

SCANFIL

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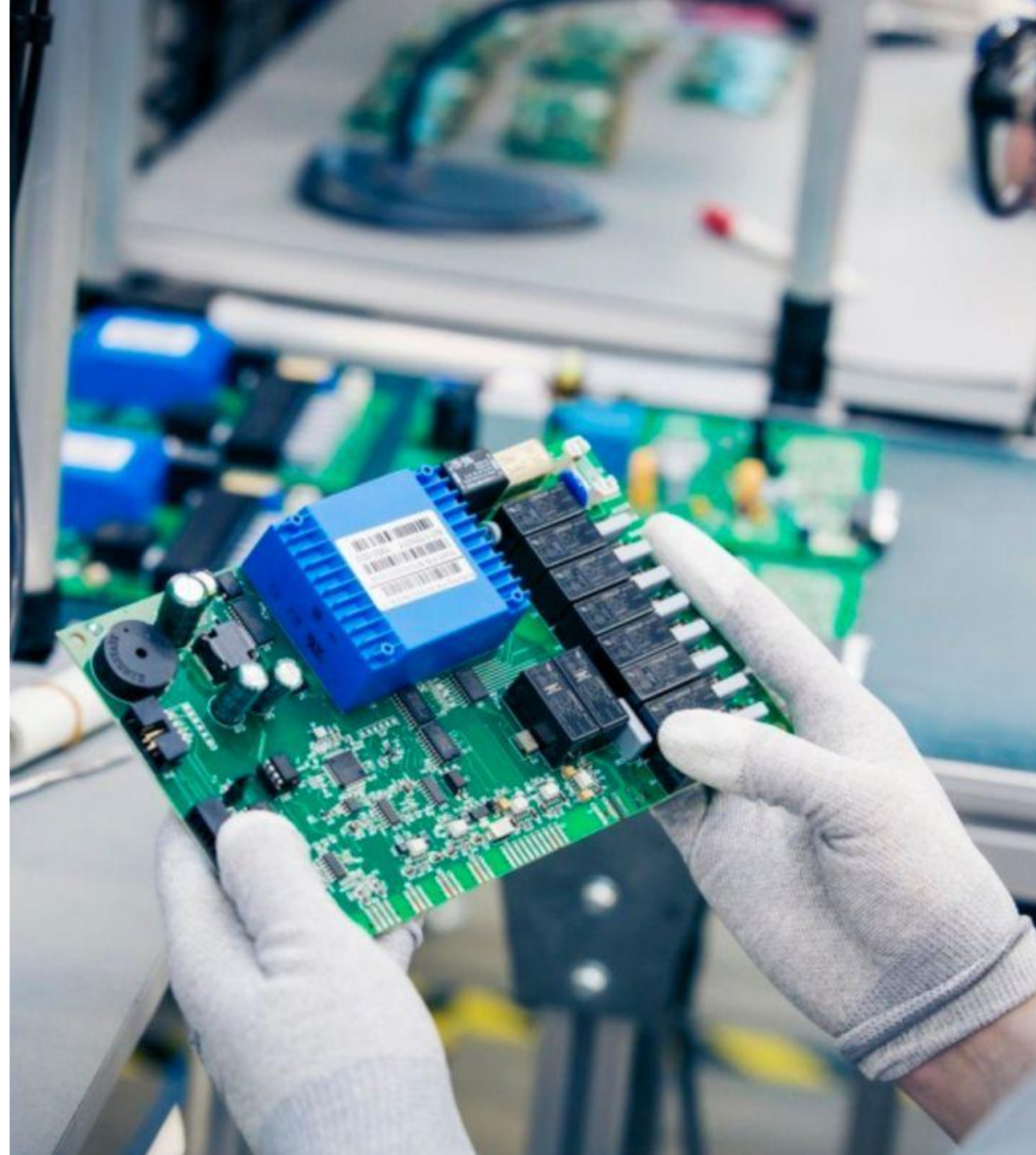
This is a translated version of "Kurssi on saavuttanut neutraalin alueen" report, published on 4/25/2025



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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Share price has reached neutral zone

In our view, the overall picture of Scanfil's Q1 report published yesterday was rather neutral, and we did not make any changes to our forecasts following the report. In our view, the stock is reasonably valued (2025e: P/E 13x, EV/EBIT 10x), but the expected return no longer exceeds the sustainable required return on a 12-month horizon due to elevated macro risks. Hence, we reiterate our target price of EUR 9.00 on Scanfil and lower our recommendation to Reduce (previously Accumulate) as the stock's upside narrows. Our recent extensive report on Scanfil is available [here](#).

Q1 impacted by ramp-up of new projects as expected

In Q1, Scanfil's revenue decreased by 3% to 193 MEUR from a reasonable comparison level. Organically, we estimate that revenue declined by about 7%, as the SRX acquisition supported revenue by around 4%, or 7.6 MEUR. The negative top-line development was mainly caused by sluggish demand, while the ramp-up of several new projects at various factories limited sales in the first months of the year, as previously communicated by the company. In Q1, Scanfil's adjusted EBITA decreased by around 4% to 12.6 MEUR. Profitability (adj. EBITA-%) remained at a satisfactory level for Scanfil at 6.5%, as the ramp-up of projects won last year also weakened the production efficiency of the factories in Q1. The company managed to sell 47 MEUR of new projects in Q1, which was about 5% higher than in the comparison period. We commented on Scanfil's Q1 figures in more detail on Thursday [here](#).

Guidance remained virtually unchanged

Scanfil updated its approach to guidance for the current year. The company now expects a revenue of 780-920 MEUR in 2025 (unchanged), and an adjusted EBITA of 55-68 MEUR (previously adj. EBIT 53-66 MEUR). In practice, however, the guidance remained unchanged, which was also in line with our expectations.

Due to a revision of the company's reporting and a change in the guidance, we moved the non-cash-flow-related PPA depreciation related to the acquisitions within non-recurring items as an adjustment item, but apart from this technical change, we did not make any changes to our estimates after the Q1 report. Our projections for the current year are in the lower half of the company's guidance ranges, as we expect the company's revenue to grow by 7% to 831 MEUR and adjusted EBITA by 9% to 60 MEUR this year. Over the next few years, we predict that Scanfil's adjusted EBIT will grow at a revenue-driven annual rate of around 5-10%. The main risks to our forecasts relate to external demand factors such as the global economy, while internally we believe the company is in relatively good shape. Given the company's reliance on local production, we do not expect Scanfil to be significantly impacted directly by tariffs, but due to the difficult-to-predict indirect effects, we also see a tightening of the trade political situation as a negative risk for Scanfil as well.

Pricing is starting to look pretty balanced on a one-year horizon

Based on our estimates for 2025 and 2026, Scanfil's adjusted P/E ratios are 13x and 12x, while the corresponding EV/EBITA ratios are 10x and 9x. We expect the dividend yields for the next few years to be around 3%. This year's multiples are in line with the company's moderate 5-year medians, and next year's multiples are below them. In relative terms, while Scanfil is atypically and uncharacteristically discount-priced, peer forecasts may not yet fully reflect the recent deterioration in the economic outlook and increase in risks. In our view, the stock as a whole is already quite correctly priced. Thus, the expected return is clearly positive, but it no longer exceeds the required return. Moreover, the stock's upside is already beginning to be limited when viewed against the DCF at our target price level.

Recommendation

Reduce
(was Accumulate)

Target price:

EUR 9.00
(was EUR 9.00)

Share price:
EUR 8.70

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	780	831	876	937
growth-%	-13%	7%	5%	7%
EBIT adj.	54.9	59.8	63.8	69.9
EBIT-% adj.	7.0 %	7.2 %	7.3 %	7.5 %
Net Income	38.9	43.0	46.7	51.8
EPS (adj.)	0.62	0.69	0.75	0.83

P/E (adj.)	13.3	12.7	11.6	10.5
P/B	1.9	1.8	1.6	1.5
Dividend yield-%	2.9 %	2.9 %	3.1 %	3.3 %
EV/EBIT (adj.)	10.2	9.5	8.6	7.5
EV/EBITDA	7.6	7.1	6.5	5.8
EV/S	0.7	0.7	0.6	0.6

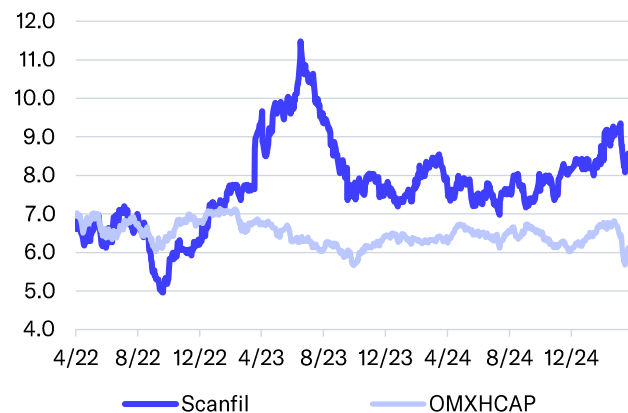
Source: Inderes

Guidance

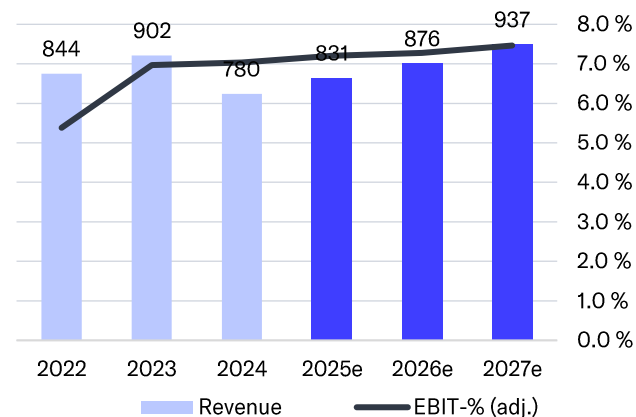
(Adjusted)

Scanfil estimates that in 2025, its revenue is 780-920 MEUR and adjusted EBITA 55-68 MEUR

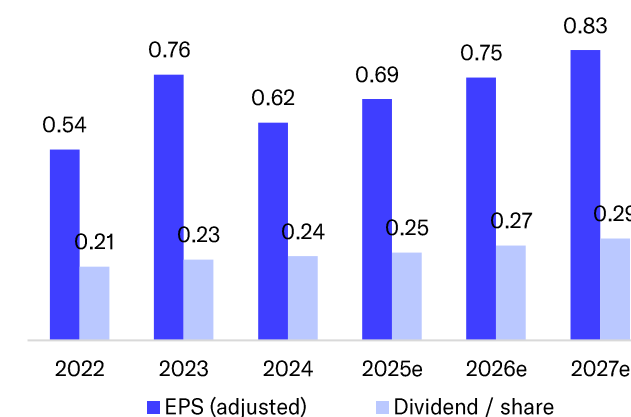
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

- Organic growth with the market and key customers
- Benefiting from the green trend
- Accelerating growth through M&A
- Strong financial track record
- Increase in acceptable valuation

Risk factors

- Demand comes partly from somewhat cyclical sectors
- Demand is investment-driven and therefore somewhat sensitive to interest rates
- Tightening competition and changes in the competitive field
- Limited pricing power
- Inflation

Valuation	2025e	2026e	2027e
Share price	8.70	8.70	8.70
Number of shares, millions	65.3	65.3	65.3
Market cap	569	569	569
EV	569	546	523
P/E (adj.)	12.7	11.6	10.5
P/E	13.2	12.2	11.0
P/B	1.8	1.6	1.5
P/S	0.7	0.6	0.6
EV/Sales	0.7	0.6	0.6
EV/EBITDA	7.1	6.5	5.8
EV/EBIT (adj.)	9.5	8.6	7.5
Payout ratio (%)	38.0 %	37.8 %	36.6 %
Dividend yield-%	2.9 %	3.1 %	3.3 %

Source: Inderes

Company narrowly missed comparison figures and estimates in a disrupted quarter

Revenue still on a downward trend

In Q1, Scanfil's revenue decreased by 3% to 193 MEUR from a reasonable comparison level. Organically, we estimate that revenue declined by about 7%, as the SRX acquisition supported revenue by around 4%, or 7.6 MEUR. Revenue development in the first months of the year was only slightly slower than we had forecast. The sluggish top-line development was mainly caused by lackluster demand, while the ramp-up of several new projects at various factories limited sales in the first months of the year, as previously communicated by the company.

Among the company's new geographic reporting segments, revenue in the Americas significantly exceeded our forecast thanks to strong demand for manufacturing services at the Atlanta factory, but growth in APAC was slower than expected. In Northern Europe, the decline in revenue was also slightly higher than our estimate. In Central Europe, the magnitude of the revenue decline was in line with our expectations.

Profitability in Q1 impacted by ramp-up of won projects

Scanfil's adjusted EBITA in Q1 decreased by 4% to 12.6 MEUR, slightly below our estimates. Profitability (adj. EBITA-%) remained at a satisfactory level for Scanfil at 6.5%, as the ramp-up of projects won last year weakened the production efficiency of the factories in Q1. This was particularly evident in the Central Europe region, while in APAC the margin was burdened by the SRX acquisition, and the quarter was not the strongest in China either. Northern Europe improved profitability from a low level, and the Americas showed strong revenue-driven earnings momentum.

On the bottom line, financial expenses this time were higher than the company's normalized level and our expectations, probably mainly due to currency-based and non-cash reasons. Meanwhile, the tax rate was broadly in line with forecasts. As a result, Scanfil's Q1 EPS decreased year-on-year to EUR 0.13 per share, slightly below our forecast, reflecting in particular the operating profit and financial expenses. From a cash-flow perspective, the report was

reasonable, as the seasonal working capital commitment typical for Q1 ended up being quite modest. In fact, cash flow from operating activities improved by 13% to 11 MEUR.

Strong balance sheet and sufficient capacity for inorganic growth

Scanfil's net debt to EBITDA ratio was 0.35x (cf. the financial target below 1.5x). As a result, the company's balance sheet and liquidity are strong. According to our calculations, the company would still have over 100 MEUR of additional capacity for inorganic growth. This would allow for significant inorganic growth at normal industry valuations. The company's appetite for acquisitions still seems to be there, although we would not be surprised if the prevailing high level of uncertainty limits the most intense trading interest from both buyers and sellers in the immediate future.

Estimates	Q1'24	Q1'25	Q1'25e	Q1'25e	Consensus	Difference (%)	2025e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. Inderes
Revenue	199	193	195				-1%
EBITA (adj.)	13.1	12.6	13.0				-3%
EBIT	12.7	11.9	12.4				-4%
PTP	12.9	10.7	12.0				-11%
EPS (reported)	0.15	0.13	0.14				-7%
Revenue growth-%	-11.4 %	-3.2 %	-2.0 %				-1.2 pp
EBITA-% (adj.)	6.6 %	6.5 %	6.7 %				-0.1 pp

Source: Inderes

We left our estimates unchanged for now

Guidance met expectations

Scanfil updated its approach to guidance for the current year. The company now expects a revenue of 780-920 MEUR in 2025 (unchanged), and an adjusted EBITA of 55-68 MEUR (previously adj. EBIT 53-66 MEUR). In practice, however, the earnings guidance remained unchanged, which was also in line with our expectations. Nevertheless, the width of the ranges reflects the relatively high current uncertainty.

Comments on market traction and demand outlook were not particularly negative in our view, despite the prevailing uncertainty, and the moderate level of new project intake in Q1 also reflected moderate market traction. The company had very little comment on tariffs. Given the company's reliance on local production, we do not expect Scanfil to be significantly impacted directly by tariffs, but due to the difficult-to-predict indirect effects, we also see a tightening of the trade political situation as a negative risk

for Scanfil as well. Similarly, the German stimulus and falling interest rates could boost investment-led demand, but given the prevailing uncertainty, a clearer pick-up may be delayed until next year.

We made no changes to our estimates after the report

Due to a revision of the company's reporting and a change in the guidance, we moved the non-cash-flow-related PPA depreciation related to the acquisitions within non-recurring items as an adjustment item, but apart from this technical change, we did not make any changes to our estimates after the Q1 report. Our projections for the current year are in the lower half of the company's guidance ranges, as we expect the company's revenue to grow by 7% to 831 MEUR and adjusted EBITA by 9% to 60 MEUR this year. Over the next few years, we predict that Scanfil's adjusted EBIT will grow at a revenue-driven annual rate of around 5-10%.

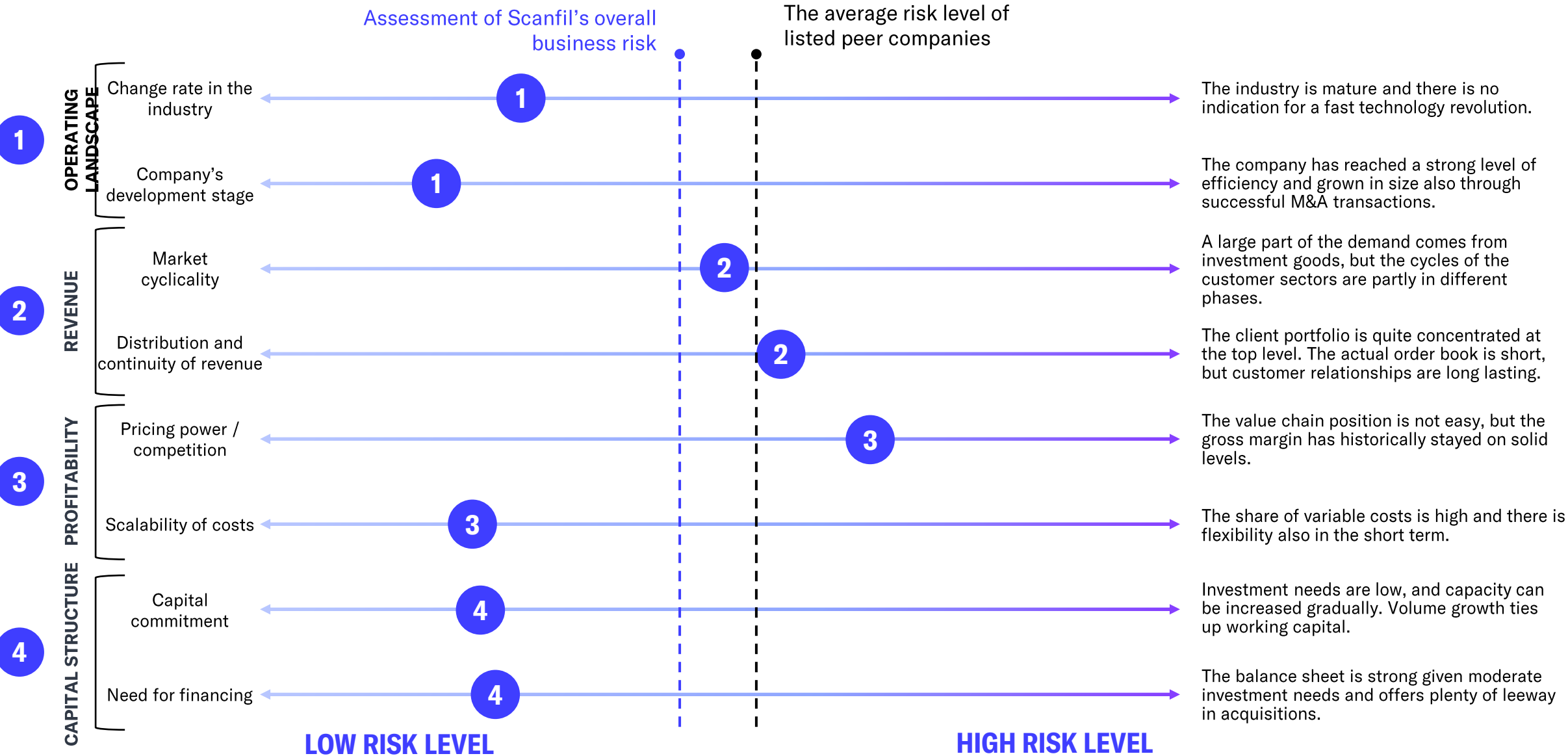
The main uncertainties relate to the top line, as Scanfil's own house is in order. Thus, we believe that the company should be able to consistently deliver margins in line with our forecasts and at the lower end of the company's target range (EBIT-% 7-8%), as long as volumes are at sufficient levels. Volume is critical to profit growth because, in principle, growth in contract manufacturing also brings absolute profit growth. We have described the scenario underlying our forecasts in more detail in our extensive report published in early April, available [here](#).

Estimates	Q1'24	Q1'25	Q1'25e	Q1'25e	Consensus		Difference (%)	2025e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	199	193	195				-1%	831
EBITA (adj.)	13.1	12.6	13.0				-3%	60.1
EBIT	12.7	11.9	12.4				-4%	57.3
PTP	12.9	10.7	12.0				-11%	55.1
EPS (reported)	0.15	0.13	0.14				-7%	0.66
Revenue growth-%	-11.4 %	-3.2 %	-2.0 %				-1.2 pp	6.5 %
EBITA-% (adj.)	6.6 %	6.5 %	6.7 %				-0.1 pp	7.2 %

Source: Inderes

NOTE: The changes in EBIT excluding NRIs and EPS excluding NRIs are due to the reclassification of PPA depreciation as an adjustment item. This change is technical and has no impact on cash flow projections

Risk profile of the business model



Valuation has reached an appropriate level for the current situation

Multiples starting to reach neutral levels

In our estimate, Scanfil's P/E ratios for 2025 and 2026 are around 13x and 12x, while the corresponding EV/EBIT ratios are some 10x and 9x. We expect dividend yields to settle at a reasonable level of 3% in the coming years. However, we do not deem dividends very significant for Scanfil's expected returns, as its profile is one of a growth company, even if the dividends of the next few years provide a reasonable base return. The earnings-based valuation is slightly below the company's historical medians for the current year, with EV multiples that better reflect the strong balance sheet. Similarly, next year's projected earnings growth brings multiples below the company's own medians. On a P/E basis, the valuation is more neutral.

We believe that Scanfil's adjusted P/E multiple of 12x-15x and adjusted EV/EBITA multiple of 10x-12x are acceptable based on the company's growth and return on capital potential, the stock's risk level, and its largely strong historical track record. However, given the significant uncertainties that still surround the rate of earnings growth, we believe that the lower ends are the most relevant valuation metrics. As a result, we believe the stock's valuation has reached a somewhat neutral level. Similarly, the expected return based on earnings growth and a dividend yield of around 3% as well as a relatively neutral change in multiples (2024 ACT P/E 14x) is, in our view, in line with the required return, which remains at just under 10% due to general uncertainties. We therefore consider the share to be fairly correctly priced at the moment.

Profitable growth is limitedly priced into valuation

Scanfil's P/B ratio 2.0x (2024 ACT) is also low relative to the adjusted ROE of the last five years of just under 17%. With

these numbers, Scanfil's backward-looking static earnings yield alone would be quite close to the required return. Therefore, in our view, Scanfil's potential for profitable growth in the medium to long term is only marginally priced into the stock, but on the other hand, the prevailing high uncertainties and risks skewed to the negative do not encourage a head start at the moment.

Peer valuation and DCF also tell a neutral story

Compared to a peer group of global contract manufacturers, Scanfil's earnings-based valuation is at a slight discount. We believe that Scanfil deserves a small premium due to its long-term track record and positioning in industrial electronics with better margin potential. However, peer estimates may not fully account for the increased risks associated with the recent macroeconomic news flow and the partial weakening of the economic outlook, which is why we are not prepared to rely particularly heavily on the relative valuation at this time.

Our DCF model for Scanfil is also above the price at around EUR 9 per share. Thus, also considering the DCF, the share's valuation is rather neutral in our view. We also believe that the model parameters are quite conservative, as the average profitability is in line with Scanfil's actual margin level (and slightly below the new target level of 7-8%). The ROE requirement is also high at 9.7% for normal conditions, but we believe that the current situation calls for a safety margin. Considering these factors and Scanfil's reasonable long-term predictability, we also give a reasonable weight to the DCF signals in Scanfil despite the chronic inaccuracy of the method.

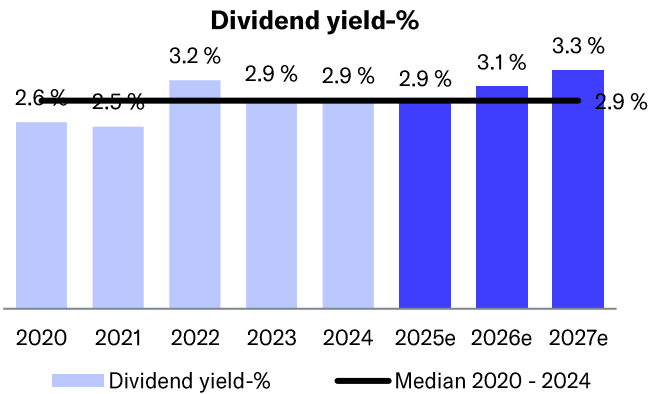
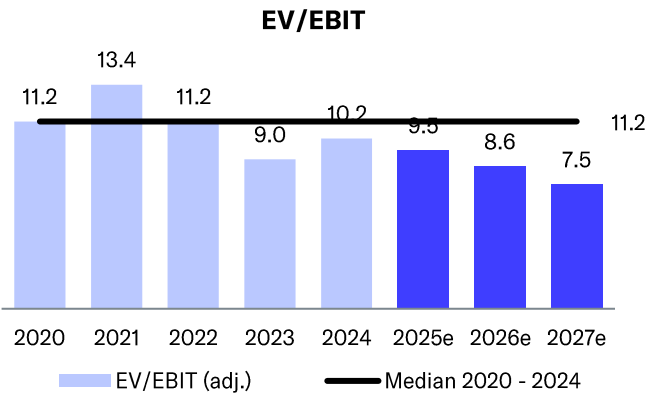
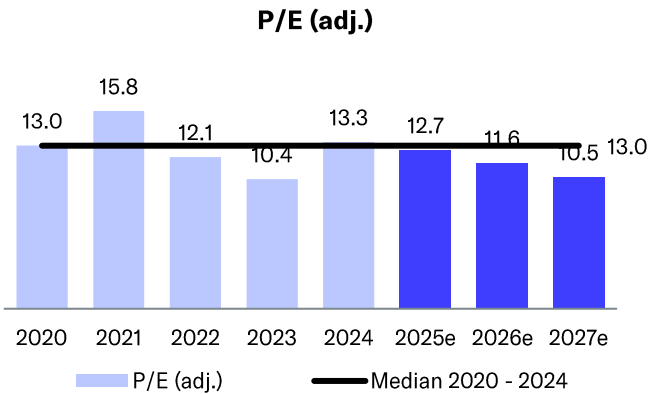
Valuation	2025e	2026e	2027e
Share price	8.70	8.70	8.70
Number of shares, millions	65.3	65.3	65.3
Market cap	569	569	569
EV	569	546	523
P/E (adj.)	12.7	11.6	10.5
P/E	13.2	12.2	11.0
P/B	1.8	1.6	1.5
P/S	0.7	0.6	0.6
EV/Sales	0.7	0.6	0.6
EV/EBITDA	7.1	6.5	5.8
EV/EBIT (adj.)	9.5	8.6	7.5
Payout ratio (%)	38.0 %	37.8 %	36.6 %
Dividend yield-%	2.9 %	3.1 %	3.3 %

Source: Inderes

Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	6.52	7.46	6.58	7.83	8.25	8.70	8.70	8.70	8.70
Number of shares, millions	64.5	64.5	64.5	65.3	65.3	65.3	65.3	65.3	65.3
Market cap	420	481	424	511	538	569	569	569	569
EV	439	541	510	563	560	569	546	523	495
P/E (adj.)	13.0	15.8	12.1	10.4	13.3	12.7	11.6	10.5	10.0
P/E	11.4	16.2	12.1	10.6	13.8	13.2	12.2	11.0	10.4
P/B	2.3	2.3	1.9	1.9	1.9	1.8	1.6	1.5	1.4
P/S	0.7	0.7	1.9	0.6	0.7	0.7	0.6	0.6	0.6
EV/Sales	0.7	0.8	0.5	0.6	0.7	0.7	0.6	0.6	0.5
EV/EBITDA	7.2	9.8	8.1	7.0	7.6	7.1	6.5	5.8	5.3
EV/EBIT (adj.)	11.2	13.4	11.2	9.0	10.2	9.5	8.6	7.5	6.8
Payout ratio (%)	29.7 %	41.1 %	38.7 %	31.1 %	40.2 %	38.0 %	37.8 %	36.6 %	37.2 %
Dividend yield-%	2.6 %	2.5 %	3.2 %	2.9 %	2.9 %	2.9 %	3.1 %	3.3 %	3.6 %

Source: Inderes



Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e
Incap	320	278	8.6	7.8	7.8	6.6	1.1	1.0	13.1	11.7			2.0
Kitron	861	974	16.2	13.5	12.4	10.6	1.4	1.2	20.6	16.0	1.6	2.3	3.6
Hanza	281	348	9.1	7.7	5.6	4.9	0.6	0.6	11.9	9.6	2.4	2.8	1.8
Pegatron	5748	4925	10.0	8.9	5.2	4.9	0.2	0.1	12.0	11.2	5.6	5.8	1.0
Celestica	9005	9247	14.0	11.8	11.8	10.1	1.0	0.8	18.4	15.4			
Flextronics	11121	12355	9.8	9.2	7.2	6.7	0.6	0.5	12.6	11.6			2.6
Foxconn	52359	48832	7.3	6.2	5.4	4.6	0.2	0.2	9.9	8.6	5.0	5.9	1.1
Jabil	13097	14285	10.9	9.9	7.5	6.9	0.6	0.6	15.5	13.6	0.2	0.2	10.2
Hana Microelectronics	427	167	4.5	3.5	2.0	1.8	0.3	0.2	11.0	9.7	4.7	5.5	0.6
TT Electronics	156	269	5.8	4.5	4.0	3.4	0.4	0.4	5.4	4.0	7.3	8.5	0.6
Fabrinet	5897	5063	16.4	14.5	14.1	12.3	1.7	1.5	18.3	16.2			3.4
Universal Scientific	3601	3089	12.2	9.1	7.2	6.2	0.4	0.4	15.4	12.5	2.2	2.7	1.5
Venture Corporation	2169	1309	7.4	6.9	6.4	6.0	0.7	0.7	13.2	12.5	6.5	6.6	1.1
Plexus	3030	2935	14.3	12.6	10.5	9.5	0.8	0.8	18.5	16.7			2.5
Note	469	489	12.8	11.1	9.8	8.6	1.3	1.1	16.6	14.2	4.0	0.6	2.9
Katek	306	391	7.5	7.6	5.1	5.1	0.4	0.4	9.3	9.7			1.6
Lacroix	32	139	14.5	7.1	5.2	3.7	0.2	0.2		4.3		8.2	
Scanfil (Inderes)	569	569	9.5	8.6	7.1	6.5	0.7	0.6	12.7	11.6	2.9	3.1	1.8
Average			10.7	8.9	7.5	6.6	0.7	0.6	13.9	11.6	3.9	4.5	2.4
Median			10.0	8.9	7.2	6.2	0.6	0.6	13.1	11.7	4.3	5.5	1.8
Diff-% to median			-5%	-3%	-1%	4%	18%	13%	-4%	0%	-33%	-43%	2%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	902	199	196	173	212	780	193	213	200	226	831	876	937	981
Americas	37.5	8.6	8.8	9.7	10.9	38.0	11.7	9.9	9.7	10.8	42.1	42.1	43.7	45.9
APAC	184	40.1	45.5	42.7	61.0	189	52.2	62.3	61.9	63.5	240	257	275	289
Central Europe	390	84.6	76.1	65.4	77.2	303	69.5	79.1	70.6	84.9	304	322	348	366
Northern Europe	309	69.1	67.2	56.5	64.6	257	60.6	63.2	58.8	67.9	250	260	276	287
Eliminations / NRIs	-19.3	-3.5	-2.1	-1.0	-1.5	-8.1	-1.4	-1.5	-1.5	-1.5	-5.9	-6.0	-6.0	-6.0
EBITDA	80.4	17.7	19.0	17.5	19.8	74.0	17.6	20.4	19.8	22.2	80.0	84.0	90.1	92.8
Depreciation	-19.1	-5.0	-5.1	-5.1	-5.9	-21.1	-5.7	-5.7	-5.7	-5.7	-22.7	-23.0	-23.0	-22.5
EBIT (excl. NRI)	62.8	13.1	14.3	12.8	14.7	54.9	12.6	15.4	14.8	17.1	59.8	63.8	69.9	73.1
EBIT	61.3	12.7	13.9	12.4	13.9	52.9	11.9	14.8	14.2	16.5	57.3	61.0	67.1	70.3
Americas	2.7	0.5	0.8	0.8	1.1	3.2	0.8	0.9	0.9	1.0	3.6	3.2	3.5	3.8
APAC	10.7	3.0	4.4	3.9	3.9	15.2	3.6	4.7	4.9	5.2	18.4	19.7	22.0	23.0
Central Europe	31.6	6.9	5.1	4.4	6.2	22.6	5.2	6.0	5.4	6.8	23.3	25.4	27.5	28.8
Northern Europe	18.1	2.8	4.0	3.7	3.9	14.4	3.1	3.7	3.6	4.1	14.6	15.5	17.0	17.5
Eliminations / NRIs	-1.5	-0.4	-0.4	-0.4	-0.7	-1.9	-0.7	-0.6	-0.6	-0.6	-2.5	-2.8	-2.8	-2.8
Net financial items	0.3	0.2	0.0	-0.2	-1.5	-1.5	-1.2	-0.4	-0.3	-0.3	-2.2	-1.1	-0.7	-0.4
PTP	61.7	12.9	14.0	12.2	12.4	51.4	10.7	14.4	13.9	16.2	55.1	59.9	66.5	69.9
Taxes	-13.4	-3.1	-3.2	-3.1	-3.1	-12.5	-2.4	-3.2	-3.0	-3.6	-12.2	-13.2	-14.6	-15.4
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	48.3	9.8	10.8	9.1	9.3	38.9	8.3	11.2	10.8	12.7	43.0	46.7	51.8	54.5
Net earnings	48.2	9.8	10.8	9.1	9.3	38.9	8.3	11.2	10.8	12.7	43.0	46.7	51.8	54.5
EPS (adj.)	0.76	0.15	0.17	0.14	0.15	0.62	0.14	0.18	0.17	0.20	0.69	0.75	0.83	0.87
EPS (rep.)	0.74	0.15	0.17	0.14	0.14	0.60	0.13	0.17	0.17	0.19	0.66	0.71	0.79	0.83
Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	6.9 %	-11.4 %	-19.6 %	-18.6 %	-3.9 %	-13.5 %	-3.2 %	9.0 %	15.1 %	6.4 %	6.5 %	5.5 %	6.9 %	4.7 %
Adjusted EBIT growth-%	38.3 %	-15.5 %	-20.1 %	-17.9 %	6.4 %	-12.6 %	-3.8 %	7.4 %	15.3 %	16.7 %	9.0 %	6.5 %	9.7 %	4.5 %
EBITDA-%	8.9 %	8.9 %	9.7 %	10.1 %	9.3 %	9.5 %	9.1 %	9.6 %	9.9 %	9.8 %	9.6 %	9.6 %	9.6 %	9.5 %
Adjusted EBIT-%	7.0 %	6.6 %	7.3 %	7.4 %	6.9 %	7.0 %	6.5 %	7.2 %	7.4 %	7.6 %	7.2 %	7.3 %	7.5 %	7.4 %
Net earnings-%	5.3 %	4.9 %	5.5 %	5.2 %	4.4 %	5.0 %	4.3 %	5.3 %	5.4 %	5.6 %	5.2 %	5.3 %	5.5 %	5.6 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	112	152	155	148	147
Goodwill	7.7	29.1	29.1	22.1	22.1
Intangible assets	10.4	20.0	20.1	20.2	20.3
Tangible assets	85.3	94.9	98.0	97.9	95.9
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.5	0.5	0.5	0.5	0.5
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	7.7	7.7	7.7	7.7	7.7
Current assets	406	387	385	417	465
Inventories	209	168	176	184	197
Other current assets	2.7	4.9	4.9	4.9	4.9
Receivables	174	165	170	175	187
Cash and equivalents	21.2	48.5	33.2	52.7	75.7
Balance sheet total	518	539	539	565	611

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	266	291	319	349	384
Share capital	2.0	2.0	2.0	2.0	2.0
Retained earnings	230	256	283	313	347
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	33.8	33.4	34.1	34.1	34.1
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	25.4	63.7	49.1	36.5	36.5
Deferred tax liabilities	5.7	9.7	9.7	9.7	9.7
Provisions	1.1	1.8	1.8	1.8	1.8
Interest bearing debt	18.6	41.9	27.3	25.0	25.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	10.3	10.3	0.0	0.0
Current liabilities	227	184	171	179	191
Interest bearing debt	54.3	27.8	6.3	5.0	5.0
Payables	167	154	162	171	183
Other current liabilities	5.5	2.8	2.8	2.8	2.8
Balance sheet total	518	539	539	565	611

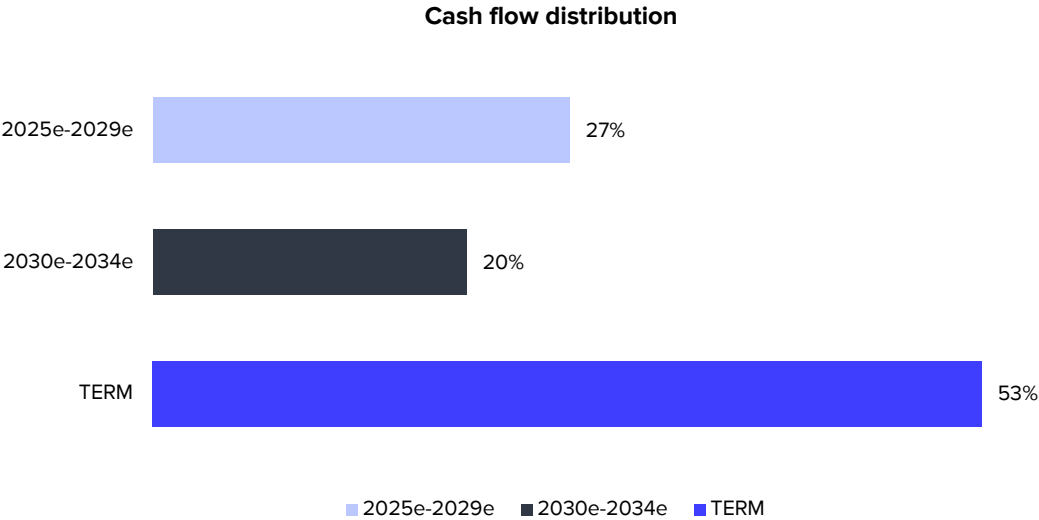
DCF-calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-13.5 %	6.5 %	5.5 %	6.9 %	4.7 %	4.0 %	4.0 %	3.0 %	3.0 %	3.0 %	2.0 %	2.0 %
EBIT-%	6.8 %	6.9 %	7.0 %	7.2 %	7.2 %	6.8 %	6.5 %	6.4 %	6.4 %	6.4 %	6.4 %	6.4 %
EBIT (operating profit)	52.9	57.3	61.0	67.1	70.3	69.4	69.0	70.0	72.1	74.2	75.7	
+ Depreciation	21.1	22.7	23.0	23.0	22.5	22.2	21.9	21.7	21.8	21.8	21.9	
- Paid taxes	-8.5	-12.2	-13.2	-14.6	-15.4	-15.2	-15.2	-15.5	-16.0	-16.5	-16.8	
- Tax, financial expenses	-0.5	-0.6	-0.4	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	
+ Tax, financial income	0.1	0.1	0.1	0.1	0.2	0.3	0.3	0.4	0.4	0.4	0.5	
- Change in working capital	31.1	-4.7	-3.9	-13.1	-9.5	-8.4	-8.8	-6.8	-7.1	-7.3	-5.0	
Operating cash flow	96.3	62.7	66.6	62.3	67.9	67.9	66.9	69.4	70.9	72.5	75.9	
+ Change in other long-term liabilities	11.0	0.0	-10.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-61.7	-25.1	-16.1	-21.1	-21.1	-21.1	-21.1	-22.1	-22.1	-22.1	-22.3	
Free operating cash flow	45.6	37.6	40.2	41.2	46.8	46.8	45.8	47.3	48.8	50.4	53.6	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	45.6	37.6	40.2	41.2	46.8	46.8	45.8	47.3	48.8	50.4	53.6	774
Discounted FCFF		35.4	34.8	32.6	33.9	31.1	28.0	26.5	25.1	23.7	23.1	334
Sum of FCFF present value		628	592	558	525	491	460	432	406	381	357	334
Enterprise value DCF		628										
- Interest bearing debt		-69.7										
+ Cash and cash equivalents		48.5										
-Minorities		0.0										
-Dividend/capital return		-15.7										
Equity value DCF		591										
Equity value DCF per share		9.0										

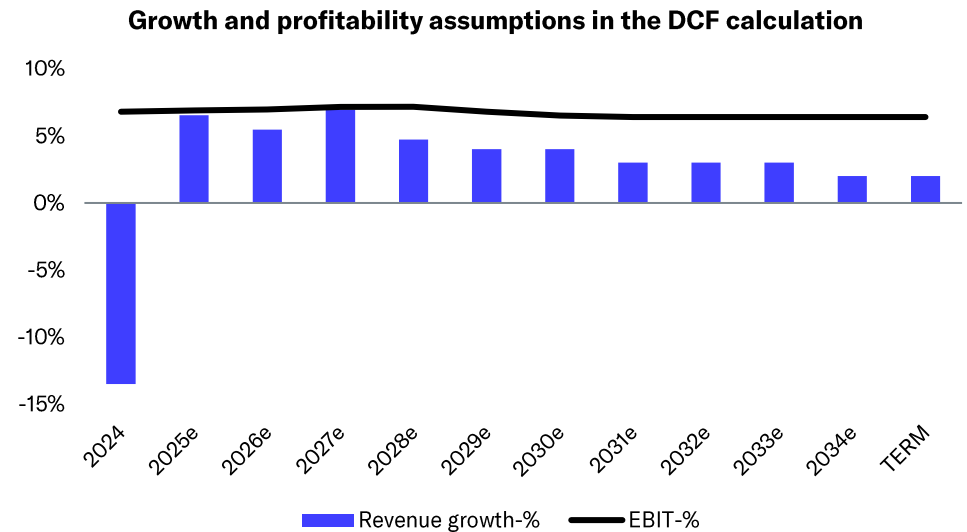
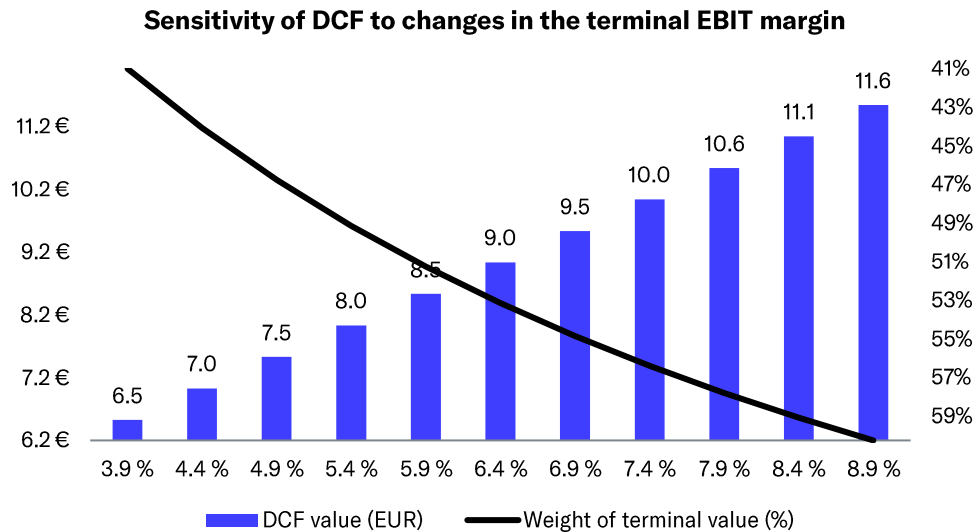
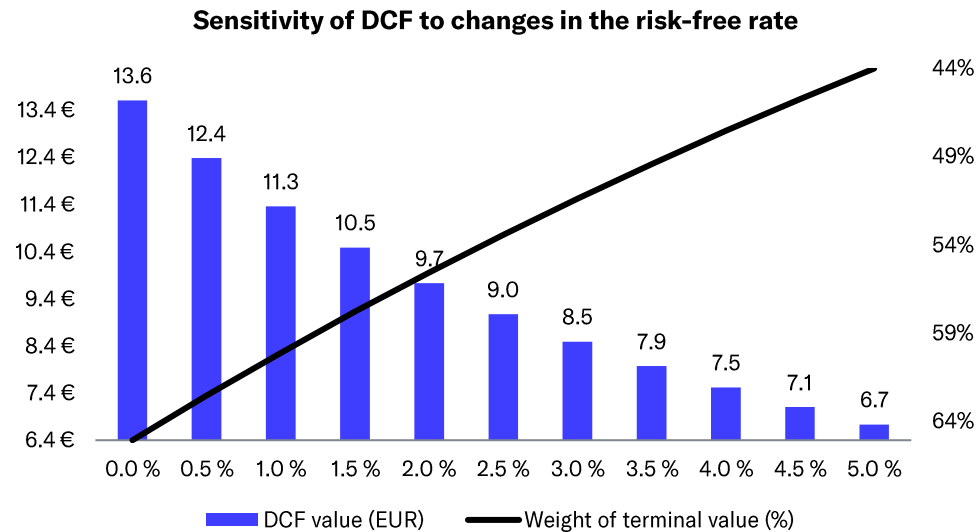
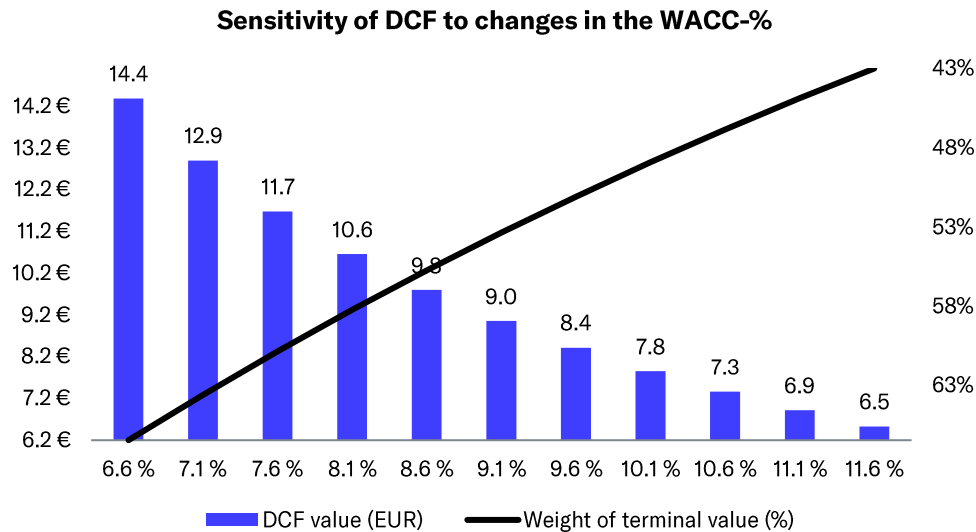
WACC

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	4.5 %
Equity Beta	1.30
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	2.5 %
Cost of equity	9.7 %
Weighted average cost of capital (WACC)	9.1 %

Source: Inderes



DCF sensitivity calculations and key assumptions in graphs



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	844	902	780	831	876	EPS (reported)	0.54	0.74	0.60	0.66	0.71
EBITDA	62.9	80.4	74.0	80.0	84.0	EPS (adj.)	0.54	0.76	0.62	0.69	0.75
EBIT	45.4	61.3	52.9	57.3	61.0	OCF / share	0.24	1.02	1.48	0.96	1.02
PTP	41.7	61.7	51.4	55.1	59.9	OFCF / share	-0.10	0.65	0.70	0.57	0.62
Net Income	35.0	48.2	38.9	43.0	46.7	Book value / share	3.51	4.08	4.46	4.88	5.35
Extraordinary items	0.0	-1.5	-1.9	-2.5	-2.8	Dividend / share	0.21	0.23	0.24	0.25	0.27
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	526	518	539	539	565	Revenue growth-%	21%	7%	-13%	7%	5%
Equity capital	227	266	291	319	349	EBITDA growth-%	14%	28%	-8%	8%	5%
Goodwill	7.7	7.7	29.1	29.1	22.1	EBIT (adj.) growth-%	13%	38%	-13%	9%	7%
Net debt	85.5	51.7	21.2	0.4	-22.7	EPS (adj.) growth-%	15%	39%	-18%	11%	9%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	7.5 %	8.9 %	9.5 %	9.6 %	9.6 %
EBITDA	62.9	80.4	74.0	80.0	84.0	EBIT (adj.)-%	5.4 %	7.0 %	7.0 %	7.2 %	7.3 %
Change in working capital	-39.9	-2.0	31.1	-4.7	-3.9	EBIT-%	5.4 %	6.8 %	6.8 %	6.9 %	7.0 %
Operating cash flow	15.7	66.3	96.3	62.7	66.6	ROE-%	16.1 %	19.6 %	14.0 %	14.1 %	14.0 %
CAPEX	-22.6	-24.3	-61.7	-25.1	-16.1	ROI-%	14.5 %	18.3 %	15.3 %	16.2 %	16.8 %
Free cash flow	-6.7	42.3	45.6	37.6	40.2	Equity ratio	43.1 %	51.3 %	54.0 %	59.2 %	61.9 %
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	37.7 %	19.4 %	7.3 %	0.1 %	-6.5 %
EV/S	0.6	0.6	0.7	0.7	0.6						
EV/EBITDA	8.1	7.0	7.6	7.1	6.5						
EV/EBIT (adj.)	11.2	9.0	10.2	9.5	8.6						
P/E (adj.)	12.1	10.4	13.3	12.7	11.6						
P/B	1.9	1.9	1.9	1.8	1.6						
Dividend-%	3.2 %	2.9 %	2.9 %	2.9 %	3.1 %						

Source: Inderes

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Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
4/26/2019	Accumulate	4.50 €	4.20 €
8/12/2019	Accumulate	4.50 €	4.04 €
10/28/2019	Accumulate	4.75 €	4.35 €
1/17/2020	Accumulate	5.25 €	4.94 €
2/20/2020	Accumulate	5.60 €	5.20 €
3/23/2020	Accumulate	4.25 €	3.73 €
4/25/2020	Accumulate	5.00 €	4.48 €
8/5/2020	Accumulate	5.50 €	5.18 €
8/10/2020	Accumulate	6.00 €	5.56 €
10/28/2020	Buy	6.00 €	5.14 €
12/15/2020	Accumulate	6.30 €	5.96 €
3/19/2021	Accumulate	7.30 €	6.90 €
4/9/2021	Accumulate	8.00 €	7.56 €
4/26/2021	Accumulate	8.60 €	8.08 €
6/14/2021	Accumulate	8.60 €	8.06 €
8/8/2021	Accumulate	8.75 €	8.30 €
10/14/2021	Accumulate	8.75 €	7.94 €
10/27/2021	Accumulate	8.75 €	7.78 €
12/13/2021	Reduce	8.30 €	7.96 €
2/16/2022	Accumulate	8.00 €	7.08 €
2/23/2022	Accumulate	8.00 €	6.84 €
4/19/2022	Accumulate	8.00 €	7.04 €
6/1/2022	Accumulate	7.60 €	6.66 €
7/14/2022	Accumulate	7.60 €	6.98 €
8/8/2022	Accumulate	7.60 €	6.76 €
10/27/2022	Buy	7.25 €	5.84 €
2/22/2023	Accumulate	8.25 €	7.74 €
4/23/2023	Reduce	9.00 €	9.13 €
4/26/2023	Reduce	9.00 €	9.67 €
7/6/2023	Reduce	9.50 €	10.38 €
7/31/2023	Reduce	10.00 €	10.56 €
8/7/2023	Reduce	10.00 €	10.64 €
9/14/2023	Accumulate	10.00 €	8.51 €
10/16/2023	Accumulate	9.00 €	7.64 €
10/30/2023	Accumulate	9.00 €	7.38 €
2/25/2024	Accumulate	9.00 €	7.71 €
4/25/2024	Accumulate	9.00 €	7.78 €
6/11/2024	Accumulate	9.00 €	7.48 €
8/7/2024	Accumulate	9.00 €	7.35 €
10/7/2024	Accumulate	9.00 €	7.38 €
10/28/2024	Accumulate	8.70 €	7.87 €
2/24/2025	Accumulate	9.40 €	8.76 €
4/9/2025	Accumulate	9.00 €	8.08 €
4/25/2025	Reduce	9.00 €	8.76 €



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