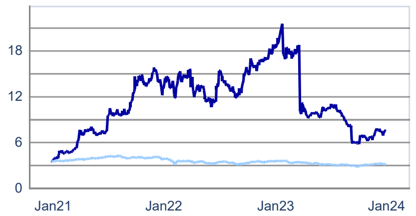
Incap

Capital Goods
Finland

KEY DATA

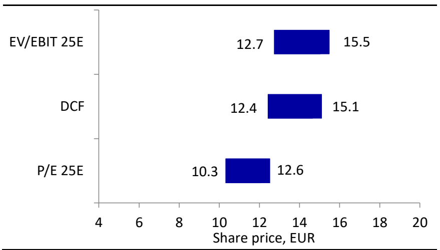
Stock country	Finland
Bloomberg	ICP1V FH
Reuters	ICP1V.HE
Share price (close)	EUR 7.61
Free float	
Market cap. (bn)	EUR 0.22/EUR 0.22
Website	www.incapcorp.com
Next report date	22 Feb 2024

PERFORMANCE



Incap
Finland OMX Helsinki All-Share (Rebased)
Source: LSEG Data & Analytics

VALUATION APPROACH (EUR/SHARE)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2023E	2024E	2025E
Sales	1%	1%	1%
EBIT (adj)	1%	-4%	-3%

Source: Nordea estimates

Nordea IB & Equity - Analysts
Pasi Väisänen
Director

Guidance should indicate revenue growth in 2024

Our estimates for net sales and EBIT are slightly above consensus for Q4. We expect full-year guidance to highlight growing revenue for 2024 y/y, and we argue that flat growth guidance would be a great disappointment. One key issue affecting revenue growth will be order intake from the biggest customer, which underwent inventory destocking in H2 2023. Visibility for the full year could remain weak but we forecast 19% revenue growth for the year (2023E: -16%). Ahead of the Q4 earnings announcement, we keep our fair value range of EUR 11.8-14.5 per share intact, based on a DCF analysis and peer group comparison.

We forecast a 48% y/y decline in net sales for Q4

We forecast Q4 net sales of EUR 41m (LSEG Data & Analytics consensus: EUR 39m). Our EBIT forecast is EUR 4.5m (consensus: EUR 3.0m). The company is focusing on growth, hence we do not expect to see dividend payments. Market consensus for 2024 revenue growth has been 14% and we expect Incap to guide for more than 10% growth during the year.

Order intake visibility still weak in Q1

Incap has offered flexibility in both directions for its main customer, which by definition is the role of an EMS company. The main customer could bring close to EUR 10m in revenue for Q4 2023, compared to EUR 20m in Q3 2023 and EUR 30m in Q2 2023. We believe that a possible rebound to more ordinary quarterly orders from the main customer in 2024 could be closer to EUR 20m per quarter, rather than the EUR 55m seen in Q4 2022. Staff levels in India were already reduced by 1,136 in late 2023 and there is no need to make additional reductions. The EBIT margin could stay well above 10% in the medium term, albeit not as high (14-15%) as in 2021-22.

Trading well below peers due to uncertainty

Incap's 2025E EV/EBIT valuation is 40% below its peer group. Valuation could remain below peers until risks have declined and a new normal in sales volumes has been reached. We believe that Incap should manage to grow faster than the EMS markets (6-7%) over the medium term, due to global investments in solar power, hence we not do believe that the share deserves to trade at a discount.

SUMMARY TABLE - KEY FIGURES

EURm	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	71	106	170	264	220	262	288
EBITDA (adj)	11	16	29	43	35	38	42
EBIT (adj)	10	13	26	39	31	33	37
EBIT (adj) margin	14.2%	11.8%	15.3%	14.7%	13.9%	12.4%	12.7%
EPS (adj, EUR)	0.29	0.40	0.72	0.94	0.78	0.78	0.88
EPS (adj) growth	7.3%	40.3%	78.2%	30.8%	-16.5%	-1.2%	13.4%
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	1.0	0.8	0.7
EV/EBIT (adj)	6.3	7.1	17.8	13.2	7.4	6.5	5.3
P/E (adj)	10.1	9.1	21.8	18.2	9.7	9.8	8.7
P/BV	2.9	2.2	7.3	5.7	2.1	1.7	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	8.9%	0.7%	0.8%	-1.5%	14.1%	5.3%	8.6%
Net debt	0	5	2	14	1	-11	-30
Net debt/EBITDA	0.0	0.3	0.1	0.3	0.0	-0.3	-0.7
ROIC after tax	36.3%	27.4%	34.5%	34.4%	21.5%	21.1%	22.2%

Source: Company data and Nordea estimates

Estimate revisions

ESTIMATE REVISIONS (EURm; EPS IN EUR)

	New estimates				Old estimates				Difference %			
	Q4 2023E	2023E	2024E	2025E	Q4 2023E	2023E	2024E	2025E	Q4 2023E	2023E	2024E	2025E
Sales	41	220	262	288	40	219	260	286	3%	1%	1%	1%
Adj. EBIT	4	31	33	37	4	30	34	38	10%	1%	-4%	-3%
Adj. EBIT margin	10.9%	13.9%	12.4%	12.7%	10.2%	13.8%	13.1%	13.2%	0.7pp	0.1pp	-0.6pp	-0.5pp
Adj. EPS	0.10	0.78	0.78	0.88	0.10	0.78	0.84	0.94	5%	1%	-7%	-6%

Source: Nordea estimates

Quarterly estimates

ESTIMATES BY QUARTER (EURm)

	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23E	Q1 24E	Q2 24E	Q3 24E	Q4 24E
Incap Group												
Sales	53.3	61.2	70.6	78.7	72.7	56.4	50.1	41.2	60.3	65.4	68.1	67.9
Sales growth (%)	41%	82%	50%	53%	36%	-8%	-29%	-48%	-17%	16%	36%	65%
Adj. EBITDA	7.8	9.4	11.8	13.8	12.4	9.3	7.6	5.7	8.5	9.4	9.7	9.7
Adj. EBITDA margin (%)	15%	15%	17%	18%	17%	17%	15%	14%	14%	14%	14%	14%
Adj. EBIT	7.0	8.6	11.0	13.0	11.4	8.3	6.4	4.5	7.3	8.2	8.5	8.5
Adj. EBIT margin (%)	13%	14%	16%	17%	16%	15%	13%	11%	12%	13%	13%	13%
Net financials	-0.6	-0.6	-0.6	-0.6	-0.4	-0.2	0.1	-0.5	-0.6	-0.6	-0.7	-0.8
PTP	6.2	8.0	10.3	12.3	10.9	7.3	5.8	3.9	6.7	7.5	7.7	7.7
Net result adj.	5.2	6.4	8.4	10.0	8.5	6.5	5.1	3.0	5.2	5.8	6.0	5.9
Net result	5.0	6.4	8.3	9.9	8.4	5.7	4.4	2.9	5.1	5.7	5.9	5.8
EPS adj. (EUR)	0.18	0.22	0.29	0.34	0.29	0.22	0.17	0.10	0.18	0.20	0.20	0.20
EPS (EUR)	0.17	0.22	0.28	0.34	0.28	0.19	0.15	0.10	0.17	0.19	0.20	0.20

Source: Company data and Nordea estimates

Peer group financials

PEER GROUP FINANCIALS

	SALES (EURm)				SALES GROWTH				EBIT MARGIN			
	2022	2023E	2024E	2025E	2022	2023E	2024E	2025E	2022	2023E	2024E	2025E
Hon Hai Precision Industry Co Ltd	202 514	180 131	190 403	199 066	11%	-7%	5%	5%	3%	3%	3%	3%
Delta Electronics Inc	11 748	11 938	13 199	14 765	22%	7%	11%	12%	11%	10%	11%	12%
Jabil Inc	33 288	32 010	28 280	29 470	14%	4%	-12%	4%	5%	5%	5%	6%
Pegatron Corp	40 264	37 629	39 495	40 725	4%	-5%	6%	3%	2%	1%	2%	2%
Universal Scientific Industrial Shangh	9 282	7 783	8 771	9 351	24%	-13%	12%	7%	5%	4%	4%	4%
Fabrinet	2 143	2 425	2 610	3 009	20%	17%	9%	15%	10%	11%	10%	10%
Accton Technology Corp	2 359	2 472	2 960	3 435	30%	12%	20%	16%	12%	14%	15%	15%
Venture Corporation Ltd	2 695	2 158	2 288	2 405	24%	-16%	7%	5%	12%	10%	11%	11%
Sanmina Corp	8 082	8 453	7 224	8 091	18%	13%	-13%	12%	5%	6%	5%	6%
Inventec Corp	16 555	15 007	16 822	18 786	4%	-6%	12%	12%	1%	1%	2%	2%
Plexus Corp	3 890	3 983	3 855	4 387	13%	10%	-1%	14%	5%	5%	5%	5%
Foxconn Interconnect Technology Ltd	4 233	3 799	4 142	4 688	1%	-7%	9%	13%	4%	5%	5%	5%
Celestica Inc	6 774	7 203	7 846	8 366	29%	10%	8%	7%	5%	5%	5%	5%
Ducommun Inc	666	711	760	785	10%	7%	7%	5%	7%	8%	9%	10%
Sercomm Corp	1 973	1 856	2 148	2 304	47%	-2%	16%	8%	4%	5%	5%	5%
Note AB (publ)	331	0	n.a.	n.a.	39%	0%	n.a.	n.a.	11%	0%	n.a.	n.a.
Kitron ASA	643	774	785	852	76%	28%	1%	8%	7%	9%	9%	9%
Scanfil Oyj	844	904	900	922	21%	8%	0%	2%	5%	7%	7%	7%
SIIX Corp	1 974	1 914	2 039	2 142	22%	16%	6%	5%	3%	0%	0%	0%
TT electronics PLC	697	725	727	757	30%	5%	0%	4%	7%	8%	9%	9%
Hanza AB	319	371	473	516	41%	24%	27%	9%	6%	8%	8%	9%
Cicor Technologies Ltd	317	413	460	491	31%	30%	10%	7%	4%	6%	6%	7%
Valuetronics Holdings Ltd	234	237	231	247	-11%	-1%	0%	7%	6%	5%	8%	8%
Lacroix Group SA	708	771	797	820	41%	9%	3%	3%	3%	3%	4%	5%
Inission AB	172	195	210	221	50%	39%	7%	6%	7%	7%	7%	7%
Group median					**22.2%**	**7.2%**	**6.9%**	**6.8%**	**5.2%**	**5.4%**	**5.8%**	**6.1%**
Incap (Nordea)	264	220	262	288	55.3%	-16.5%	18.8%	10.0%	14.7%	13.1%	12.3%	12.6%
diff. from median (pp)					**33.2**	**-23.7**	**11.9**	**3.2**	**9.5**	**7.7**	**6.5**	**6.5**

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

Peer group valuation

PEER GROUP VALUATION (x)

	P/E				EV/EBIT				P/B			
	2022	**2023E**	**2024E**	**2025E**	**2022**	**2023E**	**2024E**	**2025E**	**2022**	**2023E**	**2024E**	**2025E**
Hon Hai Precision Industry Co Ltd	9.9	10.6	9.4	8.2	8.5	8.0	7.3	6.5	0.9	0.9	0.9	0.8
TT Electronics	22.9	22.2	19.2	16.6	18.5	18.5	15.5	13.2	4.1	3.7	3.4	3.1
Jabil Inc	8.7	19.0	13.8	11.6	7.0	10.3	10.5	9.7	6.5	5.8	8.1	5.7
Pegatron Corp	11.2	14.2	12.7	11.8	9.1	14.6	11.5	10.0	1.2	1.2	1.1	1.1
Universal Scientific Industrial Shangh	12.0	14.9	12.3	10.5	10.9	12.6	10.6	9.3	2.0	1.6	1.5	1.4
Fabrinet	15.5	19.3	25.1	21.8	12.6	16.1	23.9	20.4	6.0	5.2	4.4	3.8
Accton Technology Corp	16.2	30.4	23.4	19.8	12.5	23.7	18.2	15.4	15.2	11.4	9.3	7.2
Foxconn Interconnect Technology	13.5	14.2	12.9	11.9	9.6	9.5	8.7	8.0	1.4	1.3	1.3	1.3
Sanmina Corp	12.1	10.5	9.5	8.0	6.9	6.3	6.4	5.5	1.5	1.4	n.a.	n.a.
Inventec Corp	15.5	34.7	24.9	19.9	16.8	31.5	22.5	17.4	3.4	3.3	3.2	3.2
Universal Scientific Industrial	18.0	18.8	20.0	14.9	14.5	12.5	13.8	11.3	2.4	2.2	0.0	0.0
Foxconn Interconnect Technology Ltd	11.0	6.2	6.3	4.6	7.7	4.4	4.4	3.9	0.4	0.4	0.3	0.0
Celestica Inc	9.6	13.5	11.7	10.5	6.6	9.6	9.5	8.8	0.8	2.6	0.0	n.a.
Ducommun Inc	21.5	20.2	16.0	13.2	15.7	15.5	13.0	11.2	1.2	1.2	1.1	1.0
Sercomm Corp	10.6	14.7	12.2	11.4	8.3	11.3	9.6	8.8	3.3	3.0	2.7	1.9
Note AB (publ)	20.4	0.0	n.a.	n.a.	13.7	0.0	n.a.	n.a.	4.7	0.0	n.a.	n.a.
Kitron ASA	18.8	11.5	11.7	10.3	19.4	10.2	10.5	9.6	3.9	3.7	3.0	2.5
Scanfil Oyj	12.2	9.7	10.4	9.7	11.3	8.9	9.3	8.7	2.0	1.8	1.6	1.5
SIIX Corp	12.8	8.4	7.5	6.8	12.3	0.0	n.a.	n.a.	1.0	0.8	0.8	0.7
TT electronics PLC	9.6	8.2	7.4	6.5	10.2	8.1	7.3	6.8	0.8	0.9	0.8	0.8
Hanza AB	15.5	13.4	11.0	9.2	13.4	10.2	7.9	6.5	3.7	2.7	2.1	1.6
Cicor Technologies Ltd	41.8	21.2	15.7	12.5	10.3	9.8	8.3	7.2	1.4	1.3	1.2	1.1
Valuetronics Holdings Ltd	11.5	10.2	10.3	9.5	3.0	2.1	2.2	2.0	0.9	0.9	1.1	n.a.
Lacroix Group SA	10.9	10.7	8.1	5.8	13.4	12.1	10.3	8.1	0.7	0.0	n.a.	n.a.
Inission AB	11.0	9.3	9.4	8.6	8.8	8.4	8.3	7.8	1.5	2.0	1.6	1.4
Group median	**12.2**	**13.5**	**12.0**	**10.5**	**10.9**	**10.2**	**9.6**	**8.8**	**1.5**	**1.6**	**1.4**	**1.4**
Incap (Nordea)	18.2	9.7	9.8	8.7	13.2	7.4	6.6	5.3	5.7	2.1	1.7	1.4
diff. from average	49%	-28%	-18%	-17%	22%	-28%	-31%	-40%	283%	29%	20%	-1%

Source: LSEG Data & Analytics 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**	**220**	**262**	**288**
Revenue growth	65.2%	26.4%	25.7%	21.5%	20.5%	49.9%	59.4%	55.3%	-16.5%	18.8%	10.0%
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	34	37	42
Depreciation and impairments PPE	0	0	0	-1	-1	-2	-3	-3	-4	-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	29	33	37
Amortisation and impairments	0	0	0	0	0	-1	-1	0	0	0	0
EBIT	4	4	5	9	10	13	26	39	29	32	36
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	-3	-3
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**	**28**	**30**	**34**
Reported taxes	-1	-1	-1	-2	-3	-2	-5	-9	-7	-7	-8
Net profit from continued operations	2	2	3	6	6	9	21	28	21	22	25
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	21	22	25
EPS, EUR	**n.a.**	**0.10**	**0.14**	**0.27**	**0.29**	**0.40**	**0.72**	**0.94**	**0.73**	**0.76**	**0.87**
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%	15.3%	14.3%	14.5%
EBITA	12.1%	9.8%	9.3%	14.6%	14.2%	12.7%	15.6%	14.9%	13.3%	12.5%	12.7%
EBIT	12.1%	9.8%	9.3%	14.6%	14.2%	11.8%	15.3%	14.7%	13.1%	12.3%	12.6%
Adjusted earnings											
EBITDA (adj)	4	4	5	9	11	16	29	43	35	38	42
EBITA (adj)	4	4	5	9	10	14	26	39	31	33	37
EBIT (adj)	4	4	5	9	10	13	26	39	31	33	37
EPS (adj, EUR)	n.a.	0.10	0.14	0.27	0.29	0.40	0.72	0.94	0.78	0.78	0.88
Adjusted profit margins in percent											
EBITDA (adj)	12.1%	10.7%	10.2%	15.5%	16.1%	15.0%	17.2%	16.2%	16.1%	14.4%	14.6%
EBITA (adj)	12.1%	9.8%	9.3%	14.6%	14.2%	12.7%	15.6%	14.9%	14.1%	12.6%	12.9%
EBIT (adj)	12.1%	9.8%	9.3%	14.6%	14.2%	11.8%	15.3%	14.7%	13.9%	12.4%	12.7%
Performance metrics											
CAGR last 5 years											
Net revenue	-12.4%	-10.9%	-5.4%	18.0%	30.9%	28.4%	34.5%	40.3%	30.2%	29.8%	22.0%
EBITDA	n.m.	n.m.	n.m.	n.m.	61.0%	34.0%	47.9%	53.7%	29.8%	26.7%	21.2%
EBIT	n.m.	n.m.	n.m.	n.m.	56.9%	27.8%	47.1%	53.7%	27.3%	26.1%	23.6%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	49.2%	45.8%	22.1%	21.5%	16.5%
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%	14.0%	13.6%	13.5%
Average EBITDA margin	-1.8%	1.2%	4.8%	11.8%	13.5%	14.1%	15.6%	16.2%	16.0%	15.5%	15.3%

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	9.7	9.8	8.7
EV/EBITDA (adj)	0.0	6.3	5.5	3.3	5.5	5.6	15.8	12.1	6.4	5.6	4.6
EV/EBITA (adj)	0.0	6.9	6.1	3.4	6.3	6.6	17.4	13.1	7.3	6.5	5.2
EV/EBIT (adj)	0.0	6.9	6.1	3.4	6.3	7.1	17.8	13.2	7.4	6.5	5.3

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	10.5	10.0	8.8
EV/Sales	0.00	0.67	0.57	0.50	0.89	0.84	2.72	1.95	1.02	0.81	0.67
EV/EBITDA	0.0	6.3	5.5	3.3	5.5	5.6	15.8	12.1	6.7	5.7	4.7
EV/EBITA	0.0	6.9	6.1	3.4	6.3	6.6	17.4	13.1	7.7	6.5	5.3
EV/EBIT	0.0	6.9	6.1	3.4	6.3	7.1	17.8	13.2	7.8	6.6	5.3
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%	7.2%	6.0%	9.3%
FCF Yield bef A&D, lease adj	n.m.	0.7%	5.4%	7.1%	8.9%	0.7%	0.8%	-1.5%	14.1%	5.3%	8.6%
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	13	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	30	32	33
of which leased assets	0	0	0	0	2	6	7	7	7	7	7
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	44	45	47
Inventory	0	6	8	12	11	24	59	92	78	79	81
Accounts receivable	0	8	9	12	11	24	34	36	30	44	48
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	41	49	64
Total current assets	0	16	20	26	28	52	102	136	151	174	196
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**	**195**	**219**	**242**
Shareholders equity	0	8	10	16	22	39	63	87	109	131	157
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	109	131	157
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	28	24	21
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	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	0	4	2	1	6	9	6	13	37	33	30
Short-term provisions	0	0	0	1	0	1	0	0	1	1	1
Accounts payable	0	5	7	10	7	25	53	57	41	46	48
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	6	5	5
Total current liabilities	0	9	12	15	10	30	60	68	49	54	56
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**	**195**	**219**	**242**
Balance sheet and debt metrics											
Net debt	0	6	4	3	0	5	2	14	1	-11	-30
of which lease debt	0	0	0	0	2	5	4	7	8	8	8
Working capital	0	9	10	14	14	23	40	71	67	77	82
Invested capital	0	14	15	19	23	47	67	104	112	123	129
Capital employed	0	16	18	21	28	48	74	109	151	169	191
ROE	n.m.	53.6%	34.0%	44.7%	33.3%	30.5%	41.5%	36.7%	21.8%	18.7%	17.7%
ROIC	n.m.	41.5%	23.8%	38.0%	36.3%	27.4%	34.5%	34.4%	21.5%	21.1%	22.2%
ROCE	n.m.	47.4%	27.0%	46.8%	42.8%	34.7%	44.1%	43.1%	23.9%	20.6%	20.6%
Net debt/EBITDA	0.0	1.4	0.9	0.3	0.0	0.3	0.1	0.3	0.0	-0.3	-0.7
Interest coverage	-10.6	-9.1	-13.4	7.8	12.8	8.8	28.1	15.4	24.0	11.2	12.3
Equity ratio	n.m.	37.6%	42.0%	49.1%	58.6%	50.3%	48.4%	51.9%	55.7%	59.9%	64.7%
Net gearing	n.m.	71.0%	41.9%	16.6%	0.0%	13.9%	2.7%	15.6%	0.9%	-8.2%	-19.2%

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**	**34**	**37**	**42**
Paid taxes	0	-1	-9	-2	-3	-3	-5	-5	-7	-7	-8
Net financials	0	-1	0	0	0	-1	-1	-1	-1	-3	-3
Change in provisions	0	0	0	1	1	-1	0	0	0	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**	**27**	**28**	**31**
Change in NWC	-1	-1	-2	-3	0	-8	-16	-36	10	-10	-5
Cash flow from operations (CFO)	**1**	**1**	**2**	**4**	**7**	**5**	**10**	**-1**	**37**	**18**	**26**
Capital expenditure	0	-1	-1	-2	-1	-3	-5	-5	-4	-4	-5
Free cash flow before A&D	**1**	**0**	**1**	**2**	**6**	**2**	**5**	**-6**	**33**	**13**	**21**
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	16	13	21
Free cash flow bef A&D, lease adj	1	0	1	2	6	1	4	-8	32	12	19
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	34	8	15
Cash flow metrics											
Capex/D&A	n.m.	n.m.	n.m.	n.m.	81.6%	83.5%	n.m.	n.m.	73.5%	85.6%	96.6%
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	8	8	8
Market cap.	0	20	23	27	63	84	460	501	224	224	224
Enterprise value	0	26	28	30	63	90	462	515	225	213	194
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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