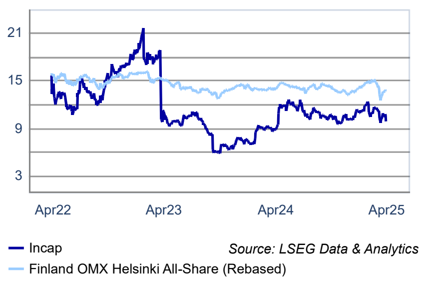
Incap

Capital Goods
Finland

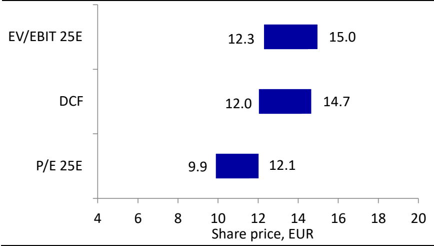
KEY DATA

Stock country	Finland
Bloomberg	ICP1V FH
Reuters	ICP1V.HE
Share price (close)	EUR 9.95
Free float	
Market cap. (bn)	EUR 0.29/EUR 0.29
Website	www.incapcorp.com
Next report date	25 Jul 2025

PERFORMANCE



VALUATION APPROACH (EUR/SHARE)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2025E	2026E	2027E
Sales	-2%	-2%	-2%
EBIT (adj)	-7%	-3%	-3%

Source: Nordea estimates

Nordea IB & Equity - Analysts
Pasi Väisänen
Director

A slow start to the year

The start of 2025 was weaker than market consensus (LSEG) expected. The EMS market could be in waiting mode with brand owners wanting to lower inventories in the case of a possible economic downturn. Reflecting the continued market uncertainty, we also lower our estimates. Our downgraded estimates indicate only a small y/y improvement in net sales and EBIT for 2025. We conclude that without a clear recovery in end demand, Incap's full-year guidance could come under pressure in July. Our fair value range for the Incap share remains at EUR 12.1-14.8, based on our DCF analysis and backed by a peer group comparison. Incap's valuation is below that of the peer group but rerating of valuation multiples is unlikely to happen before a clear positive earnings momentum is regained.

Q1 revenue grew by 1.6% y/y

Even though Incap had indicated a slow start for 2025, LSEG Data & Analytics consensus was still missed in Q1, with net sales of EUR 52.2m 8% below consensus and adjusted EBIT of EUR 5.9m 16% below. We forecast revenue from the biggest customer at EUR 21m in Q1 (Q4: EUR 26m). Global investments could well suffer in the near term, leading to weaker orders for EMS companies. Incap still expects a better Q2 than Q1 2025 and sees good momentum at the end of 2025. Our new net sales forecast for 2025 is EUR 240m, and our EBIT projection is EUR 30.3m (8% below pre-Q1 consensus). Our revenue growth forecast is 4.2% for 2025 (guidance: 0-20%). For comparison, median revenue growth of the peer group is 6.5% for 2025E, but there could be downward pressure in all estimates.

Tariffs have created logistics problems and increased costs

A subcontractor's success is highly dependent on its customers' performance, which is why a brand owner with a high share of US exports could be a weak point for an EMS company. Owning a factory in the US may not help much, as US EMS factories usually purchase passive components from China. High tariffs have now created logistics problems and increased costs. Component prices could even decline for European EMS factories, owing to the trade war. So, European EMS companies with customers selling locally are relative winners in this turmoil, we argue. Incap's 2025E EV/EBIT is currently 31% below the peer group median, but the share may not rerate until new rules in global trade are clear and risks related to revenue as well as EBIT growth fade away.

SUMMARY TABLE - KEY FIGURES

EURm	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	170	264	222	230	240	266	292
EBITDA (adj)	29	43	36	36	37	41	44
EBIT (adj)	26	39	31	30	30	35	38
EBIT (adj) margin	15.3%	14.7%	13.8%	13.1%	12.6%	13.0%	12.9%
EPS (adj, EUR)	0.72	0.94	0.75	0.80	0.77	0.88	0.96
EPS (adj) growth	78.2%	30.8%	-20.1%	6.8%	-4.2%	14.6%	8.7%
DPS (ord, EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	2.7	2.0	1.0	1.1	1.0	0.8	0.6
EV/EBIT (adj)	17.8	13.2	7.2	8.7	7.5	6.0	4.8
P/E (adj)	21.8	18.2	10.3	12.8	12.9	11.3	10.4
P/BV	7.3	5.7	2.1	2.3	1.9	1.6	1.4
Dividend yield (ord)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF Yield bef A&D, lease	1.1%	-1.3%	15.2%	10.4%	7.8%	7.6%	8.5%
Net debt	2	14	-8	-41	-64	-86	-111
Net debt/EBITDA	0.1	0.3	-0.3	-1.2	-1.8	-2.1	-2.6
ROIC after tax	34.5%	34.4%	22.5%	23.0%	24.1%	27.5%	29.0%

Source: Company data and Nordea estimates

Deviation, revisions and estimates

Q1 2025 DEVIATION TABLE

	Actual Q1 2025	NDA est. Q1 2025	Deviation vs. actual		Consensus Q1 2025	Deviation vs. actual		Actual Q4 2024	q/q	Actual Q1 2024	y/y
Sales (EURm)	52.2	58.1	-5.9	-10%	56.5	-4.3	-8%	59.3	-12%	51.4	2%
Adj. EBIT (EURm)	5.9	7.9	-2.0	-26%	7.0	-1.1	-16%	8.9	-34%	6.2	-5%
Adj. EBIT margin	11.3%	13.6%		-2.3pp	12.4%		-1.1pp	15.0%	-3.7pp	12.0%	-0.7pp
EPS (EUR)	0.13	0.21	-0.08	-37%	0.19	-0.06	-32%	0.32	-59%	0.17	-26%

Source: Company data, LSEG and Nordea estimates

ESTIMATE REVISIONS (EURm; EPS IN EUR)

	New estimates				Old estimates				Difference %			
	Q2 2025E	2025E	2026E	2027E	Q2 2025E	2025E	2026E	2027E	Q2 2025E	2025E	2026E	2027E
Sales	57	240	266	292	60	244	271	297	-6%	-2%	-2%	-2%
Adj. EBIT	7.1	30.3	34.6	37.5	8.0	32.6	35.6	38.6	-12%	-7%	-3%	-3%
Adj. EBIT margin	12.4%	12.6%	13.0%	12.9%	13.3%	13.4%	13.1%	13.0%	-0.8pp	-0.7pp	-0.1pp	-0.1pp
Adj. EPS (EUR)	0.18	0.77	0.88	0.96	0.21	0.85	0.93	1.00	-12%	-9%	-5%	-5%

Source: Nordea estimates

OUR ESTIMATES VS. CONSENSUS

	Nordea estimates				Consensus estimates				Difference %			
	Q2 2025E	2025E	2026E	2027E	Q2 2025E	2025E	2026E	2027E	Q2 2025E	2025E	2026E	2027E
Sales (EURm)	57	240	266	292	62	250	279	306	-7%	-4%	-4%	-5%
Adj. EBIT (EURm)	7.1	30.3	34.6	37.5	8.0	33.0	35.5	39.5	-12%	-8%	-3%	-5%
Adj. EBIT margin	12.4%	12.6%	13.0%	12.9%	13.0%	13.2%	12.7%	12.9%	-0.6pp	-0.6pp	0.2pp	0.0pp
Adj. EPS (EUR)	0.18	0.77	0.88	0.96	0.21	0.84	0.93	1.04	-13%	-8%	-5%	-8%

Source: LSEG Data & Analytics and Nordea estimates

ESTIMATES BY QUARTER (EURm)

	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25E	Q3 25E	Q4 25E
Incap Group												
Sales	72.7	56.4	50.1	42.4	51.4	57.6	61.8	59.3	52.2	56.9	63.2	67.6
Sales growth (%)	36%	-8%	-29%	-46%	-29%	2%	23%	40%	2%	-1%	2%	14%
Adj. EBITDA	12.4	9.3	7.6	5.8	7.5	8.4	9.5	10.3	7.4	8.5	9.8	10.5
Adj. EBITDA margin (%)	17%	17%	15%	14%	15%	15%	15%	17%	14%	15%	15%	16%
Adj. EBIT	11.4	8.3	6.4	4.4	6.2	7.0	8.0	8.9	5.9	7.1	8.3	9.0
Adj. EBIT margin (%)	16%	15%	13%	10%	12%	12%	13%	15%	11%	12%	13%	13%
Net financials	-0.4	-0.2	0.1	-1.3	0.3	-0.3	-2.4	3.3	-0.7	0.0	0.0	0.0
PTP	10.9	7.3	5.8	2.4	6.3	6.5	5.4	11.9	5.0	6.9	8.1	8.8
Net result adj.	8.5	6.5	5.1	2.1	5.1	5.3	3.8	9.4	4.0	5.4	6.3	6.9
Net result	8.4	5.7	4.4	1.4	4.9	5.1	3.6	9.1	3.8	5.2	6.2	6.7
EPS adj. (EUR)	0.29	0.22	0.17	0.07	0.17	0.18	0.13	0.32	0.14	0.18	0.22	0.23
EPS (EUR)	0.28	0.19	0.15	0.05	0.17	0.17	0.12	0.31	0.13	0.18	0.21	0.23

Source: Company data and Nordea estimates

Peer group financials

PEER GROUP FINANCIALS

	SALES (EURm)				SALES GROWTH				EBIT MARGIN			
	2023	2,024	2025E	2026E	2023	2024	2025E	2026E	2023	2024	2025E	2026E
Hon Hai Precision Industry Co Ltd	181,989	202,096	223,624	255,941	-7%	11%	21%	14%	3%	3%	3%	3%
Delta Electronics Inc	11,849	12,408	13,333	14,962	4%	5%	16%	12%	10%	12%	12%	13%
Jabil Inc	32,010	26,145	24,598	25,727	4%	-17%	-2%	5%	5%	5%	5%	6%
Pegatron Corp	37,117	33,155	32,876	34,500	-5%	-10%	6%	5%	1%	1%	1%	2%
Universal Scientific Industrial Shangh	7,761	8,031	7,733	8,354	-11%	0%	6%	8%	4%	3%	3%	4%
Fabrinet	2,425	2,691	2,935	3,347	17%	9%	18%	13%	11%	10%	10%	10%
Accton Technology Corp	2,486	3,253	4,229	5,000	9%	31%	45%	16%	13%	12%	13%	14%
Venture Corporation Ltd	2,078	1,936	1,902	2,002	-22%	-10%	-1%	5%	10%	10%	9%	10%
Sanmina Corp	8,453	6,780	7,868	8,413	13%	-15%	9%	7%	6%	5%	6%	6%
Inventec Corp	15,202	19,040	18,699	20,709	-5%	26%	11%	8%	1%	2%	2%	2%
Plexus Corp	3,983	3,548	3,575	3,897	10%	-6%	4%	9%	5%	5%	6%	6%
Foxconn Interconnect Technology Ltd	3,802	4,300	4,817	5,451	-7%	6%	15%	13%	6%	6%	7%	8%
Celestica Inc	7,214	9,317	10,350	12,036	10%	21%	12%	16%	5%	6%	7%	7%
Ducommun Inc	686	760	725	771	6%	4%	5%	6%	8%	10%	10%	11%
Sercomm Corp	1,848	1,673	1,707	1,928	-3%	-9%	12%	13%	5%	5%	5%	6%
Note AB (publ)	382	341	369	416	15%	-8%	4%	13%	10%	9%	10%	10%
Kitron ASA	775	647	683	807	21%	-17%	6%	18%	9%	8%	9%	9%
Scanfil Oyj	902	780	831	879	7%	-13%	7%	6%	7%	7%	7%	7%
SIIX Corp	1,990	1,858	1,859	1,983	12%	-2%	-1%	7%	4%	3%	0%	0%
TT electronics PLC	708	630	615	640	-1%	-15%	-3%	4%	8%	5%	8%	9%
Hanza AB	373	424	554	612	17%	17%	24%	10%	8%	5%	7%	7%
Cicor Technologies Ltd	420	512	596	654	24%	23%	16%	10%	6%	7%	8%	8%
Valuetronics Holdings Ltd	237	198	217	229	-1%	-17%	-1%	8%	5%	10%	9%	9%
Lacroix Group SA	734	636	591	630	4%	-13%	0%	7%	3%	1%	2%	3%
Inission AB	198	188	192	201	14%	-2%	-1%	5%	7%	6%	6%	7%
Group median					**6.2%**	**-2.4%**	**6.5%**	**8.4%**	**5.7%**	**5.9%**	**6.8%**	**7.1%**
Incap (Nordea)	264	222	230	240	-16.0%	3.8%	4.3%	11.0%	12.7%	12.7%	12.3%	12.7%
diff. from median (pp)					**-22.2**	**6.2**	**-2.2**	**2.6**	**7.0**	**6.7**	**5.5**	**5.6**

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

Peer group valuation

PEER GROUP VALUATION (x)

	P/E				EV/EBIT				P/B			
	2023	**2024**	**2025E**	**2026E**	**2023**	**2024**	**2025E**	**2026E**	**2023**	**2024**	**2025E**	**2026E**
Hon Hai Precision Industry Co Ltd	10.4	17.0	9.9	8.6	7.4	12.0	7.2	6.1	1.3	1.2	1.1	0.9
TT Electronics	24.5	31.9	18.5	15.6	20.2	23.4	13.9	11.6	4.3	3.8	3.2	2.9
Jabil Inc	19.0	9.8	16.4	14.4	10.3	9.3	11.8	10.7	6.8	8.7	10.8	10.0
Pegatron Corp	14.9	14.6	12.2	11.3	16.8	16.9	10.0	8.8	1.1	1.1	1.0	1.0
Universal Scientific Industrial Shangh	17.4	22.0	15.3	12.3	13.5	16.0	11.4	8.6	1.5	1.6	1.5	1.4
Fabrinet	19.3	30.2	19.7	17.4	16.1	28.8	17.9	15.6	4.9	4.2	3.7	3.2
Accton Technology Corp	33.0	36.2	18.7	15.5	23.5	30.1	14.0	11.2	12.5	10.1	7.3	5.6
Foxconn Interconnect Technology	14.7	15.6	13.6	12.8	9.7	9.6	7.3	6.8	1.1	1.2	1.1	1.1
Sanmina Corp	10.5	17.6	13.7	11.8	6.3	10.3	8.4	7.5	1.4	2.0	n.a.	n.a.
Inventec Corp	31.0	24.8	15.4	13.3	28.1	18.7	14.0	12.8	2.4	2.2	2.0	1.9
Universal Scientific Industrial	18.8	34.1	18.2	16.7	12.5	19.2	14.2	12.6	2.9	3.0	2.5	2.2
Foxconn Interconnect Technology Ltd	8.3	21.7	8.0	6.1	5.5	11.8	6.1	4.9	0.7	0.7	0.7	0.6
Celestica Inc	14.4	25.6	18.5	15.4	10.8	19.5	14.5	12.3	7.2	5.6	n.a.	n.a.
Ducommun Inc	45.7	30.3	15.6	12.5	21.5	18.4	13.2	10.7	1.3	1.3	1.2	1.1
Sercomm Corp	15.3	16.3	11.3	9.4	11.1	11.5	8.2	6.7	2.4	2.0	1.7	0.0
Note AB (publ)	13.5	17.2	15.1	13.2	11.3	11.7	12.2	10.3	3.1	2.9	2.7	2.2
Kitron ASA	11.7	20.5	20.6	15.4	10.4	14.3	15.8	12.9	5.6	4.5	3.5	3.1
Scanfil Oyj	10.5	13.9	12.9	12.5	9.2	10.9	11.0	10.3	2.2	2.0	1.9	1.7
SIIX Corp	8.4	15.1	9.4	8.2	9.2	10.4	n.a.	n.a.	0.6	0.5	0.5	0.5
TT electronics PLC	4.3	7.0	5.4	4.1	8.7	8.6	5.9	4.6	0.5	0.5	0.6	0.5
Hanza AB	16.1	30.3	11.9	9.6	12.2	14.8	9.2	7.8	2.5	2.1	1.8	1.5
Cicor Technologies Ltd	18.9	9.9	15.7	13.5	6.9	7.8	11.0	9.6	2.6	3.1	2.7	2.3
Valuetronics Holdings Ltd	8.3	7.0	9.3	9.0	n.a.	2.0	2.3	2.1	0.7	0.8	0.6	0.6
Lacroix Group SA	16.2	n.a.	n.a.	n.a.	11.2	n.a.	n.a.	n.a.	0.8	n.a.	n.a.	n.a.
Inission AB	11.0	10.8	10.1	8.3	8.2	10.7	9.9	8.8	1.6	1.2	1.1	1.0
Group median	**14.9**	**17.4**	**14.4**	**12.5**	**10.9**	**11.9**	**11.0**	**9.6**	**2.2**	**2.0**	**1.8**	**1.5**
Incap (Nordea)	10.3	12.8	12.9	11.3	7.2	8.6	7.5	6.0	2.1	2.3	1.9	1.6
diff. from average	-31%	-27%	-10%	-10%	-34%	-27%	-31%	-38%	-5%	13%	8%	12%

Source: LSEG Data & Analytics and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT											
EURm	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
Total revenue	**49**	**59**	**71**	**106**	**170**	**264**	**222**	**230**	**240**	**266**	**292**
Revenue growth	25.7%	21.5%	20.5%	49.9%	59.4%	55.3%	-16.0%	3.8%	4.3%	11.0%	9.5%
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	5	9	11	16	29	43	33	35	36	40	43
Depreciation and impairments PPE	0	-1	-1	-2	-3	-3	-5	-6	-6	-6	-6
of which leased assets	0	0	-1	-1	-1	-1	-2	-2	-2	-2	-2
EBITA	5	9	10	14	26	39	29	30	30	34	37
Amortisation and impairments	0	0	0	-1	-1	0	-1	-1	-1	-1	-1
EBIT	5	9	10	13	26	39	28	29	30	34	37
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	0	-1	0	-2	-2	1	-1	-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	**4**	**8**	**10**	**12**	**26**	**37**	**26**	**30**	**29**	**33**	**36**
Reported taxes	-1	-2	-3	-2	-5	-9	-7	-7	-7	-8	-9
Net profit from continued operations	3	6	6	9	21	28	20	23	22	25	27
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	3	6	6	9	21	28	20	23	22	25	27
EPS, EUR	**0.14**	**0.27**	**0.29**	**0.40**	**0.72**	**0.94**	**0.67**	**0.77**	**0.74**	**0.85**	**0.93**
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	10.2%	15.5%	16.1%	15.0%	17.2%	16.2%	15.1%	15.4%	15.0%	15.2%	14.9%
EBITA	9.3%	14.6%	14.2%	12.7%	15.6%	14.9%	13.0%	13.0%	12.6%	13.0%	12.8%
EBIT	9.3%	14.6%	14.2%	11.8%	15.3%	14.7%	12.7%	12.7%	12.3%	12.7%	12.6%
Adjusted earnings											
EBITDA (adj)	5	9	11	16	29	43	36	36	37	41	44
EBITA (adj)	5	9	10	14	26	39	31	31	31	35	38
EBIT (adj)	5	9	10	13	26	39	31	30	30	35	38
EPS (adj, EUR)	0.14	0.27	0.29	0.40	0.72	0.94	0.75	0.80	0.77	0.88	0.96
Adjusted profit margins in percent											
EBITDA (adj)	10.2%	15.5%	16.1%	15.0%	17.2%	16.2%	16.1%	15.8%	15.4%	15.5%	15.2%
EBITA (adj)	9.3%	14.6%	14.2%	12.7%	15.6%	14.9%	14.0%	13.4%	12.9%	13.2%	13.1%
EBIT (adj)	9.3%	14.6%	14.2%	11.8%	15.3%	14.7%	13.8%	13.1%	12.6%	13.0%	12.9%
Performance metrics											
CAGR last 5 years											
Net revenue	-5.4%	18.0%	30.9%	28.4%	34.5%	40.3%	30.3%	26.5%	17.6%	9.4%	2.0%
EBITDA	n.m.	n.m.	61.0%	34.0%	47.9%	53.8%	29.6%	25.4%	17.7%	6.7%	0.3%
EBIT	n.m.	n.m.	56.9%	27.8%	47.1%	53.7%	26.7%	23.7%	18.6%	5.4%	-1.1%
EPS	n.a.	n.a.	n.a.	n.a.	49.2%	45.8%	20.2%	21.8%	13.0%	3.5%	-0.2%
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	4.3%	11.1%	12.4%	12.2%	13.6%	14.4%	13.9%	13.6%	13.5%	13.1%	12.6%
Average EBITDA margin	4.8%	11.8%	13.5%	14.1%	15.6%	16.2%	15.9%	15.8%	15.7%	15.4%	15.1%

VALUATION RATIOS - ADJUSTED EARNINGS											
EURm	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
P/E (adj)	7.4	4.6	10.1	9.1	21.8	18.2	10.3	12.8	12.9	11.3	10.4
EV/EBITDA (adj)	5.5	3.3	5.5	5.6	15.8	12.0	6.1	7.2	6.2	5.0	4.1
EV/EBITA (adj)	6.1	3.4	6.3	6.6	17.4	13.1	7.0	8.5	7.4	5.9	4.8
EV/EBIT (adj)	6.1	3.4	6.3	7.1	17.8	13.2	7.2	8.7	7.5	6.0	4.8

VALUATION RATIOS - REPORTED EARNINGS											
EURm	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
P/E	7.4	4.6	10.1	9.1	21.8	18.2	11.5	13.3	13.4	11.6	10.7
EV/Sales	0.57	0.50	0.89	0.84	2.72	1.95	0.99	1.13	0.95	0.78	0.62
EV/EBITDA	5.5	3.3	5.5	5.6	15.8	12.0	6.6	7.3	6.3	5.1	4.2
EV/EBITA	6.1	3.4	6.3	6.6	17.4	13.1	7.6	8.7	7.6	6.0	4.9
EV/EBIT	6.1	3.4	6.3	7.1	17.8	13.2	7.8	8.9	7.7	6.1	4.9
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	5.4%	7.1%	9.8%	-5.6%	1.0%	-1.2%	11.1%	10.0%	8.4%	8.2%	9.1%
FCF Yield bef A&D, lease adj	5.4%	7.1%	8.9%	2.3%	1.1%	-1.3%	15.2%	10.4%	7.8%	7.6%	8.5%
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	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
Intangible assets	1	1	1	12	12	11	14	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	5	5	4	6	6	5	4	3
of which goodwill	1	1	1	7	8	7	8	9	9	9	9
Tangible assets	3	5	7	11	14	21	30	31	30	31	32
of which leased assets	0	0	2	6	7	7	8	7	5	5	5
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	1	1	0	1	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	0	0	0	0	1	0	0	0	0	0
Total non-current assets	5	6	9	24	27	33	45	47	45	45	46
Inventory	8	12	11	24	59	92	71	61	62	66	69
Accounts receivable	9	12	11	24	34	36	24	35	36	40	44
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	3	3	6	4	9	8	43	72	91	110	133
Total current assets	20	26	28	52	102	136	137	168	191	218	248
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	**25**	**32**	**36**	**76**	**129**	**169**	**182**	**215**	**236**	**263**	**294**
Shareholders equity	10	16	22	39	63	87	107	133	155	180	207
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	10	16	22	39	63	87	107	133	155	180	207
Deferred tax	0	0	0	1	1	1	1	2	2	2	2
Long term interest bearing debt	2	1	2	2	1	5	24	22	18	16	14
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	0	1	0	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	2	3	2	5	7	5	5	5	5
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	2	1	6	9	6	13	33	32	28	26	24
Short-term provisions	0	1	0	1	0	0	0	1	1	1	1
Accounts payable	7	10	7	25	53	57	38	45	49	54	59
Current lease debt	0	0	1	1	1	2	2	2	2	2	2
Other current liabilities	0	0	0	0	0	0	0	0	0	0	0
Short term interest bearing debt	5	5	1	2	6	9	2	2	2	1	1
Total current liabilities	12	15	10	30	60	68	42	50	53	58	63
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**25**	**32**	**37**	**77**	**130**	**168**	**182**	**215**	**236**	**263**	**294**
Balance sheet and debt metrics											
Net debt	4	3	0	5	2	14	-8	-41	-64	-86	-111
of which lease debt	0	0	2	5	4	7	8	7	7	7	7
Working capital	10	14	14	23	40	71	57	51	49	52	54
Invested capital	15	19	23	47	67	104	102	97	94	97	100
Capital employed	18	21	28	48	74	109	141	164	182	204	229
ROE	34.0%	44.7%	33.3%	30.5%	41.5%	36.7%	20.4%	19.0%	15.2%	15.0%	14.2%
ROIC	23.8%	38.0%	36.3%	27.4%	34.5%	34.4%	22.5%	23.0%	24.1%	27.5%	29.0%
ROCE	27.0%	46.8%	42.8%	34.7%	44.1%	43.1%	25.2%	22.2%	18.5%	18.8%	18.1%
Net debt/EBITDA	0.9	0.3	0.0	0.3	0.1	0.3	-0.3	-1.2	-1.8	-2.1	-2.6
Interest coverage	-13.4	7.8	12.8	8.8	28.1	54.6	20.4	16.3	16.2	18.8	20.8
Equity ratio	42.0%	49.1%	58.6%	50.3%	48.4%	51.9%	58.5%	61.9%	65.7%	68.4%	70.6%
Net gearing	41.9%	16.6%	0.0%	13.9%	2.7%	15.6%	-7.9%	-31.0%	-41.5%	-48.0%	-53.6%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT											
EURm	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
EBITDA (adj) for associates	**5**	**9**	**11**	**16**	**29**	**43**	**33**	**35**	**36**	**40**	**43**
Paid taxes	-9	-2	-3	-3	-5	-5	-5	-6	-7	-8	-9
Net financials	0	0	0	-1	-1	-1	-1	-2	-1	-1	-1
Change in provisions	0	1	1	-1	0	0	0	0	0	0	0
Change in other LT non-IB	0	1	0	1	0	0	0	1	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	8	-1	-2	0	2	-2	-3	-3	0	0	0
Funds from operations (FFO)	**4**	**7**	**8**	**13**	**25**	**35**	**24**	**26**	**28**	**32**	**34**
Change in NWC	-2	-3	0	-8	-16	-36	21	13	1	-3	-2
Cash flow from operations (CFO)	**2**	**4**	**7**	**5**	**10**	**-1**	**45**	**39**	**30**	**29**	**32**
Capital expenditure	-1	-2	-1	-3	-5	-5	-7	-6	-5	-5	-6
Free cash flow before A&D	**1**	**2**	**6**	**2**	**5**	**-6**	**38**	**33**	**25**	**24**	**27**
Proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	0	-7	-1	0	-12	-3	0	0	0
Free cash flow	1	2	6	-5	4	-6	25	30	25	24	27
Free cash flow bef A&D, lease adj	1	2	6	2	5	-6	35	31	23	22	25
Dividends paid	0	0	0	0	0	0	0	0	0	0	0
Equity issues / buybacks	0	0	0	11	0	0	0	0	0	0	0
Net change in debt	0	-2	-2	-6	2	6	12	-4	-4	-3	-2
Other financing adjustments	0	0	0	0	0	0	0	0	-2	-2	-2
Other non-cash adjustments	0	0	-1	-2	-1	-2	-2	3	0	0	0
Change in cash	1	0	3	-2	5	-2	35	30	19	19	23
Cash flow metrics											
Capex/D&A	n.m.	n.m.	81.6%	83.5%	n.m.	n.m.	n.m.	89.3%	74.0%	77.4%	83.9%
Capex/Sales	1.4%	3.7%	1.6%	2.6%	2.7%	2.1%	3.1%	2.4%	2.0%	1.9%	1.9%
Key information											
Share price year end (/current)	1	1	3	4	16	17	8	10	10	10	10
Market cap.	23	27	63	84	460	501	227	302	293	293	293
Enterprise value	28	30	63	90	462	515	219	260	229	207	182
Diluted no. of shares, year-end (m)	21.8	21.8	21.8	22.9	29.3	29.3	29.4	29.4	29.4	29.4	29.4

Source: Company data and Nordea estimates

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