SCANFIL

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This is a translated version of "Potentiaali ja riskit ovat tasapainoisesti hinnassa" report, published on 2/23/2026

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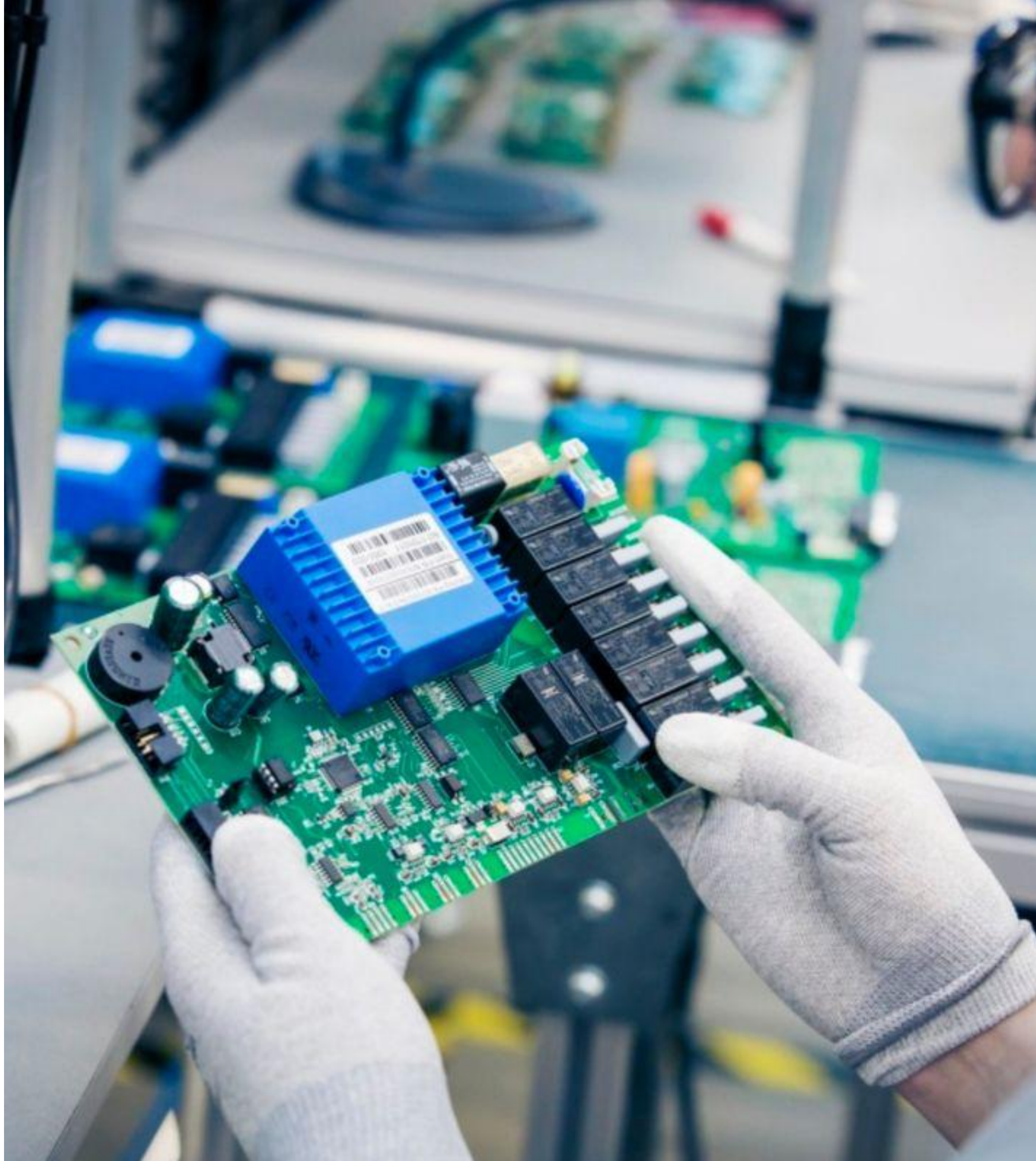
INDERES CORPORATE CUSTOMER

COMPANY REPORT



Price is a balanced combination of potential and risk

In our view, the overall picture of Scanfil's Q4 report published on Friday was neutral and we did not make any material changes to our forecasts following the report. Therefore, we reiterate our Reduce recommendation for Scanfil, and due to the slight further decline in the risk level, we revise our target price to EUR 11.50 (was EUR 11.00). The company's outlook is positive in both the short and longer term, but in our opinion, the stock has adequately priced in the expected earnings growth (2026e: adj. EV/EBITA 12x). Thus, the expected return for the year will not quite rise to a level that is attractive enough from the current valuation level.

Earnings development was horizontal in Q4

Scanfil's revenue decreased by 1% to 211 MEUR in Q4. However, we estimate that the company's volumes increased by about 8% in Q4, as currencies and the elimination of consignment sales, which boosted revenue in the comparison period, clearly dampened revenue. Scanfil's adjusted EBITA developed in tandem with revenue in Q4 as the operating result settled at the level of the comparison period, 15.5 MEUR, corresponding to Scanfil's typical baseline adjusted EBITA margin of 7.3%. The figures did not quite reach our estimates, but there was no drama involved in the Q4 development. The company managed to sell 59 MEUR of new projects in Q4, a 3% decrease from the comparison period. The dividend proposal increased by another cent, further solidifying Scanfil's position among European dividend aristocrats. We commented on Scanfil's Q4 numbers in more detail on Friday here.

We did not make any forecast changes after the report

Scanfil naturally reiterated the guidance it issued back in January, according to which the company's revenue for the year will be 940-1060 MEUR and its adjusted EBITA 64-78 MEUR. Market commentary was not particularly positive, despite slight signs of recovery in the European economy, but the increased weight of the defense sector (incl. the MB and ADCO acquisitions) and the company's own project wins keep the outlook fundamentally positive, in our opinion. We consider the lower ends of these guidance ranges particularly cautious compared to the pro forma levels achieved by Scanfil, MB, and ADCO last year, assuming no significant geopolitical or general economic risks materialize.

However, even before the report, our forecasts included a fairly positive scenario in which the company would reach approximately the midpoint of its revenue guidance and slightly above the upper end of its earnings guidance. Thus, we did not make any changes to Scanfil's near-term estimates beyond a marginal refinement following the report. We forecast Scanfil's adjusted EPS to grow by around 15% by 2028, driven by acquisitions, a gradually recovering economic situation, and organic growth enabled by project wins. The main risks to our forecasts relate to external demand factors such as the global economy. Internally, we believe the company is in pretty good shape, although the integration of acquisitions still adds a notch to the risk level associated with the company's own operations during H1.

We believe the share is roughly correctly priced

Based on our estimates for 2026 and 2027, Scanfil's adjusted P/E ratios are 14x and 13x, while the corresponding EV/EBITA ratios are 12x and 10x. The current-year multiples, which are the main focus, are slightly above the company's own 5-year median levels. Correspondingly, we believe that the expected annual return, consisting of earnings growth, the downside in multiples (2025 ACT P/E 18x), and a dividend yield of just over 2%, remains unnecessarily modest. Also, when viewed against the DCF value, the upside in the share has been exhausted. Relatively, Scanfil is undervalued by approximately 10-20% compared to both global contract manufacturers and Nordic core peers. However, the global peer group and many Nordic peers are already priced at quite high levels and clearly above their medium-term averages. Thus, we do not believe that peer valuation alone changes the overall, rather neutral, valuation picture.

Recommendation

Reduce

(was Accumulate)

Target price:

EUR 11.50

(was EUR 11.00)

Share price:

EUR 11.64

Business risk

●●●○○

Valuation risk

●●●○○

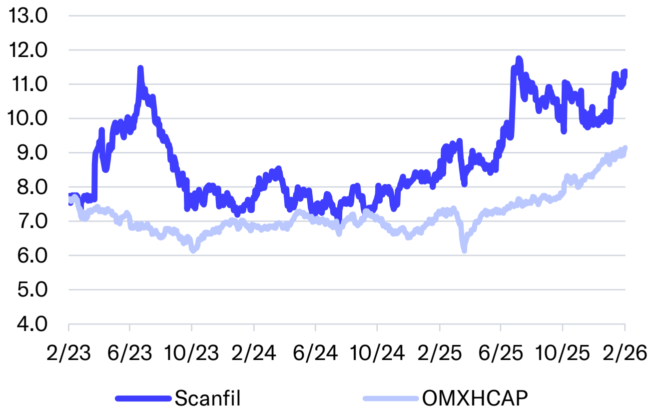
	2025	2026e	2027e	2028e
Revenue	797	993	1070	1121
growth-%	2%	25%	8%	5%
EBIT adj.	56.4	73.8	82.4	86.8
EBIT-% adj.	7.1 %	7.4 %	7.7 %	7.7 %
Net Income	40.9	50.2	56.3	60.4
EPS (adj.)	0.65	0.82	0.92	0.98
P/E (adj.)	15.4	14.1	12.7	11.9
P/B	2.1	2.2	2.0	1.8
Dividend yield-%	2.5 %	2.3 %	2.5 %	2.7 %
EV/EBIT (adj.)	11.8	11.8	10.3	9.3
EV/EBITDA	8.5	9.0	7.9	7.2
EV/S	0.8	0.9	0.8	0.7

Source: Inderes

Guidance (Unchanged)

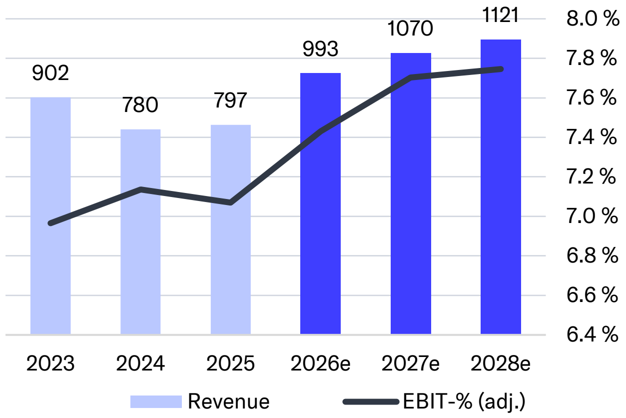
Scanfil estimates that in 2026, its revenue is 940-1,060 MEUR and comparable EBITA 64-78 MEUR.

Share price



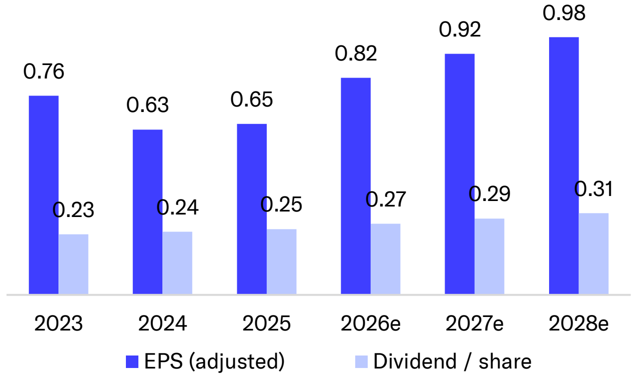
Source: Millistream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

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	2026e	2027e	2028e
Share price	11.6	11.6	11.6
Number of shares, millions	65.5	65.5	65.5
Market cap	763	763	763
EV	868	850	810
P/E (adj.)	14.1	12.7	11.9
P/E	15.2	13.6	12.6
P/B	2.2	2.0	1.8
P/S	0.8	0.7	0.7
EV/Sales	0.9	0.8	0.7
EV/EBITDA	9.0	7.9	7.2
EV/EBIT (adj.)	11.8	10.3	9.3
Payout ratio (%)	35.2 %	33.8 %	33.7 %
Dividend yield-%	2.3 %	2.5 %	2.7 %

Source: Inderes

Horizontal operational progress at the end of the year

Revenue stagnated

Scanfil's revenue decreased 0.6% in Q4 to 211 MEUR, which was quite clearly below our estimate. The ADCO acquisition supported growth by about one percentage point, and currencies created a headwind of just under two percentage points for the top line. As a result, organic growth in constant currency remained negative. However, the main reason for this was likely the low-margin consignment sales in the comparison period, which we did not correctly take into account in our forecast either. Therefore, we estimate that Scanfil's organic volumes grew by about 8% in Q4. Of the regions, the smallest segments, Northern Europe and North America, experienced growth, while the largest regions, APAC and Central Europe, saw a decline in revenues (mainly due to consignment sales) and also fell short of our estimates. Among the customer segments, the contraction in Medtech & Life Science was disappointing, while Industrial and Cleantech & Energy grew significantly towards the end of the year.

No operational earnings growth at the end of the year

Scanfil's adj. EBITA remained flat at 15.5 MEUR. Profitability (adj. EBITA-%) settled at 7.3%, in line with our estimate, but earnings also slightly missed our expectations, driven by revenue. Of the regions, Central Europe had very strong profitability at the end of the year, far beyond our forecasts. Earnings in Northern Europe developed roughly as well as expected, thanks to growth. In contrast, developments in earnings in North America and APAC missed our forecasts, although the latter once again achieved a high margin level.

In Q4, in addition to the usual PPA amortizations, Scanfil recorded a positive non-recurring item of 10 MEUR for the unrealized contingent consideration of the SRX acquisition on the lower lines, as well as over 7 MEUR in total costs related to impairments, write-downs, and restructuring. Our forecasts only included minor PPA amortization in relation to one-off items. In our view, the non-payment of the contingent consideration for the SRX acquisition indicates that business development (likely in Malaysia) has not met expectations.

On the other hand, the additional purchase price-based model limited Scanfil's risks quite well (vs. purchase price EV/EBIT 9x of 2023/2024 earnings), and Scanfil has also already taken corrective actions related to the Malaysian unit. Although financial expenses were slightly higher than expected, the tax rate was slightly lower than our estimate. As a result, Scanfil's reported EPS in Q4 far exceeded the comparison period and our forecast, but this increase is due to one-off gains. From a cash flow perspective, the report was as good as expected, with working capital seasonally repatriated (cash flow from operations 23 MEUR, -3% y/y).

Balance sheet remains solid even after acquisitions

Scanfil's balance sheet has already changed since the MB deal (EV excl. contingent consideration of 91 MEUR) was completed in January. We estimate that Scanfil's net-debt-to-pro-forma-EBITDA ratio will remain in the range of 1x-1.5x in the Q1 report. The balance sheet remains healthy, giving the company ample room to continue its streak of dividend hikes (2025: dividend proposal 0.25 EUR/share, payout ratio 40%).

Estimates	Q4'24	Q4'25	Q4'25e	Q4'25e	Consensus		Difference (%)	2025
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Actualized
Revenue	212	211	223				-5%	797
EBITA (adj.)	15.5	15.5	16.3				-5%	55.7
EBIT	13.9	16.6	15.6				7%	54.3
PTP	12.4	15.0	14.9				1%	51.2
EPS (reported)	0.14	0.20	0.18				14%	0.63
DPS	0.24	0.25	0.26				-4%	0.25
Revenue growth-%	-3.9 %	-0.6 %	5.1 %				-5.7 pp	2.2 %
EBITA-% (adj.)	7.3 %	7.3 %	7.3 %				0 pp	7.0 %

Source: Inderes

Once again, no need for major estimate revisions

Reiterated guidance was in line with our expectations

Scanfil naturally reiterated the guidance it issued back in January, according to which the company's revenue for the year will be 940-1060 MEUR and its adjusted EBITA 64-78 MEUR. Market commentary was not particularly positive, despite slight signs of recovery in the European economy, but the increased weight of the defense sector (incl. the MB and ADCO acquisitions) and the company's own project wins keep the outlook fundamentally positive, in our opinion.

We consider the lower ends of these guidance ranges particularly cautious compared to the pro forma levels achieved by Scanfil, MB, and ADCO last year, assuming no significant geopolitical or general economic risks materialize. Reaching the upper limits, on the other hand, would probably require a clear upturn in demand outside the defense sector. Additionally, we would like to point out that Scanfil will launch a significant number of new products and projects this year as well. This means that the moderate earnings leverage of contract manufacturing under normal circumstances may not necessarily function as usual if growth were to accelerate more clearly this year.

No significant changes were made to our forecasts, which are close to midpoints of ranges

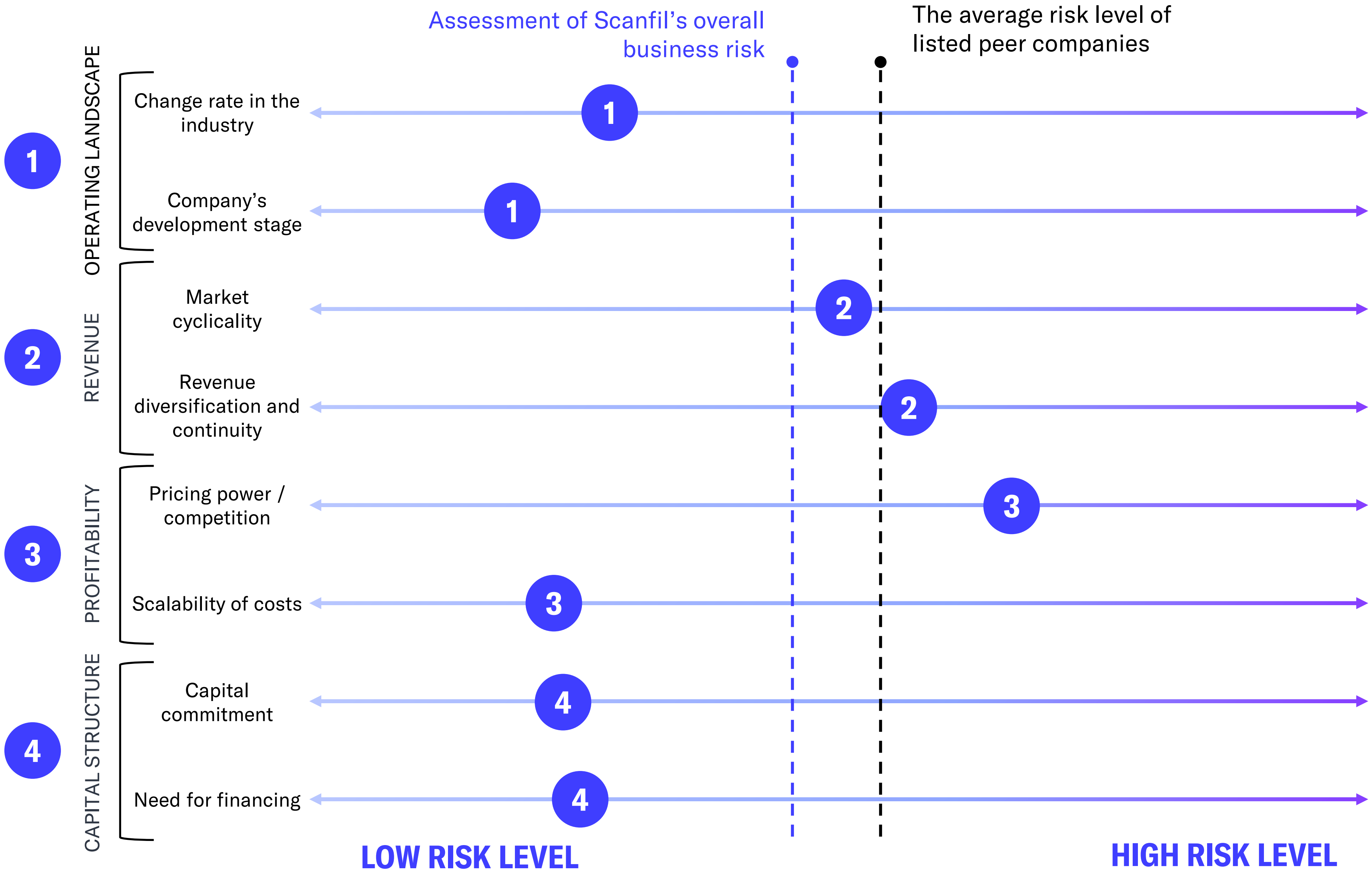
Even before the report, however, our forecasts included a fairly positive scenario in which the company would reach approximately the midpoint of its revenue guidance and slightly above the upper end of its earnings guidance. We expect Scanfil's revenue to grow by 25% to 993 MEUR this year and adjusted EBITA by 31% to 74 MEUR. Thus, we did not make any changes to Scanfil's near-term operational estimates beyond a marginal refinement following the report. As a technical adjustment, we removed ADCO's minority interest from our earnings estimates because the accounting practice for the minority arrangement differed slightly from what we initially assessed. Additionally, we updated our share count estimate to reflect the company's realized option subscriptions, but both changes had a very marginal impact on the overall forecast.

We forecast Scanfil's adjusted EPS to grow by around 15% by 2028, driven by acquisitions, a gradually recovering economic situation, and organic growth enabled by project wins. The main risks to our forecasts relate to external demand factors such as the global economy. We believe the company is in pretty good shape internally (including rising customer satisfaction to a record high in the study published with the Q3 report), although we still view the integration of acquisitions as slightly increasing the risk level associated with the company's own operations during H1. In a geographically diversified organizational model, though, integration work fundamentally only affects two out of four regions. In addition, the positive business development reported by MB and also ADCO for 2025 has, in our opinion, somewhat reduced the risk levels associated with the acquisitions and their integrations during the winter.

Estimate revisions MEUR / EUR	2025 Old	2025e New	Change %	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %
Revenue	809	797	-1%	986	993	1%	1066	1070	0%
EBIT (exc. NRIs)	57.2	56.4	-2%	72.4	73.8	2%	81.0	82.4	2%
EBIT	53.4	54.4	2%	67.6	69.0	2%	76.2	77.6	2%
PTP	51.1	51.2	0%	63.2	64.4	2%	71.9	73.1	2%
EPS (excl. NRIs)	0.65	0.65	0%	0.80	0.82	3%	0.90	0.92	2%
DPS	0.26	0.25	-4%	0.28	0.27	-4%	0.30	0.29	-3%

Source: Inderes

Risk profile of the business model



The industry is mature and there is no indication for a fast technology revolution.

The company has reached a strong level of efficiency and grown in size also through successful M&A transactions.

A large part of the demand comes from investment goods, but the cycles of the customer sectors are partly in different phases.

The client portfolio is quite concentrated at the top level. The actual order book is short, but customer relationships are long lasting.

The value chain position is not easy, but the gross margin has historically stayed on solid levels.

The share of variable costs is high and there is flexibility also in the short term.

Investment needs are low, and capacity can be increased gradually. Volume growth ties up working capital.

The balance sheet is strong given moderate investment needs and offers plenty of leeway in acquisitions.

We do not see pricing error in the stock

Overall valuation picture is very neutral

Scanfil's share price has risen by almost 40% in one year. In our view, the share price increase has been driven by putting the balance sheet to work through M&A, an increased focus on the defense sector with its good prospects due to M&A, rising peer valuations, and the materialization of the organic growth outlook for the coming years. Although the outlook for the defense sector is good and its opening to Scanfil is positive, we do not currently see a need to drastically change the share's valuation multiples, as the defense sector will be Scanfil's smallest customer segment after the ADCO and MB acquisitions, with a revenue share of about 10%. We believe that Scanfil's adjusted P/E multiple of 12x-15x and adjusted EV/EBITA multiple of 10x-12x are still acceptable based on the company's and the industry's growth and return on capital potential, the stock's risk level, and its largely strong historical track record.

In our estimate, Scanfil's P/E ratios for 2026 and 2027 are around 14x and 13x, while the corresponding EV/EBITA ratios are some 12x and 10x. We expect dividend yields to settle at a level of 2-3% in the coming years. The earnings-based valuation is slightly above the company's historical medians with this year's multiples. Correspondingly, for next year, the multiples are approximately on par with medium-term median levels. Therefore, we believe the share valuation is fairly neutral in relation to levels acceptable to the company and that the increase in expected value due to positive developments over the past year has thus been appropriately factored into the share price. Thus, we consider the stock to be quite correctly priced in the short term. In our view, the expected return, consisting of earnings growth, a dividend yield of just over 2%, and a decline in multiples (2025 ACT P/E 18x), does not clearly exceed the required return within a one-year timeframe, even though the fair value of the stock could steadily rise if our forecasts materialize. A continued strong rise in the share price would, in our view, require stronger earnings growth than we have forecast, as well as reaching the upper end of the guidance ranges.

Peers are more expensive, but DCF also indicates full pricing

Compared to a peer group of global contract manufacturers, Scanfil's earnings-based valuation is discounted. We have traditionally accepted a small premium for Scanfil due to its long-term track record and positioning in industrial electronics with better margin potential, but in our view, the peer group, valued clearly above its long-term average, is already expensive in the short term (2026e: P/E 17x, EV/EBIT 13x). Among the Nordic peers, Kitron and Note are valued clearly higher than Scanfil. In our opinion, the valuation of core peers already entails more risks than potential, which is why we do not base our view on the assumption that Scanfil's stock would be priced more strongly through peers.

Scanfil's DCF model is also on par with our target price at just under EUR 12 per share. Thus, also in light of the DCF, the stock's valuation is correctly priced. The model's average profitability corresponds to Scanfil's realized margin level (and is, on average, roughly in line with the target level of 7-8%). We marginally decreased our model's required return to 8.8% (CoE). Considering these factors and Scanfil's quite good long-term predictability, we also give a reasonable weight to the DCF signals in Scanfil. In our opinion, the DCF model also gives a good picture of the share's fair value.

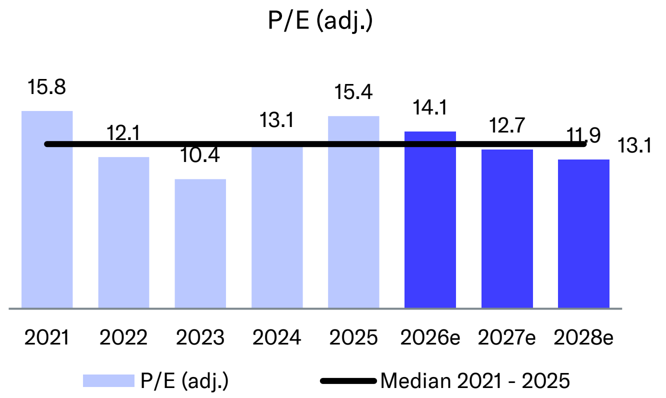
Valuation	2026e	2027e	2028e
Share price	11.6	11.6	11.6
Number of shares, millions	65.5	65.5	65.5
Market cap	763	763	763
EV	868	850	810
P/E (adj.)	14.1	12.7	11.9
P/E	15.2	13.6	12.6
P/B	2.2	2.0	1.8
P/S	0.8	0.7	0.7
EV/Sales	0.9	0.8	0.7
EV/EBITDA	9.0	7.9	7.2
EV/EBIT (adj.)	11.8	10.3	9.3
Payout ratio (%)	35.2 %	33.8 %	33.7 %
Dividend yield-%	2.3 %	2.5 %	2.7 %

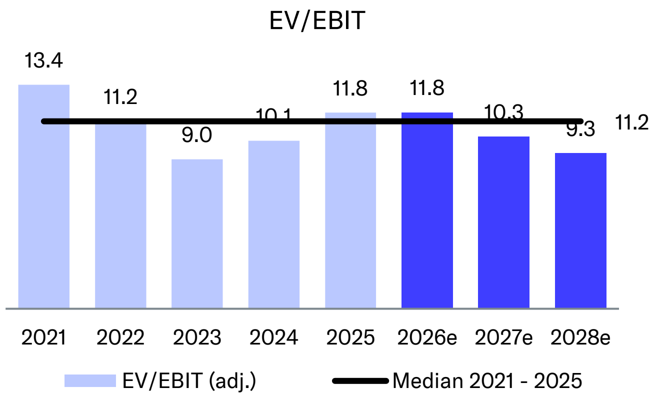
Source: Inderes

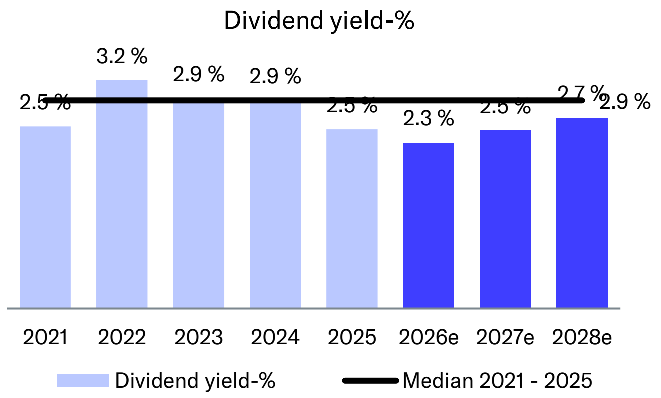
Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	7.46	6.58	7.83	8.25	9.98	11.6	11.6	11.6	11.6
Number of shares, millions	64.5	64.5	65.3	65.3	65.4	65.5	65.5	65.5	65.5
Market cap	481	424	511	538	653	763	763	763	763
EV	541	510	563	560	662	868	850	810	769
P/E (adj.)	15.8	12.1	10.4	13.1	15.4	14.1	12.7	11.9	11.2
P/E	16.2	12.1	10.6	14.0	16.0	15.2	13.6	12.6	11.8
P/B	2.3	1.9	1.9	1.9	2.1	2.2	2.0	1.8	1.6
P/S	0.7	0.5	1.9	0.7	0.8	0.8	0.7	0.7	0.7
EV/Sales	0.8	0.6	0.6	0.7	0.8	0.9	0.8	0.7	0.7
EV/EBITDA	9.8	8.1	7.0	7.6	8.5	9.0	7.9	7.2	6.6
EV/EBIT (adj.)	13.4	11.2	9.0	10.1	11.8	11.8	10.3	9.3	8.4
Payout ratio (%)	41.1 %	38.7 %	31.1 %	40.6 %	40.0 %	35.2 %	33.8 %	33.7 %	35.0 %
Dividend yield-%	2.5 %	3.2 %	2.9 %	2.9 %	2.5 %	2.3 %	2.5 %	2.7 %	3.0 %

Source: Inderes







The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	MEUR	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
Incap	287	248	7.6	6.7	6.1	5.4	0.8	0.7	13.2	11.4			1.7
Kitron	2044	2011	20.1	16.8	16.6	14.0	2.0	1.7	28.7	24.1	1.3	1.5	5.5
Hanza	794	934	13.8	11.7	8.4	7.4	1.0	0.9	16.5	13.2	1.2	2.1	2.9
Pegatron	5102	3552	8.5	7.7	4.0	3.9	0.1	0.1	12.5	11.7	5.6	6.0	0.9
Celestica	28527	28940	24.9	17.3	21.4	14.9	2.0	1.4	32.8	22.8			10.6
Flextronics	20352	21540	14.8	13.4	11.4	10.6	0.9	0.9	20.1	17.9			4.7
Foxconn	85529	83713	9.8	8.4	7.3	6.4	0.3	0.3	12.9	11.2	4.0	4.7	1.7
Jabil	23560	24747	15.8	14.1	10.8	10.0	0.9	0.8	22.5	19.4	0.1	0.1	19.3
Hana Microelectronics	459	143	4.6	3.8	1.9	1.7	0.2	0.2	17.3	12.9	3.6	4.6	0.6
TT Electronics	261	359	8.6	7.0	6.0	4.9	0.6	0.6	11.3	7.8	2.5	3.0	1.1
Fabrinet	15650	14822	35.7	29.7	31.3	25.8	3.8	3.2	37.9	31.6			7.8
Universal Scientific	11903	11264	36.4	27.2	22.6	17.7	1.3	1.1	37.5	28.0	0.9	1.2	4.3
Venture Corporation	3220	2396	13.3	12.7	11.6	11.3	1.3	1.3	19.6	18.6	4.7	4.7	1.6
Plexus	4476	4399	19.6	17.7	15.0	13.7	1.2	1.1	25.6	22.8			3.3
Note	493	543	13.2	12.0	10.2	9.3	1.4	1.3	16.4	14.5	0.5	0.6	2.7
Katek	282	367	7.1	6.2	4.8		0.4	0.4	9.0				1.4
Lacroix	67	153	6.2	5.0	4.1	3.6	0.3	0.3	5.4	4.1	3.7	9.4	
Scanfil (Inderes)	763	868	11.8	10.3	9.0	7.9	0.9	0.8	14.1	12.7	2.3	2.5	2.2
Average			15.3	12.8	11.4	10.0	1.1	1.0	19.9	17.0	2.5	3.4	4.4
Median			13.3	12.0	10.2	9.7	0.9	0.9	17.3	16.2	2.5	3.0	2.8
Diff-% to median			-12%	-14%	-12%	-18%	-6%	-9%	-18%	-22%	-7%	-16%	-22%

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	780	193	202	191	211	797	242	255	238	259	993	1070	1121	1172
Americas	38.0	11.7	11.8	12.7	13.9	50.1	18.8	18.6	19.1	20.9	77.3	80.4	84.4	87.8
APAC	189	52.2	59.5	53.8	51.9	217	56.2	63.7	58.1	56.6	235	251	263	279
Central Europe	303	69.5	67.5	63.3	75.6	276	102	103	96.4	109	411	457	479	499
Northern Europe	257	60.6	65.6	63.1	70.9	260	65.4	70.1	65.6	73.0	274	291	302	314
Eliminations / Group costs	-8.1	-1.4	-2.2	-1.7	-1.2	-6.5	-1.0	-1.0	-1.0	-1.0	-4.0	-8.0	-8.0	-8.0
EBITDA	73.7	17.5	19.2	18.2	23.1	78.0	22.7	24.6	24.5	25.2	97.0	108	112	117
Depreciation	-21.1	-5.6	-5.9	-5.6	-6.5	-23.6	-7.0	-7.0	-7.0	-7.0	-28.0	-30.3	-30.4	-30.7
EBITA (oik.)	55.7	12.6	14.2	14.1	15.5	56.4	16.9	18.8	18.7	19.4	73.8	82.4	86.8	91.3
EBIT	52.6	11.9	13.3	12.6	16.6	54.4	15.7	17.6	17.5	18.2	69.0	77.6	82.0	86.5
Americas (adj. EBITA)	3.3	0.8	0.9	1.0	0.7	3.4	1.6	1.7	1.8	1.9	7.1	6.7	7.3	7.6
APAC (adj. EBITA)	14.6	3.6	5.1	4.2	4.5	17.4	4.3	5.1	5.0	4.7	19.2	21.3	22.3	23.5
Central Europe (adj. EBITA)	24.2	5.2	4.9	4.1	6.8	21.0	8.0	8.2	8.1	8.7	33.0	38.8	41.1	43.1
Northern Europe (adj. EBITA)	14.4	3.1	3.7	5.4	4.8	17.0	3.6	4.2	4.3	4.6	16.7	17.8	18.4	19.3
Eliminations / Group costs	-0.8	-0.1	-0.4	-0.7	-1.2	-2.4	-0.6	-0.6	-0.6	-0.6	-2.2	-2.2	-2.2	-2.2
Adjustments	-3.1	-0.7	-0.9	-1.5	1.1	-2.0	-1.2	-1.2	-1.2	-1.2	-4.8	-4.8	-4.8	-4.8
Net financial items	-1.5	-1.2	0.2	-0.6	-1.6	-3.2	-1.3	-1.2	-1.2	-1.1	-4.6	-4.6	-3.7	-2.6
PTP	51.1	10.7	13.5	12.0	15.0	51.2	14.5	16.4	16.4	17.2	64.4	73.1	78.4	83.9
Taxes	-12.5	-2.4	-3.0	-2.8	-2.1	-10.3	-3.2	-3.6	-3.6	-3.8	-14.2	-16.8	-18.0	-19.3
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	38.6	8.3	10.5	9.2	12.9	40.9	11.3	12.8	12.8	13.4	50.2	56.3	60.4	64.6
Net earnings	38.6	8.3	10.5	9.2	12.9	40.9	11.3	12.8	12.8	13.4	50.2	56.3	60.4	64.6
EPS (adj.)	0.63	0.14	0.17	0.16	0.18	0.65	0.19	0.21	0.21	0.22	0.82	0.92	0.98	1.04
EPS (rep.)	0.59	0.13	0.16	0.14	0.20	0.62	0.17	0.20	0.19	0.20	0.77	0.86	0.92	0.99

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	-13.5 %	-3.2 %	3.4 %	10.4 %	-0.6 %	2.2 %	25.5 %	25.9 %	24.5 %	22.7 %	24.6 %	7.7 %	4.8 %	4.5 %
Adjusted EBITA growth-%	-11.4 %	-3.4 %	-0.8 %	10.4 %	-0.4 %	1.3 %	34.1 %	32.1 %	32.7 %	25.8 %	31.0 %	11.7 %	5.3 %	5.1 %
EBITDA-%	9.4 %	9.1 %	9.5 %	9.5 %	10.9 %	9.8 %	9.4 %	9.6 %	10.3 %	9.7 %	9.8 %	10.1 %	10.0 %	10.0 %
Adjusted EBITA-%	7.1 %	6.5 %	7.0 %	7.4 %	7.3 %	7.1 %	7.0 %	7.4 %	7.9 %	7.5 %	7.4 %	7.7 %	7.7 %	7.8 %
Net earnings-%	4.9 %	4.3 %	5.2 %	4.8 %	6.1 %	5.1 %	4.7 %	5.0 %	5.4 %	5.2 %	5.1 %	5.3 %	5.4 %	5.5 %

Source: Inderes

Full-year earnings per share are calculated using the number of shares at year-end.

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	152	162	283	263	259
Goodwill	29.1	36.3	106	90.3	90.3
Intangible assets	20.0	20.6	45.8	41.1	36.4
Tangible assets	94.9	96.7	123	123	123
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	8.2	8.2	8.2	8.2
Current assets	387	432	469	492	505
Inventories	168	177	216	225	231
Other current assets	4.9	5.4	4.9	4.9	4.9
Receivables	165	176	209	219	224
Cash and equivalents	48.5	74.7	39.7	42.8	44.8
Balance sheet total	539	595	752	755	764

Source: Inderes

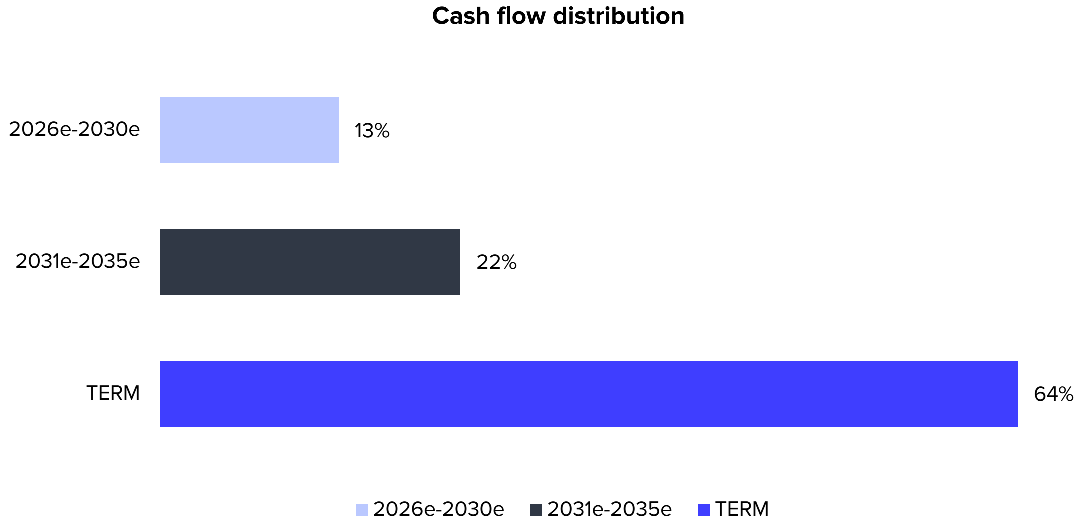
Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	291	315	352	390	432
Share capital	2.0	2.0	2.0	2.0	2.0
Retained earnings	256	281	315	354	395
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	33.4	31.1	31.6	31.6	31.6
Minorities	0.0	0.0	3.0	3.0	3.0
Non-current liabilities	63.7	59.8	142	101	77.0
Deferred tax liabilities	9.7	8.6	8.6	8.6	8.6
Provisions	1.8	1.9	1.8	1.8	1.8
Interest bearing debt	41.9	45.5	95.3	86.3	62.8
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	10.3	3.8	36.0	3.8	3.8
Current liabilities	184	220	259	264	255
Interest bearing debt	27.8	38.7	43.3	38.1	24.2
Payables	154	175	209	219	224
Other current liabilities	2.8	6.6	6.6	6.6	6.6
Balance sheet total	539	595	752	755	764

DCF-calculation

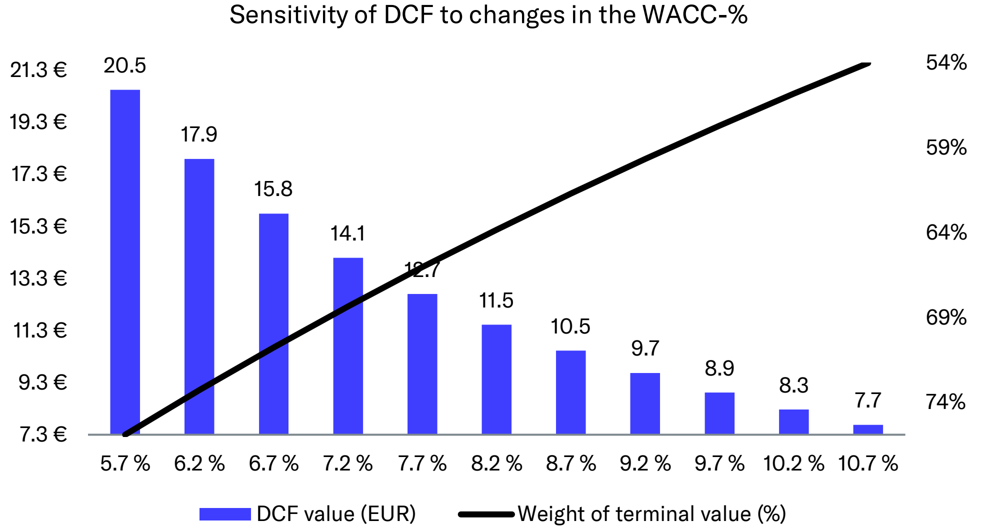
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	2.2 %	24.6 %	7.7 %	4.8 %	4.5 %	4.0 %	3.5 %	3.5 %	3.0 %	3.0 %	2.0 %	2.0 %
EBIT-%	6.8 %	6.9 %	7.3 %	7.3 %	7.4 %	7.0 %	6.9 %	6.8 %	6.7 %	6.7 %	6.7 %	6.7 %
EBIT (operating profit)	54.4	69.0	77.6	82.0	86.5	85.3	87.0	88.8	90.1	92.8	94.6	
+ Depreciation	23.6	28.0	30.3	30.4	30.7	30.3	29.5	29.7	29.8	29.1	28.8	
- Paid taxes	-11.9	-14.2	-16.8	-18.0	-19.3	-19.3	-19.9	-20.3	-20.7	-21.4	-21.8	
- Tax, financial expenses	-0.8	-1.2	-1.2	-0.9	-0.7	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	
+ Tax, financial income	0.1	0.2	0.1	0.1	0.1	0.1	0.2	0.3	0.3	0.4	0.4	
- Change in working capital	5.8	-37.9	-9.2	-6.2	-8.0	-7.1	-6.1	-8.8	-7.8	-8.1	-5.5	
Operating cash flow	71.2	44.0	80.9	87.4	89.2	88.9	90.4	89.2	91.4	92.4	96.1	
+ Change in other long-term liabilities	-6.4	32.1	-32.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-33.2	-149.0	-10.1	-26.1	-26.1	-26.1	-27.1	-27.1	-27.1	-27.1	-30.1	
Free operating cash flow	31.6	-72.9	38.6	61.3	63.1	62.8	63.3	62.1	64.3	65.3	66.0	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	31.6	-72.9	38.6	61.3	63.1	62.8	63.3	62.1	64.3	65.3	66.0	1079
Discounted FCFF		-68.1	33.3	48.9	46.5	42.7	39.8	36.1	34.5	32.4	30.2	494
Sum of FCFF present value		771	839	806	757	710	668	628	592	557	525	494
Enterprise value DCF		771										
- Interest bearing debt		-84.2										
+ Cash and cash equivalents		74.7										
-Minorities		-6.6										
-Dividend/capital return		0.0										
Equity value DCF		755										
Equity value DCF per share		11.5										

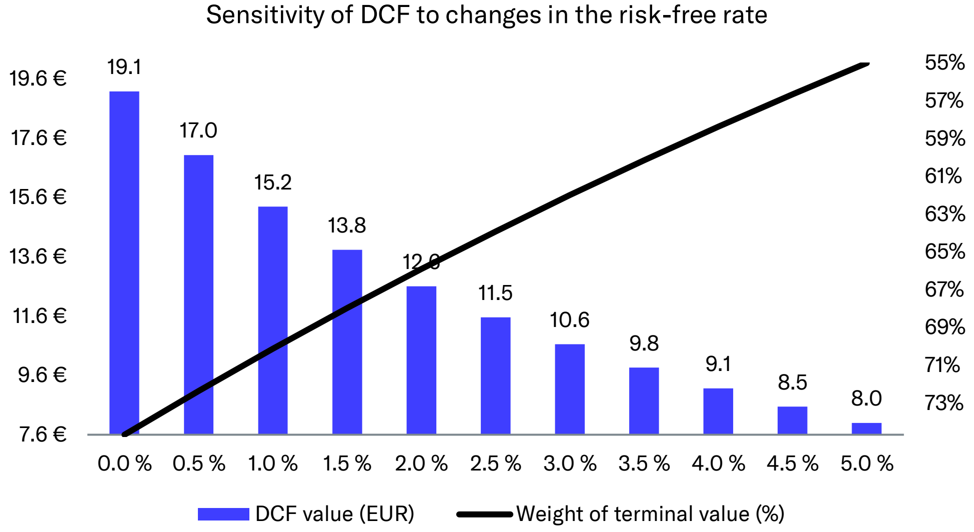
WACC	
Tax-% (WACC)	23.0 %
Target debt ratio (D/(D+E)	10.0 %
Cost of debt	4.5 %
Equity Beta	1.32
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	8.8 %
Weighted average cost of capital (WACC)	8.2 %

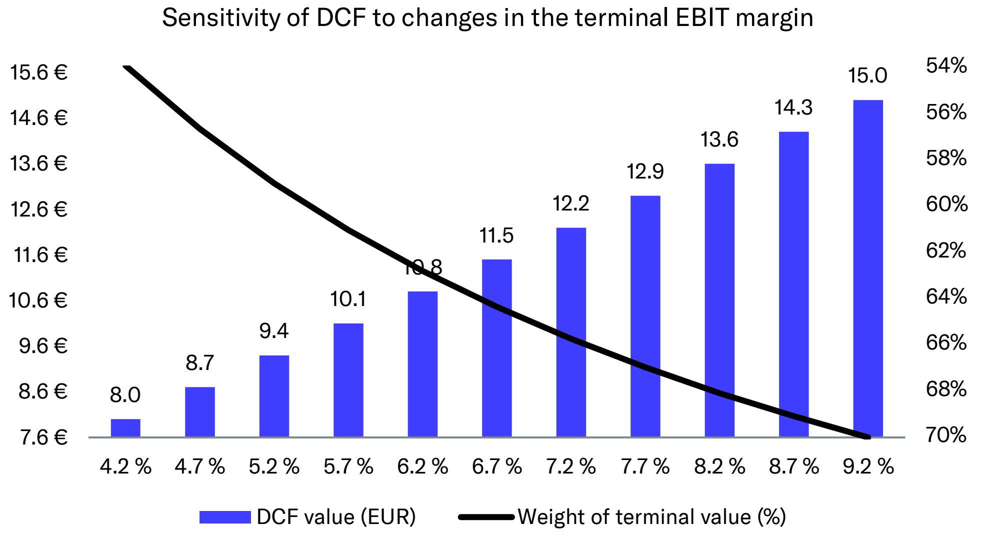
Source: Inderes

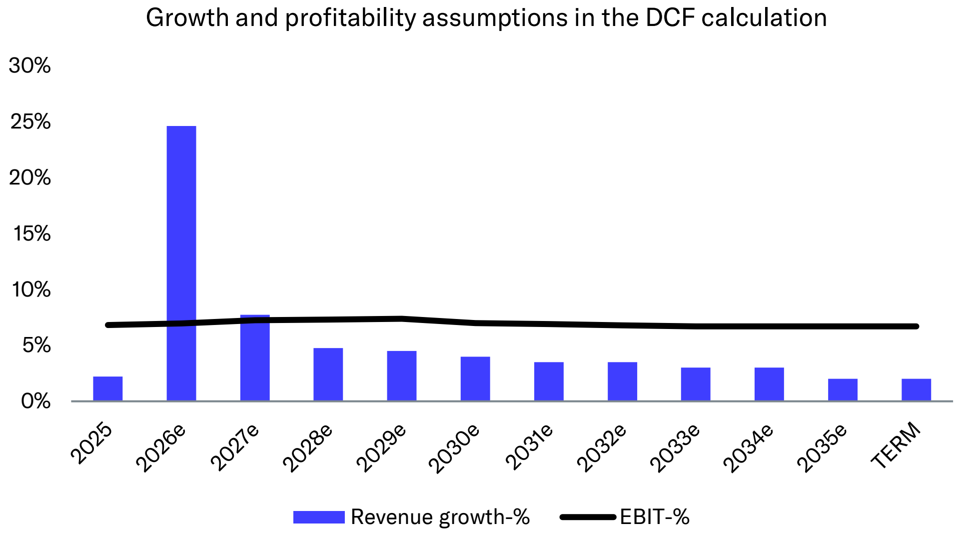


DCF sensitivity calculations and key assumptions in graphs









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

Summary

Income statement	2023	2024	2025	2026e	2027e
Revenue	902	780	797	993	1070
EBITDA	80.4	73.7	78.0	97.0	107.9
EBIT	61.3	52.6	54.4	69.0	77.6
PTP	61.7	51.1	51.2	64.4	73.1
Net Income	48.2	38.6	40.9	50.2	56.3
Extraordinary items	-1.5	-3.1	-2.0	-4.8	-4.8

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	518	539	595	752	755
Equity capital	266	291	315	352	390
Goodwill	7.7	29.1	36.3	106.3	90.3
Net debt	51.7	21.2	9.5	98.9	81.6

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	80.4	73.7	78.0	97.0	107.9
Change in working capital	-2.0	31.1	5.8	-37.9	-9.2
Operating cash flow	66.3	95.9	71.2	44.0	80.9
CAPEX	-24.3	-61.7	-33.2	-149.0	-10.1
Free cash flow	42.3	45.2	31.6	-72.9	38.6

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S	0.6	0.7	0.8	0.9	0.8
EV/EBITDA	7.0	7.6	8.5	9.0	7.9
EV/EBIT (adj.)	9.0	10.1	11.8	11.8	10.3
P/E (adj.)	10.4	13.1	15.4	14.1	12.7
P/B	1.9	1.9	2.1	2.2	2.0
Dividend-%	2.9 %	2.9 %	2.5 %	2.3 %	2.5 %

Source: Inderes

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	0.74	0.59	0.62	0.77	0.86
EPS (adj.)	0.76	0.63	0.65	0.82	0.92
OCF / share	1.02	1.47	1.09	0.67	1.23
OFCF / share	0.65	0.69	0.48	-1.11	0.59
Book value / share	4.08	4.46	4.81	5.32	5.91
Dividend / share	0.23	0.24	0.25	0.27	0.29

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	7%	-13%	2%	25%	8%
EBITDA growth-%	28%	-8%	6%	24%	11%
EBIT (adj.) growth-%	38%	-11%	1%	31%	12%
EPS (adj.) growth-%	39%	-17%	3%	27%	11%
EBITDA-%	8.9 %	9.4 %	9.8 %	9.8 %	10.1 %
EBIT (adj.)-%	7.0 %	7.1 %	7.1 %	7.4 %	7.7 %
EBIT-%	6.8 %	6.7 %	6.8 %	6.9 %	7.3 %
ROE-%	19.6 %	13.8 %	13.5 %	15.1 %	15.3 %
ROI-%	18.3 %	15.2 %	14.5 %	15.7 %	15.5 %
Equity ratio	51.3 %	54.0 %	52.9 %	46.8 %	51.7 %
Gearing	19.4 %	7.3 %	3.0 %	28.1 %	20.9 %

The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years. Per-share figures are calculated using the number of shares at year-end.

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

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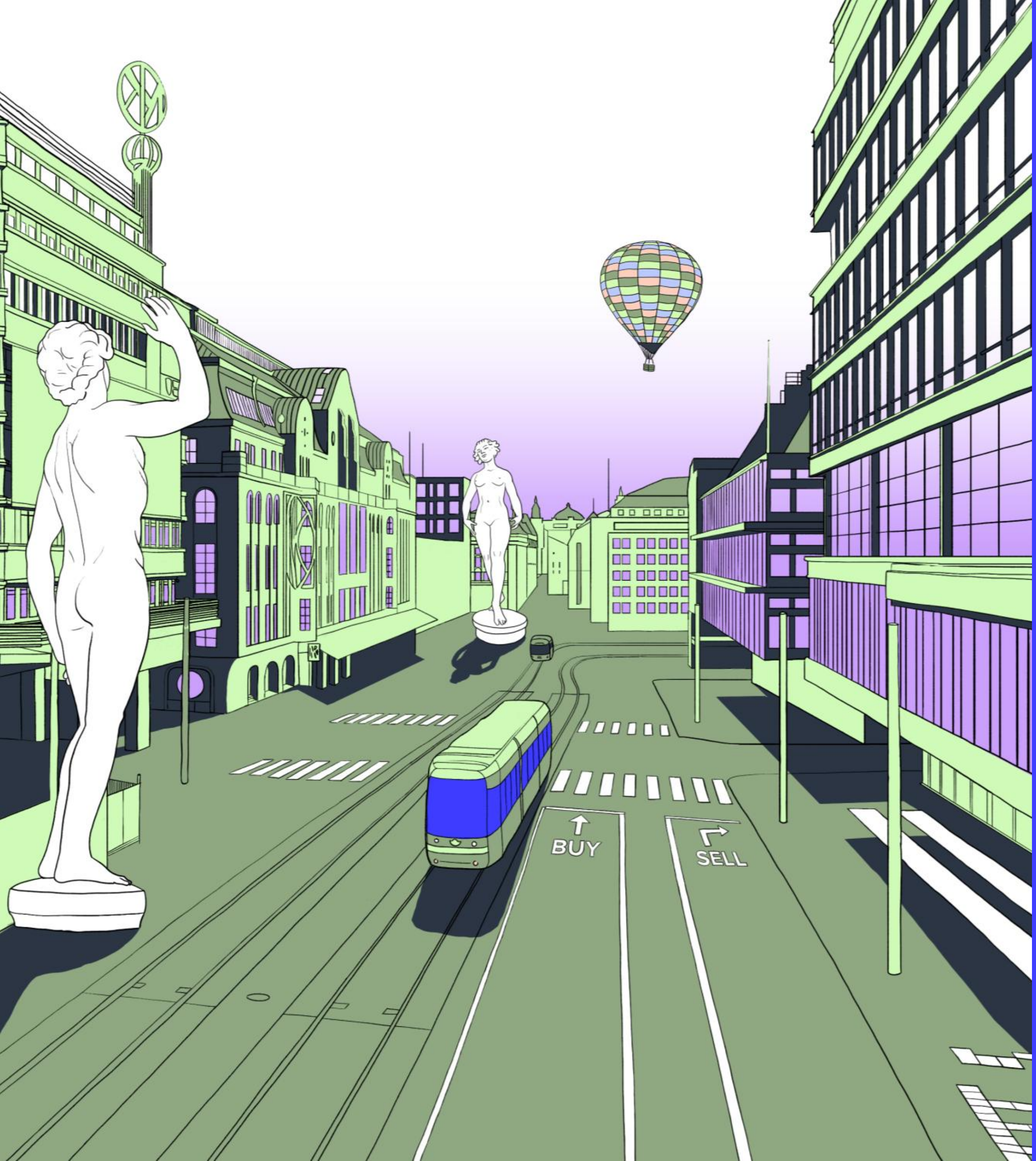
Recommendation history (>12 mo)

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 €
7/18/2025	Reduce	10.50 €	11.32 €
10/27/2025	Reduce	10.50 €	11.06 €
12/12/2025	Accumulate	10.50 €	9.82 €
2/2/2025	Reduce	11.00 €	11.30 €



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