

Anora

Company report

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Rauli Juva
+358 50 588 0092
rauli.juva@inderes.fi

✓ Inderes corporate customer

This report is a summary translation of the report "Arvostus korjaantunut, näkymä edelleen hyvä" published on 4/7/2024 at 11:55 am EEST

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Valuation corrected, outlook still good

Anora's share has risen by over 20% since our last update. In our opinion, the company's Q1 has gone roughly according to our and the company's expectations, so we have not changed our forecasts in this report. We reiterate our EUR 5.5 target price but lower our recommendation to Accumulate (previously Buy).

Market volumes still declined in early 2024, but the margin outlook is good

Anora arranged a pre-silent period call last Friday, commenting that the volume development of its main markets had still been slightly negative in early 2024. This is also the basis of the company's full-year guidance, so we do not consider this a negative surprise. The company also reiterated its message that, with stabilized costs, lower exchange rate changes and increased currency hedging, as well as price increases, its gross margin development should be positive. It seems that Anora has recently been more aggressive in price increases than its rival Viva Wine that still expects its Q1 margin to be weakish and the margin to improve in Q2. Savings and efficiency measures have also been made on the fixed costs side, so margin development should be positive. Wine segment's distribution agreements that were lost in early 2023 in Sweden and were still partly included in Q1'23 will be negatively visible in Q1. According to the company, the port strikes did not have a significant impact on its operations. Q1 is seasonally the weakest earnings quarter, but we expect adjusted EBITDA to improve to 10 MEUR from last year's 8 MEUR.

As expected, the guidance indicates earnings growth, we expect profitability to improve gradually in 2024-26

For this year, Anora expects an adjusted EBITDA margin of 75-85 MEUR. Reaching the midpoint of the range would represent an improvement of more than 10 MEUR compared to last year. This year we expect adjusted EBITDA of 81 MEUR and we have not made any significant forecast changes in this report. Anora's 2023 performance was weak relative to its history and, in our view, to its potential, mainly due to three factors: 1) the weakening of the SEK and NOK, 2) the poor performance of Globus Wine (Denmark), and 3) the loss of principals in wine distribution. All of these mainly affected the Wine segment. On the first point, price increases have already clearly improved the situation in Q4'23 and the increase in currency hedges will support a smoother development going forward. Rectifying points 2 and 3 is slower and we believe will take place gradually in 2024-25. In addition, cost efficiency should support earnings already in 2024. We expect Anora's earnings to rise to around 80 MEUR this year, in line with guidance, and to continue the upward trend to around 90 MEUR in 2025-26, which we see as somewhat normal for Anora. This means an adjusted EBITDA margin of around 12%, which is still well below the company's target of 16% in 2030.

Price rise has closed up the clear undervaluation

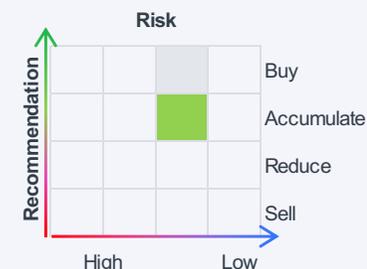
Anora's price has risen by more than 20% since our last update, which means that, e.g., this year's P/E 12x is at the level of the acceptable ratios. Similarly, the P/B ratio of 0.9x is already close to the long-term sustainable level of around 1x, as we believe that the return on capital will reach our required return in the longer term. The usefulness of EV ratios is weakened by large lease liabilities and off-balance sheet sales receivables that have been sold. Our DCF value is in line with the target price. The expected return is supported by a rising 5-10% dividend yield, so we still find the risk/reward ratio attractive, but clearly more moderate due to the price rise.

Recommendation

Accumulate
(previous Buy)

EUR 5.50
(previous EUR 5.50)

Share price:
5.39



Key figures

	2023	2024e	2025e	2026e
Revenue	727.6	724.0	743.6	758.4
growth-%	4%	0%	3%	2%
EBITDA (adj.)	69.4	81.0	86.6	90.5
EBITDA-% (adj.)	9.5 %	11.2 %	11.6 %	11.9 %
Net Income	-39.0	29.6	35.5	42.1
EPS (adj.)	0.21	0.44	0.52	0.62
P/E (adj.)	21.6	12.3	10.3	8.7
P/B	0.7	0.9	0.8	0.8
Dividend yield-%	5.0 %	4.6 %	5.6 %	7.4 %
EV/EBIT (adj.)	11.7	8.5	7.2	6.3
EV/EBITDA	6.1	5.7	4.9	4.4
EV/S	0.6	0.6	0.6	0.5

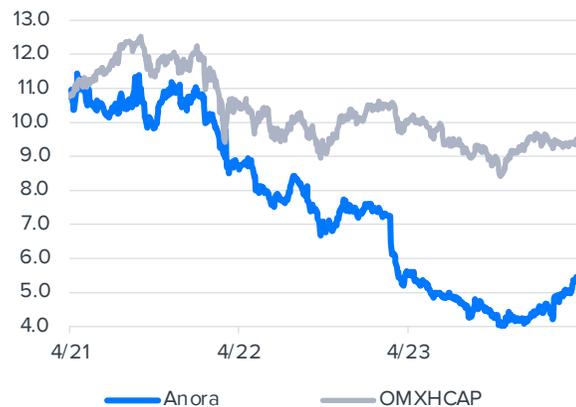
Source: Inderes

Guidance

(Unchanged)

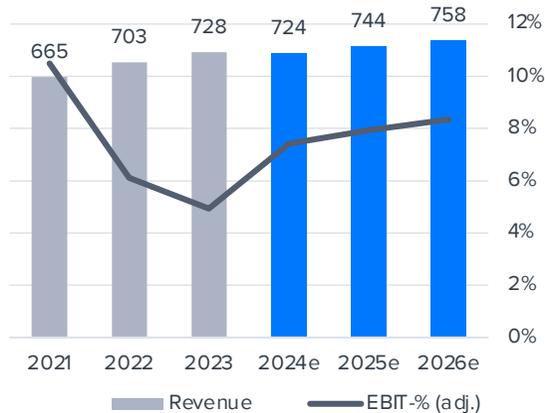
In 2024, Anora's comparable EBITDA is expected to be between 75-85 MEUR (2023: 69 MEUR)

Share price



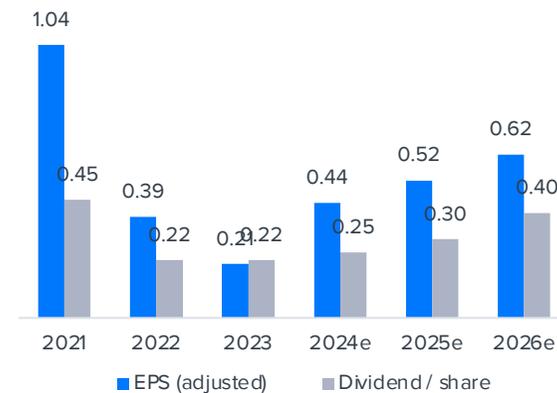
Source: Millstream Market Data AB

Revenue and EBIT-%



Source: Inderes

EPS and dividend



Source: Inderes



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 affects earnings
- Anora will continue to seek acquisitions, which involves risks related to the price and integration

Valuation	2024e	2025e	2026e
Share price	5.39	5.39	5.39
Number of shares, millions	67.6	67.6	67.6
Market cap	364	364	364
EV	458	423	400
P/E (adj.)	12.3	10.3	8.7
P/E	12.3	10.3	8.7
P/B	0.9	0.8	0.8
P/S	0.5	0.5	0.5
EV/Sales	0.6	0.6	0.5
EV/EBITDA	5.7	4.9	4.4
EV/EBIT (adj.)	8.5	7.2	6.3
Payout ratio (%)	57%	57%	64%
Dividend yield-%	4.6 %	5.6 %	7.4 %

Source: Inderes

The stock is still attractive

Valuation summary – Accumulate

Anora's expected return for the next few years consists of both a dividend yield and earnings growth, as merger synergies materialize and the current headwind from FX alleviates and/or is compensated for with price increases. The valuation level for 2023 is still high by earnings multiples, but already attractive from 2025 onwards. Looking at other valuation methods, the valuation picture seems moderate overall.

We see the total expected return for the stock as consisting of dividend yield, earnings growth driven by improved profitability and a decrease in multiples (vs. 2023 actualized level).

Value of DCF model close to current share price

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 675 MEUR, which means that the value of the share capital is about 370 MEUR, or EUR 5.6 per share. Here we treat sold receivables as debt.

After our more detailed forecast years (2024-26), we forecast only 1% growth in revenue for the company from 2028 onwards. We assume the EBIT margin to be 7-7.5%. This means that EBIT will be 55-60 MEUR in 2028-33. Investments remain close to the depreciation level.

Because the company's demand is even and defensive and profitability is stable, we use a relatively low 7.6 % WACC. About half of the cash flows will already be generated in the next 10 years and the other half in the terminal period.

Earnings-based valuation neutral in 2024

For the P/E ratio, we see acceptable multiples of 11-13x, with this year's ratio at the middle of the range. In 2025-26 the valuation is at 10x or below it, which we think is cheap, and we expect Anora's performance in those years to be relatively normal. This provides upside for the share with earnings growth.

Anora's EV/EBIT valuation is approximately 8.5x with 2024 earnings. In its current form, Anora has only been operational for one year, but we find Altia's historic valuation levels relevant also to Anora, as the return on capital and growth profile are very similar. Examined like this, Altia's/Anora's average historical EV/EBIT is about 12x. Similarly, the P/E ratio for 2024 is 12x and the historical average is 12x.

As regards the EV-based valuation, we note that Anora has a relatively high lease liability in its balance sheet, over 100 MEUR, relative to its value, which is not an actual financial liability. On the other hand, it has off-balance-sheet sold receivables of some 170 MEUR 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.

Valuation	2024e	2025e	2026e
Share price	5.39	5.39	5.39
Number of shares, millions	67.6	67.6	67.6
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EV/Sales	0.6	0.6	0.5
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EV/EBIT (adj.)	8.5	7.2	6.3
Payout ratio (%)	57%	57%	64%
Dividend yield-%	4.6 %	5.6 %	7.4 %

Source: Inderes

Expected return approximately 10% per year

Balance sheet-based valuation on the cheaper side

With our estimates, Anora's return on capital (both ROE and ROCE) will be around 9-10% in 2025-26. The rate of return is thus slightly above our required return (8.0% for equity, 7.6% for total capital). Thus, the P/B ratio should be slightly above 1.0x. The same is true for the EV/IC ratio (i.e. enterprise value/invested capital). At the current share price, both the P/B and EV/IC ratios for 2024-25 are 0.8-0.9x. The level is justified at current earnings levels, but we believe that medium-term return on capital levels justify around 1x levels. The book value per share is just over EUR 6. In this respect, the stock still has upside, but on the other hand, the return required here is only achieved in our forecasts within a 1-2-year horizon.

Expected return around 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.

Organic growth, however, ties up working capital which limits the return on capital generated by growth. The impact of growth on earnings and return on capital naturally 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.

Although our return on capital projections are only slightly above our required return also looking further into the future, Anora's expected return at current valuations is reasonably good also in the longer term. If Anora would distribute its entire free cash flow as dividends (some 35 MEUR) the dividend yield would be approximately 10%. In our opinion, this describes Anora's long-term annual return potential well. The return is above our required return of some 8%.

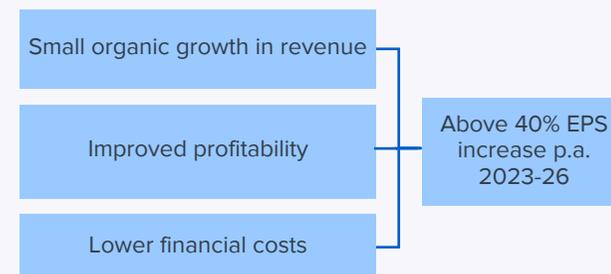
Valuation compared to the peer group

In our opinion, Anora has no direct peers, either in the Nordic countries nor internationally. We use major international alcohol producers as our peer group. Anora's multiples are well below the average/median of the peer group with both earnings-based and balance sheet multiples, as should be. This is due to Anora's lower profitability, return on capital and growth. So we do not feel peer group comparison provides essential support to Anora's valuation.

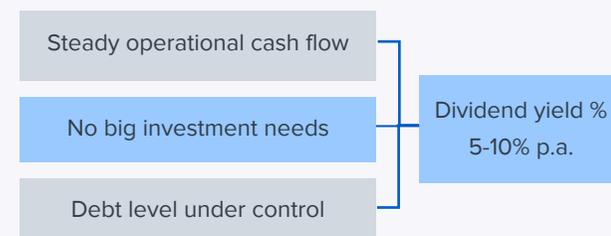
TSR drivers 2023-2026

■ Positive ■ Neutral ■ Negative

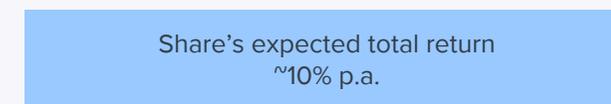
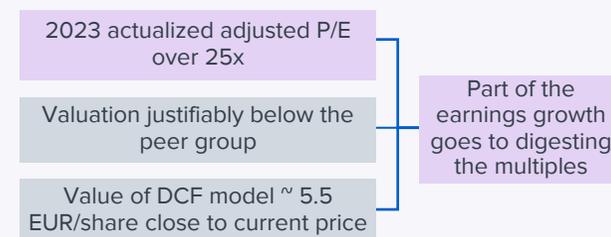
Profit drivers



Dividend yield drivers



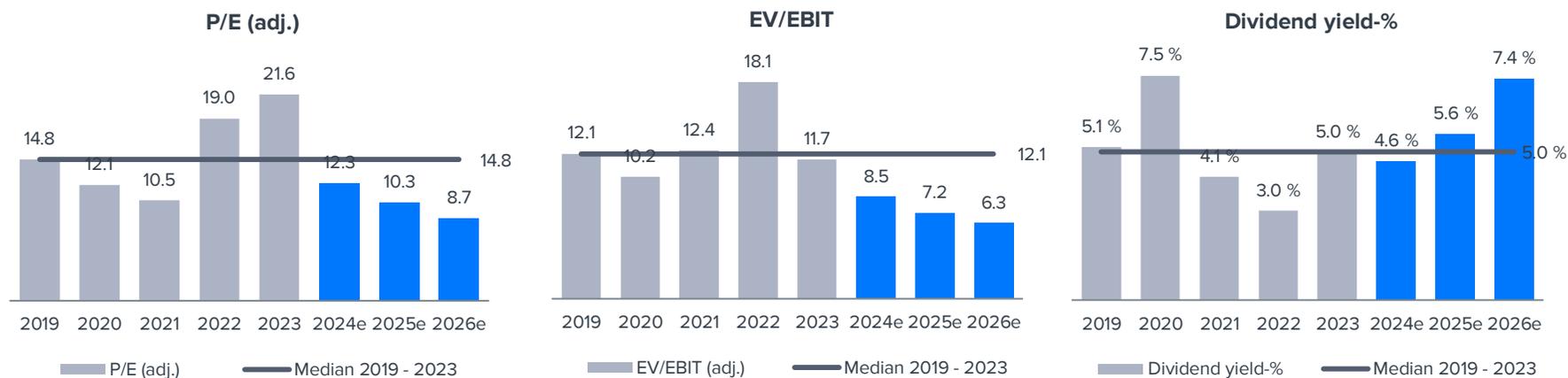
Valuation multiple drivers



Valuation table

Valuation	2019	2020	2021	2022	2023	2024e	2025e	2026e	2027e
Share price	8.20	9.98	10.9	7.36	4.44	5.39	5.39	5.39	5.39
Number of shares, millions	36.1	36.1	46.6	67.6	67.6	67.6	67.6	67.6	67.6
Market cap	296	361	736	498	300	364	364	364	364
EV	325	357	864	778	419	458	423	400	381
P/E (adj.)	14.8	12.1	10.5	19.0	21.6	12.3	10.3	8.7	7.9
P/E	16.1	20.3	11.9	27.7	neg.	12.3	10.3	8.7	7.9
P/B	2.0	2.3	1.5	1.0	0.7	0.9	0.8	0.8	0.8
P/S	0.8	1.1	1.1	0.7	0.4	0.5	0.5	0.5	0.5
EV/Sales	0.9	1.0	1.3	1.1	0.6	0.6	0.6	0.5	0.5
EV/EBITDA	7.6	8.9	9.1	11.5	6.1	5.7	4.9	4.4	4.1
EV/EBIT (adj.)	12.1	10.2	12.4	18.1	11.7	8.5	7.2	6.3	5.8
Payout ratio (%)	82.6 %	152.7 %	71.2 %	82.9 %	neg.	57.0 %	57.2 %	64.3 %	70.0 %
Dividend yield-%	5.1 %	7.5 %	4.1 %	3.0 %	5.0 %	4.6 %	5.6 %	7.4 %	8.8 %

Source: Inderes



Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	MEUR	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e
Brown-Forman	22498	25092	20.8	20.4	19.7	19.1	6.4	6.2	25.9	25.6	1.8	1.8	7.3
Davide Campari Milano	11195	12811	18.8	16.2	16.1	13.8	4.0	3.7	25.7	22.3	0.8	0.9	2.9
Diageo	73980	93961	16.5	15.9	14.8	14.3	5.0	4.8	19.1	18.2	2.8	2.9	7.2
Pernod-Ricard	36082	48451	15.1	14.4	13.3	12.7	4.1	3.9	17.1	15.9	3.2	3.3	2.2
Remy-Cointreau	4536	4996	16.8	15.5	14.7	13.6	4.2	4.0	24.0	22.2	2.3	2.5	2.5
Constellation Brands	44885	55626	18.9	17.2	16.7	14.9	6.1	5.7	22.3	19.8	1.3	1.5	5.0
Olvi	622	598	8.1	7.4	6.0	5.5	0.9	0.9	10.8	9.7	4.3	4.6	1.9
Royal Unibrew	2995	3857	15.1	13.8	11.2	10.4	1.9	1.9	17.9	15.5	4.1	3.6	3.4
Anora (Inderes)	364	458	8.5	7.2	5.7	4.9	0.6	0.6	12.3	10.3	4.6	5.6	0.9
Average			16.3	15.1	14.1	13.0	4.1	3.9	20.3	18.6	2.6	2.6	4.0
Median			16.7	15.7	14.8	13.7	4.2	4.0	20.7	19.0	2.5	2.7	3.1
Diff.% to median			-49%	-54%	-62%	-64%	-85%	-86%	-41%	-46%	83%	105%	-73%

Source: Refinitiv / Inderes

Income statement

Income statement	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24e	Q2'24e	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
Revenue	703	160	183	173	212	728	156	178	175	215	724	744	758	774
Wine	317	73.3	81.6	78.0	101	334	71.0	83.0	81.0	103	338	350	357	364
Spirits	234	48.9	58.4	57.2	73.7	238	50.0	60.0	59.0	77.0	246	251	256	261
Industrial	286	67.5	70.3	71.0	60.7	270	60.0	60.0	65.0	65.0	250	255	260	265
Group and eliminations	-133.2	-30.2	-27.6	-33.2	-23.3	-114.3	-25.0	-25.0	-30.0	-30.0	-110	-112	-114	-117
EBITDA	67.9	6.9	9.9	28.9	23.0	68.6	10.0	16.5	21.5	33.0	81.0	86.6	90.5	92.3
Depreciation	-33.2	-8.6	-8.3	-8.4	-73.6	-98.8	-6.8	-6.8	-6.8	-6.8	-27.2	-27.6	-27.1	-26.7
EBIT (excl. NRI)	42.9	-0.7	4.9	11.8	20.0	35.9	3.2	9.7	14.7	26.2	53.8	59.0	63.4	65.5
EBIT	34.7	-1.7	1.7	20.5	-50.6	-30.2	3.2	9.7	14.7	26.2	53.8	59.0	63.4	65.5
Wine (EBITDA)	23.5	1.2	-1.3	2.3	10.2	12.4	2.5	4.0	5.0	12.0	23.5	27.6	30.3	30.9
Spirits (EBITDA)	37.8	5.8	7.6	11.8	16.2	41.4	6.0	8.0	12.5	17.0	43.5	43.9	44.8	45.7
Industrial (EBITDA)	17.7	2.5	5.9	6.0	3.1	17.5	3.0	3.5	4.0	5.0	15.5	16.6	16.9	17.2
Group and eliminations	-2.8	-1.6	0.8	0.2	-1.3	-1.9	-1.5	1.0	0.0	-1.0	-1.5	-1.5	-1.6	-1.6
Share of profits in assoc. compan.	0.6	1.1	-0.3	-0.3	-0.3	0.2	0.8	0.0	0.0	0.2	1.0	1.0	1.0	1.0
Net financial items	-11.9	-5.3	-6.0	-5.8	-5.6	-22.8	-5.0	-4.5	-4.0	-4.0	-17.5	-15.0	-11.0	-8.2
PTP	23.4	-5.9	-4.7	14.4	-56.5	-52.7	-1.0	5.2	10.7	22.4	37.3	45.0	53.4	58.3
Taxes	-5.3	0.3	0.6	-0.4	13.3	13.7	0.2	-1.0	-2.1	-4.5	-7.5	-9.2	-11.0	-12.0
Minority interest	-0.2	0.0	-0.1	0.0	0.1	0.0	0.0	0.0	-0.1	-0.1	-0.2	-0.3	-0.3	-0.3
Net earnings	17.9	-5.6	-4.2	14.0	-43.1	-39.0	-0.8	4.2	8.5	17.8	29.6	35.5	42.1	46.0
EPS (adj.)	0.39	-0.07	-0.01	0.08	0.21	0.21	-0.01	0.06	0.13	0.26	0.44	0.52	0.62	0.68
EPS (rep.)	0.27	-0.08	-0.06	0.21	-0.64	-0.58	-0.01	0.06	0.13	0.26	0.44	0.52	0.62	0.68
Key figures	2022	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24e	Q2'24e	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
Revenue growth-%	5.7%	19.5%	10.3%	-4.9%	-4.2%	3.6%	-2.2%	-2.6%	1.1%	1.3%	-0.5%	2.7%	2.0%	2.0%
Adjusted EBIT growth-%	-38.5%	-112.5%	-56.8%	-17.7%	62.7%	-16.4%	-592.3%	100.0%	25.1%	31.3%	49.9%	9.6%	7.4%	3.4%
EBITDA-%	9.7%	4.3%	5.4%	16.7%	10.8%	9.4%	6.4%	9.3%	12.3%	15.3%	11.2%	11.6%	11.9%	11.9%
Adjusted EBIT-%	6.1%	-0.4%	2.7%	6.8%	9.4%	4.9%	2.1%	5.4%	8.4%	12.2%	7.4%	7.9%	8.4%	8.5%
Net earnings-%	2.6%	-3.5%	-2.3%	8.1%	-20.3%	-5.4%	-0.5%	2.3%	4.8%	8.3%	4.1%	4.8%	5.5%	5.9%

Source: Inderes

Balance sheet

Assets	2022	2023	2024e	2025e	2026e
Non-current assets	772	654	658	659	660
Goodwill	311	304	304	304	304
Intangible assets	226	206	206	206	206
Tangible assets	214	131	131	132	134
Associated companies	20.7	12.3	12.3	12.3	12.3
Other investments	0.7	0.7	1.0	1.0	1.0
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	0.6	0.0	3.0	3.0	3.0
Current assets	529	482	481	523	451
Inventories	186	144	145	149	152
Other current assets	4.1	14.5	14.5	14.5	14.5
Receivables	248	110	109	112	114
Cash and equivalents	91.4	213	213	248	171
Balance sheet total	1301	1136	1139	1182	1112

Source: Inderes

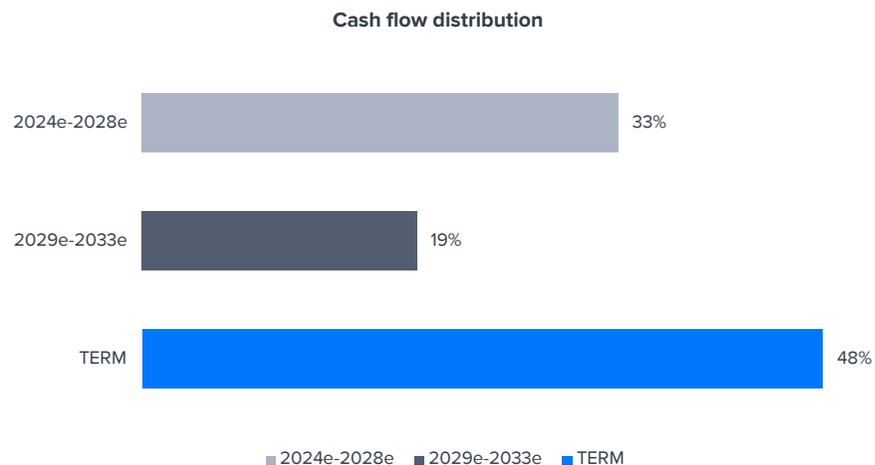
Liabilities & equity	2022	2023	2024e	2025e	2026e
Equity	482	409	424	442	464
Share capital	61.5	61.5	61.5	61.5	61.5
Retained earnings	111	55.4	70.2	88.7	111
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	309	291	291	291	291
Minorities	0.9	0.5	0.7	0.9	1.1
Non-current liabilities	409	375	339	339	239
Deferred tax liabilities	57.3	36.8	36.8	36.8	36.8
Provisions	2.7	2.4	2.4	2.4	2.4
Interest bearing debt	348	336	300	300	200
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.6	0.1	0.0	0.0	0.0
Current liabilities	411	352	376	400	408
Interest bearing debt	43.9	15.4	20.0	20.0	20.0
Payables	364	328	348	372	379
Other current liabilities	2.8	8.7	8.7	8.7	8.7
Balance sheet total	1301	1136	1139	1182	1112

DCF calculation

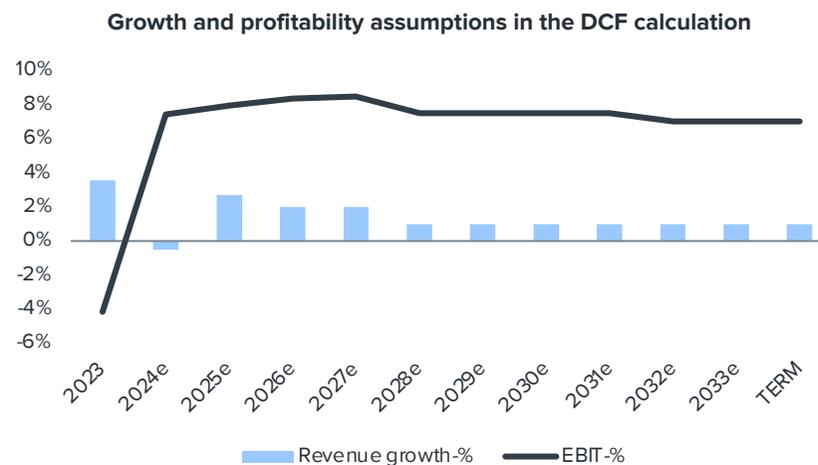
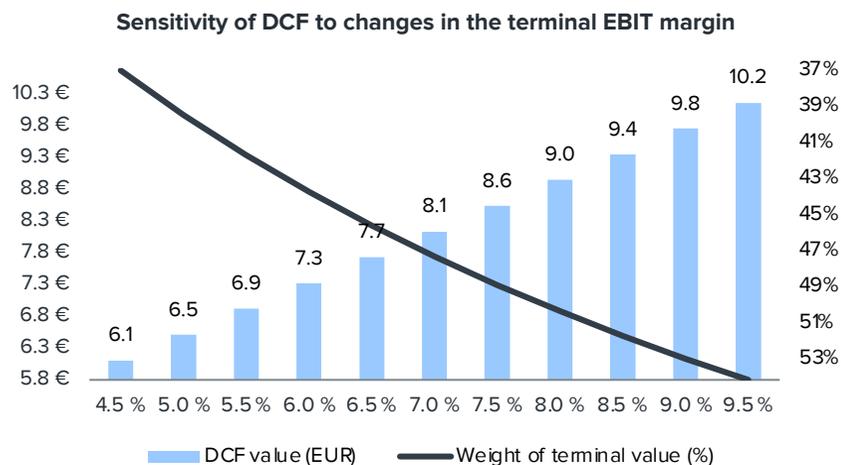
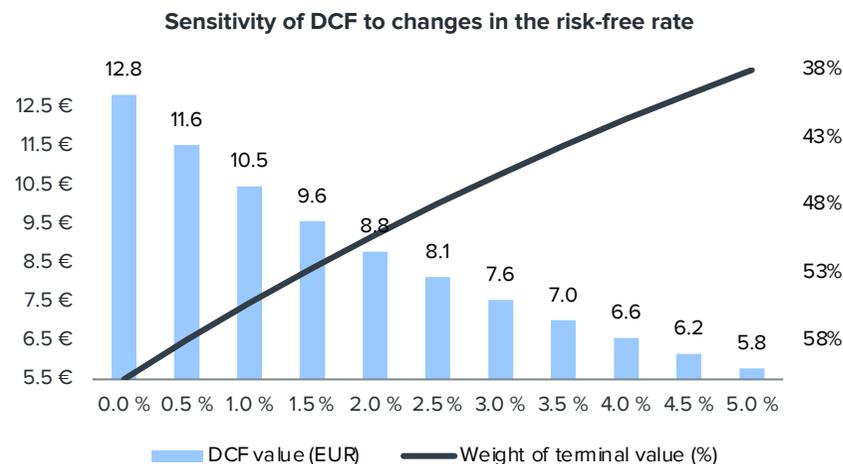
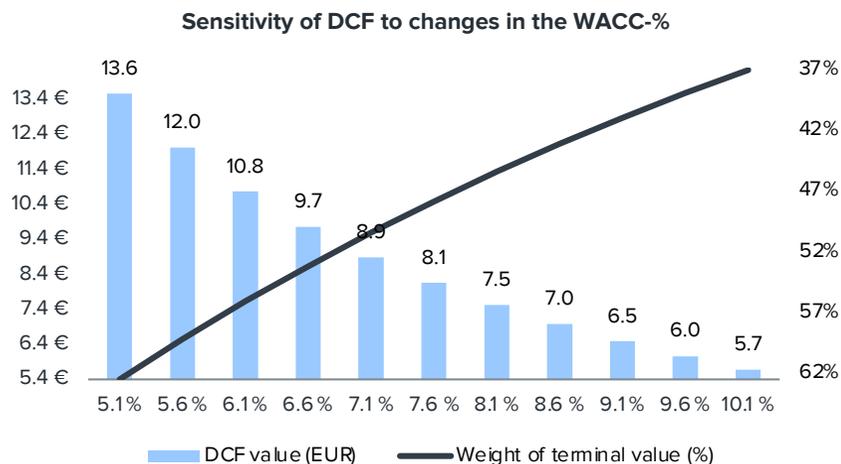
DCF model	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	TERM
Revenue growth-%	3.6 %	-0.5 %	2.7 %	2.0 %	2.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %
EBIT-%	-4.2 %	7.4 %	7.9 %	8.4 %	8.5 %	7.5 %	7.5 %	7.5 %	7.5 %	7.0 %	7.0 %	7.0 %
EBIT (operating profit)	-30.2	53.8	59.0	63.4	65.5	58.6	59.2	59.8	60.4	56.9	57.5	
+ Depreciation	98.8	27.2	27.6	27.1	26.7	27.1	27.5	27.9	28.4	28.7	28.9	
- Paid taxes	-6.2	-10.5	-9.2	-11.0	-12.0	-10.6	-10.7	-10.8	-11.0	-10.2	-9.3	
- Tax, financial expenses	-7.2	-4.6	-4.2	-3.4	-2.8	-2.8	-2.8	-2.8	-2.8	-2.8	-2.8	
+ Tax, financial income	1.3	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	0.0	
- Change in working capital	139	20.3	17.4	2.2	2.3	1.2	1.2	1.2	1.2	1.2	1.2	
Operating cash flow	195	87.3	91.6	79.4	80.8	74.6	75.5	76.3	77.3	74.8	75.6	
+ Change in other long-term liabilities	-0.8	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	10.1	-28.3	-28.3	-28.6	-28.8	-29.1	-29.4	-30.2	-29.6	-30.5	-32.5	
Free operating cash flow	205	58.9	63.3	50.8	51.9	45.5	46.0	46.1	47.7	44.3	43.1	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	205	58.9	63.3	50.8	51.9	45.5	46.0	46.1	47.7	44.3	43.1	657
Discounted FCFF		55.8	55.7	41.6	39.5	32.1	30.2	28.1	27.0	23.3	21.1	321
Sum of FCFF present value		675	620	564	522	483	451	421	393	365	342	321
Enterprise value DCF		675										
- Interest bearing debt		-524										
+ Cash and cash equivalents		213										
-Minorities		-0.6										
-Dividend/capital return		0.0										
Equity value DCF		378										
Equity value DCF per share		5.6										

WACC	
Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	5.5 %
Equity Beta	1.00
Market risk premium	4.75%
Liquidity premium	0.75%
Risk free interest rate	2.5 %
Cost of equity	8.0 %
Weighted average cost of capital (WACC)	7.6 %

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	2021	2022	2023	2024e	2025e	Per share data	2021	2022	2023	2024e	2025e
Revenue	665.0	702.7	727.6	724.0	743.6	EPS (reported)	0.92	0.27	-0.58	0.44	0.52
EBITDA	95.2	67.9	68.6	81.0	86.6	EPS (adj.)	1.04	0.39	0.21	0.44	0.52
EBIT	64.0	34.7	-30.2	53.8	59.0	OCF / share	2.21	-0.06	2.89	1.29	1.36
PTP	54.5	23.4	-52.7	37.3	45.0	FCF / share	-9.11	-1.73	3.03	0.87	0.94
Net Income	42.7	17.9	-39.0	29.6	35.5	Book value / share	10.88	7.11	6.04	6.26	6.53
Extraordinary items	-5.8	-8.2	-66.1	0.0	0.0	Dividend / share	0.45	0.22	0.22	0.25	0.30
Balance sheet	2021	2022	2023	2024e	2025e	Growth and profitability	2021	2022	2023	2024e	2025e
Balance sheet total	1233.3	1301.3	1135.7	1139.1	1182.1	Revenue growth-%	94%	6%	4%	0%	3%
Equity capital	507.9	481.6	408.7	423.7	442.4	EBITDA growth-%	136%	-29%	1%	18%	7%
Goodwill	277.8	310.5	304.3	304.3	304.3	EBIT (adj.) growth-%	99%	-38%	-16%	50%	10%
Net debt	126.1	300.9	138.2	107.1	71.6	EPS (adj.) growth-%	26%	-63%	-47%	113%	20%
Cash flow	2021	2022	2023	2024e	2025e	EBITDA-%	14.3 %	9.7 %	9.4 %	11.2 %	11.6 %
EBITDA	95.2	67.9	68.6	81.0	86.6	EBIT (adj.)-%	10.5 %	6.1 %	4.9 %	7.4 %	7.9 %
Change in working capital	-10.8	-75.4	138.9	20.3	17.4	EBIT-%	9.6 %	4.9 %	-4.2 %	7.4 %	7.9 %
Operating cash flow	102.9	-4.1	195.4	87.3	91.6	ROE-%	12.9 %	3.6 %	-8.8 %	7.1 %	8.2 %
CAPEX	-530.9	-111.7	10.1	-28.3	-28.3	ROI-%	12.1 %	4.9 %	-3.1 %	8.0 %	8.6 %
Free cash flow	-424.4	-117.2	204.7	58.9	63.3	Equity ratio	41.2 %	37.0 %	36.0 %	37.2 %	37.4 %
Valuation multiples	2021	2022	2023	2024e	2025e	Gearing	24.8 %	62.5 %	33.8 %	25.3 %	16.2 %
EV/S	1.3	1.1	0.6	0.6	0.6						
EV/EBITDA (adj.)	9.1	11.5	6.1	5.7	4.9						
EV/EBIT (adj.)	12.4	18.1	11.7	8.5	7.2						
P/E (adj.)	10.5	19.0	21.6	12.3	10.3						
P/B	1.5	1.0	0.7	0.9	0.8						
Dividend-%	4.1 %	3.0 %	5.0 %	4.6 %	5.6 %						

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
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 €



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Inderes Oyj

Itämerentori 2

FI-00180 Helsinki, Finland

+358 10 219 4690

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