adj)	4	5	9	11	16	29	43	36	36	40	42
EBITA (adj)	4	5	9	10	14	26	39	31	30	35	36
EBIT (adj)	4	5	9	10	13	26	39	31	29	34	36
EPS (adj, EUR)	0.10	0.14	0.27	0.29	0.40	0.72	0.94	0.75	0.69	0.86	0.90

Adjusted profit margins in percent

EBITDA (adj)	10.7%	10.2%	15.5%	16.1%	15.0%	17.2%	16.2%	16.1%	15.1%	14.6%	14.3%
EBITA (adj)	9.8%	9.3%	14.6%	14.2%	12.7%	15.6%	14.9%	14.0%	12.8%	12.5%	12.3%
EBIT (adj)	9.8%	9.3%	14.6%	14.2%	11.8%	15.3%	14.7%	13.8%	12.5%	12.3%	12.1%

Performance metrics

CAGR last 5 years											
Net revenue	-10.9%	-5.4%	18.0%	30.9%	28.4%	34.5%	40.3%	30.3%	27.0%	21.0%	11.7%
EBITDA	n.m.	n.m.	n.m.	61.0%	34.0%	47.9%	53.8%	29.6%	24.8%	19.9%	7.2%
EBIT	n.m.	n.m.	n.m.	56.9%	27.8%	47.1%	53.7%	26.7%	23.2%	21.4%	6.1%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	49.2%	45.8%	20.2%	18.1%	15.7%	4.0%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Average last 5 years											
Average EBIT margin	0.9%	4.3%	11.1%	12.4%	12.2%	13.6%	14.4%	13.9%	13.5%	13.3%	12.7%
Average EBITDA margin	1.2%	4.8%	11.8%	13.5%	14.1%	15.6%	16.2%	15.9%	15.7%	15.4%	14.8%

VALUATION RATIOS - ADJUSTED EARNINGS

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
P/E (adj)	9.6	7.4	4.6	10.1	9.1	21.8	18.2	10.3	16.6	13.3	12.7
EV/EBITDA (adj)	6.3	5.5	3.3	5.5	5.6	15.8	12.0	6.1	8.8	7.3	6.5
EV/EBITA (adj)	6.9	6.1	3.4	6.3	6.6	17.4	13.1	7.0	10.5	8.5	7.5
EV/EBIT (adj)	6.9	6.1	3.4	6.3	7.1	17.8	13.2	7.2	10.7	8.7	7.6

VALUATION RATIOS - REPORTED EARNINGS

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
P/E	9.6	7.4	4.6	10.1	9.1	21.8	18.2	11.5	17.3	13.7	13.1
EV/Sales	0.67	0.57	0.50	0.89	0.84	2.72	1.95	0.99	1.34	1.07	0.92
EV/EBITDA	6.3	5.5	3.3	5.5	5.6	15.8	12.0	6.6	9.1	7.5	6.6
EV/EBITA	6.9	6.1	3.4	6.3	6.6	17.4	13.1	7.6	10.8	8.8	7.7
EV/EBIT	6.9	6.1	3.4	6.3	7.1	17.8	13.2	7.8	11.0	8.9	7.8
Dividend yield (ord.)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield	0.7%	5.4%	7.1%	9.8%	-5.6%	1.0%	-1.2%	11.1%	4.7%	6.0%	7.4%
FCF Yield bef A&D, lease adj	0.7%	5.4%	7.1%	8.9%	2.3%	1.1%	-1.3%	15.3%	4.2%	5.5%	6.9%
Payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Intangible assets	1	1	1	1	12	12	11	14	13	13	12
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	0	0	0	0	5	5	4	6	5	4	4
of which goodwill	1	1	1	1	7	8	7	8	8	8	8
Tangible assets	3	3	5	7	11	14	21	30	29	30	31
of which leased assets	0	0	0	2	6	7	7	8	7	6	6
Shares associates	0	0	0	0	0	0	0	0	0	0	0
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	0	0	0	0	1	1	0	1	1	1	1
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	1	1	0	0	0	0	1	0	0	0	0
Total non-current assets	5	5	6	9	24	27	33	45	43	44	44
Inventory	6	8	12	11	24	59	92	71	68	76	78
Accounts receivable	8	9	12	11	24	34	36	24	33	39	41
Short-term leased assets	0	0	0	0	0	0	0	0	2	2	2
Other current assets	0	0	0	0	0	0	0	0	0	0	0
Cash and bank	2	3	3	6	4	9	8	43	53	67	87
Total current assets	16	20	26	28	52	102	136	137	155	184	208
Assets held for sale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	21	25	32	36	76	129	169	182	199	228	253
Shareholders equity	8	10	16	22	39	63	87	107	126	151	177
Of which preferred stocks	0	0	0	0	0	0	0	0	0	0	0
Of which equity part of hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0	0	0	0
Total Equity	8	10	16	22	39	63	87	107	126	151	177
Deferred tax	0	0	0	0	1	1	1	1	1	1	1
Long term interest bearing debt	4	2	1	2	2	1	5	24	20	17	13
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	0	0	1	0	0	0	0	0	0	0
Other long-term liabilities	0	0	0	0	0	0	0	0	0	0	0
Non-current lease debt	0	0	0	2	3	2	5	7	7	7	7
Convertible debt	0	0	0	0	0	0	0	0	0	0	0
Shareholder debt	0	0	0	0	0	0	0	0	0	0	0
Hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Total non-current liabilities	4	2	1	6	9	6	13	33	30	26	23
Short-term provisions	0	0	1	0	1	0	0	0	1	1	1
Accounts payable	5	7	10	7	25	53	57	38	39	47	50
Current lease debt	0	0	0	1	1	1	2	2	2	2	2
Other current liabilities	0	0	0	0	0	0	0	0	0	0	0
Short term interest bearing debt	4	5	5	1	2	6	9	2	2	1	1
Total current liabilities	9	12	15	10	30	60	68	42	43	51	53
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	21	25	32	37	77	130	168	182	199	228	253
Balance sheet and debt metrics											
Net debt	6	4	3	0	5	2	14	-8	-23	-41	-65
of which lease debt	0	0	0	2	5	4	7	8	8	8	8
Working capital	9	10	14	14	23	40	71	57	62	68	69
Invested capital	14	15	19	23	47	67	104	102	105	111	114
Capital employed	16	18	21	28	48	74	109	141	156	177	199
ROE	53.6%	34.0%	44.7%	33.3%	30.5%	41.5%	36.7%	20.4%	16.7%	17.7%	15.7%
ROIC	41.5%	23.8%	38.0%	36.3%	27.4%	34.5%	34.4%	22.5%	21.5%	23.9%	24.1%
ROCE	47.4%	27.0%	46.8%	42.8%	34.7%	44.1%	43.1%	25.2%	20.4%	21.0%	19.5%
Net debt/EBITDA	1.4	0.9	0.3	0.0	0.3	0.1	0.3	-0.3	-0.7	-1.0	-1.6
Interest coverage	-9.1	-13.4	7.8	12.8	8.8	28.1	54.6	20.4	40.4	23.5	24.0
Equity ratio	37.6%	42.0%	49.1%	58.6%	50.3%	48.4%	51.9%	58.5%	63.6%	66.3%	69.9%
Net gearing	71.0%	41.9%	16.6%	0.0%	13.9%	2.7%	15.6%	-7.9%	-18.1%	-27.5%	-36.6%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
EBITDA (adj) for associates	4	5	9	11	16	29	43	33	35	40	41
Paid taxes	-1	-9	-2	-3	-3	-5	-5	-5	-6	-8	-8
Net financials	-1	0	0	0	-1	-1	-1	-1	-3	-1	-1
Change in provisions	0	0	1	1	-1	0	0	0	0	0	0
Change in other LT non-IB	-1	0	1	0	1	0	0	0	0	0	0
Cash flow to/from associates	0	0	0	0	0	0	0	0	0	0	0
Dividends paid to minorities	0	0	0	0	0	0	0	0	0	0	0
Other adj to reconcile to cash flow	1	8	-1	-2	0	2	-2	-3	0	0	0
Funds from operations (FFO)	2	4	7	8	13	25	35	24	25	31	32
Change in NWC	-1	-2	-3	0	-8	-16	-36	21	-5	-5	-2
Cash flow from operations (CFO)	1	2	4	7	5	10	-1	45	20	25	31
Capital expenditure	-1	-1	-2	-1	-3	-5	-5	-7	-4	-5	-6
Free cash flow before A&D	0	1	2	6	2	5	-6	38	16	20	25
Proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	0	0	-7	-1	0	-12	0	0	0
Free cash flow	0	1	2	6	-5	4	-6	25	16	20	25
Free cash flow bef A&D, lease adj	0	1	2	6	2	5	-6	35	14	19	23
Dividends paid	0	0	0	0	0	0	0	0	0	0	0
Equity issues / buybacks	0	0	0	0	11	0	0	0	0	0	0
Net change in debt	0	0	-2	-2	-6	2	6	12	-4	-4	-4
Other financing adjustments	0	0	0	0	0	0	0	0	-2	-2	-2
Other non-cash adjustments	2	0	0	0	-1	0	-1	0	0	0	0
Change in cash	2	1	0	3	-2	5	-2	35	10	15	19
Cash flow metrics											
Capex/D&A	n.m.	n.m.	n.m.	81.6%	83.5%	n.m.	n.m.	n.m.	72.0%	83.5%	86.8%
Capex/Sales	2.5%	1.4%	3.7%	1.6%	2.6%	2.7%	2.1%	3.1%	1.9%	1.9%	1.9%
Key information											
Share price year end (/current)	1	1	1	3	4	16	17	8	10	11	11
Market cap.	20	23	27	63	84	460	501	227	337	337	337
Enterprise value	26	28	30	63	90	462	515	219	315	296	273
Diluted no. of shares, year-end (m)	21.8	21.8	21.8	21.8	22.9	29.3	29.3	29.4	29.4	29.4	29.4

Source: Company data and Nordea estimates

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