

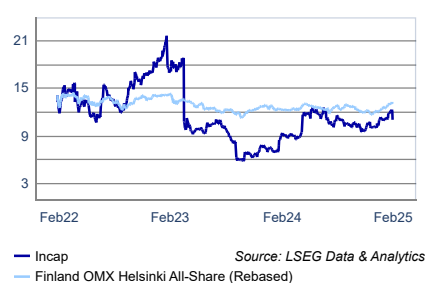
## Incap

Capital Goods  
Finland

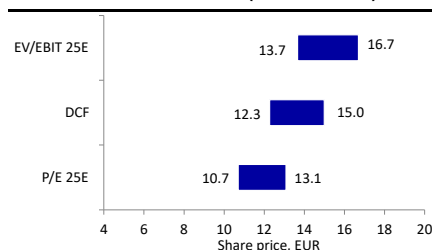
## KEY DATA

|                     |                   |
|---------------------|-------------------|
| Stock country       | Finland           |
| Bloomberg           | ICP1V.FH          |
| Reuters             | ICP1V.HE          |
| Share price (close) | EUR 11.14         |
| Free float          |                   |
| Market cap. (bn)    | EUR 0.33/EUR 0.33 |
| Website             | www.incapcorp.com |
| Next report date    | 25 Apr 2025       |

## PERFORMANCE



## VALUATION APPROACH (EUR/SHARE)



Source: Nordea estimates

## ESTIMATE CHANGES

| Year       | 2025E | 2026E | 2027E |
|------------|-------|-------|-------|
| Sales      | -6%   | -5%   | -4%   |
| EBIT (adj) | 2%    | 3%    | 3%    |

Source: Nordea estimates

## Nordea IB &amp; Equity - Analysts

Pasi Väisänen  
Director

## A cautious view on the EMS sector in H1 2025

We believe that the company's revenue growth of 40% y/y and record-high EBIT margin of 15% in Q4 2024 were not enough for investors. Incap expects a slow start to 2025, prompting the share price to fall by 9% on 28 February. The main reason for its cautious view is geopolitical uncertainty, which could impact supply chain logistics, inventory levels and end demand in the short term. We trim our revenue estimates, but continue to believe that the company is aiming for more than 10% revenue growth in 2025. Our fair value range remains at EUR 12.1-14.8, based on our DCF analysis and backed by a peer group comparison. Incap's 2025E EV/EBIT is currently 31% below the peer group median.

## Q4 revenue grew by 40% y/y

Net sales of EUR 59.3m came in 7% below LSEG Data & Analytics consensus in Q4. A bit surprisingly, revenue growth was -7% y/y in Q4 if the largest customer is excluded. The biggest customer enhanced sales, representing EUR ~26m (40% of the total) of net sales in Q4, according to our estimates. A better sales mix underpinned improved relative profitability q/q. The adjusted operating profit margin even hit 14.9% (consensus: 12.6%) in Q4. Solid cash flow in the quarter was related to declining inventory levels.

## We expect more than 10% revenue growth in 2025

The company guides for 0-20% revenue growth for this year. The EMS market could be in waiting mode, due to the possible imposition of tariffs and geopolitical concerns in the short term. Uncertainty could even prompt some companies to reduce inventory levels in H1 2025. We raise our margin forecast, but lower our sales growth expectations for the coming quarters. Our net sales forecast is EUR 261m for 2025, while our EBIT projection is EUR 35m (6% above consensus).

## Acquisitions appear to be high on the company's agenda

Incap's 2025E EV/EBIT is 31% below the peer group median, regardless of its thin overhead cost structure, auguring better profitability than the sector average. Moreover, revenue growth could also remain above that of the sector in 2025 – we do not see a reason for Incap to trade at a valuation discount to the sector. The company proposed a zero dividend, albeit with net gearing at -30%. Incap clearly prefers growth and investments over dividend payments, in our view. It has a strong M&A pipeline, implying a high probability of a transaction in 2025.

## SUMMARY TABLE - KEY FIGURES

| EURm                     | 2021  | 2022  | 2023   | 2024  | 2025E | 2026E | 2027E |
|--------------------------|-------|-------|--------|-------|-------|-------|-------|
| Total revenue            | 170   | 264   | 222    | 230   | 261   | 281   | 301   |
| EBITDA (adj)             | 29    | 43    | 36     | 36    | 41    | 43    | 45    |
| EBIT (adj)               | 26    | 39    | 31     | 30    | 35    | 37    | 39    |
| EBIT (adj) margin        | 15.3% | 14.7% | 13.8%  | 13.1% | 13.3% | 13.0% | 12.9% |
| EPS (adj, EUR)           | 0.72  | 0.94  | 0.75   | 0.80  | 0.89  | 0.94  | 1.00  |
| EPS (adj) growth         | 78.2% | 30.8% | -20.1% | 6.8%  | 10.6% | 6.1%  | 6.2%  |
| 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   | 0.9   | 0.7   |
| EV/EBIT (adj)            | 17.8  | 13.2  | 7.2    | 8.7   | 7.7   | 6.6   | 5.5   |
| P/E (adj)                | 21.8  | 18.2  | 10.3   | 12.8  | 12.6  | 11.8  | 11.1  |
| P/BV                     | 7.3   | 5.7   | 2.1    | 2.3   | 2.1   | 1.8   | 1.5   |
| 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% | 6.6%  | 7.6%  | 8.3%  |
| Net debt                 | 2     | 14    | -8     | -41   | -63   | -88   | -115  |
| Net debt/EBITDA          | 0.1   | 0.3   | -0.3   | -1.2  | -1.6  | -2.1  | -2.6  |
| ROIC after tax           | 34.5% | 34.4% | 22.5%  | 23.0% | 26.8% | 27.9% | 29.1% |

Source: Company data and Nordea estimates

# Estimate revisions and quarterly estimates

## ESTIMATE REVISIONS (EURm; EPS IN EUR)

|                  | New estimates |       |       |       | Old estimates |       |       |       | Difference % |       |       |       |
|------------------|---------------|-------|-------|-------|---------------|-------|-------|-------|--------------|-------|-------|-------|
|                  | Q1 2025E      | 2025E | 2026E | 2027E | Q1 2025E      | 2025E | 2026E | 2027E | Q1 2025E     | 2025E | 2026E | 2027E |
| Sales            | 62            | 261   | 281   | 301   | 66            | 276   | 296   | 314   | -6%          | -6%   | -5%   | -4%   |
| Adj. EBIT        | 9             | 35    | 37    | 39    | 8             | 34    | 36    | 38    | 3%           | 2%    | 3%    | 3%    |
| Adj. EBIT margin | 13.8%         | 13.3% | 13.0% | 12.9% | 12.5%         | 12.3% | 12.1% | 12.1% | 1.3pp        | 1.0pp | 1.0pp | 0.8pp |
| Adj. EPS         | 0.22          | 0.89  | 0.94  | 1.00  | 0.21          | 0.86  | 0.90  | 0.95  | 5%           | 3%    | 4%    | 5%    |

Source: Nordea estimates

## ESTIMATES BY QUARTER (EURm)

|                        | Q1 23 | Q2 23 | Q3 23 | Q4 23 | Q1 24 | Q2 24 | Q3 24 | Q4 24 | Q1 25E | Q2 25E | Q3 25E | Q4 25E |
|------------------------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|
| <b>Incap Group</b>     |       |       |       |       |       |       |       |       |        |        |        |        |
| Sales                  | 72.7  | 56.4  | 50.1  | 42.4  | 51.4  | 57.6  | 61.8  | 59.3  | 62.0   | 64.4   | 66.4   | 67.7   |
| Sales growth (%)       | 36%   | -8%   | -29%  | -46%  | -29%  | 2%    | 23%   | 40%   | 21%    | 12%    | 7%     | 14%    |
| Adj. EBITDA            | 12.4  | 9.3   | 7.6   | 5.8   | 7.5   | 8.4   | 9.5   | 10.3  | 10.0   | 10.0   | 10.2   | 10.4   |
| Adj. EBITDA margin (%) | 17%   | 17%   | 15%   | 14%   | 15%   | 15%   | 15%   | 17%   | 16%    | 15%    | 15%    | 15%    |
| Adj. EBIT              | 11.4  | 8.3   | 6.4   | 4.4   | 6.2   | 7.0   | 8.0   | 8.9   | 8.6    | 8.5    | 8.8    | 8.9    |
| Adj. EBIT margin (%)   | 16%   | 15%   | 13%   | 10%   | 12%   | 12%   | 13%   | 15%   | 14%    | 13%    | 13%    | 13%    |
| Net financials         | -0.4  | -0.2  | 0.1   | -1.3  | 0.3   | -0.3  | -2.4  | 3.3   | -0.1   | -0.1   | -0.1   | -0.1   |
| PTP                    | 10.9  | 7.3   | 5.8   | 2.4   | 6.3   | 6.5   | 5.4   | 11.9  | 8.1    | 8.1    | 8.4    | 8.5    |
| Net result adj.        | 8.5   | 6.5   | 5.1   | 2.1   | 5.1   | 5.3   | 3.8   | 9.4   | 6.5    | 6.5    | 6.7    | 6.8    |
| Net result             | 8.4   | 5.7   | 4.4   | 1.4   | 4.9   | 5.1   | 3.6   | 9.1   | 6.2    | 6.2    | 6.4    | 6.5    |
| EPS adj. (EUR)         | 0.29  | 0.22  | 0.17  | 0.07  | 0.17  | 0.18  | 0.13  | 0.32  | 0.22   | 0.22   | 0.23   | 0.23   |
| EPS (EUR)              | 0.28  | 0.19  | 0.15  | 0.05  | 0.17  | 0.17  | 0.12  | 0.31  | 0.21   | 0.21   | 0.22   | 0.22   |

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      | 200,929 | 246,985 | 282,728 | -7%          | 11%          | 23%         | 14%         | 3%          | 3%          | 3%          | 3%          |
| Delta Electronics Inc                  | 11,849       | 12,408  | 14,296  | 16,126  | 4%           | 5%           | 16%         | 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 Shangh | 7,761        | 8,068   | 8,642   | 9,499   | -11%         | -1%          | 9%          | 10%         | 4%          | 3%          | 4%          | 4%          |
| Fabrinet                               | 2,425        | 2,691   | 3,236   | 3,659   | 17%          | 9%           | 18%         | 13%         | 11%         | 10%         | 10%         | 10%         |
| Accton Technology Corp                 | 2,486        | 3,135   | 4,224   | 4,821   | 9%           | 27%          | 35%         | 14%         | 13%         | 12%         | 13%         | 14%         |
| Venture Corporation Ltd                | 2,078        | 1,936   | 2,028   | 2,140   | -22%         | -10%         | 1%          | 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        | 4,339   | 5,306   | 6,152   | -7%          | 8%           | 22%         | 16%         | 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     | 798     | 850     | 6%           | 4%           | 5%          | 7%          | 8%          | 10%         | 11%         | 12%         |
| Sercomm Corp                           | 1,848        | 1,656   | 1,901   | 2,129   | -3%          | -10%         | 14%         | 12%         | 5%          | 5%          | 5%          | 5%          |
| Note AB (publ)                         | 382          | 341     | n.a.    | n.a.    | 15%          | -8%          | 8%          | 11%         | 10%         | 9%          | 10%         | 10%         |
| Kitron ASA                             | 775          | 647     | 677     | 767     | 21%          | -17%         | 5%          | 13%         | 9%          | 8%          | 8%          | 9%          |
| Scanfil Oyj                            | 902          | 780     | 849     | 906     | 7%           | -13%         | 10%         | 7%          | 7%          | 7%          | 7%          | 7%          |
| SIIX Corp                              | 1,990        | 1,858   | 1,969   | 2,116   | 12%          | -2%          | 7%          | 7%          | 4%          | 3%          | 0%          | 0%          |
| TT electronics PLC                     | 708          | 650     | 658     | 688     | -1%          | -14%         | 1%          | 5%          | 8%          | 5%          | 8%          | 10%         |
| Hanza AB                               | 373          | 424     | 564     | 623     | 17%          | 17%          | 29%         | 11%         | 8%          | 5%          | 7%          | 7%          |
| Cicor Technologies Ltd                 | 420          | 512     | 570     | 607     | 24%          | 22%          | 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          | 636     | 0       | 0       | 8%           | 0%           | 0%          | 0%          | 2%          | 0%          | 0%          | 0%          |
| Inission AB                            | 198          | 188     | 190     | 199     | 14%          | -3%          | 1%          | 5%          | 7%          | 6%          | 7%          | 7%          |
| <b>Group median</b>                    |              |         |         |         | <b>6.9%</b>  | <b>-2.4%</b> | <b>9.2%</b> | <b>9.4%</b> | <b>5.7%</b> | <b>5.9%</b> | <b>6.9%</b> | <b>7.1%</b> |
| Incap (Nordea)                         | 264          | 222     | 230     | 261     | -16.0%       | 3.8%         | 13.2%       | 8.0%        | 12.7%       | 12.7%       | 12.9%       | 12.7%       |
| <b>diff. from median (pp)</b>          |              |         |         |         | <b>-22.8</b> | <b>6.2</b>   | <b>4.0</b>  | <b>-1.4</b> | <b>7.0</b>  | <b>6.7</b>  | <b>6.0</b>  | <b>5.6</b>  |

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        | 15.2        | 11.8        | 10.2        | 7.4         | 12.0        | 9.4         | 7.9         | 1.6        | 1.5        | 1.3        | 1.2        |
| TT Electronics                         | 24.5        | 31.9        | 22.0        | 18.5        | 20.2        | 23.3        | 16.5        | 13.7        | 5.2        | 4.6        | 4.1        | 3.6        |
| Jabil Inc                              | 19.0        | 9.8         | 17.7        | 15.3        | 10.3        | 9.3         | 12.4        | 11.3        | 7.2        | 9.2        | 12.2       | 9.8        |
| Pegatron Corp                          | 14.9        | 14.2        | 13.4        | 12.6        | 16.8        | 15.2        | 10.7        | 9.4         | 1.3        | 1.3        | 1.3        | 1.2        |
| Universal Scientific Industrial Shangh | 17.4        | 21.4        | 17.8        | 13.9        | 13.5        | 17.5        | 15.2        | 11.7        | 2.1        | 2.2        | 2.0        | 1.8        |
| Fabrinet                               | 19.3        | 30.2        | 19.4        | 17.2        | 16.1        | 28.8        | 17.9        | 15.8        | 4.9        | 4.2        | 3.6        | 3.1        |
| Accton Technology Corp                 | 33.0        | 33.3        | 24.1        | 20.0        | 23.5        | 27.4        | 18.7        | 15.4        | 15.2       | 12.3       | 9.4        | 7.1        |
| Foxconn Interconnect Technology        | 14.7        | 15.6        | 14.2        | 13.4        | 9.7         | 9.6         | 8.5         | 7.9         | 1.2        | 1.3        | 1.2        | 1.2        |
| Sanmina Corp                           | 10.5        | 17.6        | 13.6        | 11.7        | 6.3         | 10.3        | 9.2         | 8.2         | 1.4        | 2.0        | n.a.       | n.a.       |
| Inventec Corp                          | 31.0        | 22.4        | 17.3        | 15.0        | 28.1        | 17.0        | 14.5        | 13.5        | 2.8        | 2.6        | 2.5        | 2.4        |
| Universal Scientific Industrial        | 18.8        | 34.1        | 19.4        | 17.4        | 12.5        | 19.2        | 14.9        | 13.2        | 3.1        | 3.1        | 2.6        | 2.3        |
| Foxconn Interconnect Technology Ltd    | 8.3         | 16.3        | 10.3        | 7.9         | 5.5         | 11.4        | 7.8         | 6.4         | 1.1        | 1.1        | 1.0        | 0.9        |
| Celestica Inc                          | 14.4        | 25.6        | 22.2        | 18.5        | 9.8         | 17.9        | 17.1        | 14.3        | 8.7        | 5.6        | n.a.       | n.a.       |
| Ducommun Inc                           | 45.7        | 30.3        | 14.7        | 12.3        | 21.5        | 18.4        | 12.0        | 10.3        | 1.4        | 1.3        | 1.2        | 1.1        |
| Sercomm Corp                           | 15.3        | 17.2        | 15.0        | 13.4        | 11.0        | 13.0        | 11.1        | 9.8         | 3.2        | 2.7        | 2.4        | 0.0        |
| Note AB (publ)                         | 13.5        | 17.2        | n.a.        | n.a.        | 11.3        | 12.4        | 11.4        | 9.9         | 3.1        | 2.8        | 2.3        | 2.0        |
| Kitron ASA                             | 11.7        | 20.5        | 17.1        | 13.3        | 10.4        | 14.3        | 13.8        | 11.8        | 4.2        | 3.4        | 2.9        | 2.5        |
| Scanfil Oyj                            | 10.5        | 13.9        | 13.3        | 12.1        | 9.2         | 10.8        | 10.7        | 9.9         | 2.3        | 2.0        | 1.9        | 1.7        |
| SLIX Corp                              | 8.4         | 15.1        | 6.8         | 5.7         | 9.2         | 10.2        | n.a.        | n.a.        | 0.6        | 0.5        | 0.5        | 0.5        |
| TT electronics PLC                     | 4.4         | 7.1         | 5.1         | 3.8         | 8.7         | 10.6        | 6.4         | 4.9         | 0.5        | 0.6        | 0.5        | 0.5        |
| Hanza AB                               | 16.1        | 30.3        | 12.8        | 10.4        | 12.2        | 15.3        | 10.3        | 8.3         | 2.8        | 2.4        | 2.1        | 1.8        |
| Cicor Technologies Ltd                 | 26.2        | 14.4        | 12.2        | 10.9        | 6.9         | 9.1         | 7.7         | 6.9         | 1.9        | 2.2        | 1.9        | 1.6        |
| Valuetronics Holdings Ltd              | 8.3         | 7.0         | 9.7         | 9.4         | n.a.        | 3.2         | 3.6         | 3.3         | 0.7        | 0.8        | 0.6        | 0.7        |
| Lacroix Group SA                       | 33.7        | n.a.        | n.a.        | n.a.        | 13.7        | n.a.        | n.a.        | n.a.        | 0.8        | n.a.       | n.a.       | n.a.       |
| Inission AB                            | 11.0        | 11.0        | 9.0         | 7.8         | 8.2         | 10.3        | 9.0         | 8.0         | 1.7        | 1.3        | 1.1        | 1.0        |
| <b>Group median</b>                    | <b>14.9</b> | <b>17.2</b> | <b>14.2</b> | <b>12.6</b> | <b>10.7</b> | <b>12.7</b> | <b>11.1</b> | <b>9.9</b>  | <b>2.1</b> | <b>2.2</b> | <b>1.9</b> | <b>1.6</b> |
| Incap (Nordea)                         | 10.3        | 12.8        | 12.6        | 11.8        | 7.2         | 8.6         | 7.7         | 6.6         | 2.1        | 2.3        | 2.1        | 1.8        |
| <b>diff. from average</b>              | <b>-31%</b> | <b>-26%</b> | <b>-12%</b> | <b>-6%</b>  | <b>-33%</b> | <b>-32%</b> | <b>-31%</b> | <b>-34%</b> | <b>4%</b>  | <b>3%</b>  | <b>7%</b>  | <b>8%</b>  |

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       |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total revenue</b>                 | <b>49</b>   | <b>59</b>   | <b>71</b>   | <b>106</b>  | <b>170</b>  | <b>264</b>  | <b>222</b>  | <b>230</b>  | <b>261</b>  | <b>281</b>  | <b>301</b>  |
| Revenue growth                       | 25.7%       | 21.5%       | 20.5%       | 49.9%       | 59.4%       | 55.3%       | -16.0%      | 3.8%        | 13.2%       | 8.0%        | 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                               | 5           | 9           | 11          | 16          | 29          | 43          | 33          | 35          | 40          | 42          | 45          |
| 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          | 34          | 36          | 39          |
| Amortisation and impairments         | 0           | 0           | 0           | -1          | -1          | 0           | -1          | -1          | -1          | -1          | -1          |
| EBIT                                 | 5           | 9           | 10          | 13          | 26          | 39          | 28          | 29          | 34          | 36          | 38          |
| 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           | 0           | 0           | 0           |
| 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           |
| <b>Pre-tax profit</b>                | <b>4</b>    | <b>8</b>    | <b>10</b>   | <b>12</b>   | <b>26</b>   | <b>37</b>   | <b>26</b>   | <b>30</b>   | <b>33</b>   | <b>35</b>   | <b>38</b>   |
| Reported taxes                       | -1          | -2          | -3          | -2          | -5          | -9          | -7          | -7          | -8          | -8          | -9          |
| Net profit from continued operations | 3           | 6           | 6           | 9           | 21          | 28          | 20          | 23          | 25          | 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                 | 3           | 6           | 6           | 9           | 21          | 28          | 20          | 23          | 25          | 27          | 29          |
| <b>EPS, EUR</b>                      | <b>0.14</b> | <b>0.27</b> | <b>0.29</b> | <b>0.40</b> | <b>0.72</b> | <b>0.94</b> | <b>0.67</b> | <b>0.77</b> | <b>0.86</b> | <b>0.91</b> | <b>0.97</b> |
| 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% | 15.4% | 15.0% | 14.8% |
| EBITA  | 9.3%  | 14.6% | 14.2% | 12.7% | 15.6% | 14.9% | 13.0% | 12.9% | 13.2% | 12.9% | 12.8% |
| EBIT   | 9.3%  | 14.6% | 14.2% | 11.8% | 15.3% | 14.7% | 12.7% | 12.7% | 12.9% | 12.7% | 12.6% |

## Adjusted earnings

|                |      |      |      |      |      |      |      |      |      |      |      |
|----------------|------|------|------|------|------|------|------|------|------|------|------|
| EBITDA (adj)   | 5    | 9    | 11   | 16   | 29   | 43   | 36   | 36   | 41   | 43   | 45   |
| EBITA (adj)    | 5    | 9    | 10   | 14   | 26   | 39   | 31   | 31   | 35   | 37   | 39   |
| EBIT (adj)     | 5    | 9    | 10   | 13   | 26   | 39   | 31   | 30   | 35   | 37   | 39   |
| EPS (adj, EUR) | 0.14 | 0.27 | 0.29 | 0.40 | 0.72 | 0.94 | 0.75 | 0.80 | 0.89 | 0.94 | 1.00 |

## Adjusted profit margins in percent

|              |       |       |       |       |       |       |       |       |       |       |       |
|--------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| EBITDA (adj) | 10.2% | 15.5% | 16.1% | 15.0% | 17.2% | 16.2% | 16.1% | 15.8% | 15.7% | 15.3% | 15.1% |
| EBITA (adj)  | 9.3%  | 14.6% | 14.2% | 12.7% | 15.6% | 14.9% | 14.0% | 13.3% | 13.5% | 13.2% | 13.1% |
| EBIT (adj)   | 9.3%  | 14.6% | 14.2% | 11.8% | 15.3% | 14.7% | 13.8% | 13.1% | 13.3% | 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% | 19.6% | 10.6% | 2.7%  |
| EBITDA                | n.m.  | n.m.  | 61.0% | 34.0% | 47.9% | 53.8% | 29.6% | 25.3% | 20.2% | 7.6%  | 0.9%  |
| EBIT                  | n.m.  | n.m.  | 56.9% | 27.8% | 47.1% | 53.7% | 26.7% | 23.7% | 21.7% | 6.6%  | -0.5% |
| EPS                   | n.a.  | n.a.  | n.a.  | n.a.  | 49.2% | 45.8% | 20.2% | 21.8% | 16.3% | 4.9%  | 0.6%  |
| 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% | 13.6% | 13.2% | 12.7% |
| Average EBITDA margin | 4.8%  | 11.8% | 13.5% | 14.1% | 15.6% | 16.2% | 15.9% | 15.8% | 15.8% | 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 | 12.6  | 11.8  | 11.1  |
| EV/EBITDA (adj) | 5.5  | 3.3  | 5.5  | 5.6  | 15.8 | 12.0 | 6.1  | 7.2  | 6.5   | 5.6   | 4.7   |
| EV/EBITA (adj)  | 6.1  | 3.4  | 6.3  | 6.6  | 17.4 | 13.1 | 7.0  | 8.5  | 7.5   | 6.5   | 5.4   |
| EV/EBIT (adj)   | 6.1  | 3.4  | 6.3  | 7.1  | 17.8 | 13.2 | 7.2  | 8.7  | 7.7   | 6.6   | 5.5   |

## 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  | 13.0  | 12.2  | 11.5  |
| EV/Sales                     | 0.57 | 0.50 | 0.89 | 0.84  | 2.72 | 1.95  | 0.99  | 1.13  | 1.02  | 0.85  | 0.71  |
| EV/EBITDA                    | 5.5  | 3.3  | 5.5  | 5.6   | 15.8 | 12.0  | 6.6   | 7.4   | 6.6   | 5.7   | 4.8   |
| EV/EBITA                     | 6.1  | 3.4  | 6.3  | 6.6   | 17.4 | 13.1  | 7.6   | 8.7   | 7.7   | 6.6   | 5.5   |
| EV/EBIT                      | 6.1  | 3.4  | 6.3  | 7.1   | 17.8 | 13.2  | 7.8   | 8.9   | 7.9   | 6.7   | 5.6   |
| 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% | 7.1%  | 8.1%  | 8.8%  |
| FCF Yield bef A&D, lease adj | 5.4% | 7.1% | 8.9% | 2.3%  | 1.1% | -1.3% | 15.2% | 10.4% | 6.6%  | 7.6%  | 8.3%  |
| 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         | 14         | 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          | 4          |
| 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         | 33         |
| 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         | 46         | 47         |
| Inventory                             | 8         | 12        | 11        | 24        | 59         | 92         | 71         | 61         | 67         | 69         | 71         |
| Accounts receivable                   | 9         | 12        | 11        | 24        | 34         | 36         | 24         | 35         | 39         | 42         | 45         |
| 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         | 90         | 112        | 137        |
| Total current assets                  | 20        | 26        | 28        | 52        | 102        | 136        | 137        | 168        | 198        | 225        | 255        |
| 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.       |
| <b>Total assets</b>                   | <b>25</b> | <b>32</b> | <b>36</b> | <b>76</b> | <b>129</b> | <b>169</b> | <b>182</b> | <b>215</b> | <b>243</b> | <b>271</b> | <b>302</b> |
| Shareholders equity                   | 10        | 16        | 22        | 39        | 63         | 87         | 107        | 133        | 158        | 185        | 214        |
| 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        | 158        | 185        | 214        |
| 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         | 53         | 57         | 61         |
| 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         | 57         | 61         | 65         |
| Liabilities for assets held for sale  | 0         | 0         | 0         | 0         | 0          | 0          | 0          | 0          | 0          | 0          | 0          |
| <b>Total liabilities and equity</b>   | <b>25</b> | <b>32</b> | <b>37</b> | <b>77</b> | <b>130</b> | <b>168</b> | <b>182</b> | <b>215</b> | <b>243</b> | <b>271</b> | <b>302</b> |
| <b>Balance sheet and debt metrics</b> |           |           |           |           |            |            |            |            |            |            |            |
| Net debt                              | 4         | 3         | 0         | 5         | 2          | 14         | -8         | -41        | -63        | -88        | -115       |
| 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         | 53         | 55         | 56         |
| Invested capital                      | 15        | 19        | 23        | 47        | 67         | 104        | 102        | 97         | 99         | 101        | 102        |
| Capital employed                      | 18        | 21        | 28        | 48        | 74         | 109        | 141        | 164        | 185        | 209        | 236        |
| ROE                                   | 34.0%     | 44.7%     | 33.3%     | 30.5%     | 41.5%      | 36.7%      | 20.4%      | 19.0%      | 17.3%      | 15.6%      | 14.3%      |
| ROIC                                  | 23.8%     | 38.0%     | 36.3%     | 27.4%     | 34.5%      | 34.4%      | 22.5%      | 23.0%      | 26.8%      | 27.9%      | 29.1%      |
| ROCE                                  | 27.0%     | 46.8%     | 42.8%     | 34.7%     | 44.1%      | 43.1%      | 25.2%      | 22.2%      | 20.7%      | 19.4%      | 18.2%      |
| Net debt/EBITDA                       | 0.9       | 0.3       | 0.0       | 0.3       | 0.1        | 0.3        | -0.3       | -1.2       | -1.6       | -2.1       | -2.6       |
| Interest coverage                     | -13.4     | 7.8       | 12.8      | 8.8       | 28.1       | 54.6       | 20.4       | 13.3       | 20.7       | 22.4       | 24.2       |
| Equity ratio                          | 42.0%     | 49.1%     | 58.6%     | 50.3%     | 48.4%      | 51.9%      | 58.5%      | 61.9%      | 65.0%      | 68.2%      | 70.7%      |
| Net gearing                           | 41.9%     | 16.6%     | 0.0%      | 13.9%     | 2.7%       | 15.6%      | -7.9%      | -31.0%     | -39.7%     | -47.4%     | -53.8%     |

Source: Company data and Nordea estimates

**CASH FLOW STATEMENT**

| EURm                                   | 2017     | 2018     | 2019      | 2020      | 2021      | 2022      | 2023      | 2024      | 2025E     | 2026E     | 2027E     |
|----------------------------------------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>EBITDA (adj) for associates</b>     | <b>5</b> | <b>9</b> | <b>11</b> | <b>16</b> | <b>29</b> | <b>43</b> | <b>33</b> | <b>35</b> | <b>40</b> | <b>42</b> | <b>45</b> |
| Paid taxes                             | -9       | -2       | -3        | -3        | -5        | -5        | -5        | -6        | -8        | -8        | -9        |
| Net financials                         | 0        | 0        | 0         | -1        | -1        | -1        | -1        | -2        | 0         | 0         | 0         |
| 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         |
| <b>Funds from operations (FFO)</b>     | <b>4</b> | <b>7</b> | <b>8</b>  | <b>13</b> | <b>25</b> | <b>35</b> | <b>24</b> | <b>26</b> | <b>31</b> | <b>33</b> | <b>35</b> |
| Change in NWC                          | -2       | -3       | 0         | -8        | -16       | -36       | 21        | 13        | -3        | -1        | -1        |
| <b>Cash flow from operations (CFO)</b> | <b>2</b> | <b>4</b> | <b>7</b>  | <b>5</b>  | <b>10</b> | <b>-1</b> | <b>45</b> | <b>39</b> | <b>29</b> | <b>32</b> | <b>34</b> |
| Capital expenditure                    | -1       | -2       | -1        | -3        | -5        | -5        | -7        | -6        | -5        | -5        | -5        |
| <b>Free cash flow before A&amp;D</b>   | <b>1</b> | <b>2</b> | <b>6</b>  | <b>2</b>  | <b>5</b>  | <b>-6</b> | <b>38</b> | <b>33</b> | <b>23</b> | <b>27</b> | <b>29</b> |
| 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        | 23        | 27        | 29        |
| Free cash flow bef A&D, lease adj      | 1        | 2        | 6         | 2         | 5         | -6        | 35        | 31        | 22        | 25        | 27        |
| 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        | 18        | 22        | 25        |
| <b>Cash flow metrics</b>               |          |          |           |           |           |           |           |           |           |           |           |
| Capex/D&A                              | n.m.     | n.m.     | 81.6%     | 83.5%     | n.m.      | n.m.      | n.m.      | 90.6%     | 82.3%     | 82.2%     | 81.6%     |
| Capex/Sales                            | 1.4%     | 3.7%     | 1.6%      | 2.6%      | 2.7%      | 2.1%      | 3.1%      | 2.4%      | 2.0%      | 1.9%      | 1.8%      |
| <b>Key information</b>                 |          |          |           |           |           |           |           |           |           |           |           |
| Share price year end (/current)        | 1        | 1        | 3         | 4         | 16        | 17        | 8         | 10        | 11        | 11        | 11        |
| Market cap.                            | 23       | 27       | 63        | 84        | 460       | 501       | 227       | 302       | 328       | 328       | 328       |
| Enterprise value                       | 28       | 30       | 63        | 90        | 462       | 515       | 219       | 260       | 265       | 240       | 213       |
| 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

# Disclaimer and legal disclosures

## Origin of the report

This publication or report originates from: Nordea Bank Abp, including its branches Nordea Danmark, Filial af Nordea Bank Abp, Finland, Nordea Bank Abp, filial i Norge and Nordea Bank Abp, filial i Sverige (together "Nordea") acting through their units Nordea Markets and Equity Sales & Research.

Nordea Bank Abp is supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the branches are supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the Financial Supervisory Authorities in their respective countries.

## Content of report

This report has been prepared solely by Nordea Markets or Equity Sales & Research.

Opinions or suggestions from Nordea Markets credit and equity research may deviate from one another or from opinions presented by other departments in Nordea. This may typically be the result of differing time horizons, methodologies, contexts or other factors.

The information provided herein is not intended to constitute and does not constitute investment advice nor is the information intended as an offer or solicitation for the purchase or sale of any financial instrument. The information contained herein has no regard to the specific investment objectives, the financial situation or particular needs of any particular recipient. Relevant and specific professional advice should always be obtained before making any investment or credit decision.

Opinions or ratings are based on one or more methods of valuation, for instance cash flow analysis, use of multiples, behavioural technical analyses of underlying market movements in combination with considerations of the market situation and the time horizon. Key assumptions of forecasts or ratings in research cited or reproduced appear in the research material from the named sources. The date of publication appears from the research material cited or reproduced. Opinions and estimates may be updated in subsequent versions of the report, provided that the relevant company/issuer is treated anew in such later versions of the report.

## Validity of the report

All opinions and estimates in this report are, regardless of source, given in good faith, and may only be valid as of the stated date of this report and are subject to change without notice.

## No individual investment or tax advice

The report is intended only to provide general and preliminary information to investors and shall not be construed as the basis for any investment decision. This report has been prepared by Nordea Markets or Equity Sales & Research as general information for private use of investors to whom the report has been distributed, but it is not intended as a personal recommendation of particular financial instruments or strategies and thus it does not provide individually tailored investment advice, and does not take into account the individual investor's particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. The investor must particularly ensure the suitability of an investment as regards his/her financial and fiscal situation and investment objectives. The investor bears the risk of losses in connection with an investment.

Before acting on any information in this report, it is recommendable to consult (without being limited to) one's financial, legal, tax, accounting, or regulatory advisor in any relevant jurisdiction.

The information contained in this report does not constitute advice on the tax consequences of making any particular investment decision. Each investor shall make his/her own appraisal of the tax and other financial merits of his/her investment.

## Sources

This report may be based on or contain information, such as opinions, estimates and valuations which emanate from: Nordea Markets' or Equity Sales & Research analysts or representatives, publicly available information, information from other units of Nordea, or other named sources.

To the extent this publication or report is based on or contain information emanating from other sources ("Other Sources") than Nordea Markets or Equity Sales & Research ("External Information"), Nordea Markets or Equity Sales & Research has deemed the Other Sources to be reliable but neither Nordea, others associated or affiliated with Nordea nor any other person, do guarantee the accuracy, adequacy or completeness of the External Information.

## Limitation of liability

Nordea or other associated and affiliated companies assume no liability as regards to any investment, divestment or retention decision taken by the investor on the basis of this report. In no event will Nordea or other associated and affiliated companies be liable for direct, indirect or incidental, special or consequential damages (regardless of whether being considered as foreseeable or not) resulting from the information in this report.

## Risk information

The risk of investing in certain financial instruments, including those mentioned in this report, is generally high, as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant company, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. When investing in individual shares, the investor may lose all or part of the investments.

## Conflicts of interest

Readers of this document should note that Nordea Markets or Equity Sales & Research has received remuneration from the company mentioned in this document for the production of the report. The remuneration is not dependent on the content of the report.

Nordea, affiliates or staff in Nordea, may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the report.

To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysts of Nordea Markets and Equity Sales & Research are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of Nordea and personal account dealing. The internal rules have been prepared in accordance with applicable legislation and relevant industry standards. The object of the internal rules is for example to ensure that no analyst will abuse or cause others to abuse confidential information. It is the policy of Nordea that no link exists between revenues from capital markets activities and individual analyst remuneration. Nordea and the branches are members of national stockbrokers' associations in each of the countries in which Nordea has head offices. Internal rules have been developed in accordance with recommendations issued by the stockbrokers associations. This material has been prepared following the Nordea Conflict of Interest Policy, which may be viewed at [www.nordea.com/mifid](http://www.nordea.com/mifid).

Please find a list of all recommendations disseminated by Nordea Equities during the preceding 12-month period here: <https://research.nordea.com/compliance>

## Distribution restrictions

The securities referred to in this report may not be eligible for sale in some jurisdictions. This report is not intended for, and must not be distributed to private customers in the UK or the US or to customers in any other jurisdiction where restrictions may apply.

This research report has not been prepared for distribution outside the EU, the UK or the US. The content of this research report is not a product disclosure statement or other regulated document for the purposes of the Australian Corporations Act 2001 (CTH). The distribution of this research report in Australia has not been authorised by any regulatory authority in Australia, and Nordea bank Abp is not licensed by the Australian Securities and Investment Commission to provide financial services in Australia.

This publication or report may be distributed in the UK to institutional investors by Nordea Bank Abp London Branch of 6th Floor, 5 Aldermanbury Square, London, EC2V 7AZ, which is under supervision of the European Central Bank, Finanssivalvonta (Financial Supervisory Authority) in Finland and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority in the United Kingdom. Details about the extent of our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available upon request.

Nordea Bank Abp ("Nordea") research is not "globally branded" research. Nordea research reports are intended for distribution in the United States solely to "major U.S. institutional investors," as defined in Rule 15a-6 under the Securities Exchange Act of 1934. Any transactions in securities discussed within the research reports will be chaperoned by Nordea Securities LLC ("Nordea Securities"), an affiliate of Nordea and a SEC registered broker dealer and member of FINRA. Nordea Securities does not employ research analysts and has no contractual relationship with Nordea that is reasonably likely to inform the content of Nordea research reports. Nordea makes all research content determinations without any input from Nordea Securities.

The research analyst(s) named on this report are not registered/qualified as research analysts with FINRA. Such research analyst(s) are also not registered with Nordea Securities and therefore may not be subject to FINRA Rule 2241 or FINRA Rule 2242 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

This report may not be mechanically duplicated, photocopied or otherwise reproduced, in full or in part, under applicable copyright laws.

**Analyst Shareholding**

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

**Fair value and sensitivity**

We calculate our fair values by weighting DCF, DDM, SOTP, asset-based and other standard valuation methods. 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. All research is produced on an ad hoc basis and will be updated when the circumstances require it.

**Marketing Material**

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.

**Market-making obligations and other significant financial interest**

Nordea has no market-making obligations in Incap shares.

As of 02/03/2025, 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.

**Issuer Review**

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

**Completion Date**

03 Mar 2025, 07:04 CET

| Nordea Bank Abp                                                                                                                                                                                                                                         | Nordea Bank Abp, filial i Sverige                                                                                                                                                     | Nordea Danmark, Filial af Nordea Bank Abp, Finland                                                                                                                                | Nordea Bank Abp, filial i Norge                                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Nordea IB &amp; Equity Division, Equity Research</b><br>Visiting address:<br>Aleksis Kiven katu 7, Helsinki<br>FI-00020 Nordea<br>Finland<br><br>Tel: +358 9 1651<br>Fax: +358 9 165 59710<br><br>Reg.no. 2858394-9<br>Satamaradankatu 5<br>Helsinki | <b>Nordea IB &amp; Equity Division, Equity Research</b><br>Visiting address:<br>Smålandsgatan 17<br>SE-105 71 Stockholm<br>Sweden<br><br>Tel: +46 8 614 7000<br>Fax: +46 8 534 911 60 | <b>Nordea IB &amp; Equity Division, EquityResearch</b><br>Visiting address:<br>Grønjordsvej 10<br>DK-2300 Copenhagen S<br>Denmark<br><br>Tel: +45 3333 3333<br>Fax: +45 3333 1520 | <b>Nordea IB &amp; Equity Division, Equity Research</b><br>Visiting address:<br>Essendropsgate 7<br>N-0107 Oslo<br>Norway<br><br>Tel: +47 2248 5000<br>Fax: +47 2256 8650 |