

COMPONENTA OYJ

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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Successful adaptation to the market situation

Componenta's Q1 report was better than expected as the company managed to strengthen its profitability despite sluggish production volumes. We have raised our EBITDA forecasts for the current year, but our projections for the coming years are largely unchanged. Our confidence in the company's ability to maintain satisfactory profitability in modest market conditions has strengthened, which we see as a factor slightly reducing the level of risk. In the longer term, the stock's valuation is balanced, but in the short term, we believe the risk/reward ratio is inadequate. We raise our target price to EUR 3.8 and reiterate our Reduce recommendation.

Profitability pushed above forecasts

In Q1, Componenta's revenue grew by 22% to 28.8 MEUR, which was in line with our expectations. The main driver of revenue growth was the machining and service businesses acquired in Q4'24. Q1 EBITDA amounted to 2.4 MEUR (8.3% margin), beating our forecast of 1.9 MEUR. In our view, the development of profitability is encouraging, as the company has now reached a moderate level of profitability for four consecutive quarters despite weak production volumes, but there is still a way to go to achieve a satisfactory return on capital (Q2'24-Q1'25 adjusted ROIC of just under 5%). In addition to the adaptation measures, profitability was strengthened by pricing actions implemented to compensate for the low volumes.

Growth outlook for the agricultural machinery market is brightening

Componenta guides for an improvement in revenue and EBITDA from the previous financial year. We estimate that the business acquisition completed in 2024 will support revenue by more than 10 MEUR, and about half of the EBITDA for the comparison period has been accumulated after Q1'25, which

means that the bar set by the guidance for the end of the year is quite low, and we expect the company to easily reach its guidance.

The order book at the end of Q1 was 17.4 MEUR. Including acquisitions, we expect organic order book growth to remain slightly negative, which supports keeping near-term organic growth expectations moderate. The company commented that order activity has remained at a good level after the end of Q1 and that the impact of US tariffs is likely to remain minor, which is nevertheless a positive signal for short-term development.

We expect revenue to grow by 17% to 113 MEUR this year (organically 3%). We expect the recovery of the agricultural machinery market to support growth from Q4'25 onwards, and more clearly in 2026. In addition to the agricultural machinery market, growth in 2026 will be supported by the peak of the large delivery to the Finnish Defense Forces. Supported by these, we expect organic revenue growth to accelerate to 17% in 2026. Based on the strong Q1 and the positive demand outlook, we increased our EBITDA forecast for the current year by 8% and expect EBITDA to increase to 8.5 MEUR this year (2024 EBITDA 4.9 MEUR).

Expected return relies on earnings growth

Based on our 2025 and 2026 estimates, EV/EBIT multiples are 15x and 8x, and the corresponding EV/EBITDA multiples are 5x and 4x. Taking into account our estimate of the impact of factoring on net debt, the 2026 EV/EBIT and EV/EBITDA multiples would be 10x and 5x, respectively. The multiples are high for this year, while neutral for next year. The P/E ratios (39x and 11x) based on our 2025 and 2026 estimates tell the same story. Our DCF model yields a value of EUR 4.0. Looking at 2027, the expected return rises to our required return level, so with a two-year horizon, the stock is fairly priced.

Recommendation

Reduce

(was Reduce)

Target price:

EUR 3.80

(was EUR 3.40)

Share price:

EUR 3.96

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	97.1	113.3	132.5	143.1
growth-%	-5%	17%	17%	8%
EBIT adj.	-0.3	3.1	5.4	6.5
EBIT-% adj.	-0.3 %	2.7 %	4.1 %	4.6 %
Net income	0.2	1.0	3.5	4.9
EPS (adj.)	-0.28	0.10	0.36	0.51
P/E (adj.)	>100	38.6	11.0	7.8
P/B	1.0	1.4	1.3	1.1
Dividend yield-%	0.0 %	0.8 %	3.5 %	5.1 %
EV/EBIT (adj.)	neg.	14.7	7.8	5.9
EV/EBITDA	4.1	5.3	3.8	3.1
EV/S	0.3	0.4	0.3	0.3

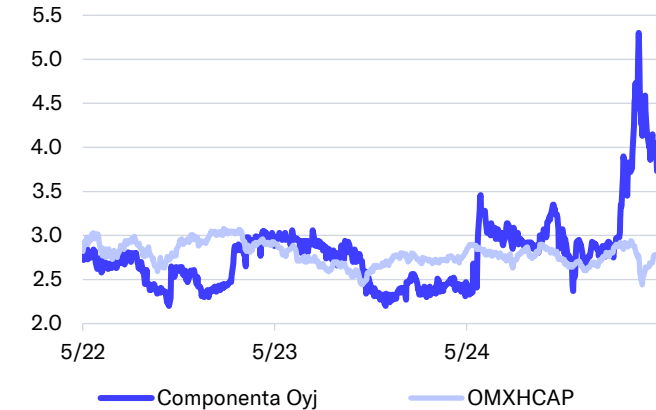
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Guidance

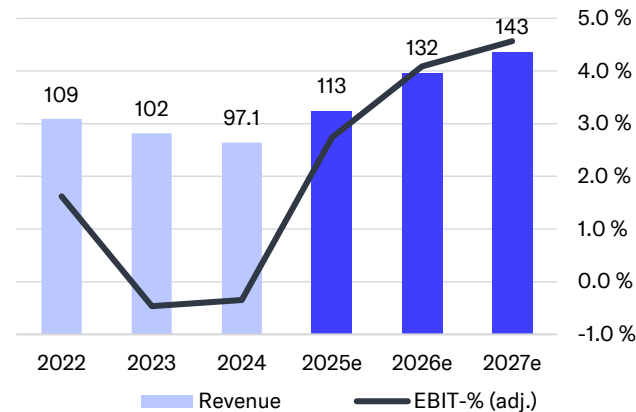
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Componenta expects the group's revenue and adjusted EBITDA to improve from the previous year. The Group's revenue in 2024 was 97.1 MEUR, and its adjusted EBITDA was 4.9 MEUR.

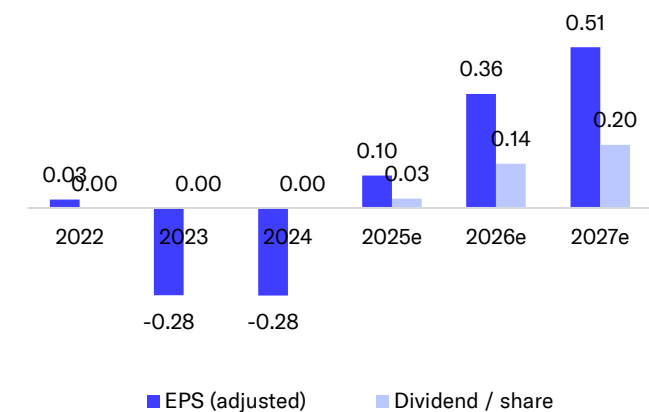
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

- Customer sector risk highly diversified
- Long-term customer relationships with global OEMs
- Cost changes can be quickly transferred to own prices
- Valuation has a lot of historical baggage

Risk factors

- Traditionally low-margin sector
- Customer sectors individually cyclical
- One big customer dependency

Valuation	2025e	2026e	2027e
Share price	3.96	3.96	3.96
Number of shares, millions	9.72	9.72	9.72
Market cap	38	38	38
EV	45	42	39
P/E (adj.)	38.6	11.0	7.8
P/E	38.6	11.0	7.8
P/B	1.4	1.3	1.1
P/S	0.3	0.3	0.3
EV/Sales	0.4	0.3	0.3
EV/EBITDA	5.3	3.8	3.1
EV/EBIT (adj.)	14.7	7.8	5.9
Payout ratio (%)	29.3 %	38.8 %	39.3 %
Dividend yield-%	0.8 %	3.5 %	5.1 %

Source: Inderes

Solid quarter despite weak production volumes

Revenue development in line with expectations

In the first quarter, Componenta's revenue grew by 22% to 28.8 MEUR, which was in line with our expectations. The main reason for the revenue uptick was the business acquisition completed at the end of 2024, but the company did not specify the exact impact in its report. We estimate organic growth to have been around 5%. Componenta also stated that it had temporarily changed its pricing to reflect low production volumes and order book levels, which in practice meant price hikes. According to the company, production volumes continued to be sluggish, mainly due to the weakness of the agricultural machinery market. Thus, we interpret the increase in revenue as being mainly due to price increases. The company commented that the revenue mix was in line with the previous fiscal year, suggesting that the market situation remained more or less the same as in 2024.

The two-month firm order book amounted to 17.4 MEUR, an

increase of 10% year-on-year and of 4% compared to the previous quarter. Compared to last year's backlog, we estimate that the increase is fully explained by the impact of acquisitions, while organic growth remains slightly negative. Commentaries suggest that order activity has developed favorably since the first quarter (April and early May), limiting near-term downside risks.

Price changes supported profitability

Q1 EBITDA amounted to 2.4 MEUR (8.3% margin), beating our forecast of 1.9 MEUR (6.7% margin). The beat is explained by the company's temporary price changes and better-than-expected production efficiency. The price increases are related to the low utilization of Componenta's production, and we expect the price increases to be reversed as production efficiency improves. However, this was a very necessary measure to strengthen profitability. The company also reported that it has adjusted its cost structure to the significantly lower-than-expected

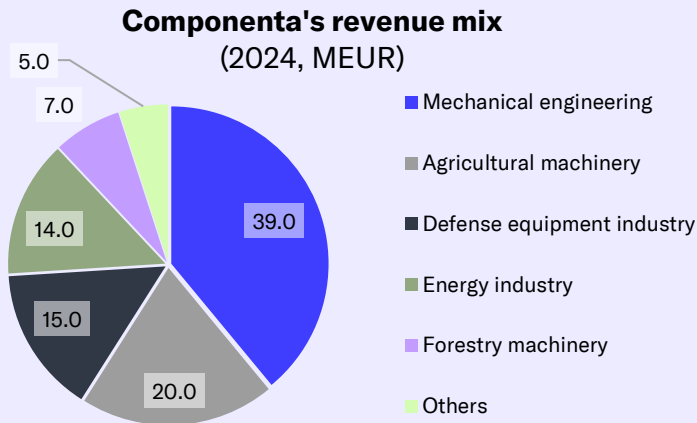
production volumes. Depreciation was lower than expected, while financing expenses were slightly higher than expected. As a result, EBIT exceeded our expectations by a larger margin, while variances at the bottom of the P&L were smaller.

The cash flow was clearly in the red

Despite the healthy EBITDA level, cash flow in Q1 remained at -1 MEUR, impacted by financing expenses of more than 0.5 MEUR and a significant working capital commitment. In addition, cash flow was burdened by investments of around 1 MEUR, as a result of which interest-bearing net debt increased by just over 2 MEUR to 7.5 MEUR during the quarter. The assessment of Componenta's indebtedness is complicated by the use of factoring and significant lease liabilities. The covenant terms were still easily met, and we consider the balance sheet position to be satisfactory and the balance sheet risk to be moderate.

MEUR / EUR	Q1'24	Q1'25	Q1'25e	Q1'25e	Consensus		Difference (%)	2025e
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. Inderes	Inderes
Revenue	23.6	28.8	28.3				2%	113
EBITDA	-0.2	2.4	1.9				25%	8.5
EBIT (adj.)	-1.7	1.1	0.4					3.1
EBIT	-1.7	1.1	0.4					3.1
PTP	-2.3	0.5	-0.1					1.0
EPS (adj.)	-0.23	0.05	-0.01					0.10
Revenue growth-%	-23.3 %	22.4 %	20.0 %				2.4 pp	16.6 %
EBIT-% (adj.)	-7.3 %	3.7 %	1.3 %				2.4 pp	2.7 %

Source: Inderes



Profitability forecast for the current year on the rise

Estimate revisions

- Our EBITDA forecast for the current year increased mainly due to the forecast beat in Q1, while our EBITDA forecasts for the coming years remain unchanged.
- We lowered our depreciation forecasts for the next few years due to lower-than-expected Q1 actualization, which had a positive impact on our EBIT forecasts for the next few years.
- We revised our financial expense forecasts upwards due to higher-than-expected figures.

Operational earnings drivers

- We expect the recovery in agricultural machinery production volumes to be the primary driver of revenue and profitability in the coming years
- A large order from the Finnish Defense Forces will support production volumes and profitability in the coming years, but our forecasts do not rely on significant repeat orders
- The company's comments on earnings day were in line with our market expectations, as management seemed to view the recovery in the agricultural market as a more important driver than additional defense orders
- We believe there are good prospects for profitability to improve as production volumes increase, although the tight negotiating position of the contract manufacturer and the rollback of price increases that took effect in Q1 will require continued efficiency improvements
- Factoring keeps financing costs high relative to net debt, and the use of alternative financing channels could reduce financing costs faster than we forecast
- Selling prices are largely linked to the development of capital cost items, which can lead to unstable revenue development in relation to EBIT

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	112	113	1%	131	132	1%	141	143	1%
EBITDA	7.9	8.5	8%	11.2	11.2	0%	12.5	12.5	0%
EBIT (exc. NRIs)	1.8	3.1	73%	5.0	5.4	8%	6.3	6.5	4%
EBIT	1.8	3.1	73%	5.0	5.4	8%	6.3	6.5	4%
PTP	0.0	1.0	1000%	3.2	3.5	9%	4.9	4.9	0%
EPS (excl. NRIs)	0.00	0.10	1000%	0.33	0.36	9%	0.51	0.51	0%
DPS	0.03	0.03	0%	0.14	0.14	0%	0.20	0.20	0%

Source: Inderes

Expected return relies on earnings growth

Valuation multiples for next year are neutral

Based on our 2025 and 2026 estimates, EV/EBIT multiples are 15x and 8x, and the corresponding EV/EBITDA multiples are 5x and 4x. We believe that the enterprise value (EV) multiples currently reflect a more favorable valuation than is actually the case, as the company has a significant factoring arrangement in place, whereby trade receivables are sold to an external financial institution to finance the business. The arrangement strengthens Componenta's cash position and thereby reduces the level of EV-based multiples¹, although the arrangement is comparable to the use of interest-bearing debt. At the end of the financial year, trade receivables sold amounted to 13 MEUR, but we expect this to have decreased during Q1. Adjusting the EV multiples for the 10 MEUR factoring facility, our forecast EV/EBIT multiples for 2025 and 2026 are 17x and 10x, and EV/EBITDA multiples are 6x and 5x.

With factoring, the company's financing costs in relation to net debt are high (LTM financing expenses in relation to average net debt ~28%). We also see downside in the level of financing expenses as the company's profitability improves and the balance sheet strengthens. The P/E multiple takes into account the high financing costs, so we now give it more weight than usual as a valuation measure. The P/E multiples for 2025 and 2026 39x and 11x, respectively.

Overall, we view the current year's valuation as challenging, while our projected improvement in profitability next year pushes the multiples to neutral. Over the two-year horizon, the declining level of financing costs in line with improving profitability raises the expected

return to the level of required return, so the stock is priced at a balanced level over the two-year horizon.

Interpreting peer valuation is not straightforward

The peer group we have constructed is valued higher than Componenta on most valuation multiples. In our view, the valuation is neutral relative to the best listed peer (Castings PLC), based on the most comparable P/E ratio. Overall, due to the differences in business models and what we consider to be the high valuation of the peer group median (2025e P/E 19x & EV/EBIT 15x), we consider the indication of undervaluation given by the peer valuation to be of minor importance.

DCF at the share price level

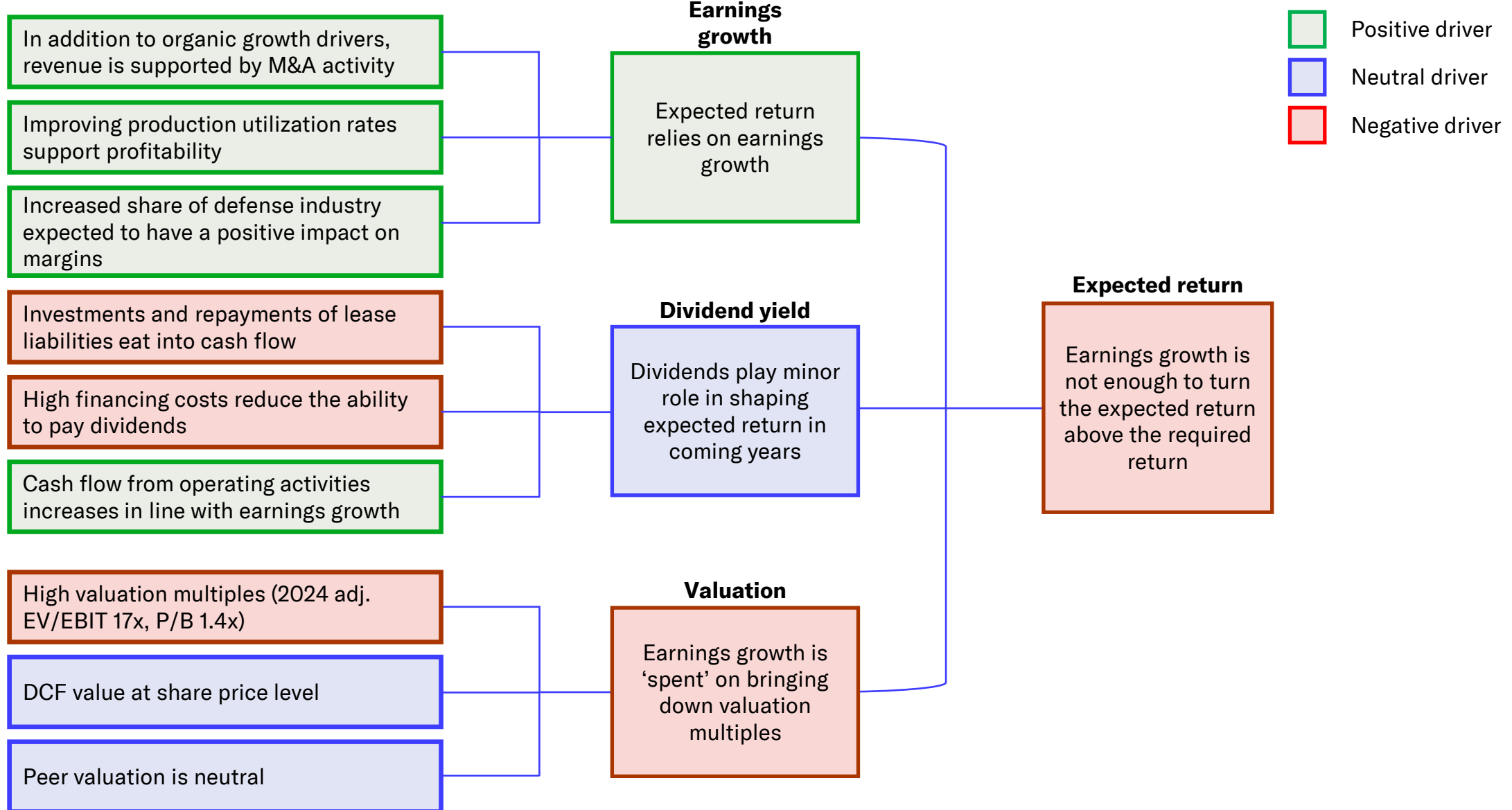
The DCF model, which focuses on the long term, indicates a value of EUR 4.0 (was EUR 3.5) for Componenta's share, which is at the share price level. The DCF value was affected by revisions to investment forecasts and the required rate of return. We account for factoring financing in the cash flow model by applying a higher cost of debt (7%). In our DCF model, we expect Componenta to achieve a higher level of profitability than in recent years (average for the forecast period 8% vs. 6.4% average for the previous four years). The parameters of the DCF model involve significant leverage in both directions, but overall, it indicates that the share is neutrally priced.

Valuation	2025e	2026e	2027e
Share price	3.96	3.96	3.96
Number of shares, millions	9.72	9.72	9.72
Market cap	38	38	38
EV	45	42	39
P/E (adj.)	38.6	11.0	7.8
P/E	38.6	11.0	7.8
P/B	1.4	1.3	1.1
P/S	0.3	0.3	0.3
EV/Sales	0.4	0.3	0.3
EV/EBITDA	5.3	3.8	3.1
EV/EBIT (adj.)	14.7	7.8	5.9
Payout ratio (%)	29.3 %	38.8 %	39.3 %
Dividend yield-%	0.8 %	3.5 %	5.1 %

Source: Inderes

¹EV = market cap + net debt, net debt = interest-bearing liabilities - cash

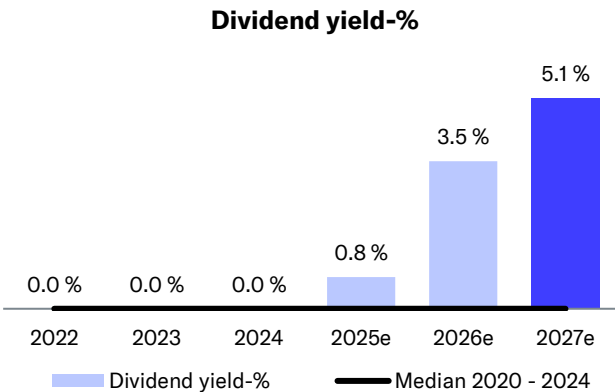
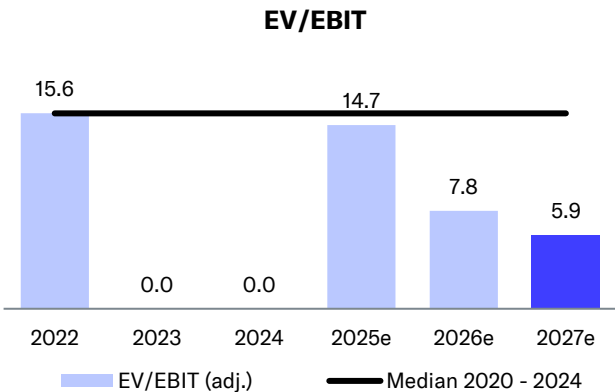
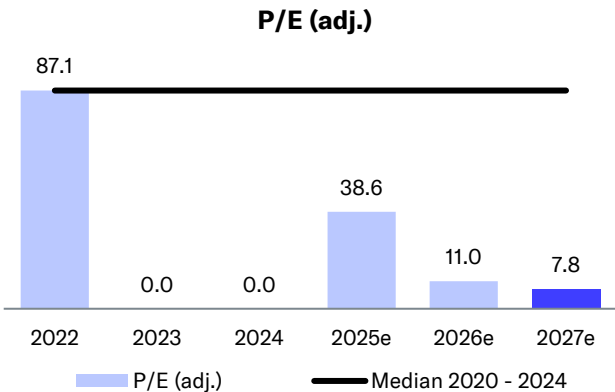
EPS drivers 2024-2027e



Valuation table

Valuation	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	3.34	2.34	2.35	2.76	3.96	3.96	3.96	3.96
Number of shares, millions	9.52	9.71	9.71	9.71	9.72	9.72	9.72	9.72
Market cap	32	23	23	27	38	38	38	38
EV	39	28	32	32	45	42	39	35
P/E (adj.)	>100	87.1	>100	>100	38.6	11.0	7.8	7.2
P/E	>100	>100	14.7	>100	38.6	11.0	7.8	7.2
P/B	1.4	1.0	0.9	1.0	1.4	1.3	1.1	1.0
P/S	0.4	0.2	0.2	0.3	0.3	0.3	0.3	0.3
EV/Sales	0.4	0.3	0.3	0.3	0.4	0.3	0.3	0.2
EV/EBITDA	7.8	3.9	6.0	4.1	5.3	3.8	3.1	2.7
EV/EBIT (adj.)	neg.	15.6	neg.	neg.	14.7	7.8	5.9	5.1
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	29.3 %	38.8 %	39.3 %	39.9 %
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.8 %	3.5 %	5.1 %	5.6 %

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 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
Norrhydro	15	25	24.6	6.2	12.3	8.2	0.9	0.8		27.1	2.2	5.2	1.5
Castings plc	125	108	18.7	9.8	6.3	4.6	0.5	0.5	24.8	14.2	7.6	7.7	
Georg Fischer	5501	7590	17.4	16.3	13.0	12.5	1.8	1.9	18.8	17.4	2.3	2.3	19.7
Kesla	14	25	25.4	12.7	12.7	8.5	0.6	0.5		14.5		1.2	1.2
Ponsse	770	763	14.1	12.8	8.6	8.0	1.0	1.0	19.0	17.6	2.4	2.6	2.1
Wärtsilä	10027	9205	11.7	10.9	10.0	9.4	1.3	1.2	17.7	16.4	2.8	3.1	3.6
AGCO	6575	8974	15.4	11.8	10.5	8.6	1.0	1.0	23.7	16.1	2.3	3.1	1.9
ElringKlinger	315	605	8.6	6.7	3.3	3.0	0.4	0.4	7.2	6.0	3.2	4.4	0.5
Componenta Oyj (Inderes)	38	45	14.7	7.8	5.3	3.8	0.4	0.3	38.6	11.0	0.8	3.5	1.4
Average			17.0	10.9	9.6	7.8	0.9	0.9	18.5	16.2	3.2	3.7	4.4
Median			16.4	11.3	10.2	8.3	1.0	0.9	18.9	16.3	2.4	3.1	1.9
Diff-% to median			-11%	-31%	-48%	-55%	-58%	-64%	105%	-33%	-68%	14%	-23%

Source: Refinitiv / Inderes

Income statement

Income statement	2022	2023	2024	Q1'25	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	109	102	97.1	28.8	30.2	24.7	29.6	113	132	143	152
Group	109	102	97.1	28.8	30.2	24.7	29.6	113	132	143	152
EBITDA	7.1	5.3	7.9	2.4	2.4	1.0	2.7	8.5	11.2	12.5	12.8
Depreciation	-5.5	-1.5	-5.3	-1.3	-1.4	-1.4	-1.4	-5.4	-5.8	-6.0	-6.0
EBIT (excl. NRI)	1.8	-0.5	-0.3	1.1	1.0	-0.4	1.4	3.1	5.4	6.5	6.9
EBIT	1.6	3.8	2.6	1.1	1.0	-0.4	1.4	3.1	5.4	6.5	6.9
Net financial items	-1.7	-2.2	-2.4	-0.5	-0.5	-0.5	-0.5	-2.1	-1.9	-1.6	-1.2
PTP	-0.1	1.6	0.2	0.5	0.5	-0.9	0.9	1.0	3.5	4.9	5.7
Taxes	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.4
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	0.1	1.5	0.2	0.5	0.5	-0.9	0.9	1.0	3.5	4.9	5.4
EPS (adj.)	0.03	-0.28	-0.28	0.05	0.05	-0.09	0.09	0.10	0.36	0.51	0.55
EPS (rep.)	0.01	0.16	0.02	0.05	0.05	-0.09	0.09	0.10	0.36	0.51	0.55

Key figures	2022	2023	2024	Q1'25	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	25.0 %	-6.7 %	-4.6 %	22.4 %	14.2 %	21.7 %	10.0 %	16.6 %	17.0 %	8.0 %	6.0 %
EBITDA-%	6.5 %	5.2 %	8.1 %	8.2 %	8.0 %	4.0 %	9.3 %	7.5 %	8.5 %	8.7 %	8.5 %
Adjusted EBIT-%	1.6 %	-0.5 %	-0.3 %	3.7 %	3.5 %	-1.6 %	4.7 %	2.7 %	4.1 %	4.6 %	4.5 %
Net earnings-%	0.1 %	1.5 %	0.2 %	1.7 %	1.7 %	-3.6 %	3.0 %	0.9 %	2.6 %	3.5 %	3.5 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	36.6	38.1	38.4	38.3	38.3
Goodwill	3.2	3.2	3.2	3.2	3.2
Intangible assets	2.0	1.6	1.2	0.8	0.7
Tangible assets	31.0	33.0	33.6	34.0	34.0
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.4	0.4	0.4	0.4	0.4
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
Current assets	20.7	25.3	24.7	28.9	31.2
Inventories	12.6	14.0	14.4	16.8	18.2
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	2.8	2.6	4.7	5.4	5.9
Cash and equivalents	5.3	8.7	5.7	6.6	7.2
Balance sheet total	57.3	63.4	63.1	67.2	69.5

Source: Inderes

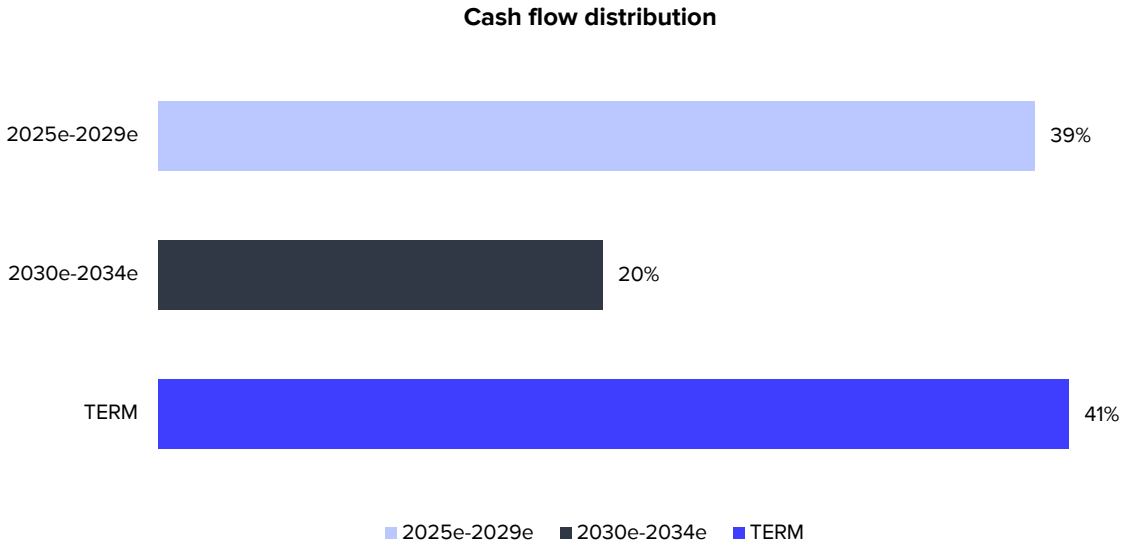
Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	25.6	25.8	26.8	30.0	33.6
Share capital	1.0	1.0	1.0	1.0	1.0
Retained earnings	4.8	5.3	6.3	9.5	13.1
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	19.8	19.5	19.5	19.5	19.5
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	12.3	11.7	10.5	8.8	6.4
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	0.3	0.0	0.0	0.0	0.0
Korolliset velat	11.3	10.7	9.5	7.8	5.4
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long-term liabilities	0.6	0.9	0.9	0.9	0.9
Current liabilities	19.5	25.9	25.8	28.4	29.5
Korolliset velat	3.1	3.5	3.1	2.6	1.8
Payables	16.4	22.1	22.7	25.8	27.8
Other current liabilities	0.0	0.4	0.0	0.0	0.0
Balance sheet total	57.3	63.4	63.1	67.2	69.5

DCF-calculation

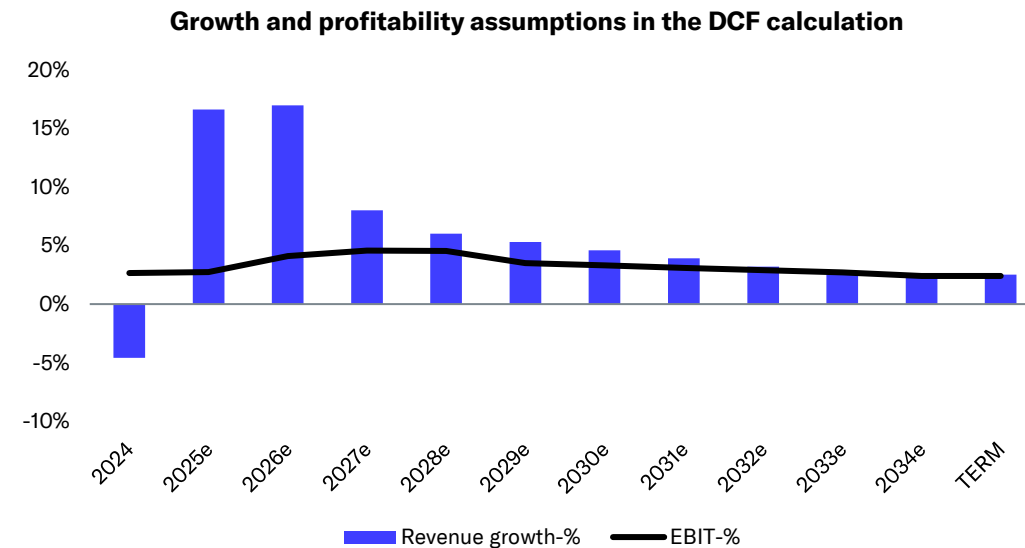
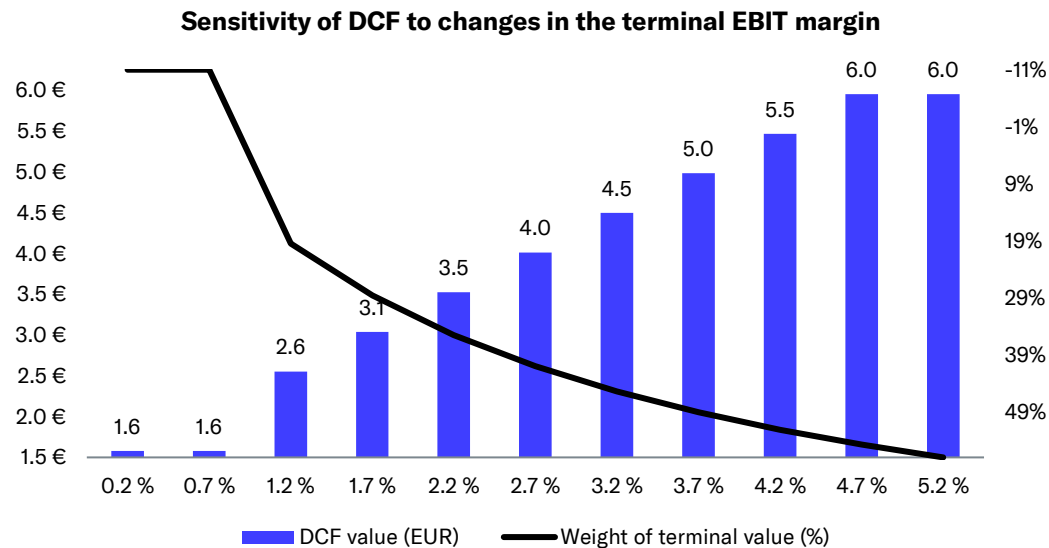
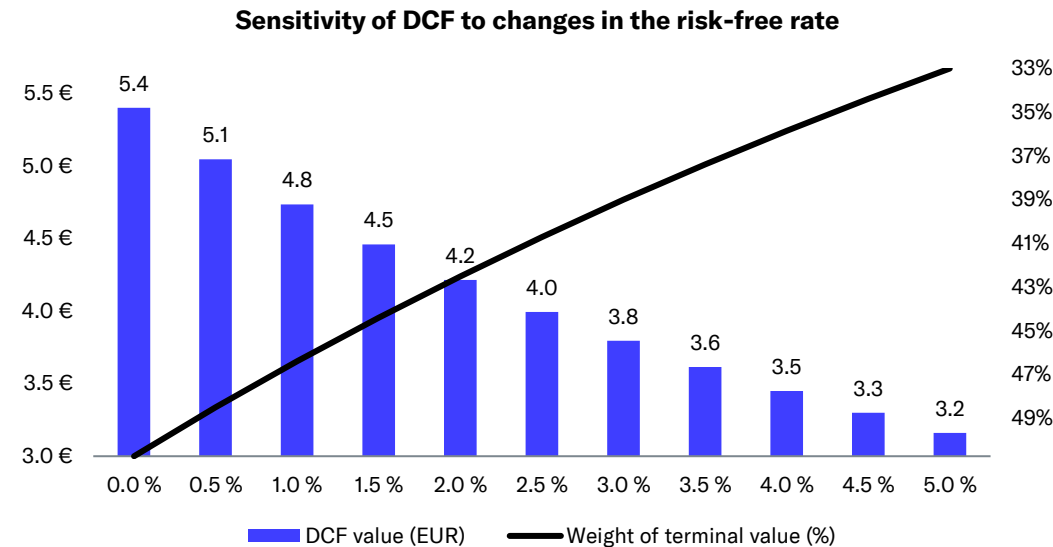
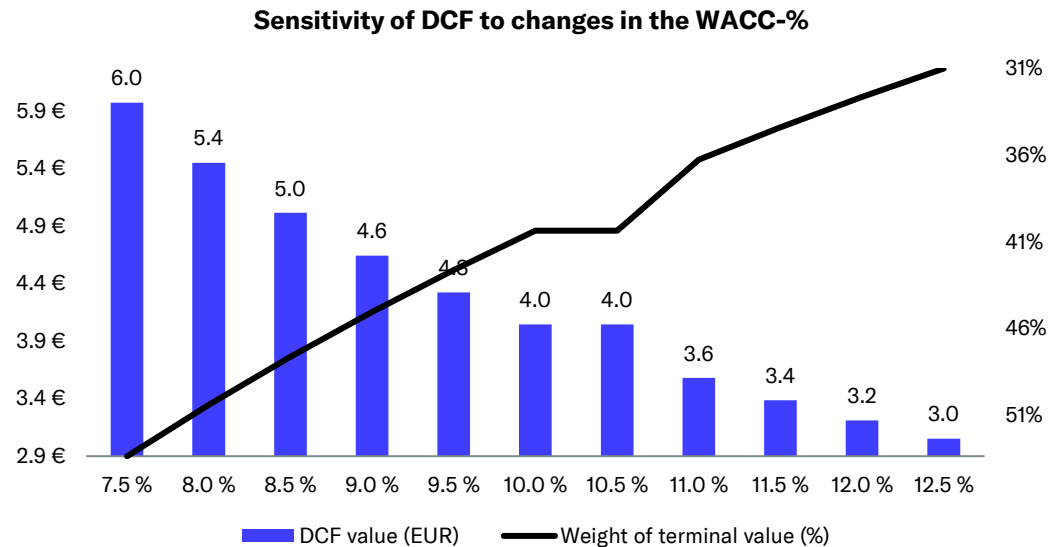
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-4.6 %	16.6 %	17.0 %	8.0 %	6.0 %	5.3 %	4.6 %	3.9 %	3.2 %	2.5 %	2.5 %	2.5 %
EBIT-%	2.6 %	2.7 %	4.1 %	4.6 %	4.5 %	3.5 %	3.3 %	3.1 %	2.9 %	2.7 %	2.4 %	2.4 %
EBIT (operating profit)	2.6	3.1	5.4	6.5	6.9	5.6	5.5	5.4	5.2	5.0	4.5	
+ Depreciation	5.3	5.4	5.8	6.0	6.0	6.0	6.0	6.1	6.2	6.3	6.3	
- Paid taxes	0.0	0.0	0.0	0.0	-0.4	-0.9	-0.9	-0.9	-0.9	-0.9	-0.8	
- Tax, financial expenses	0.0	-0.1	0.0	0.0	-0.1	-0.2	-0.2	-0.2	-0.2	-0.1	-0.1	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	4.9	-2.3	-0.1	0.1	0.1	0.0	0.0	0.0	-0.2	-0.3	-0.1	
Operating cash flow	12.7	6.2	11.2	12.6	12.5	10.5	10.5	10.4	10.1	10.0	9.8	
+ Change in other long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-6.8	-5.7	-5.8	-5.9	-6.1	-6.3	-6.5	-6.7	-6.6	-6.5	-6.5	
Free operating cash flow	5.9	0.5	5.4	6.7	6.4	4.2	4.0	3.7	3.6	3.5	3.3	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	5.9	0.5	5.4	6.7	6.4	4.2	4.0	3.7	3.6	3.5	3.3	45.6
Discounted FCFF		0.5	4.6	5.2	4.5	2.7	2.3	2.0	1.7	1.5	1.3	18.2
Sum of FCFF present value		44.6	44.1	39.5	34.3	29.8	27.1	24.8	22.8	21.1	19.5	18.2
Enterprise value DCF		44.6										
- Interest bearing debt		-14.2										
+ Cash and cash equivalents		8.7										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		39.1										
Equity value DCF per share		4.0										

WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	7.0 %
Equity Beta	1.60
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	2.5 %
Cost of equity	11.1 %
Weighted average cost of capital (WACC)	10.0 %

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	109.1	101.8	97.1	113.3	132.5	EPS (reported)	0.01	0.16	0.02	0.10	0.36
EBITDA	7.1	5.3	7.9	8.5	11.2	EPS (adj.)	0.03	-0.28	-0.28	0.10	0.36
EBIT	1.6	3.8	2.6	3.1	5.4	OCF / share	0.78	0.34	1.31	0.64	1.15
PTP	-0.1	1.6	0.2	1.0	3.5	OFCF / share	0.29	-0.23	0.61	0.05	0.55
Net Income	0.1	1.5	0.2	1.0	3.5	Book value / share	2.46	2.63	2.66	2.76	3.09
Extraordinary items	-0.2	4.2	2.9	0.0	0.0	Dividend / share	0.00	0.00	0.00	0.03	0.14
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	58.6	57.3	63.4	63.1	67.2	Revenue growth-%	25%	-7%	-5%	17%	17%
Equity capital	23.9	25.6	25.8	26.8	30.0	EBITDA growth-%	43%	-26%	49%	9%	31%
Goodwill	3.2	3.2	3.2	3.2	3.2	EBIT (adj.) growth-%	-318%	-127%	-29%	-1017%	75%
Net debt	4.8	9.1	5.5	7.0	3.8	EPS (adj.) growth-%	-121%	-1130%	0%	-137%	252%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	6.5 %	5.2 %	8.1 %	7.5 %	8.5 %
EBITDA	7.1	5.3	7.9	8.5	11.2	EBIT (adj.)-%	1.6 %	-0.5 %	-0.3 %	2.7 %	4.1 %
Change in working capital	0.9	-2.0	4.9	-2.3	-0.1	EBIT-%	1.4 %	3.7 %	2.6 %	2.7 %	4.1 %
Operating cash flow	7.6	3.3	12.7	6.2	11.2	ROE-%	0.3 %	6.3 %	0.8 %	3.8 %	12.3 %
CAPEX	-4.4	-5.4	-6.8	-5.7	-5.8	ROI-%	4.3 %	9.9 %	6.6 %	8.0 %	13.7 %
Free cash flow	2.8	-2.2	5.9	0.5	5.4	Equity ratio	40.8 %	44.6 %	40.7 %	42.5 %	44.7 %
						Gearing	20.2 %	35.6 %	21.2 %	26.0 %	12.6 %
Valuation multiples	2022	2023	2024	2025e	2026e						
EV/S	0.3	0.3	0.3	0.4	0.3						
EV/EBITDA	3.9	6.0	4.1	5.3	3.8						
EV/EBIT (adj.)	15.6	neg.	neg.	14.7	7.8						
P/E (adj.)	87.1	>100	>100	38.6	11.0						
P/B	1.0	0.9	1.0	1.4	1.3						
Dividend-%	0.0 %	0.0 %	0.0 %	0.8 %	3.5 %						

Source: Inderes

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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
9/19/2023	Accumulate	3.20 €	2.73 €
9/27/2023	Accumulate	3.20 €	2.90 €
11/6/2023	Accumulate	3.00 €	2.55 €
1/15/2024	Buy	3.00 €	2.27 €
3/3/2024	Buy	3.00 €	2.32 €
5/7/2024	Buy	2.80 €	2.31 €
6/6/2024	Accumulate	3.60 €	3.30 €
7/23/2024	Accumulate	3.60 €	3.04 €
11/3/2024	Accumulate	3.30 €	2.85 €
11/27/2024	Accumulate	2.90 €	2.43 €
----- Analyttikko vaihtuu -----			
3/4/2025	Sell	2.90 €	3.90 €
3/9/2025	Reduce	3.40 €	3.71 €
5/5/2025	Reduce	3.40 €	4.05 €
5/10/2025	Reduce	3.60 €	3.96 €



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