Incap

Capital Goods
Finland

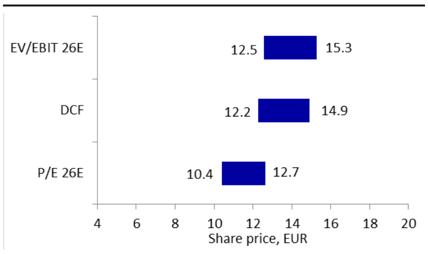
KEY DATA

Stock country	Finland
Bloomberg	ICP1V FH
Reuters	ICP1V.HE
Share price, close	EUR 9.97
Free float	null
Market cap. (m)	EUR 292
Company website	www.incapcorp.com
Next report date	

PERFORMANCE

Source: LSEG Data & Analytics

VALUATION APPROACH



ESTIMATE CHANGES

EURm	2025E	2026E	2027E
Total revenue	0%	20%	19%
EBITDA (rep.)	0%	11%	12%
EBIT (adj.)	0%	9%	9%
PTP	0%	2%	0%
EPS (rep. EUR)	0%	2%	0%
EPS (adj. EUR)	0%	8%	6%
DPS (ord. EUR)	n.a.	n.a.	n.a.

Source: Company data and Nordea estimates

Nordea IB & Equity - Analysts

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We expect ~40% y/y revenue growth in 2026

Incap has agreed to acquire Lacon for an equity value of EUR 50m. Lacon has customers in the railway, medical and defence sectors. The acquisition could take revenue growth close to 40% in 2026, but the company expects the transaction to have only a small positive impact on EBIT in 2026. Based on the acquisition price, we calculate EV/EBIT of 12.7x for 2025E. The valuation of the deal is clearly above Incap's valuation but close to 2026E peer group median EV/EBIT. Incap's net sales and clean EBIT are declining y/y in 2025, which is one reason why its valuation has been at a discount compared to that of the peer group. Overall, we view the acquisition as a positive trigger for the equity story. Our new fair value range is EUR 11.7-14.3 (11.1-13.6), based on our DCF analysis and backed by a peer group comparison.

Incap has long been looking for an acquisition target

Lacon has production sites in Germany and Romania. The company has 603 employees, of which slightly over half are in Romania. Incap already has one factory in Slovakia with 340 employees. Lacon's EBITDA margin was 9.2% in January-October 2025 (Incap: 14.4%). Lacon has cooperations with companies like Knorr-Bremse, Schaeffler, Deutsche Bahn and Terraplasma. The company also produces EV charging devices. With the acquisition of Lacon, Incap will obtain Lacon's design and development service operations. These are usually part of a larger EMS company's offering, and they have been missing from Incap's portfolio. Germany is the biggest EMS market in Europe, but it is also a very competitive market. Lacon's revenue growth could be negative y/y in 2025 (as was the case in 2024), with one reason being the automotive sector. Incap is set to pay EUR 50m for Lacon, but the agreement includes a potential maximum earn-out of EUR 5m. The transaction entails relatively high valuation multiples, yet the whole EMS sector is trading at a ~40% higher EV/EBIT ratio versus 2013-24. We believe that high M&A activity could be one driver of multiple expansion in the sector.

It makes sense for Incap to acquire new customers

The transaction will be financed with cash and a bank loan of EUR 30m. But financing is not a problem, as net gearing was -29% in Q3 2025. Moreover, Incap's valuation may have already been burdened by a high net cash position. However, we believe it makes sense for Incap to acquire new customers in order to broaden its customer portfolio and leverage its low-group-cost approach with new sites. We calculate that the share of the combined entity's largest customer will decline from 42% to 31% as a result of the Lacon acquisition. We do not believe that Lacon is highly exposed to defence, but any defence-related customers will likely be needed to support the growth story and valuation multiples. We estimate that defence will comprise 5-7% of Incap's net sales on a pro forma basis.

SUMMARY TABLE - KEY FIGURES

EURm	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	170	264	222	230	215	296	323
EBITDA (adj.)	29.3	42.7	35.7	36.4	31.0	43.1	48.0
EBIT (adj.)	26.0	38.9	30.5	30.1	24.3	33.7	38.2
EBIT (adj.) margin	15.3%	14.7%	13.8%	13.1%	11.3%	11.4%	11.8%
EPS (adj. EUR)	0.72	0.94	0.75	0.80	0.44	0.82	0.92
EPS (adj.) growth	78.2%	30.8%	-20.1%	6.81%	-45.1%	87.0%	11.6%
DPS (ord. EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	2.72	1.95	0.99	1.13	1.08	0.92	0.77
EV/EBIT (adj.)	17.8	13.2	7.17	8.65	9.54	8.06	6.49
P/E (adj.)	21.8	18.2	10.3	12.8	22.6	12.1	10.9
P/BV	7.31	5.73	2.13	2.27	2.01	1.74	1.52
Dividend yield (ord.)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FCF yield before A&D, lease-adj.	1.12%	-1.25%	15.2%	10.4%	6.89%	3.47%	8.22%
Net debt	1.70	13.6	-8.48	-41.2	-61.4	-21.6	-45.7
Net debt/EBITDA	0.06	0.32	-0.25	-1.16	-1.95	-0.53	-1.00
ROIC	34.5%	34.4%	22.5%	23.0%	19.9%	21.5%	19.2%

Source: Company data and Nordea estimates

Revisions and estimates

ESTIMATE REVISIONS (EURm; EPS IN EUR)

	New estimates				Old estimates				Difference %			
	Q4 2025E	2025E	2026E	2027E	Q4 2025E	2025E	2026E	2027E	Q4 2025E	2025E	2026E	2027E
Sales	56	215	296	323	56	216	247	271	-1%	0%	20%	19%
Adj. EBIT	6.7	24.3	33.7	38.2	6.7	24.4	31.0	35.0	-1%	0%	9%	9%
Adj. EBIT margin	12.0%	11.3%	11.4%	11.8%	11.9%	11.3%	12.6%	12.9%	0.0pp	0.0pp	-1.1pp	-1.1pp
Adj. EPS (EUR)	0.16	0.44	0.82	0.92	0.16	0.44	0.76	0.86	-1%	0%	8%	6%

Source: Nordea estimates

OUR ESTIMATES VS. CONSENSUS

	Nordea estimates				Consensus estimates				Difference %			
	Q4 2025E	2025E	2026E	2027E	Q4 2025E	2025E	2026E	2027E	Q4 2025E	2025E	2026E	2027E
Sales (EURm)	56	215	296	323	56	216	242	268	0%	0%	22%	21%
Adj. EBIT (EURm)	6.7	24.3	33.7	38.2	7.0	24.5	30.0	34.0	-5%	-1%	12%	12%
Adj. EBIT margin	12.0%	11.3%	11.4%	11.8%	12.5%	11.4%	12.4%	12.7%	-0.5pp	-0.1pp	-1.0pp	-0.9pp
Adj. EPS (EUR)	0.16	0.44	0.82	0.92	0.17	0.46	0.75	0.84	-5%	-4%	10%	9%

Source: LSEG Data & Analytics and Nordea estimates

ESTIMATES BY QUARTER (EURm)

	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25E	Q1 26E	Q2 26E	Q3 26E	Q4 26E
Incap Group												
Sales	51.4	57.6	61.8	59.3	52.2	55.3	51.8	55.7	57.4	78.7	79.1	80.3
Sales growth (%)	-29%	2%	23%	40%	2%	-4%	-16%	-6%	10%	42%	53%	44%
Adj. EBITDA	7.5	8.4	9.5	10.3	7.4	7.7	7.1	8.2	8.5	10.6	10.8	11.0
Adj. EBITDA margin (%)	14.7%	14.6%	15.3%	17.4%	14.1%	13.9%	13.7%	14.6%	14.8%	13.5%	13.7%	13.7%
Adj. EBIT	6.2	7.0	8.0	8.9	5.9	6.2	5.6	6.7	7.0	8.7	8.9	9.1
Adj. EBIT margin (%)	12.0%	12.2%	13.0%	15.0%	11.3%	11.1%	10.8%	12.0%	12.1%	11.1%	11.3%	11.4%
Net financials	0.3	-0.3	-2.4	3.3	-0.7	-1.6	-0.7	-0.4	-0.4	-0.7	-0.7	-0.7
PTP	6.3	6.5	5.4	11.9	5.0	4.4	6.0	6.0	6.3	7.3	7.5	7.7
Net result adj.	5.1	5.3	3.8	9.4	4.0	1.1	3.1	4.8	5.0	6.3	6.4	6.6
Net result	4.9	5.1	3.6	9.1	3.8	0.9	4.2	4.6	4.8	5.6	5.7	5.9
EPS adj. (EUR)	0.17	0.18	0.13	0.32	0.14	0.04	0.11	0.16	0.17	0.21	0.22	0.22
EPS (EUR)	0.17	0.17	0.12	0.31	0.13	0.03	0.14	0.16	0.16	0.19	0.19	0.20

Source: Company data and Nordea estimates

Peer group financials

PEER GROUP FINANCIALS

	SALES (EURm)				SALES GROWTH				EBIT MARGIN			
	2023	2024	2025E	2026E	2023	2024	2025E	2026E	2023	2024	2025E	2026E
Hon Hai Precision Industry Co Ltd	181,989	202,096	218,105	271,394	-7%	11%	16%	24%	3%	3%	3%	3%
Delta Electronics Inc	11,849	12,408	15,110	18,840	4%	5%	30%	25%	10%	12%	15%	17%
Jabil Inc	32,010	26,145	25,507	27,029	4%	-17%	3%	8%	5%	5%	5%	6%
Pegatron Corp	37,117	33,155	31,103	32,270	-5%	-10%	-1%	4%	1%	1%	1%	1%
Universal Scientific Industrial Shanghai	7,761	8,031	7,371	8,449	-11%	0%	0%	15%	4%	3%	3%	4%
Fabrinet	2,425	2,691	2,918	3,723	17%	9%	19%	28%	11%	10%	10%	11%
Accton Technology Corp	2,486	3,253	6,794	8,324	9%	31%	126%	23%	13%	12%	13%	14%
Venture Corporation Ltd	2,078	1,936	1,734	1,832	-22%	-10%	-7%	5%	10%	10%	9%	10%
Sanmina Corp	8,453	6,780	6,947	12,197	13%	-15%	7%	73%	6%	5%	6%	5%
Inventec Corp	15,202	19,040	18,568	20,195	-5%	26%	9%	9%	1%	2%	2%	2%
Plexus Corp	3,983	3,548	3,447	3,775	10%	-6%	2%	9%	5%	5%	6%	6%
Foxconn Interconnect Technology Ltd	3,802	4,300	4,359	5,171	-7%	6%	11%	19%	6%	6%	6%	7%
Celestica Inc	7,214	9,317	10,493	13,948	10%	21%	27%	33%	5%	6%	7%	8%
Ducommun Inc	686	760	714	773	6%	4%	5%	8%	8%	10%	10%	11%
Sercomm Corp	1,848	1,673	1,530	1,799	-3%	-9%	-4%	18%	5%	5%	4%	5%
Note AB (publ)	382	341	350	388	15%	-8%	-1%	11%	10%	9%	10%	11%
Kitron ASA	775	647	716	882	21%	-17%	11%	23%	9%	8%	9%	9%
Scanfil Oyj	902	780	822	985	7%	-13%	6%	20%	7%	7%	7%	7%
SIIX Corp	1,990	1,858	1,677	1,756	12%	-2%	-3%	5%	4%	3%	0%	0%
TT electronics PLC	708	630	560	576	-1%	-15%	-9%	3%	8%	5%	6%	8%
Hanza AB	373	424	543	853	17%	17%	21%	57%	8%	5%	7%	7%
Cicor Technologies Ltd	420	512	677	793	24%	23%	31%	17%	6%	7%	7%	8%
Valuetronics Holdings Ltd	237	198	205	191	-1%	-17%	4%	-1%	5%	10%	7%	9%
Lacroix Group SA	734	636	449	464	4%	-13%	0%	3%	3%	1%	4%	6%
Inission AB	198	188	197	222	14%	-2%	1%	13%	7%	6%	5%	7%
Group median					**6.2%**	**-2.4%**	**5.3%**	**14.6%**	**5.7%**	**5.9%**	**6.4%**	**6.9%**
Incap (Nordea)	222	230	215	296	-16.0%	3.8%	-6.5%	37.4%	12.7%	12.7%	11.6%	10.6%
diff. from median (pp)					**-22.2**	**6.2**	**-11.8**	**22.8**	**7.0**	**6.7**	**5.2**	**3.7**

Source: LSEG Data & Analytics, company data 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	15.5	12.9	7.4	12.0	13.2	10.4	2.1	1.9	1.8	1.7
TT Electronics	24.5	31.9	41.7	29.3	20.2	23.4	30.9	21.7	12.9	11.3	9.6	7.8
Jabil Inc	19.0	9.8	34.6	19.3	10.3	9.3	16.2	13.7	10.0	12.7	14.7	14.9
Pegatron Corp	14.9	14.6	14.8	12.5	16.8	16.9	14.7	10.6	1.0	1.0	0.9	0.9
Universal Scientific Industrial Shanghai	17.4	22.0	28.3	20.1	13.5	16.0	22.7	16.1	2.6	2.7	2.1	2.1
Fabrinet	19.3	30.2	32.2	33.9	16.1	28.8	29.5	32.9	11.0	9.4	8.2	6.9
Accton Technology Corp	33.0	36.2	22.3	17.3	23.5	30.1	15.8	12.4	22.3	18.0	11.1	8.6
Foxconn Interconnect Technology	14.6	15.5	18.6	17.4	9.7	9.6	12.4	11.3	1.4	1.5	1.4	1.4
Sanmina Corp	10.5	17.6	25.6	16.6	6.3	10.3	14.3	10.9	1.4	3.8	n.a.	n.a.
Inventec Corp	31.0	24.8	18.4	16.2	28.1	18.7	15.9	14.1	2.7	2.5	2.3	2.2
Universal Scientific Industrial	18.8	34.1	22.9	19.9	12.5	19.2	17.7	14.8	3.4	3.5	2.6	2.5
Foxconn Interconnect Technology Ltd	8.3	21.7	23.6	16.4	5.5	19.2	17.9	12.6	1.9	1.8	1.7	1.6
Celestica Inc	14.4	25.6	51.9	37.1	10.8	17.9	39.3	29.3	25.0	5.6	n.a.	n.a.
Ducommun Inc	45.7	30.3	24.3	20.6	21.5	18.4	18.7	15.5	2.1	2.0	2.0	1.9
Sercomm Corp	15.3	16.3	14.9	10.5	11.1	11.5	10.9	7.6	2.0	1.7	1.5	1.4
Note AB (publ)	13.5	17.2	18.4	15.2	11.3	11.7	13.8	11.6	3.1	3.2	3.0	2.5
Kitron ASA	11.7	20.5	24.5	18.4	10.4	14.3	17.7	13.3	7.2	5.8	4.0	3.6
Scanfil Oyj	10.5	13.9	15.7	12.9	9.2	10.9	11.8	9.7	2.5	2.2	2.1	1.9
SIIX Corp	8.4	15.1	15.9	10.5	9.2	10.4	n.a.	n.a.	0.7	0.7	0.6	0.6
TT electronics PLC	7.7	12.3	16.9	11.2	9.5	8.3	10.4	8.3	0.8	1.0	0.0	0.0
Hanza AB	16.1	30.3	23.2	14.5	12.2	14.8	17.1	10.2	4.2	3.5	3.0	2.4
Cicor Technologies Ltd	13.4	7.3	28.0	19.0	6.9	7.8	19.3	14.0	4.5	5.4	4.7	3.8
Valuetronics Holdings Ltd	7.2	6.0	8.3	11.9	n.a.	5.2	2.6	6.3	0.6	0.7	1.5	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	18.9	9.7	8.2	10.7	14.4	9.3	2.0	1.5	1.4	1.3
Group median	**14.6**	**17.4**	**22.6**	**16.5**	**10.9**	**13.2**	**15.9**	**12.4**	**2.5**	**2.6**	**2.1**	**2.0**
Incap (Nordea)	10.3	12.8	20.9	11.2	7.2	8.6	8.6	7.4	2.1	2.3	1.9	1.6
diff. from average	-30%	-27%	-7%	-32%	-34%	-34%	-46%	-40%	-13%	-13%	-12%	-20%

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	**48.5**	**59.0**	**71.0**	**106**	**170**	**264**	**222**	**230**	**215**	**296**	**323**
- growth	25.7%	21.5%	20.5%	49.9%	59.4%	55.3%	-16.0%	3.82%	-6.52%	37.4%	9.43%
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 (rep.)	4.97	9.14	11.5	15.9	29.3	42.7	33.4	35.5	31.5	40.8	45.7
Depreciation and impairments PPE	-0.44	-0.51	-1.38	-2.42	-2.77	-3.34	-4.62	-5.63	-5.96	-7.17	-7.23
of which leased assets	0.00	0.00	-0.55	-1.31	-1.43	-1.41	-1.62	-1.69	-1.72	-1.76	-1.79
EBITA	4.53	8.63	10.1	13.5	26.5	39.4	28.8	29.9	25.5	33.6	38.5
Amortisation and impairments	0.00	0.00	0.00	-0.93	-0.51	-0.49	-0.57	-0.67	-0.68	-2.16	-2.62
EBIT	4.53	8.63	10.1	12.6	26.0	38.9	28.2	29.2	24.8	31.5	35.9
of which associates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Associates excluded from EBIT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net financials	-0.53	-0.69	-0.42	-1.09	-0.25	-2.32	-1.79	0.89	-3.49	-2.57	-3.31
of which lease interest	0.00	0.00	-0.07	-0.18	-0.14	-0.14	-0.35	-0.42	-0.43	-0.45	-0.46
Changes in value, net	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
PTP	**4.00**	**7.94**	**9.66**	**11.5**	**25.7**	**36.6**	**26.4**	**30.1**	**21.4**	**28.9**	**32.6**
Reported taxes	-0.88	-2.09	-3.39	-2.29	-4.66	-9.03	-6.60	-7.35	-7.89	-6.94	-7.82
Net profit from continued operations	3.12	5.85	6.27	9.22	21.1	27.6	19.8	22.7	13.5	22.0	24.8
Discontinued operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Minority interests	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net profit to equity	3.12	5.85	6.27	9.22	21.1	27.6	19.8	22.7	13.5	22.0	24.8
EPS (rep. EUR)	**0.14**	**0.27**	**0.29**	**0.40**	**0.72**	**0.94**	**0.67**	**0.77**	**0.46**	**0.75**	**0.84**
DPS - total	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 %											
EBITDA	10.2%	15.5%	16.1%	15.0%	17.2%	16.2%	15.1%	15.4%	14.6%	13.8%	14.1%
EBITA	9.33%	14.6%	14.2%	12.7%	15.6%	14.9%	13.0%	13.0%	11.9%	11.4%	11.9%
EBIT	9.33%	14.6%	14.2%	11.8%	15.3%	14.7%	12.7%	12.7%	11.6%	10.6%	11.1%
Adjusted earnings											
EBITDA (adj.)	4.97	9.14	11.5	15.9	29.3	42.7	35.7	36.4	31.0	43.1	48.0
EBITA (adj.)	4.53	8.63	10.1	13.5	26.5	39.4	31.1	30.8	25.0	35.9	40.8
EBIT (adj.)	4.53	8.63	10.1	12.6	26.0	38.9	30.5	30.1	24.3	33.7	38.2
EPS (adj. EUR)	0.14	0.27	0.29	0.40	0.72	0.94	0.75	0.80	0.44	0.82	0.92
Adjusted profit margins in %											
EBITDA (adj.) margin	10.2%	15.5%	16.1%	15.0%	17.2%	16.2%	16.1%	15.8%	14.4%	14.6%	14.9%
EBITA (adj.) margin	9.33%	14.6%	14.2%	12.7%	15.6%	14.9%	14.0%	13.4%	11.6%	12.2%	12.6%
EBIT (adj.) margin	9.33%	14.6%	14.2%	11.8%	15.3%	14.7%	13.8%	13.1%	11.3%	11.4%	11.8%
Performance metrics											
CAGR last five years											
Net revenue (five-year CAGR)	-5.42%	18.0%	30.9%	28.4%	34.5%	40.3%	30.3%	26.5%	15.1%	11.7%	4.16%
EBITDA (five-year CAGR)	n.m.	n.m.	61.0%	34.0%	47.9%	53.8%	29.6%	25.4%	14.6%	6.87%	1.38%
EBIT (five-year CAGR)	n.m.	n.m.	56.9%	27.8%	47.1%	53.7%	26.7%	23.7%	14.6%	3.91%	-1.59%
EPS (five-year CAGR)	n.a.	n.a.	n.a.	n.a.	49.2%	45.8%	20.2%	21.8%	2.55%	0.74%	-2.21%
DPS (five-year CAGR)	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Average last five years											
Average EBIT margin	4.26%	11.1%	12.4%	12.2%	13.6%	14.4%	13.9%	13.6%	13.4%	12.4%	11.6%
Average EBITDA margin	4.76%	11.8%	13.5%	14.1%	15.6%	16.2%	15.9%	15.8%	15.7%	15.0%	14.5%

Source: Company data and Nordea estimates

VALUATION RATIOS

EURm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
ADJUSTED EARNINGS											
P/E (adj.)	7.43	4.64	10.1	9.15	21.8	18.2	10.3	12.8	22.6	12.1	10.9
EV/EBITDA (adj.)	5.53	3.25	5.51	5.63	15.8	12.0	6.13	7.16	7.50	6.31	5.16
EV/EBITA (adj.)	6.07	3.45	6.27	6.63	17.4	13.1	7.04	8.47	9.28	7.57	6.07
EV/EBIT (adj.)	6.07	3.45	6.27	7.12	17.8	13.2	7.17	8.65	9.54	8.06	6.49
REPORTED EARNINGS											
P/E	7.43	4.64	10.1	9.15	21.8	18.2	11.5	13.3	21.8	13.4	11.9
EV/Sales	0.57	0.50	0.89	0.84	2.72	1.95	0.99	1.13	1.08	0.92	0.77
EV/EBITDA	5.53	3.25	5.51	5.63	15.8	12.0	6.55	7.34	7.38	6.67	5.42
EV/EBITA	6.07	3.45	6.27	6.63	17.4	13.1	7.60	8.72	9.10	8.09	6.44
EV/EBIT	6.07	3.45	6.27	7.12	17.8	13.2	7.76	8.92	9.35	8.64	6.90
Dividend yield (ord.)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FCF yield	5.39%	7.14%	9.80%	-5.65%	0.98%	-1.24%	11.1%	9.99%	7.48%	-13.0%	8.83%
FCF yield before A&D, lease-adj.	5.39%	7.14%	8.93%	2.27%	1.12%	-1.25%	15.2%	10.4%	6.89%	3.47%	8.22%
Payout ratio	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Intangible assets	0.94	0.91	0.91	11.7	12.1	11.2	13.7	14.1	13.5	31.3	28.7
of which R&D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which other intangibles	0.02	0.02	0.02	4.64	4.52	4.03	5.50	5.52	4.84	12.7	10.1
of which goodwill	0.91	0.90	0.89	7.09	7.55	7.18	8.24	8.62	8.62	18.6	18.6
Tangible assets	2.98	4.54	7.32	11.4	13.9	20.9	29.7	30.9	29.2	59.8	60.9
of which leased assets	0.00	0.00	2.46	6.50	7.25	6.89	8.09	6.63	4.87	4.83	4.80
Shares associates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest-bearing assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred tax assets	0.12	0.14	0.15	0.74	0.85	0.36	1.01	1.00	1.03	1.06	1.09
Other non-IB non-current assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other non-current assets	1.02	0.18	0.20	0.21	0.35	0.65	0.45	0.46	0.47	0.47	0.48
Total non-current assets	5.06	5.78	8.58	24.1	27.1	33.1	44.9	46.5	44.2	92.6	91.1
Inventory	7.72	11.6	10.8	24.2	59.5	91.8	71.0	61.4	55.2	73.0	76.6
Accounts receivable	9.14	11.8	10.9	24.2	33.7	36.4	23.9	34.7	30.1	41.4	45.3
Short-term leased assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.76	1.79	1.83
Other current assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash and bank	2.86	2.89	6.16	3.90	9.25	7.56	42.6	72.2	88.4	78.6	97.7
Total current assets	19.7	26.3	27.9	52.3	102	136	137	168	175	195	221
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	**24.8**	**32.1**	**36.5**	**76.4**	**129**	**169**	**182**	**215**	**220**	**287**	**313**
Shareholders' equity	10.4	15.7	21.9	38.6	62.9	87.4	107	133	146	168	193
of which preferred stocks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which equity part of hybrid debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Minority interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Equity	10.4	15.7	21.9	38.6	62.9	87.4	107	133	146	168	193
Deferred tax	0.00	0.00	0.00	0.88	0.85	0.62	1.30	1.70	1.70	1.70	1.70
Long-term interest-bearing debt	2.31	1.00	2.33	2.42	1.36	5.43	23.6	21.6	18.1	48.6	43.6
Pension provisions	0.00	0.30	0.32	0.30	0.31	0.28	0.26	0.31	0.00	0.00	0.00
Other long-term provisions	0.00	0.17	1.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other long-term liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non-current lease debt	0.00	0.00	1.78	3.38	2.35	5.22	6.56	5.42	5.34	5.31	5.27
Convertible debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shareholder debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hybrid debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total non-current liabilities	2.31	1.47	5.73	8.60	6.50	13.2	33.4	31.9	28.1	58.6	53.7
Accounts payable	6.78	9.83	7.40	25.5	52.9	56.8	37.8	45.5	41.1	56.5	61.8
Current lease debt	0.00	0.00	0.67	1.42	1.48	1.62	1.60	1.68	1.76	1.79	1.83
Other current liabilities	0.00	0.00	0.00	0.00	0.00	0.06	0.05	0.06	0.05	0.07	0.08
Short-term interest-bearing debt	4.92	4.50	1.39	2.05	5.75	8.90	2.27	2.23	1.73	1.23	1.23
Total current liabilities	12.1	14.9	9.70	29.5	60.5	67.8	42.2	50.0	45.1	60.3	65.7
Liabilities for assets held for sale	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total liabilties and equity	**24.8**	**32.1**	**37.3**	**76.7**	**130**	**168**	**182**	**215**	**220**	**287**	**313**
Balance sheet and debt metrics											
Net debt	4.36	2.61	0.01	5.37	1.70	13.6	-8.48	-41.2	-61.4	-21.6	-45.7
of which lease debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Working capital	10.1	13.6	14.3	22.9	40.3	71.3	57.0	50.6	44.2	57.8	60.0
Invested capital	15.1	19.4	22.9	47.0	67.4	104	102	97.2	88.4	150	151
Capital employed	17.6	21.2	28.1	47.9	73.8	109	141	164	173	225	245
ROE	34.0%	44.7%	33.3%	30.5%	41.5%	36.7%	20.4%	19.0%	9.64%	14.0%	13.7%
ROIC	23.8%	38.0%	36.3%	27.4%	34.5%	34.4%	22.5%	23.0%	19.9%	21.5%	19.2%
ROCE	0.27	0.47	0.43	0.35	0.44	0.43	0.25	0.22	0.16	0.18	0.17
Net debt/EBITDA	0.88	0.29	0.00	0.34	0.06	0.32	-0.25	-1.16	-1.95	-0.53	-1.00
Interest coverage	-13.4	7.84	12.8	8.79	28.1	54.6	20.4	16.3	4.61	9.63	9.83
Equity ratio	42.0%	49.1%	58.6%	50.3%	48.4%	51.9%	58.5%	61.9%	66.7%	58.6%	61.8%
Net gearing	41.9%	16.6%	0.05%	13.9%	2.71%	15.6%	-7.94%	-31.0%	-41.9%	-12.8%	-23.7%

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	**4.97**	**9.14**	**11.5**	**15.9**	**29.3**	**42.7**	**33.4**	**35.5**	**31.5**	**40.8**	**45.7**
Paid taxes	-8.99	-1.69	-2.54	-2.75	-4.53	-4.54	-5.11	-5.68	-7.89	-6.94	-7.82
Net financials	-0.40	-0.44	-0.40	-0.95	-0.55	-0.55	-1.11	-2.08	-3.49	-2.57	-3.31
Change in provisions	0.11	0.64	0.85	-1.01	-0.16	0.05	0.02	0.10	-0.34	0.19	0.07
Change in other long-term non-IB	-0.28	0.82	-0.03	1.02	-0.25	0.19	-0.44	1.21	0.10	0.02	0.02
Cash flow to/from associates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividends paid to minorities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other adj. to reconcile to cash flow	8.31	-1.35	-1.77	0.32	1.66	-2.43	-2.78	-3.12	0.00	0.00	0.00
Funds from operations (FFO)	**3.72**	**7.13**	**7.58**	**12.6**	**25.4**	**35.4**	**24.0**	**25.9**	**19.9**	**31.5**	**34.7**
Change in NWC	-1.80	-3.00	-0.26	-7.85	-15.8	-36.3	20.7	12.7	6.40	-13.6	-2.22
Cash flow from operations (CFO)	**1.92**	**4.14**	**7.32**	**4.71**	**9.67**	**-0.81**	**44.6**	**38.6**	**26.3**	**17.9**	**32.5**
Capital expenditure	-0.67	-2.20	-1.12	-2.79	-4.52	-5.46	-6.82	-5.62	-4.30	-5.96	-6.57
Free cash flow before A&D	**1.25**	**1.94**	**6.19**	**1.92**	**5.15**	**-6.27**	**37.8**	**33.0**	**22.0**	**11.9**	**25.9**
Proceeds from sale of assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Acquisitions	0.00	0.00	0.00	-6.68	-0.65	0.04	-12.5	-2.89	0.00	-50.0	0.00
Free cash flow	1.25	1.94	6.19	-4.76	4.50	-6.23	25.3	30.1	22.0	-38.1	25.9
Free cash flow bef. A&D, lease adj.	1.25	1.94	5.64	1.92	5.15	-6.27	34.6	31.3	20.2	10.2	24.1
Dividends paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity issues	0.00	0.00	0.00	10.9	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net change in debt	-0.46	-1.89	-2.39	-6.24	2.16	6.44	11.6	-3.76	-4.00	30.0	-5.00
Other financing adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1.76	-1.76	-1.79
Other non-cash adjustments	-0.28	-0.02	-0.54	-2.18	-1.31	-1.91	-1.95	3.25	0.00	0.00	0.00
Change in cash	0.52	0.03	3.27	-2.26	5.35	-1.69	35.0	29.6	16.2	-9.82	19.1
Cash flow metrics											
Capex/D&A	n.m.	n.m.	81.6%	83.5%	n.m.	n.m.	n.m.	89.3%	64.8%	63.9%	66.7%
Capex/sales	1.39%	3.73%	1.58%	2.62%	2.66%	2.07%	3.08%	2.44%	2.00%	2.02%	2.03%
Key information											
Share price, year-end (current)	1.06	1.24	2.90	3.69	15.7	17.1	7.72	10.2	9.97	9.97	9.97
Market cap	23.1	27.1	63.2	84.3	460	501	227	302	294	294	294
Enterprise value	27.5	29.8	63.2	89.7	462	515	219	260	232	272	248
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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This research report should be considered marketing material, as it has been commissioned and paid for by the subject company, and has not been prepared in accordance with the regulations designed to promote the independence of investment research and it is not subject to any legal prohibition on dealing ahead of the dissemination of the report. However, Nordea Markets analysts are according to internal policies not allowed to hold shares in the companies/sectors that they cover.

Analyst Shareholding

Nordea analysts do not hold shares in the companies that they cover. No holdings or other affiliations by analysts or associates.

Previous rating changes in the past 12 months

Date	To	From
No rating changes		

Distribution of recommendations

Recommendation	% distribution
Buy	60.82%
Hold	36.08%
Sell	3.09%

As of 01 December 2025

Recommendation structure and fair value sensitivity (absolute ratings)

Buy: Positive share price potential versus our fair value and we see a compelling investment case to buy the share.

Sell: Negative share price potential versus our fair value and we see a compelling investment case to sell the share.

Hold: Share in line with our fair value and/or no compelling investment case.

We calculate our fair values by weighting DCF, DDM, SOTP, asset-based and other standard valuation methods. When applicable, we set a 12-month target price by applying an appropriate premium/discount and/or other relevant adjustment to our fair value to reflect the share price potential we see within the coming 12 months. Our fair values are sensitive to changes in valuation assumptions, of which growth, margins, tax rates, working capital ratios, investment-to-sales ratios and cost of capital are typically the most sensitive.
It should be noted that our fair values would change by a disproportionate factor if changes are made to any or all valuation assumptions, owing to the non-linear nature of the standard valuation models applied (mentioned above). As a consequence of the standard valuation models we apply, changes of 1-2 percentage points in any single valuation assumption can change the derived fair value by as much as 30% or more. Dividend payouts are included in the target price. All research is produced on an ad hoc basis and will be updated when the circumstances require it.

Nordea ESG rating methodology
For a description of the methodology used in our proprietary ESG ratings, please refer to https://research.nordea.com/esg-methodology.pdf

Completion Date

05/12/2025 03:31 CET

Market-making obligations and other significant financial interest

Nordea has no market-making obligations in Incap shares.

As of today, Nordea Abp holds no positions of 0.5% or more of shares issued by Incap.

As of the publication of this report, the issuer does not hold a position exceeding 5% of the total shares issued in Nordea Abp.

Investment banking transactions and/or services

In view of Nordea's position in its markets, readers should assume that the bank may currently or may in the coming three months and beyond be providing or seeking to provide confidential investment banking and/or ancillary services to the company/companies.

Distribution of recommendations (transactions)*

Recommendation	% distribution
Buy	61.45%
Hold	37.35%
Sell	1.20%

As of 01 December 2025

* Companies under coverage with which Nordea has ongoing or completed public investment banking transactions.

Equity risk rating

Nordea risk rating: Incap 4
As a measure of the company's operational risk we, apply a risk rating scale of 1-5 where 1 is the lowest risk and 5 is the highest. The risk rating is calculated using a weighted average of earnings/cash flow predictability, earnings quality and backwardlooking asset beta. For the most illiquid stocks, the risk rating is also adjusted for liquidity risk. The risk rating is then converted to asset beta and used to calculate the cost of capital. It is thus implicitly included in our fair value calculations.

Issuer Review

This report has not been reviewed by the Issuer prior to publication.

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