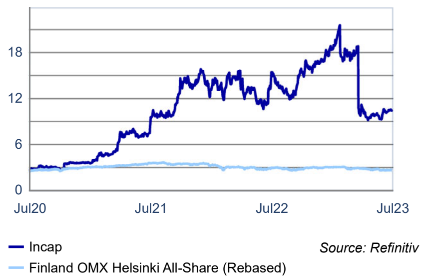
Incap

Capital Goods
Finland

KEY DATA

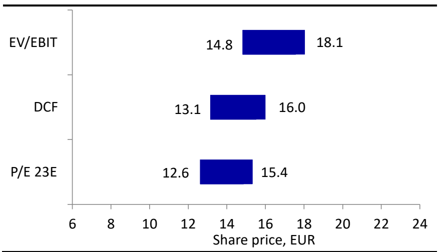
Stock country	Finland
Bloomberg	ICP1V FH
Reuters	ICP1V.HE
Share price (close)	EUR 10.72
Free float	
Market cap. (bn)	EUR 0.31/EUR 0.31
Website	www.incapcorp.com
Next report date	27 Oct 2023

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH (EUR/SHARE)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2023E	2024E	2025E
Sales	-1%	-1%	-1%
EBIT (adj)	2%	-1%	-1%

Source: Nordea estimates

Nordea IB & Equity - Analysts
Pasi Väisänen
Director

Confident about its full-year guidance

Incap is relatively confident about its full-year net sales development, despite inventory destocking by its main customer. The company also expects to defend profitability through personnel reductions. We argue that risks related to H2 2023 are lower following the Q2 earnings release. Customers (aside from its largest) were growing 15-20% y/y in Q2 and there is a possibility that the destocking effect will end in Q1 2024. Incap's EV/EBIT valuation for 2023-24E is now ~18% below its peer group, even though it has a clearly higher return on invested capital. Our unchanged fair value range of EUR 13.5-16.5 per share is based on a DCF analysis and backed by a peer group comparison.

Revenue growth was -8% y/y in Q2

Net sales were close to Refinitiv consensus for Q2 2023, while the full-year guidance indicates a 1-20% y/y decline excluding acquisitions. One fear has been an even steeper decline than 20% if Incap's main customer stops all orders in H2, but management was able to boost confidence in the full-year development during its Q2 conference call. We forecast that a customer-specific need for destocking could lower organic revenue by 13% y/y in 2023. The Pennatronics acquisition will add 14% to annual net sales, with ~6% of this being realised this year. The acquisition is an important step for Incap towards the US EMS markets.

Clean operating profit margin was above consensus in Q2

Clean EBIT in Q2 was EUR 8.3m (consensus: EUR 7.0m). The operating profit margin was 14.7%, which is a high level for an EMS company. Incap admits that the EBIT margin will likely come under pressure in H2. We estimate an EBIT margin of 11% for H2, but that includes the Pennatronics acquisition. Our full-year 2023 EBIT margin forecast is 13.2%, above consensus at 10.3%.

High ROI and growth prospects are not visible in valuation

We believe that Incap should be able to grow faster than the markets over the medium term due to global investments in solar power and energy security. It is valued below peers, however, at a 2024E EV/EBIT of 8x. We even believe that a small valuation premium is warranted. The main risk to our estimates would be if Incap's main customer loses its competitive edge, because Incap is successful when its customers are successful.

SUMMARY TABLE - KEY FIGURES

EURm	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	71	106	170	264	244	281	303
EBITDA (adj)	11	16	29	43	37	42	46
EBIT (adj)	10	13	26	39	32	37	40
EBIT (adj) margin	14.2%	11.8%	15.3%	14.7%	13.2%	13.1%	13.3%
EPS (adj, EUR)	0.29	0.40	0.72	0.94	0.81	0.91	1.00
EPS (adj) growth	7.3%	40.3%	78.2%	30.8%	-13.6%	11.8%	10.3%
DPS (ord, EUR)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	0.9	0.8	2.7	2.0	1.3	1.0	0.9
EV/EBIT (adj)	6.3	7.1	17.8	13.2	9.6	8.0	6.7
P/E (adj)	10.1	9.1	21.8	18.2	13.2	11.8	10.7
P/BV	2.9	2.2	7.3	5.7	2.9	2.3	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	8.9%	0.7%	0.8%	-1.5%	11.8%	4.9%	7.8%
Net debt	0	5	2	14	-6	-22	-46
Net debt/EBITDA	0.0	0.3	0.1	0.3	-0.2	-0.5	-1.0
ROIC after tax	36.3%	27.4%	34.5%	34.4%	23.3%	24.9%	25.5%

Source: Company data and Nordea estimates

Deviation table

Q2 2023 DEVIATION TABLE (EURm; EPS IN EUR)

	Actual Q2 2023	NDA est. Q2 2023	Deviation vs. actual		Consensus Q2 2023	Deviation vs. actual		Actual Q1 2023	q/q	Actual Q2 2022	y/y
Sales	**56.4**	**58.6**	**-2.2**	**-4%**	**57.0**	**-0.6**	**-1%**	**72.7**	**-22%**	**61.2**	**-8%**
Adj. EBIT	**8.3**	**8.5**	**-0.2**	**-2%**	**7.0**	**1.3**	**19%**	**11.4**	**-27%**	**8.6**	**-3%**
Adj. EBIT margin	14.7%	14.4%		0.3pp	12.3%		2.4pp	15.7%	-1.0pp	14.1%	0.7pp
EPS	**0.19**	**0.21**		**-11%**	**0.19**	**0.02**	0%	**0.29**	-34%	**0.22**	-13%

Source: Company data, Refinitiv and Nordea estimates

Estimate revisions

ESTIMATE REVISIONS (EURm; EPS IN EUR)

	New estimates				Old estimates				Difference %			
	Q3 2023E	2023E	2024E	2025E	Q3 2023E	2023E	2024E	2025E	Q3 2023E	2023E	2024E	2025E
Sales	57	244	281	303	58	246	285	308	-1%	-1%	-1%	-1%
Adj. EBIT	6	32	37	40	6	32	37	41	0%	2%	-1%	-1%
Adj. EBIT margin	11.3%	13.2%	13.1%	13.3%	11.2%	12.9%	13.0%	13.2%	0.1pp	0.4pp	0.1pp	0.1pp
Adj. EPS	0.16	0.81	0.91	1.00	0.15	0.77	0.89	0.98	4%	6%	1%	2%

Source: Nordea estimates

Quarterly estimates

ESTIMATES BY QUARTER (EURm)

	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23E	Q4 23E
Incap Group												
Sales	37.7	33.6	47.0	51.4	53.3	61.2	70.6	78.7	72.7	56.4	57.1	57.5
Sales growth (%)	55%	49%	67%	63%	41%	82%	50%	53%	36%	-8%	-19%	-27%
Adj. EBITDA	6.4	5.0	8.6	9.3	7.8	9.4	11.8	13.8	12.4	9.3	7.7	7.8
Adj. EBITDA margin (%)	17%	15%	18%	18%	15%	15%	17%	18%	17%	17%	14%	14%
Adj. EBIT	5.7	4.3	7.9	8.6	7.0	8.6	11.0	13.0	11.4	8.3	6.5	6.5
Adj. EBIT margin (%)	15%	13%	17%	17%	13%	14%	16%	17%	16%	15%	11%	11%
Net financials	-0.1	-0.1	-0.1	-0.1	-0.6	-0.6	-0.6	-0.6	-0.4	-0.2	-0.4	-0.4
PTP	5.4	4.2	7.7	8.3	6.2	8.0	10.3	12.3	10.9	7.3	6.0	6.0
Net result adj.	4.7	3.5	6.6	7.2	5.2	6.4	8.4	10.0	8.5	6.5	4.7	4.7
Net result	4.5	3.5	6.5	7.0	5.0	6.4	8.3	9.9	8.4	5.7	4.6	4.6
EPS adj. (EUR)	0.81	0.60	1.12	1.22	0.18	0.22	0.29	0.34	0.29	0.22	0.16	0.16
EPS (EUR)	0.77	0.60	1.10	1.19	0.17	0.22	0.28	0.34	0.28	0.19	0.15	0.16

Source: Company data and Nordea estimates

Peer group financials

PEER GROUP FINANCIALS

	SALES (EURm)				SALES GROWTH				EBIT MARGIN			
	2021	**2022**	**2023E**	**2024E**	**2021**	**2022**	**2023E**	**2024E**	**2021**	**2022**	**2023E**	**2024E**
Hon Hai Precision Industry Co Ltd	190,273	202,514	187,358	197,982	12%	11%	-1%	6%	2%	3%	3%	3%
Delta Electronics Inc	9,989	11,748	12,221	13,791	11%	22%	10%	13%	10%	11%	11%	12%
Jabil Inc	24,803	33,288	31,627	32,586	7%	14%	6%	3%	4%	5%	5%	5%
Pegatron Corp	40,040	40,264	38,579	39,662	-10%	4%	-1%	3%	1%	2%	2%	2%
Universal Scientific Industrial Shangh	7,658	9,282	8,106	8,913	16%	24%	-9%	10%	4%	5%	4%	4%
Fabrinet	1,575	2,143	2,400	2,559	14%	20%	17%	4%	9%	10%	11%	11%
Accton Technology Corp	1,892	2,359	2,413	2,667	9%	30%	10%	11%	9%	12%	13%	13%
Venture Corporation Ltd	2,026	2,695	2,447	2,568	3%	24%	-4%	5%	11%	12%	11%	11%
Sanmina Corp	5,828	8,052	8,570	8,682	-3%	17%	19%	3%	5%	5%	6%	6%
Inventec Corp	16,498	16,555	15,731	17,144	2%	4%	0%	9%	1%	1%	1%	2%
Plexus Corp	2,906	3,890	3,833	4,036	-1%	13%	14%	5%	5%	5%	5%	5%
Foxconn Interconnect Technology Ltd	3,950	4,233	4,221	4,556	4%	1%	2%	8%	3%	4%	6%	6%
Celestica Inc	4,957	6,774	7,167	7,523	-2%	29%	10%	5%	4%	5%	5%	5%
Ducommun Inc	568	666	707	762	3%	10%	8%	8%	8%	7%	9%	10%
Sercomm Corp	1,393	1,973	2,012	2,142	22%	47%	7%	6%	2%	4%	4%	5%
Note AB (publ)	257	331	n.a.	n.a.	41%	39%	n.a.	n.a.	10%	11%	n.a.	n.a.
Kitron ASA	365	643	791	855	-1%	76%	30%	8%	6%	7%	9%	9%
Scanfil Oyj	696	844	926	949	17%	21%	10%	3%	6%	5%	7%	7%
SIIX Corp	1,734	1,974	1,970	2,112	25%	22%	15%	7%	2%	3%	0%	0%
TT electronics PLC	567	697	735	740	10%	30%	7%	1%	7%	7%	8%	9%
Hanza AB	245	319	368	404	17%	41%	26%	10%	5%	6%	8%	8%
Cicor Technologies Ltd	231	317	404	428	11%	31%	26%	6%	5%	4%	6%	6%
Valuetronics Holdings Ltd	250	234	237	258	-3%	-11%	-1%	0%	9%	6%	5%	7%
Lacroix Group SA	501	708	769	802	14%	41%	9%	4%	3%	3%	4%	4%
Inission AB	125	172	197	207	21%	50%	38%	5%	3%	7%	7%	7%
Group median					**10.3%**	**22.2%**	**9.1%**	**5.5%**	**5.0%**	**5.2%**	**5.5%**	**5.8%**
Incap (Nordea)	170	264	244	281	59.4%	55.3%	-7.6%	15.2%	15.3%	14.7%	13.0%	13.1%
diff. from median (pp)					**49.2**	**33.2**	**-16.7**	**9.7**	**10.3**	**9.5**	**7.5**	**7.3**

Source: Company data, Refinitiv and Nordea estimates

Peer group valuation

PEER GROUP VALUATION

	P/E				EV/EBIT				P/B			
	2021	**2022**	**2023E**	**2024E**	**2021**	**2022**	**2023E**	**2024E**	**2021**	**2022**	**2023E**	**2024E**
Hon Hai Precision Industry Co Ltd	10.5	9.9	12.2	9.6	9.6	8.5	8.5	7.7	1.1	1.0	1.0	0.9
TT Electronics	26.8	22.9	26.8	22.4	23.7	18.5	21.5	17.7	5.8	5.2	4.7	4.3
Jabil Inc	13.5	8.7	12.8	11.7	9.2	7.0	9.4	9.0	8.1	5.7	4.8	3.9
Pegatron Corp	8.9	11.2	12.8	11.5	11.9	9.1	11.5	10.1	1.2	1.1	1.1	1.1
Universal Scientific Industrial Shangh	19.3	12.0	14.0	11.5	17.0	10.9	12.3	10.6	2.5	2.1	1.9	1.6
Fabrinet	24.1	15.5	16.4	16.0	19.9	12.6	14.0	13.7	4.1	3.6	3.1	2.7
Accton Technology Corp	31.1	16.2	24.8	21.8	25.7	12.5	18.5	16.4	14.3	11.6	8.7	7.2
Foxconn Interconnect Technology	17.1	13.5	12.8	12.1	13.0	9.6	9.0	8.5	1.6	1.5	1.5	1.4
Sanmina Corp	9.8	11.4	9.5	8.9	7.4	6.6	6.0	5.7	1.3	1.4	n.a.	n.a.
Inventec Corp	13.8	15.5	38.8	30.0	25.0	16.8	33.2	25.8	4.7	4.3	4.2	4.0
Universal Scientific Industrial	19.1	18.0	17.7	16.1	14.1	14.5	13.8	12.4	2.7	2.5	2.4	2.0
Foxconn Interconnect Technology Ltd	9.8	11.0	7.7	6.7	14.2	7.7	5.3	4.8	0.5	0.5	0.5	0.5
Celestica Inc	13.6	9.6	9.2	8.3	10.3	6.6	6.8	6.4	2.0	0.8	1.7	n.a.
Ducommun Inc	4.2	21.5	18.9	14.5	15.4	15.7	11.4	9.7	1.8	1.2	1.3	1.1
Sercomm Corp	22.9	10.6	12.6	11.0	20.6	8.4	9.6	8.2	3.4	2.9	2.7	2.4
Note AB (publ)	34.4	20.4	n.a.	n.a.	25.5	13.7	n.a.	n.a.	8.3	4.7	n.a.	n.a.
Kitron ASA	28.4	18.8	11.7	11.4	21.7	19.4	11.3	10.4	5.4	4.5	4.1	3.5
Scanfil Oyj	16.4	12.2	14.2	14.0	13.8	11.3	12.3	12.1	3.4	2.9	2.6	2.3
SIIX Corp	14.7	12.8	8.9	7.6	22.0	12.3	n.a.	n.a.	1.2	1.0	0.9	0.8
TT electronics PLC	35.6	10.4	8.3	7.4	16.0	10.2	8.3	7.6	0.9	0.9	0.9	0.9
Hanza AB	28.6	15.5	14.6	12.7	23.3	13.4	11.8	10.4	5.3	4.1	2.9	2.4
Cicor Technologies Ltd	20.6	34.8	18.3	14.2	18.0	10.3	9.6	8.8	1.5	1.3	1.1	1.0
Valuetronics Holdings Ltd	8.1	11.9	10.5	10.3	2.0	3.3	2.4	2.1	1.1	1.0	0.9	n.a.
Lacroix Group SA	9.6	10.9	10.3	8.0	18.9	13.4	11.9	9.8	1.1	0.7	n.a.	n.a.
Inission AB	126.0	11.0	15.4	14.5	62.3	8.8	11.5	11.4	4.1	2.1	2.9	2.5
Group median	**17.1**	**12.2**	**12.8**	**11.6**	**17.0**	**10.9**	**11.4**	**9.8**	**2.5**	**2.1**	**2.1**	**2.2**
Incap (Nordea)	21.8	18.2	13.2	11.8	3.6	13.2	9.6	8.0	1.5	5.7	2.9	2.3
diff. from average	28%	49%	3%	2%	-79%	22%	-16%	-18%	-42%	174%	33%	5%

Source: Refinitiv and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT											
EURm	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
Total revenue	**31**	**39**	**49**	**59**	**71**	**106**	**170**	**264**	**244**	**281**	**303**
Revenue growth	65.2%	26.4%	25.7%	21.5%	20.5%	49.9%	59.4%	55.3%	-7.6%	15.2%	8.0%
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	4	5	9	11	16	29	43	36	42	46
Depreciation and impairments PPE	0	0	0	-1	-1	-2	-3	-3	-5	-5	-5
of which leased assets	0	0	0	0	-1	-1	-1	-1	-2	-2	-2
EBITA	4	4	5	9	10	14	26	39	32	37	41
Amortisation and impairments	0	0	0	0	0	-1	-1	0	0	0	0
EBIT	4	4	5	9	10	13	26	39	32	37	40
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	0	-1	-1	-1	0	-1	0	-2	-1	-1	-2
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**	**3**	**4**	**8**	**10**	**12**	**26**	**37**	**30**	**35**	**39**
Reported taxes	-1	-1	-1	-2	-3	-2	-5	-9	-7	-8	-9
Net profit from continued operations	2	2	3	6	6	9	21	28	23	27	29
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	2	3	6	6	9	21	28	23	27	29
EPS, EUR	**n.a.**	**0.10**	**0.14**	**0.27**	**0.29**	**0.40**	**0.72**	**0.94**	**0.79**	**0.91**	**1.00**
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	12.1%	10.7%	10.2%	15.5%	16.1%	15.0%	17.2%	16.2%	15.0%	15.0%	15.2%
EBITA	12.1%	9.8%	9.3%	14.6%	14.2%	12.7%	15.6%	14.9%	13.1%	13.2%	13.4%
EBIT	12.1%	9.8%	9.3%	14.6%	14.2%	11.8%	15.3%	14.7%	13.0%	13.1%	13.3%
Adjusted earnings											
EBITDA (adj)	4	4	5	9	11	16	29	43	37	42	46
EBITA (adj)	4	4	5	9	10	14	26	39	33	37	41
EBIT (adj)	4	4	5	9	10	13	26	39	32	37	40
EPS (adj, EUR)	n.a.	0.10	0.14	0.27	0.29	0.40	0.72	0.94	0.81	0.91	1.00
Adjusted profit margins in percent											
EBITDA (adj)	12.1%	10.7%	10.2%	15.5%	16.1%	15.0%	17.2%	16.2%	15.3%	15.0%	15.2%
EBITA (adj)	12.1%	9.8%	9.3%	14.6%	14.2%	12.7%	15.6%	14.9%	13.4%	13.2%	13.4%
EBIT (adj)	12.1%	9.8%	9.3%	14.6%	14.2%	11.8%	15.3%	14.7%	13.2%	13.1%	13.3%
Performance metrics											
CAGR last 5 years											
Net revenue	-12.4%	-10.9%	-5.4%	18.0%	30.9%	28.4%	34.5%	40.3%	32.8%	31.6%	23.3%
EBITDA	n.m.	n.m.	n.m.	n.m.	61.0%	34.0%	47.9%	53.7%	31.9%	29.7%	23.6%
EBIT	n.m.	n.m.	n.m.	n.m.	56.9%	27.8%	47.1%	53.7%	29.6%	29.4%	26.2%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	49.2%	45.8%	24.1%	25.9%	19.9%
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	-1.8%	0.9%	4.3%	11.1%	12.4%	12.2%	13.6%	14.4%	13.9%	13.7%	13.8%
Average EBITDA margin	-1.8%	1.2%	4.8%	11.8%	13.5%	14.1%	15.6%	16.2%	15.9%	15.6%	15.6%

VALUATION RATIOS - ADJUSTED EARNINGS											
EURm	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
P/E (adj)	n.a.	9.6	7.4	4.6	10.1	9.1	21.8	18.2	13.2	11.8	10.7
EV/EBITDA (adj)	0.0	6.3	5.5	3.3	5.5	5.6	15.8	12.1	8.3	7.0	5.9
EV/EBITA (adj)	0.0	6.9	6.1	3.4	6.3	6.6	17.4	13.1	9.5	7.9	6.6
EV/EBIT (adj)	0.0	6.9	6.1	3.4	6.3	7.1	17.8	13.2	9.6	8.0	6.7

VALUATION RATIOS - REPORTED EARNINGS											
EURm	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
P/E	n.a.	9.6	7.4	4.6	10.1	9.1	21.8	18.2	13.6	11.8	10.7
EV/Sales	0.00	0.67	0.57	0.50	0.89	0.84	2.72	1.95	1.27	1.05	0.89
EV/EBITDA	0.0	6.3	5.5	3.3	5.5	5.6	15.8	12.1	8.5	7.0	5.9
EV/EBITA	0.0	6.9	6.1	3.4	6.3	6.6	17.4	13.1	9.7	7.9	6.6
EV/EBIT	0.0	6.9	6.1	3.4	6.3	7.1	17.8	13.2	9.8	8.0	6.7
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	n.m.	0.7%	5.4%	7.1%	9.8%	-5.6%	1.0%	-1.2%	7.0%	5.5%	8.4%
FCF Yield bef A&D, lease adj	n.m.	0.7%	5.4%	7.1%	8.9%	0.7%	0.8%	-1.5%	11.8%	4.9%	7.8%
Payout ratio	n.a.	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	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Intangible assets	0	1	1	1	1	12	12	11	12	12	12
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	0	0	0	0	0	5	5	4	4	3	3
of which goodwill	0	1	1	1	1	7	8	7	9	9	9
Tangible assets	0	3	3	5	7	11	14	21	24	26	28
of which leased assets	0	0	0	0	2	6	7	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	0	0	1	1	0	0	0	0
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	0	1	1	0	0	0	0	1	1	1	1
Total non-current assets	0	5	5	6	9	24	27	33	38	39	40
Inventory	0	6	8	12	11	24	59	92	77	78	78
Accounts receivable	0	8	9	12	11	24	34	36	41	56	60
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	0	2	3	3	6	4	9	8	47	58	79
Total current assets	0	16	20	26	28	52	102	136	167	194	219
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	**0**	**21**	**25**	**32**	**36**	**76**	**129**	**169**	**205**	**233**	**260**
Shareholders equity	0	8	10	16	22	39	63	87	111	137	167
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	0	8	10	16	22	39	63	87	111	137	167
Deferred tax	0	0	0	0	0	1	1	1	1	1	1
Long term interest bearing debt	0	4	2	1	2	2	1	5	22	19	16
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	0	0	0	1	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	0	2	3	2	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	0	4	2	1	6	9	6	13	29	26	23
Short-term provisions	0	0	0	1	0	1	0	0	1	1	2
Accounts payable	0	5	7	10	7	25	53	57	50	55	56
Current lease debt	0	0	0	0	1	1	1	2	2	2	2
Other current liabilities	0	0	0	0	0	0	0	0	0	0	0
Short term interest bearing debt	0	4	5	5	1	2	6	9	12	11	10
Total current liabilities	0	9	12	15	10	30	60	68	65	69	70
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**0**	**21**	**25**	**32**	**37**	**77**	**130**	**168**	**205**	**233**	**260**
Balance sheet and debt metrics											
Net debt	0	6	4	3	0	5	2	14	-6	-22	-46
of which lease debt	0	0	0	0	2	5	4	7	7	7	7
Working capital	0	9	10	14	14	23	40	71	68	79	82
Invested capital	0	14	15	19	23	47	67	104	106	118	122
Capital employed	0	16	18	21	28	48	74	109	151	174	200
ROE	n.m.	53.6%	34.0%	44.7%	33.3%	30.5%	41.5%	36.7%	23.4%	21.6%	19.4%
ROIC	n.m.	41.5%	23.8%	38.0%	36.3%	27.4%	34.5%	34.4%	23.3%	24.9%	25.5%
ROCE	n.m.	47.4%	27.0%	46.8%	42.8%	34.7%	44.1%	43.1%	25.1%	22.8%	21.8%
Net debt/EBITDA	0.0	1.4	0.9	0.3	0.0	0.3	0.1	0.3	-0.2	-0.5	-1.0
Interest coverage	-10.6	-9.1	-13.4	7.8	12.8	8.8	28.1	15.4	21.8	21.5	23.0
Equity ratio	n.m.	37.6%	42.0%	49.1%	58.6%	50.3%	48.4%	51.9%	54.0%	59.0%	64.3%
Net gearing	n.m.	71.0%	41.9%	16.6%	0.0%	13.9%	2.7%	15.6%	-5.7%	-15.8%	-27.7%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT											
EURm	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
EBITDA (adj) for associates	**4**	**4**	**5**	**9**	**11**	**16**	**29**	**43**	**36**	**42**	**46**
Paid taxes	0	-1	-9	-2	-3	-3	-5	-5	-7	-8	-9
Net financials	0	-1	0	0	0	-1	-1	-1	-1	-1	-2
Change in provisions	0	0	0	1	1	-1	0	0	1	0	0
Change in other LT non-IB	0	-1	0	1	0	1	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	1	8	-1	-2	0	2	-2	0	0	0
Funds from operations (FFO)	**2**	**2**	**4**	**7**	**8**	**13**	**25**	**35**	**29**	**32**	**35**
Change in NWC	-1	-1	-2	-3	0	-8	-16	-36	14	-10	-3
Cash flow from operations (CFO)	**1**	**1**	**2**	**4**	**7**	**5**	**10**	**-1**	**43**	**22**	**32**
Capital expenditure	0	-1	-1	-2	-1	-3	-5	-5	-4	-5	-5
Free cash flow before A&D	**1**	**0**	**1**	**2**	**6**	**2**	**5**	**-6**	**39**	**17**	**27**
Proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	0	0	0	-7	-1	0	-17	0	0
Free cash flow	1	0	1	2	6	-5	4	-6	22	17	27
Free cash flow bef A&D, lease adj	1	0	1	2	6	1	4	-8	37	15	25
Dividends paid	0	0	0	0	0	0	0	0	0	0	0
Equity issues / buybacks	0	0	0	0	0	11	0	0	0	0	0
Net change in debt	0	0	0	-2	-2	-6	2	6	20	-4	-4
Other financing adjustments	0	0	0	0	0	0	0	0	-2	-2	-2
Other non-cash adjustments	-1	2	0	0	0	-1	0	-1	0	0	0
Change in cash	0	2	1	0	3	-2	5	-2	39	11	21
Cash flow metrics											
Capex/D&A	n.m.	n.m.	n.m.	n.m.	81.6%	83.5%	n.m.	n.m.	79.2%	87.5%	96.9%
Capex/Sales	0.0%	2.5%	1.4%	3.7%	1.6%	2.6%	2.7%	2.1%	1.6%	1.7%	1.8%
Key information											
Share price year end (/current)	1	1	1	1	3	4	16	17	11	11	11
Market cap.	0	20	23	27	63	84	460	501	316	316	316
Enterprise value	0	26	28	30	63	90	462	515	309	294	269
Diluted no. of shares, year-end (m)	0.0	21.8	21.8	21.8	21.8	22.9	29.3	29.3	29.4	29.4	29.4

Source: Company data and Nordea estimates

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