

# ANORA

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# COMPANY REPORT



# An expected weak start to the year

*Especially due to the timing of Easter, Anora's Q1 was slightly weaker than last year but largely in line with our expectations. We made no major forecast changes and reiterate our Accumulate recommendation with a EUR 3.5 target price.*

## The timing of Easter weighed on the start of the year

Anora's Q1 revenue decreased by 4% year-on-year, slightly less than we expected. Revenue decreased in all segments. Revenue from beverage sales (Wine and Spirits segments) was negatively impacted by the timing of Easter in Q2, but their development was still slightly better than we expected. The company commented that its market share has improved in Sweden, which is a positive sign, as Anora has lost significant share there in recent years. Anora's adjusted EBITDA was 8.0 MEUR, which was a bit below the comparison period (8.9 MEUR) and our expectations (8.5 MEUR). Lower revenue naturally weakened earnings. In addition, marketing investments in the Wine segment and the timing of group expenses negatively impacted earnings. Q1 is seasonally Anora's weakest quarter, and, therefore, we do not consider the relatively small earnings deviation in absolute terms significant going forward. The company also stated that the quarter was roughly in line with expectations.

## Guidance unchanged as expected

As expected, Anora reiterated its full-year guidance and expects an adjusted EBITDA margin of 70-75 MEUR. The guidance assumes that market volumes will remain roughly at last year's level and Anora's volumes will improve. Considering the market downturn seen in H2'24 and early 2025 (the market declined even considering the timing of Easter), we find Anora's assumptions somewhat optimistic. Our estimate remains at the bottom end of the guidance at 70 MEUR. We believe that the continued weakness in the demand environment may cause the guidance to be lowered later this year. We also note that Anora

has had to lower its guidance in the past two years due to negative surprises in market development. With the Q1 result landing close to our expectations, we made no material estimate changes.

Q1 was the first earnings release for Kirsi Puntila, who took over as CEO at the beginning of March. Puntila emphasized the company's previously stated priority areas, namely improving profitability and the balance sheet. [In our interview](#), she said that she would familiarise herself with the company in the new role before taking a stronger stance on, e.g., the strategy going forward. We expect to hear more about this later this year.

## We expect an earnings improvement but value creation is difficult

While we believe Anora can improve its profitability in the coming years we don't see it reaching a significantly higher earnings level than currently. This is partly due to the sluggish growth outlook for the alcohol market (and the risk of further market decline) and, in our view, the company's limited ability to significantly reduce its costs. We expect that Anora's returns on capital will remain at approximately the level of our required return in the coming years, so we do not expect the company to create value.

## Cash flow and dividend provide a sufficient expected return

Anora's 025 P/E ~10x is in line with our acceptable multiples. Anora's expected return at the current valuation is higher than our required return, supported by dividend and earnings growth. Dividend plays a significant role and it alone reaches close to our required return. However, a modest growth profile and return on capital weaken the risk/reward ratio. The value of our DCF model is in line with the target price at EUR 3.5 per share.

## Recommendation

**Accumulate**

(was Accumulate)

## Target price:

**EUR 3.50**

(was EUR 3.50)

## Share price:

EUR 3.03

## Business risk



## Valuation risk



	2024	2025e	2026e	2027e
Revenue	692.0	688.9	702.7	709.8
growth-%	-5%	0%	2%	1%
EBITDA (oik.)	69.0	70.0	74.9	76.0
EBITDA-% (oik.)	10.0 %	10.2 %	10.7 %	10.7 %
Net Income	10.5	20.4	26.1	28.4
EPS (adj.)	0.27	0.29	0.39	0.42
P/E (adj.)	10.4	10.4	7.8	7.2
P/B	0.5	0.5	0.5	0.5
Dividend yield-%	7.9 %	7.3 %	8.3 %	8.3 %
EV/EBIT (adj.)	7.1	7.2	6.1	5.6
EV/EBITDA	4.9	4.4	4.0	3.8
EV/S	0.4	0.5	0.4	0.4

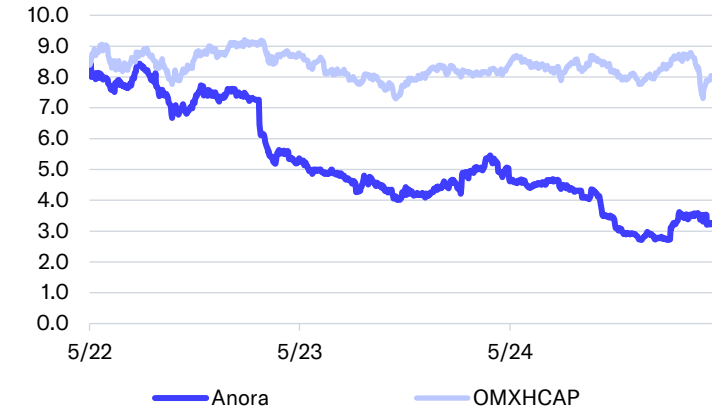
Source: Inderes

## Guidance

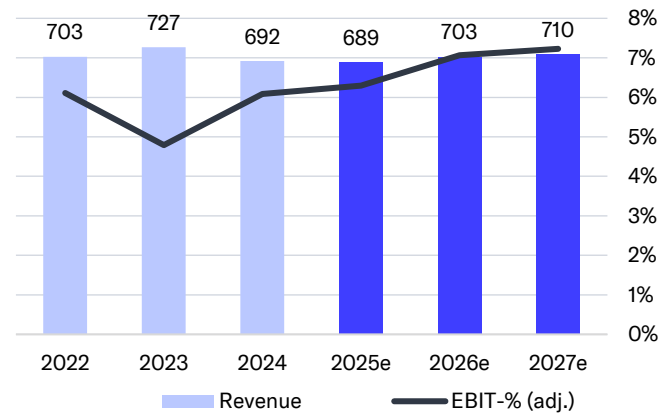
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In 2025, Anora's comparable EBITDA is expected to be 70-75 MEUR (2024: 68.9 MEUR).

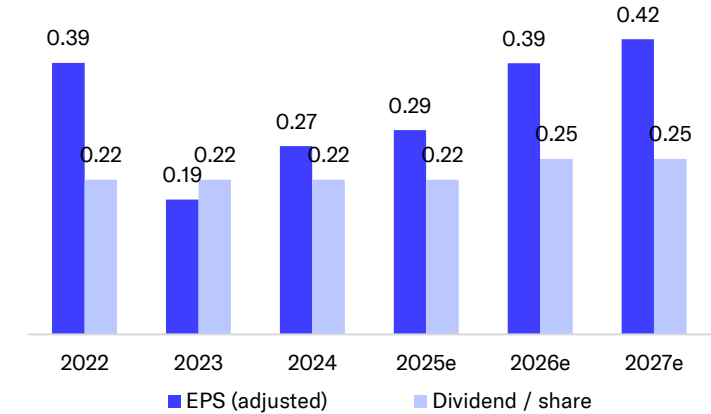
## Share price



## Revenue and EBIT-% (adj.)



## EPS and dividend



## Value drivers

- Strong market position and extensive product portfolio
- Stable market and historically stable profitability
- Good potential for creating cash flow

## Risk factors

- Globus Wine's performance remaining weak
- Price fluctuations of barley affect earnings
- Anora will continue to seek acquisitions, which involves risks related to the price and integration

Valuation	2025e	2026e	2027e
Share price	3.03	3.03	3.03
Number of shares, millions	67.6	67.6	67.6
Market cap	205	205	205
EV	314	301	289
P/E (adj.)	10.4	7.8	7.2
P/E	10.0	7.8	7.2
P/B	0.5	0.5	0.5
P/S	0.3	0.3	0.3
EV/Sales	0.5	0.4	0.4
EV/EBITDA	4.4	4.0	3.8
EV/EBIT (adj.)	7.2	6.1	5.6
Payout ratio (%)	73%	65%	59%
Dividend yield-%	7.3 %	8.3 %	8.3 %

Source: Inderes

# Easter-despressed quarter close to our expectations

## Revenue declined slightly less than we expected

Anora's Q1 revenue decreased by 4% year-on-year, slightly less than we expected. Revenue decreased in all segments Revenue from beverage sales (Wine and Spirits segments) was negatively impacted by the timing of Easter in Q2, but their development was still slightly better than we expected. The company commented that its market share has improved in Sweden, which is a positive sign, as Anora has lost significant share there in recent years. The revenue of the low-margin Industrial segment was weaker than we expected.

## Earnings fell slightly short of our expectations and the comparison period

Anora's adjusted EBITDA was slightly below the comparison period and our forecast. Lower revenue naturally weakened earnings. In addition, marketing investments in the Wine segment and the timing of group

expenses negatively impacted earnings. Gross margins in the beverage segments were in line with our expectations and improved year-on-year. Gross margins are now roughly at H1'22 levels and thus largely normalized after a long weaker period. The Spirits segment's adjusted EBITDA exceeded our expectations, while other segments fell slightly short of our forecasts. Q1 is seasonally Anora's weakest quarter, and, therefore, we do not consider the relatively small earnings deviation in absolute terms particularly significant going forward. The reported figures included a small positive non-recurring item. The result from associates was negative, contrary to our expectations, and weighed slightly on the lower earnings lines.

## Balance sheet below target level, but not an acute problem

Due to seasonally weak cash flow, Anora's net debt/adjusted EBITDA rose clearly from the turn of the year to 3.3x, which is quite a high level and higher than Anora's

target level (below 2.5x). The company reiterated the familiar message from recent years about the importance of strengthening the balance sheet. In our view, this should happen through earnings improvement and release of working capital. However, the company's financial position is good, and we do not consider the rather high debt level a problem.

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	147	141	139	143		2%	689
EBITDA (adj.)	8.9	8.0	8.5	9.5		-6%	70.0
EBITDA	7.8	8.9	8.5	9.5		5%	70.9
EBIT (adj.)	2.0	1.2	1.9	2.8		-37%	43.4
EBIT	0.8	2.1	1.9	2.8		11%	44.3
EPS (reported)	-0.03	-0.03	-0.02	-0.01		-28%	0.30
Revenue growth-%	-7.9 %	-3.7 %	-5.4 %	-2.7 %		1.6 pp	-0.4 %
EBIT-% (adj.)	1.4 %	0.8 %	1.4 %	2.0 %	-	-0.5 pp	6.3 %

Source: Inderes & Vara Research, 4 analysts (consensus)

## Anora Q1'25: Seasonally quiet quarter even quieter





# Not many forecast changes

## Full-year guidance remains unchanged

As expected, Anora reiterated its full-year guidance and expects an adjusted EBITDA margin of 70-75 MEUR. The guidance assumes that market volumes will remain roughly at last year's level and Anora's volumes will improve.

Given the market downturn seen in H2'24 and early 2025, we consider Anora's assumptions somewhat optimistic. We believe that the negative development of the markets may continue, especially during H1'25. Anora expects its own marketing activities to have a positive volume impact already in H1, which partly explains the assumption of gaining market share. The first signs of this were already seen in Q1 figures. Anora also stated that it can cut costs if needed if the planned volume development does not materialize, but we still see the optimistic assumptions creating a small risk also for the earnings guidance. Our forecast remains at the bottom of the guidance, i.e. at 70 MEUR. We also note that Anora has had to lower its

guidance in the past two years due to negative surprises in market development.

As the Q1 result was close to our expectations, we made no changes to our adjusted EBITDA forecasts. A positive non-recurring item slightly increased the reported earnings figures for 2025, while the weaker result of associated companies slightly weighed on this year's net profit forecast. Our estimates for the coming years remain roughly unchanged.

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	688	689	0%	702	703	0%	709	710	0%
EBITDA (adj.)	70.0	70.0	0%	74.7	74.9	0%	75.7	76.0	0%
EBIT (exc. NRIs)	43.6	43.4	0%	49.3	49.6	1%	51.0	51.3	1%
EBIT	43.6	44.3	2%	49.3	49.6	1%	51.0	51.3	1%
PTP	26.0	26.7	3%	33.7	34.0	1%	36.4	36.7	1%
EPS (excl. NRIs)	0.30	0.29	-3%	0.39	0.39	-1%	0.42	0.42	0%
DPS	0.22	0.22	0%	0.25	0.25	0%	0.25	0.25	0%

Source: Inderes

# Valuation is rather low

## Valuation summary

Anora's expected return over the next few years consists of both dividend yield and earnings growth. The stock's 2025 valuation level is still neutral with earnings multiples (P/E 10x). The valuation picture looks moderate with other indicators, and the free cash flow/dividend yield alone reaches or exceeds our required return. Considering the expected earnings growth in 2026-27, the expected return turns positive.

## DCF model value EUR 3.5

Due to the stable industry, steady growth and relatively easily predictable business, the DCF model is, in our opinion, a relevant valuation method for Anora. Our DCF model gives Anora a debt-free value of about 530 MEUR, which means that the value of the share capital is about 235 MEUR, or EUR 3.5 per share. Here we treat sold receivables as debt (about 160 MEUR at the end of 2024).

## Earnings-based valuation is neutral

In terms of the P/E ratio, we see acceptable multiples being 10-12x, which puts the 2025 valuation within the range. However, we see no upside in the multiples.

As regards the EV-based valuation, we note that Anora has a lease liability of little over 100 MEUR, which is not actual financial liability. On the other hand, it has off-balance-sheet sold receivables of some 160 MEUR (at the end of 2024), which can be considered as debt-like assets. We have not adjusted this either way when calculating multiples, but for this reason we do not believe EV-based multiples are the most appropriate for Anora.

## Expected return over 10% in the longer term

We believe Anora has the possibility of substantially increasing its volumes within the existing production facilities. Thus, growth in the foreseeable future will not require significant factory investments and the company can use its free cash flow mainly for dividends and possible acquisitions.

The impact of growth on earnings and return on capital depends on what type of products the company can grow with. However, with our current estimates, growth is rather neutral from the point of view of return on capital and hence value creation. Therefore, the company's level of return on capital is mainly determined by its profitability level. In recent years (after the strong period caused by COVID), the company's profitability has been constantly disappointing and at a low level. However, in the next few years we expect profitability to improve slightly from the level of recent years.

Although our return on capital projections are only around our required return levels even looking further into the future, Anora's expected return at current valuations is also decent in the longer term. If Anora were to pay out all of its 2025 net result/free cash flow in dividends (around 20 MEUR), the dividend yield would be around 10%, which exceeds our required return of around 8%. With earnings rising in the coming years, the yield potential increases to over 10% in the medium term. However, we see a risk that profitability will remain at a lower level than we predict in the future, which would naturally depress the expected return. If the result is potentially lower than our expectations, the indebted balance sheet would also bring additional risk to the shareholder.

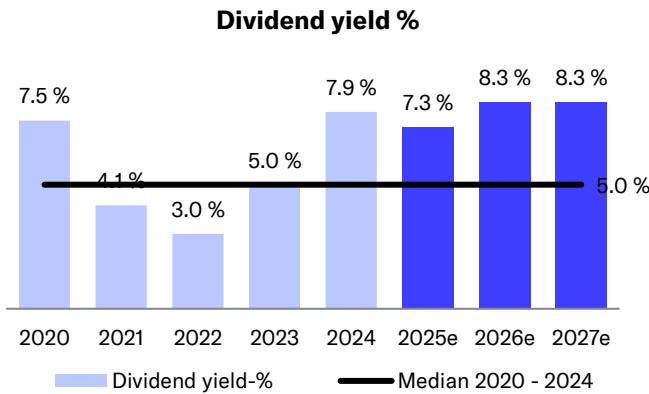
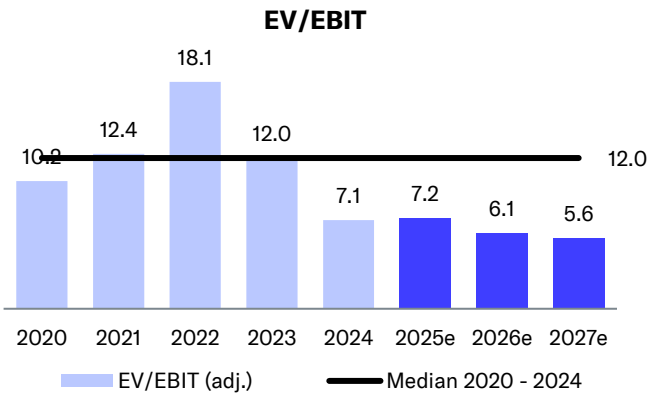
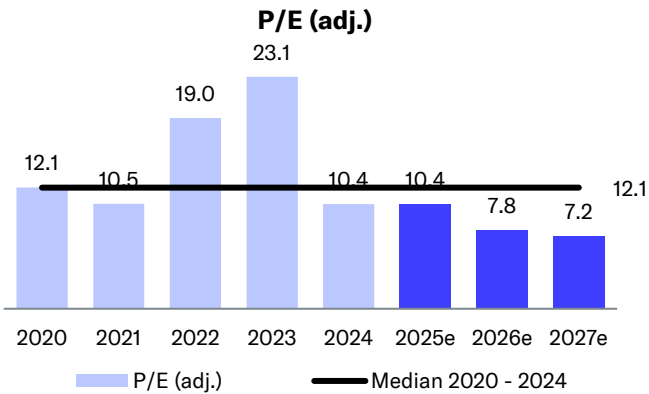
Valuation	2025e	2026e	2027e
Share price	3.03	3.03	3.03
Number of shares, millions	67.6	67.6	67.6
Market cap	205	205	205
EV	314	301	289
P/E (adj.)	10.4	7.8	7.2
P/E	10.0	7.8	7.2
P/B	0.5	0.5	0.5
P/S	0.3	0.3	0.3
EV/Sales	0.5	0.4	0.4
EV/EBITDA	4.4	4.0	3.8
EV/EBIT (adj.)	7.2	6.1	5.6
Payout ratio (%)	73%	65%	59%
Dividend yield-%	7.3 %	8.3 %	8.3 %

Source: Inderes

# Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	9.98	10.9	7.36	4.44	2.80	3.03	3.03	3.03	3.03
Number of shares, millions	36.1	46.6	67.6	67.6	67.6	67.6	67.6	67.6	67.6
Market cap	361	736	498	300	189	205	205	205	205
EV	357	864	778	419	298	314	301	289	276
P/E (adj.)	12.1	10.5	19.0	23.1	10.4	10.4	7.8	7.2	6.7
P/E	20.3	11.9	27.7	neg.	18.0	10.0	7.8	7.2	6.7
P/B	2.3	1.5	1.0	0.7	0.5	0.5	0.5	0.5	0.5
P/S	1.1	1.1	0.7	0.4	0.3	0.3	0.3	0.3	0.3
EV/Sales	1.0	1.3	1.1	0.6	0.4	0.5	0.4	0.4	0.4
EV/EBITDA	8.9	9.1	11.5	6.2	4.9	4.4	4.0	3.8	3.5
EV/EBIT (adj.)	10.2	12.4	18.1	12.0	7.1	7.2	6.1	5.6	5.1
Payout ratio (%)	152.7 %	71.2 %	82.9 %	neg.	141.2 %	72.9 %	64.8 %	59.5 %	60.0 %
Dividend yield-%	7.5 %	4.1 %	3.0 %	5.0 %	7.9 %	7.3 %	8.3 %	8.3 %	8.9 %

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
Brown-Forman	14316	16294	16.2	15.1	15.0	14.0	4.6	4.5	18.9	18.5	2.6	2.7	4.2
Davide Campari Milano	7368	9558	15.4	14.2	12.7	11.7	3.0	2.9	20.2	18.0	1.2	1.2	1.4
Diageo	56560	77627	15.3	14.7	13.6	13.0	4.3	4.2	17.9	16.9	3.6	3.6	5.8
Pernod-Ricard	24586	37633	13.0	13.4	11.3	11.6	3.4	3.5	13.8	14.2	4.6	4.5	1.5
Remy-Cointreau	2521	3151	14.3	15.0	12.2	12.4	3.2	3.2	20.3	21.1	3.3	3.1	1.3
Constellation Brands	29356	39617	13.0	14.2	11.5	12.4	4.4	4.7	13.9	14.7	2.2	2.2	4.3
Olvi	684	674	7.7	7.2	5.9	5.5	1.0	1.0	10.1	9.4	4.3	4.6	1.9
Royal Unibrew	3586	4456	15.3	14.1	11.5	10.7	2.1	2.0	17.7	15.9	2.9	3.2	3.9
<b>Anora (Inderes)</b>	<b>205</b>	<b>314</b>	<b>7.2</b>	<b>6.1</b>	<b>4.4</b>	<b>4.0</b>	<b>0.5</b>	<b>0.4</b>	<b>10.4</b>	<b>7.8</b>	<b>7.3</b>	<b>8.3</b>	<b>0.5</b>
<b>Average</b>			<b>13.8</b>	<b>13.3</b>	<b>11.5</b>	<b>11.1</b>	<b>3.0</b>	<b>3.0</b>	<b>16.6</b>	<b>15.8</b>	<b>3.1</b>	<b>3.3</b>	<b>2.9</b>
<b>Median</b>			<b>14.3</b>	<b>14.2</b>	<b>11.5</b>	<b>11.7</b>	<b>3.2</b>	<b>3.2</b>	<b>17.7</b>	<b>15.9</b>	<b>3.3</b>	<b>3.2</b>	<b>2.1</b>
<b>Diff-% to median</b>			<b>-50%</b>	<b>-57%</b>	<b>-62%</b>	<b>-66%</b>	<b>-86%</b>	<b>-86%</b>	<b>-41%</b>	<b>-51%</b>	<b>119%</b>	<b>159%</b>	<b>-76%</b>

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	727	147	177	163	205	692	141	178	164	206	689	703	710	717
Wine	334	67	82	74	100	323	65	83	75	101	324	330	334	337
Spirits	237	47	59	53	69	227	45	60	54	70	228	233	238	242
Industrial	270	55	61	60	58	234	51	55	55	55	216	220	220	220
Group and eliminations	-114.3	-22	-25	-24	-22	-92.0	-19	-20	-20	-20	-79	-81	-81	-82
EBITDA	67.5	7.7	14.9	15.4	23.3	61.3	8.9	17.0	16.5	28.5	70.9	74.9	76.0	78.1
Depreciation	-98.8	-6.9	-6.5	-6.8	-6.6	-26.8	-6.8	-6.6	-6.6	-6.6	-26.6	-25.3	-24.7	-24.3
EBIT (excl. NRI)	34.8	1.9	8.7	9.2	22.3	42.1	1.2	10.4	9.9	21.9	43.4	49.6	51.3	53.8
EBIT	-31.3	0.8	8.4	8.6	16.7	34.5	2.1	10.4	9.9	21.9	44.3	49.6	51.3	53.8
Wine (EBITDA)	12.4	2.6	4.4	1.5	13.6	22.1	0.2	5.0	4.0	12.0	21.2	24.8	25.0	25.3
Spirits (EBITDA)	40.3	6.8	8.9	9.2	13.1	38.0	7.2	9.5	9.0	14.0	39.7	40.8	41.6	42.4
Industrial (EBITDA)	17.5	0.8	3.4	5.4	5.1	14.7	3.1	4.0	4.0	4.0	15.1	15.4	15.4	15.4
Group and eliminations	-1.9	-1.4	-1.4	-0.3	-2.8	-5.9	-2.5	-1.5	-0.5	-1.5	-6.0	-6.0	-6.0	-5.0
Share of profits in assoc. compan.	0.2	0.7	-0.3	-0.2	0.0	0.3	-0.2	0.5	-0.1	0.0	0.2	0.4	0.4	0.4
Net financial items	-22.8	-4.5	-5.7	-4.8	-5.1	-20.0	-4.3	-4.5	-4.5	-4.5	-17.8	-16.0	-15.0	-15.0
PTP	-53.8	-3.0	2.5	3.6	11.6	14.7	-2.4	6.4	5.3	17.4	26.7	34.0	36.7	39.2
Taxes	13.9	0.8	-0.7	-0.5	-3.3	-3.7	0.1	-1.3	-1.1	-3.7	-6.0	-7.6	-8.0	-8.5
Minority interest	0.0	0.0	-0.1	0.0	-0.4	-0.5	0.0	0.0	0.0	-0.3	-0.3	-0.3	-0.3	-0.3
Net earnings	-39.9	-2.2	1.7	3.1	7.9	10.5	-2.3	5.1	4.2	13.4	20.4	26.1	28.4	30.4
EPS (adj.)	0.19	-0.02	0.03	0.06	0.20	0.27	-0.04	0.07	0.06	0.20	0.29	0.39	0.42	0.45
EPS (rep.)	-0.59	-0.03	0.03	0.05	0.12	0.16	-0.03	0.07	0.06	0.20	0.30	0.39	0.42	0.45

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-%	3.4 %	-7.9 %	-3.1 %	-6.0 %	-2.8 %	-4.7 %	-3.7 %	0.2 %	0.8 %	0.3 %	-0.4 %	2.0 %	1.0 %	1.0 %
Adjusted EBIT growth-%	-19.0 %	-392.3 %	79.4 %	-21.7 %	18.3 %	21.0 %	-36.8 %	19.5 %	7.6 %	-1.8 %	3.1 %	14.3 %	3.4 %	4.9 %
EBITDA-%	9.3 %	5.2 %	8.4 %	9.5 %	11.3 %	8.9 %	6.3 %	9.6 %	10.1 %	13.8 %	10.3 %	10.7 %	10.7 %	10.9 %
Adjusted EBIT-%	4.8 %	1.3 %	4.9 %	5.7 %	10.9 %	6.1 %	0.8 %	5.9 %	6.0 %	10.6 %	6.3 %	7.1 %	7.2 %	7.5 %
Net earnings-%	-5.5 %	-1.5 %	1.0 %	1.9 %	3.9 %	1.5 %	-1.6 %	2.8 %	2.6 %	6.5 %	3.0 %	3.7 %	4.0 %	4.2 %

Source: Inderes

# Balance sheet

Assets	2023	2024	2025e	2026e	2027e
<b>Non-current assets</b>	<b>654</b>	<b>628</b>	<b>629</b>	<b>629</b>	<b>630</b>
Goodwill	304	299	299	299	299
Intangible assets	206	194	194	194	194
Tangible assets	131	122	121	121	121
Associated companies	12.3	11.6	11.6	11.6	11.6
Other investments	0.7	0.7	1.0	1.0	1.0
Other non-current assets	0.0	0.2	0.0	0.0	0.0
Deferred tax assets	0.0	0.0	3.0	3.0	3.0
<b>Current assets</b>	<b>482</b>	<b>442</b>	<b>421</b>	<b>429</b>	<b>433</b>
Inventories	144	139	138	141	142
Other current assets	14.5	7.2	7.2	7.2	7.2
Receivables	110	114	103	105	106
Cash and equivalents	213	182	172	176	177
<b>Balance sheet total</b>	<b>1136</b>	<b>1070</b>	<b>1050</b>	<b>1058</b>	<b>1063</b>

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
<b>Equity</b>	<b>409</b>	<b>399</b>	<b>405</b>	<b>416</b>	<b>428</b>
Share capital	61.5	61.5	61.5	61.5	61.5
Retained earnings	55.4	50.1	55.6	66.8	78.4
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	291	286	286	286	286
Minorities	0.5	0.9	1.2	1.5	1.8
<b>Non-current liabilities</b>	<b>375</b>	<b>306</b>	<b>302</b>	<b>288</b>	<b>279</b>
Deferred tax liabilities	36.8	35.4	35.4	35.4	35.4
Provisions	2.4	2.6	2.6	2.6	2.6
Interest bearing debt	336	268	264	250	241
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.1	0.1	0.0	0.0	0.0
<b>Current liabilities</b>	<b>352</b>	<b>364</b>	<b>343</b>	<b>354</b>	<b>356</b>
Interest bearing debt	15.4	34.9	21.5	25.6	24.6
Payables	328	324	317	323	327
Other current liabilities	8.7	5.0	5.0	5.0	5.0
<b>Balance sheet total</b>	<b>1136</b>	<b>1070</b>	<b>1050</b>	<b>1058</b>	<b>1063</b>

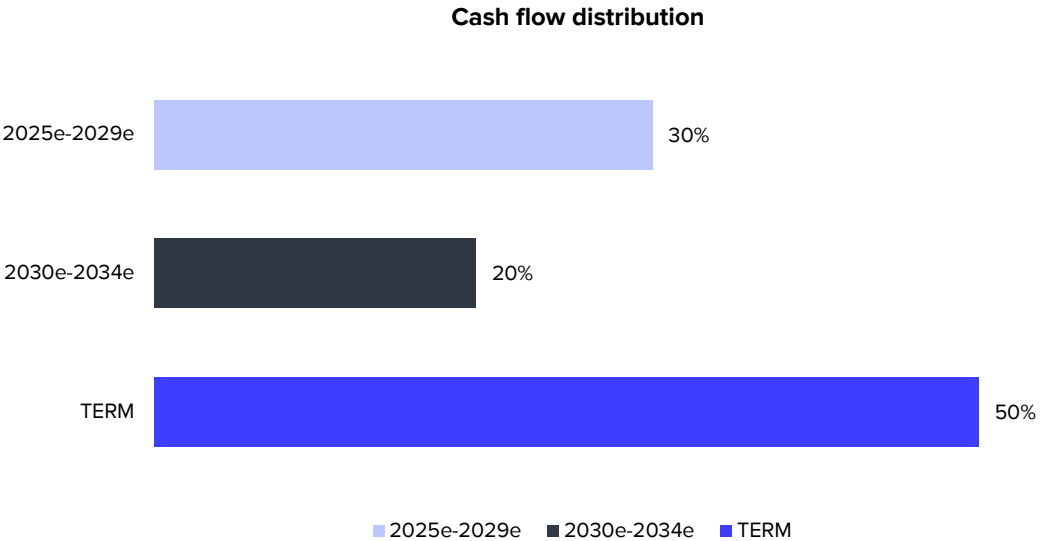
# DCF-calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-4.7 %	-0.4 %	2.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %
EBIT-%	5.0 %	6.4 %	7.1 %	7.2 %	7.5 %	7.0 %	7.0 %	7.0 %	7.0 %	7.0 %	7.0 %	7.0 %
<b>EBIT (operating profit)</b>	<b>34.5</b>	<b>44.3</b>	<b>49.6</b>	<b>51.3</b>	<b>53.8</b>	<b>50.7</b>	<b>51.2</b>	<b>51.7</b>	<b>52.2</b>	<b>52.8</b>	<b>53.3</b>	
+ Depreciation	26.8	26.6	25.3	24.7	24.3	24.6	24.9	25.1	25.4	25.7	25.6	
- Paid taxes	-5.1	-9.0	-7.6	-8.0	-8.5	-7.9	-8.0	-8.1	-8.2	-8.3	-7.8	
- Tax, financial expenses	-6.4	-5.2	-4.8	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-4.4	-3.9	
+ Tax, financial income	1.3	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	0.0	
- Change in working capital	1.2	4.4	1.5	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	
<b>Operating cash flow</b>	<b>52.3</b>	<b>62.2</b>	<b>65.2</b>	<b>65.5</b>	<b>67.1</b>	<b>64.9</b>	<b>65.6</b>	<b>66.3</b>	<b>67.0</b>	<b>67.7</b>	<b>68.0</b>	
+ Change in other long-term liabilities	0.2	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-1.2	-25.1	-25.3	-25.5	-25.8	-26.0	-26.3	-35.6	-28.8	-27.4	-29.0	
<b>Free operating cash flow</b>	<b>51.3</b>	<b>37.0</b>	<b>40.0</b>	<b>40.0</b>	<b>41.3</b>	<b>38.9</b>	<b>39.3</b>	<b>30.7</b>	<b>38.1</b>	<b>40.3</b>	<b>39.0</b>	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	51.3	37.0	40.0	40.0	41.3	38.9	39.3	30.7	38.1	40.3	39.0	562
<b>Discounted FCFF</b>		<b>35.2</b>	<b>35.2</b>	<b>32.6</b>	<b>31.2</b>	<b>27.2</b>	<b>25.4</b>	<b>18.4</b>	<b>21.1</b>	<b>20.7</b>	<b>18.5</b>	<b>267</b>
Sum of FCFF present value		532	497	462	429	398	371	345	327	306	285	267
<b>Enterprise value DCF</b>		<b>532</b>										
- Interest bearing debt		-467										
+ Cash and cash equivalents		182										
-Minorities		-0.6										
-Dividend/capital return		-14.9										
<b>Equity value DCF</b>		<b>236</b>										
<b>Equity value DCF per share</b>		<b>3.5</b>										

## WACC

Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	6.0 %
Equity Beta	1.03
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>8.4 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>8.0 %</b>

Source: Inderes



# Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	702.7	726.5	692.0	688.9	702.7	EPS (reported)	0.27	-0.59	0.16	0.30	0.39
EBITDA	67.9	67.5	61.3	70.9	74.9	EPS (adj.)	0.39	0.19	0.27	0.29	0.39
EBIT	34.7	-31.3	34.5	44.3	49.6	OCF / share	-0.06	2.88	0.77	0.92	0.96
PTP	23.4	-53.8	14.7	26.7	34.0	FCF / share	-1.73	3.02	0.76	0.55	0.59
Net Income	17.9	-39.9	10.5	20.4	26.1	Book value / share	7.11	6.04	5.89	5.97	6.14
Extraordinary items	-8.2	-66.1	-7.6	0.9	0.0	Dividend / share	0.22	0.22	0.22	0.22	0.25
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	1301.3	1135.7	1069.6	1049.9	1058.1	Revenue growth-%	6%	3%	-5%	0%	2%
Equity capital	481.6	408.7	398.9	404.7	416.2	EBITDA growth-%	-29%	-1%	-9%	16%	6%
Goodwill	310.5	304.3	299.1	299.1	299.1	EBIT (adj.) growth-%	-38%	-19%	21%	3%	14%
Net debt	300.9	138.2	121.6	113.1	100.0	EPS (adj.) growth-%	-63%	-50%	40%	8%	33%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	9.7 %	9.3 %	8.9 %	10.3 %	10.7 %
EBITDA	67.9	67.5	61.3	70.9	74.9	EBIT (adj.)-%	6.1 %	4.8 %	6.1 %	6.3 %	7.1 %
Change in working capital	-75.4	138.9	1.2	4.4	1.5	EBIT-%	4.9 %	-4.3 %	5.0 %	6.4 %	7.1 %
Operating cash flow	-4.1	194.5	52.3	62.2	65.2	ROE-%	3.6 %	-9.0 %	2.6 %	5.1 %	6.4 %
CAPEX	-111.7	10.1	-1.2	-25.1	-25.3	ROI-%	4.9 %	-3.2 %	5.4 %	7.1 %	8.0 %
Free cash flow	-117.2	203.8	51.3	37.0	40.0	Equity ratio	37.0 %	36.0 %	37.3 %	38.5 %	39.3 %
						Gearing	62.5 %	33.8 %	30.5 %	27.9 %	24.0 %
Valuation multiples	2022	2023	2024	2025e	2026e						
EV/S	1.1	0.6	0.4	0.5	0.4						
EV/EBITDA	11.5	6.2	4.9	4.4	4.0						
EV/EBIT (adj.)	18.1	12.0	7.1	7.2	6.1						
P/E (adj.)	19.0	23.1	10.4	10.4	7.8						
P/B	1.0	0.7	0.5	0.5	0.5						
Dividend-%	3.0 %	5.0 %	7.9 %	7.3 %	8.3 %						

Source: Inderes

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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
9/27/2022	Reduce	7.50 €	7.05 €
11/24/2022	Reduce	7.50 €	7.40 €
3/1/2023	Reduce	6.80 €	6.45 €
3/29/2023	Accumulate	6.20 €	5.19 €
5/12/2023	Accumulate	6.20 €	5.26 €
7/26/2023	Accumulate	5.50 €	4.80 €
8/16/2023	Accumulate	4.70 €	4.30 €
8/28/2023	Accumulate	5.00 €	4.46 €
9/7/2023	Buy	5.50 €	4.74 €
11/10/2023	Buy	5.50 €	4.44 €
1/12/2024	Buy	5.50 €	4.44 €
2/15/2024	Buy	5.50 €	4.42 €
4/8/2024	Accumulate	5.50 €	5.39 €
5/8/2024	Accumulate	5.30 €	4.72 €
8/14/2024	Accumulate	5.00 €	4.43 €
8/21/2024	Accumulate	5.00 €	4.32 €
10/15/2024	Reduce	3.80 €	3.77 €
11/8/2024	Reduce	3.40 €	3.22 €
1/15/2025	Reduce	3.00 €	2.80 €
2/13/2025	Accumulate	3.30 €	3.11 €
4/10/2025	Accumulate	3.50 €	3.32 €
5/5/2025	Accumulate	3.50 €	3.38 €
5/8/2025	Accumulate	3.50 €	3.03 €



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