

# TOKMANNI GROUP

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# COMPANY REPORT



# Promised earnings improvement materialized in Q4

Tokmanni will post its Q4 results on Friday at 8:00 am EET, which we will follow in [a live webcast](#) starting at 7:50 am (In Finnish). Earnings improvement promised for Q3 seems to have materialized, as the company has not issued a profit warning for 2025. In our view, this also increases the probability of earnings growth starting in early 2026. In light of this, we believe the stock's valuation is moderate and the risk/reward ratio is attractive, which is why we raise our recommendation to Accumulate (was Reduce). In our view, the uncertainty related to the earnings turnaround has decreased, which is why we are raising the target price to EUR 9.0 (EUR 7.7).

## Earnings turnaround materialized

We expect Tokmanni's Q4 revenue to have grown by 6% to 524 MEUR (consensus 519 MEUR), driven by both segments. The company's promised earnings turnaround appears to have materialized, as the company hasn't issued a profit warning. We believe this indicates that the company has exceeded the lower end of its guidance by a sufficient margin. Therefore, we slightly raised our earnings estimates. We expect adjusted EBIT to have increased to 52 MEUR (consensus 49 MEUR) due to volume growth, cost control in the Tokmanni segment, and an improved gross margin in the Dollarstore segment. This corresponds to a profitability of 10.1%, which is slightly better than the previous year (9.7%). While the earnings turnaround shown by the company in Q4 is significant for Tokmanni's investor story, the main value of the report lies in the guidance and the drivers of earnings growth. It would be especially important if the trend in Sweden had been reversed or if the company could provide clear evidence of a future turnaround. This would further alleviate the uncertainty regarding earnings growth. We forecast the 2025 dividend to be EUR 0.40 per share. We significantly lowered our dividend estimate (was EUR 0.44) as we expect the company to continue to repair its balance sheet.

## The earnings growth outlook has improved slightly

We estimate the company will guide for growth in both sales and earnings for 2026. The earnings guidance could be in the form of an adjusted EBIT of 80-120 MEUR (Inderes 101 MEUR and consensus

99 MEUR). In our view, revenue growth will be driven by the expansion of the store network and an increase in average transaction value, especially internationally. Regarding earnings, much depends on how the company resolves the challenges in its Swedish operations. According to our calculations, Dollarstore's earnings have at least remained unchanged in Q4, which would suggest that the earnings decline in the beginning of the year has stabilized. We estimate this will create the conditions for Dollarstore's earnings growth during 2026, considering the weak figures of the comparison period. The year 2026 also involves discontinuities (e.g. CEO change), but we would be very surprised if the current management's promise of "full focus on profitability" did not ultimately improve the group's earnings.

## Sufficient return against elevated risks

We believe the stock's valuation is justified by current earnings (2025 P/E 12x and IFRS 16 adj. EV/EBIT 12x), meaning the earnings growth expectations priced into the stock are minimal. We would be very surprised if earnings declined for the second consecutive year, considering the positive outlook for domestic retail and the company's improved earnings trend in Q4'25. The key uncertainty relates to the rate of earnings growth in the coming years and its sustainability. Even if Dollarstore's earnings remain at their current level, we believe the company will succeed in improving the Tokmanni segment's earnings during H1'26 using the same strategies as in H2'25. The 2025 dividend proposal is dependent on the company's balance sheet, but if earnings growth continues, the dividend yield would be 5% according to our estimates. Thus, the 6% earnings growth and dividend we forecast for the Tokmanni segment alone are sufficient for a good expected return. We believe that investors who tolerate risk and believe in Tokmanni's internationalization can currently acquire the stock at an attractive risk/reward ratio. We estimate the return potential to be very high if the company manages to sustainably turn the tide abroad. However, we need more evidence for a bolder view, as developments in recent years have been volatile and difficult to predict.

## Recommendation

**Accumulate**

(was Reduce)

## Target price:

**EUR 9.00**

(was EUR 7.70)

## Share price:

EUR 7.87

## Business risk



## Valuation risk



	2024	2025e	2026e	2027e
<b>Revenue</b>	1674.9	1741.9	1835.0	1937.4
<b>growth-%</b>	20%	4%	5%	6%
<b>EBIT adj.</b>	102.3	88.9	101.2	114.9
<b>EBIT-% adj.</b>	6.1 %	5.1 %	5.5 %	5.9 %
<b>Net Income</b>	48.8	39.1	44.9	57.9
<b>EPS (adj.)</b>	0.87	0.68	0.81	1.03

<b>P/E (adj.)</b>	13.9	11.5	9.7	7.6
<b>P/B</b>	2.7	1.6	1.5	1.4
<b>Dividend yield-%</b>	2.8 %	5.1 %	6.8 %	8.7 %
<b>EV/EBIT (adj.)</b>	14.9	14.0	12.3	10.9
<b>EV/EBITDA</b>	6.7	5.6	5.5	5.1
<b>EV/S</b>	0.9	0.7	0.7	0.6

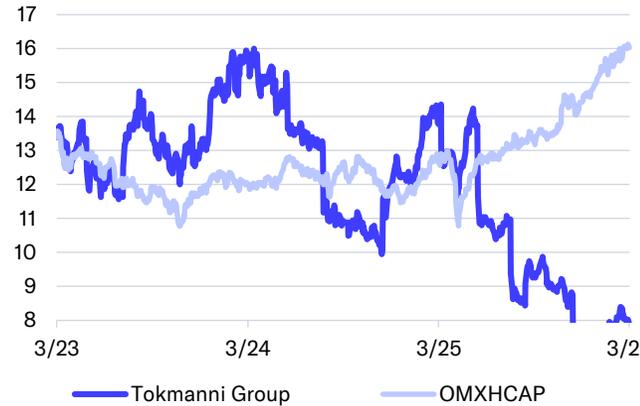
Source: Inderes

## Guidance

(Unchanged)

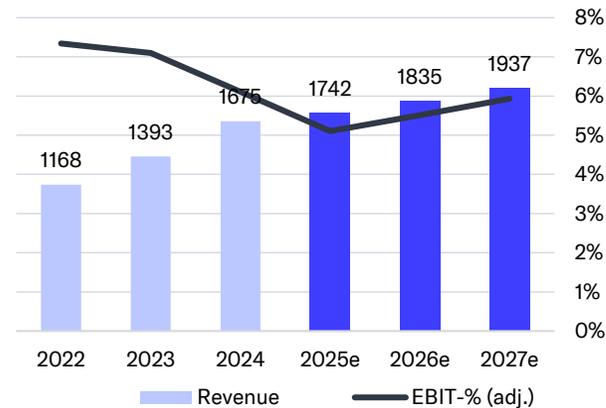
In 2025, Tokmanni expects its revenue to be 1,710-1,750 MEUR (2024: 1,670 MEUR) and comparable EBIT to be 85-95 MEUR (was 99.7 MEUR).

## Share price



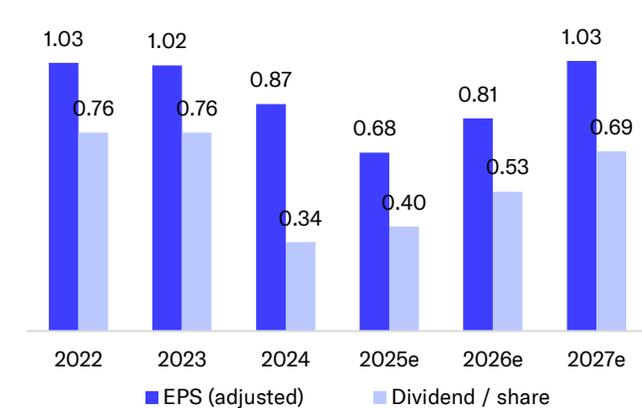
Source: Millstream Market Data AB

## Revenue and EBIT-% (adj.)



Source: Inderes

## EPS and dividend



Source: Inderes

## Value drivers

- Dollarstore and internationalization
- New store openings
- Increase in private label share
- Smart buying becoming more popular
- Economies of scale through volumes, e.g., in purchasing and negotiating lease terms
- Exploiting own online store as a potential platform for third party products

## Risk factors

- Tighter competition and new international challengers
- Failure in acquisitions or international expansion
- Dependence on central stocks
- Reputation and price impression risks
- Disruptions in product availability and sector's dependence on manufacturing in the Far East
- Escalation of the trade war could slow economic growth and increase inflation

Valuation	2025e	2026e	2027e
Share price	7.87	7.87	7.87
Number of shares, millions	58.9	58.9	58.9
Market cap	463	463	463
EV	1244	1247	1248
P/E (adj.)	11.5	9.7	7.6
P/E	11.8	10.3	8.0
P/B	1.6	1.5	1.4
P/S	0.3	0.3	0.2
EV/Sales	0.7	0.7	0.6
EV/EBITDA	5.6	5.5	5.1
EV/EBIT (adj.)	14.0	12.3	10.9
Payout ratio (%)	60.2 %	70.0 %	70.0 %
Dividend yield-%	5.1 %	6.8 %	8.7 %

Source: Inderes

# Estimates and estimate revisions

Estimates MEUR / EUR	Q4'24	Q4'25	Q4'25e	Q4'25e	Consensus		2025e
	Comparison	Actualized	Inderes	Consensus	Low	High	Inderes
Revenue	497		524	519	-		1742
EBIT (adj.)	47.8		52.4	49.4	-		88.9
PTP	36.7		41.4	39.2	-		48.7
EPS (reported)	0.50		0.56	0.50	-		0.66
DPS	0.34		0.40	0.33	-		0.40
Revenue growth-%	5.5 %		5.5 %	4.5 %	-		4.0 %
EBIT-% (adj.)	9.6 %		10.0 %	9.5 %	-		5.1 %

Source: Inderes & Bloomberg  
(consensus, 8 forecasts)

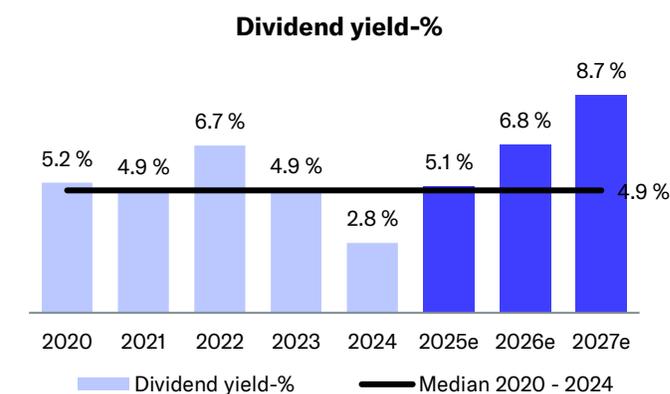
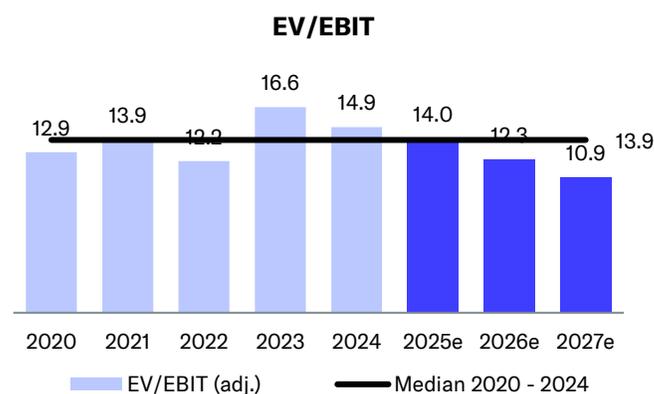
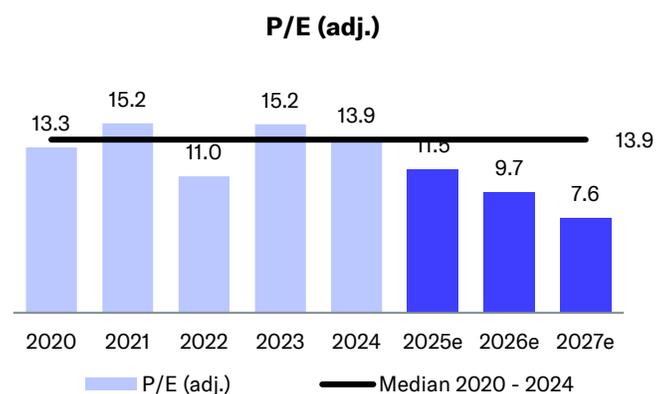
Estimate revisions MEUR / EUR	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
	Old	New	%	Old	New	%	Old	New	%
Revenue	1736	1742	0%	1837	1835	0%	1932	1937	0%
EBIT (exc. NRIs)	85	89	5%	100	101	1%	115	115	0%
EBIT	84	88	5%	97	98	1%	112	112	0%
PTP	46	49	6%	56	56	1%	71	71	-1%
EPS (excl. NRIs)	0.65	0.68	5%	0.81	0.81	1%	1.04	1.03	-1%
DPS	0.44	0.40	-9%	0.53	0.53	1%	0.69	0.69	0%

Source: Inderes

# Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	16.2	19.7	11.3	15.4	12.1	<b>7.87</b>	<b>7.87</b>	<b>7.87</b>	<b>7.87</b>
Number of shares, millions	58.8	58.9	58.9	58.8	58.8	<b>58.9</b>	<b>58.9</b>	<b>58.9</b>	<b>58.9</b>
Market cap	956	1157	665	907	713	<b>463</b>	<b>463</b>	<b>463</b>	<b>463</b>
EV	1288	1471	1048	1638	1529	<b>1244</b>	<b>1247</b>	<b>1248</b>	<b>1251</b>
P/E (adj.)	13.3	15.2	11.0	15.2	13.9	<b>11.5</b>	<b>9.7</b>	<b>7.6</b>	<b>6.8</b>
P/E	13.4	14.8	11.3	16.8	14.6	<b>11.8</b>	<b>10.3</b>	<b>8.0</b>	<b>7.1</b>
P/B	4.4	4.7	2.7	3.4	2.7	<b>1.6</b>	<b>1.5</b>	<b>1.4</b>	<b>1.3</b>
P/S	0.9	1.0	0.6	0.7	0.4	<b>0.3</b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>
EV/Sales	1.2	1.3	0.9	1.2	0.9	<b>0.7</b>	<b>0.7</b>	<b>0.6</b>	<b>0.6</b>
EV/EBITDA	7.9	8.4	6.7	8.6	6.7	<b>5.6</b>	<b>5.5</b>	<b>5.1</b>	<b>4.9</b>
EV/EBIT (adj.)	12.9	13.9	12.2	16.6	14.9	<b>14.0</b>	<b>12.3</b>	<b>10.9</b>	<b>10.2</b>
Payout ratio (%)	70.2 %	72.5 %	76.1 %	82.8 %	41.0 %	<b>60.2 %</b>	<b>70.0 %</b>	<b>70.0 %</b>	<b>75.0 %</b>
Dividend yield-%	5.2 %	4.9 %	6.7 %	4.9 %	2.8 %	<b>5.1 %</b>	<b>6.8 %</b>	<b>8.7 %</b>	<b>10.5 %</b>

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
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	
Europris ASA	1356	1742	12.9	10.8	7.4	6.6	1.3	1.2	15.0	12.3	4.5	4.9	3.2
Bygghem Group AB	354	543	15.4	13.9	5.8	5.6	0.9	0.9	15.5	13.4	3.3	3.8	1.4
Clas Ohlson AB	2298	2377	17.1	15.6	11.4	10.6	2.0	1.9	21.3	19.4	2.4	2.6	8.0
Axfood AB	6697	8071	20.5	19.0	10.3	9.6	0.9	0.9	24.9	22.5	2.9	3.1	8.4
Dollar General Corp	29128	32427	18.0	16.8	12.1	11.4	0.9	0.9	23.9	21.8	1.5	1.6	4.0
Kesko Oyj	8275	11710	16.7	15.4	8.8	8.3	0.9	0.9	17.8	15.9	4.6	5.1	2.9
Musti Group Oyj	598	804	13.0	13.6	7.7	7.1	1.6	1.4	13.3		5.0		2.4
B&M European Value Retail	2186	4812	10.3	9.7	5.9	5.5	0.7	0.7	9.6	8.6	4.9	5.7	2.4
Puulo Oyj	1026	1133	15.1	13.3	11.7	10.3	2.6	2.3	18.1	16.4	4.6	5.2	10.3
Verkkokauppa.com Oyj	165	159	9.4	8.5	6.7	6.1	0.3	0.3	13.8	11.9	5.3	6.0	3.9
Kamux Oyj	70	118	12.0	8.2	4.5	4.2	0.1	0.1	11.9	8.1	3.4	5.0	0.6
Rusta	1190	1703	18.5	16.2	9.1	8.3	1.4	1.3	21.4	17.5	2.3	2.9	4.9
<b>Tokmanni Group (Inderes)</b>	<b>463</b>	<b>1244</b>	<b>14.0</b>	<b>12.3</b>	<b>5.6</b>	<b>5.5</b>	<b>0.7</b>	<b>0.7</b>	<b>11.5</b>	<b>9.7</b>	<b>5.1</b>	<b>6.8</b>	<b>1.6</b>
<b>Average</b>			<b>14.9</b>	<b>13.4</b>	<b>8.5</b>	<b>7.8</b>	<b>1.1</b>	<b>1.1</b>	<b>17.2</b>	<b>15.3</b>	<b>3.7</b>	<b>4.1</b>	<b>4.4</b>
<b>Median</b>			<b>15.2</b>	<b>13.7</b>	<b>8.3</b>	<b>7.7</b>	<b>0.9</b>	<b>0.9</b>	<b>16.6</b>	<b>15.9</b>	<b>3.9</b>	<b>4.9</b>	<b>3.5</b>
<b>Diff-% to median</b>			<b>-8%</b>	<b>-10%</b>	<b>-32%</b>	<b>-29%</b>	<b>-22%</b>	<b>-23%</b>	<b>-31%</b>	<b>-39%</b>	<b>29%</b>	<b>40%</b>	<b>-53%</b>

Source: Refinitiv / Inderes

# Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
<b>Revenue</b>	<b>1393</b>	<b>339</b>	<b>423</b>	<b>416</b>	<b>497</b>	<b>1675</b>	<b>342</b>	<b>443</b>	<b>433</b>	<b>524</b>	<b>1742</b>	<b>1835</b>	<b>1937</b>	<b>2020</b>
Group	-0.1	-0.1	-0.2	0.0	-0.9	-1.2	0.0	-0.3	-0.9	-0.1	-1.3	-1.4	-1.4	-1.4
Tokmanni	1209	248	316	304	366	1234	243	322	315	377	1256	1299	1359	1400
Dollarstore	184	91.1	107	112	132	442	99.2	121	119	148	487	538	580	621
<b>EBITDA</b>	<b>190</b>	<b>27.0</b>	<b>59.5</b>	<b>60.8</b>	<b>80.3</b>	<b>228</b>	<b>20.5</b>	<b>53.5</b>	<b>60.7</b>	<b>85.6</b>	<b>220</b>	<b>229</b>	<b>245</b>	<b>256</b>
Depreciation	-96.8	-31.9	-31.7	-31.9	-32.2	-127.7	-32.9	-33.2	-33.2	-33.2	-132.5	-130.4	-133.6	-137.2
<b>EBIT (excl. NRI)</b>	<b>98.8</b>	<b>-4.3</b>	<b>28.5</b>	<b>30.3</b>	<b>47.8</b>	<b>102</b>	<b>-11.6</b>	<b>21.0</b>	<b>26.4</b>	<b>53.1</b>	<b>88.9</b>	<b>101</b>	<b>115</b>	<b>122</b>
<b>EBIT</b>	<b>93.0</b>	<b>-4.9</b>	<b>27.8</b>	<b>28.9</b>	<b>48.1</b>	<b>99.9</b>	<b>-12.4</b>	<b>20.3</b>	<b>27.5</b>	<b>52.4</b>	<b>87.8</b>	<b>98.2</b>	<b>112</b>	<b>119</b>
Group	-0.6	-0.4	-0.8	-0.8	-1.1	-3.1	-0.9	-1.1	-1.1	-0.7	-3.8	-3.8	-3.8	-3.8
Tokmanni	83.8	-1.7	26.5	25.2	37.8	87.8	-3.7	20.1	27.2	40.1	83.7	89.6	99.3	102
Dollarstore	9.8	-2.8	2.1	5.1	10.4	14.8	-7.8	1.3	1.4	13.0	7.9	12.4	16.4	20.9
Net financial items	-24.7	-9.1	-9.8	-8.5	-11.4	-38.8	-8.7	-9.8	-9.6	-11.0	-39.1	-42.0	-40.9	-39.7
<b>PTP</b>	<b>68.4</b>	<b>-14.0</b>	<b>18.0</b>	<b>20.4</b>	<b>36.7</b>	<b>61.1</b>	<b>-21.1</b>	<b>10.5</b>	<b>17.9</b>	<b>41.4</b>	<b>48.7</b>	<b>56.2</b>	<b>71.0</b>	<b>80</b>
Taxes	-14.3	2.1	-3.3	-3.9	-7.3	-12.3	2.5	-0.3	-3.6	-8.3	-9.6	-11.2	-13.1	-14.6
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
<b>Net earnings</b>	<b>54.0</b>	<b>-12.0</b>	<b>14.8</b>	<b>16.6</b>	<b>29.4</b>	<b>48.8</b>	<b>-18.6</b>	<b>10.2</b>	<b>14.3</b>	<b>33.1</b>	<b>39.1</b>	<b>44.9</b>	<b>57.9</b>	<b>64.9</b>
<b>EPS (adj.)</b>	<b>1.02</b>	<b>-0.19</b>	<b>0.26</b>	<b>0.31</b>	<b>0.49</b>	<b>0.87</b>	<b>-0.30</b>	<b>0.19</b>	<b>0.22</b>	<b>0.57</b>	<b>0.68</b>	<b>0.81</b>	<b>1.03</b>	<b>1.15</b>
<b>EPS (rep.)</b>	<b>0.92</b>	<b>-0.20</b>	<b>0.25</b>	<b>0.28</b>	<b>0.50</b>	<b>0.83</b>	<b>-0.32</b>	<b>0.17</b>	<b>0.24</b>	<b>0.56</b>	<b>0.66</b>	<b>0.76</b>	<b>0.98</b>	<b>1.10</b>

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
<b>Revenue growth-%</b>	19.2 %	42.4 %	32.5 %	14.3 %	5.5 %	20.3 %	0.8 %	4.8 %	4.0 %	5.5 %	4.0 %	5.3 %	5.6 %	4.3 %
<b>Adjusted EBIT growth-%</b>	15.2 %	92%	0.2 %	11.6 %	5.2 %	3.6 %	169.8 %	-26.3 %	-12.9 %	11.1 %	-13.1%	13.8 %	13.5 %	6.4 %
<b>EBITDA-%</b>	13.6 %	8.0 %	14.1 %	14.6 %	16.2 %	13.6 %	6.0 %	12.1 %	14.0 %	16.3 %	12.6 %	12.5 %	12.7 %	12.7 %
<b>Adjusted EBIT-%</b>	7.1 %	-1.3 %	6.7 %	7.3 %	9.6 %	6.1 %	-3.4 %	4.7 %	6.1 %	10.1 %	5.1 %	5.5 %	5.9 %	6.1 %
<b>Net earnings-%</b>	3.9 %	-3.5 %	3.5 %	4.0 %	5.9 %	2.9 %	-5.4 %	2.3 %	3.3 %	6.3 %	2.2 %	2.4 %	3.0 %	3.2 %

Source: Inderes

# Balance sheet

Assets	2023	2024	2025e	2026e	2027e
<b>Non-current assets</b>	<b>900</b>	<b>901</b>	<b>887</b>	<b>901</b>	<b>918</b>
Goodwill	218	217	217	217	217
Intangible assets	45.8	42.4	40.2	38.2	36.4
Tangible assets	633	639	629	646	664
Associated companies	0.0	0.3	0.0	0.0	0.0
Other investments	0.6	0.2	0.2	0.2	0.2
Other non-current assets	2.3	1.7	0.0	0.0	0.0
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
<b>Current assets</b>	<b>510</b>	<b>476</b>	<b>643</b>	<b>661</b>	<b>669</b>
Inventories	343	428	444	468	494
Other current assets	2.6	2.4	2.4	2.4	2.4
Receivables	31.0	29.1	30.3	31.9	33.7
Cash and equivalents	134	15.9	166	158	139
<b>Balance sheet total</b>	<b>1410</b>	<b>1376</b>	<b>1530</b>	<b>1562</b>	<b>1587</b>

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
<b>Equity</b>	<b>265</b>	<b>263</b>	<b>282</b>	<b>304</b>	<b>330</b>
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	147	151	170	191	218
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	-0.7	0.0	0.0	0.0	0.0
Other equity	119	112	112	112	112
Minorities	0.0	0.0	0.0	0.0	0.0
<b>Non-current liabilities</b>	<b>743</b>	<b>717</b>	<b>867</b>	<b>863</b>	<b>847</b>
Deferred tax liabilities	12.9	10.3	11.0	11.0	11.0
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	726	703	852	848	832
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long-term liabilities	4.3	3.8	3.8	3.8	3.8
<b>Current liabilities</b>	<b>402</b>	<b>397</b>	<b>381</b>	<b>395</b>	<b>410</b>
Interest bearing debt	138	130	94.7	94.2	92.4
Payables	260	267	286	301	318
Other current liabilities	3.6	0.3	0.3	0.3	0.3
<b>Balance sheet total</b>	<b>1410</b>	<b>1376</b>	<b>1530</b>	<b>1562</b>	<b>1587</b>

# DCF calculation

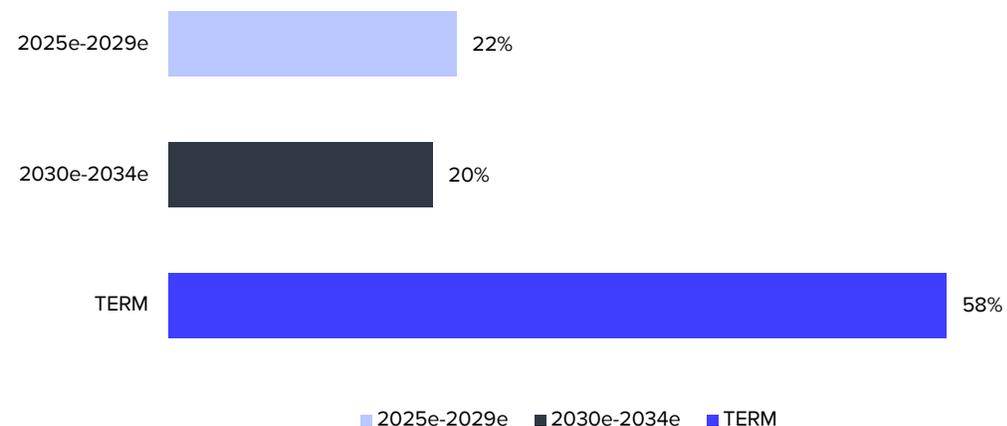
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	20.3 %	4.0 %	5.3 %	5.6 %	4.3 %	4.0 %	4.0 %	3.5 %	3.5 %	3.0 %	2.0 %	2.0 %
EBIT-%	6.0 %	5.0 %	5.4 %	5.8 %	5.9 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %	6.5 %
<b>EBIT (operating profit)</b>	<b>99.9</b>	<b>87.8</b>	<b>98.2</b>	<b>112</b>	<b>119</b>	<b>137</b>	<b>142</b>	<b>147</b>	<b>152</b>	<b>158</b>	<b>161</b>	
+ Depreciation	128	133	130	134	137	141	145	149	153	156	159	
- Paid taxes	-14.9	-8.9	-11.2	-13.1	-14.6	-17.2	-18.4	-19.5	-20.6	-21.6	-22.3	
- Tax, financial expenses	-7.8	-7.7	-8.4	-7.5	-7.3	-7.9	-7.7	-7.5	-7.4	-7.4	-7.2	
+ 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	-80.0	2.1	-10.1	-11.1	-8.9	-8.8	-9.1	-8.3	-8.6	-7.6	-5.2	
<b>Operating cash flow</b>	<b>125</b>	<b>206</b>	<b>199</b>	<b>214</b>	<b>226</b>	<b>244</b>	<b>252</b>	<b>261</b>	<b>269</b>	<b>277</b>	<b>285</b>	
+ Change in other long-term liabilities	-0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-128	-119	-145	-150	-155	-160	-164	-168	-168	-168	-160	
<b>Free operating cash flow</b>	<b>-3.5</b>	<b>86.9</b>	<b>53.6</b>	<b>63.7</b>	<b>70.5</b>	<b>83.6</b>	<b>87.7</b>	<b>92.7</b>	<b>101</b>	<b>109</b>	<b>125</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	-3.5	86.9	53.6	63.7	70.5	83.6	87.7	92.7	101	109	125	1792
<b>Discounted FCFF</b>		<b>88.2</b>	<b>49.9</b>	<b>54.3</b>	<b>55.0</b>	<b>59.8</b>	<b>57.6</b>	<b>55.7</b>	<b>55.4</b>	<b>55.2</b>	<b>57.9</b>	<b>830</b>
Sum of FCFF present value		1419	1330	1280	1226	1171	1111	1054	998	943	887	830
<b>Enterprise value DCF</b>		<b>1419</b>										
- Interest bearing debt		-832.2										
+ Cash and cash equivalents		15.9										
-Minorities		0.0										
-Dividend/capital return		-20.0										
<b>Equity value DCF</b>		<b>582</b>										
<b>Equity value DCF per share</b>		<b>9.9</b>										

## WACC

Tax-% (WACC)	18.5 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	5.0 %
Equity Beta	1.30
Market risk premium	4.75%
Liquidity premium	1.70%
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>10.4 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>9.1 %</b>

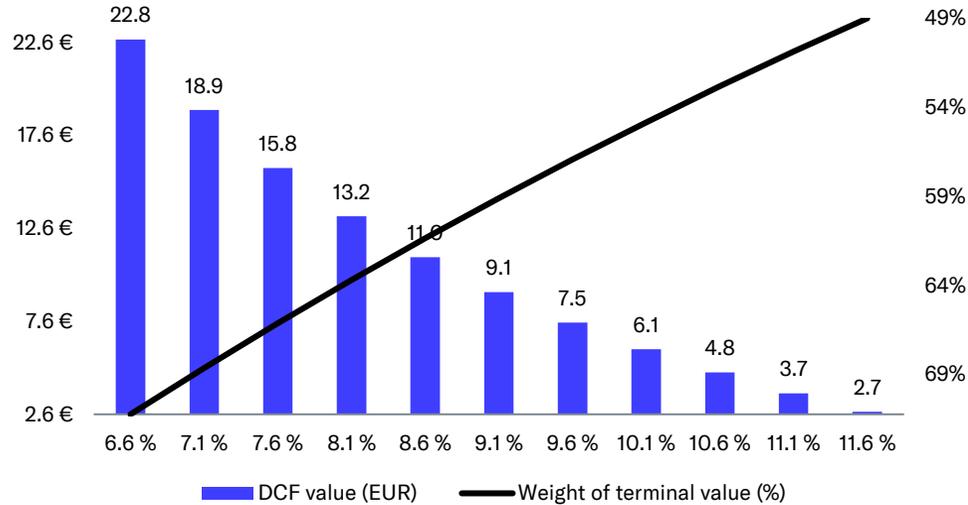
Source: Inderes

## Cash flow distribution

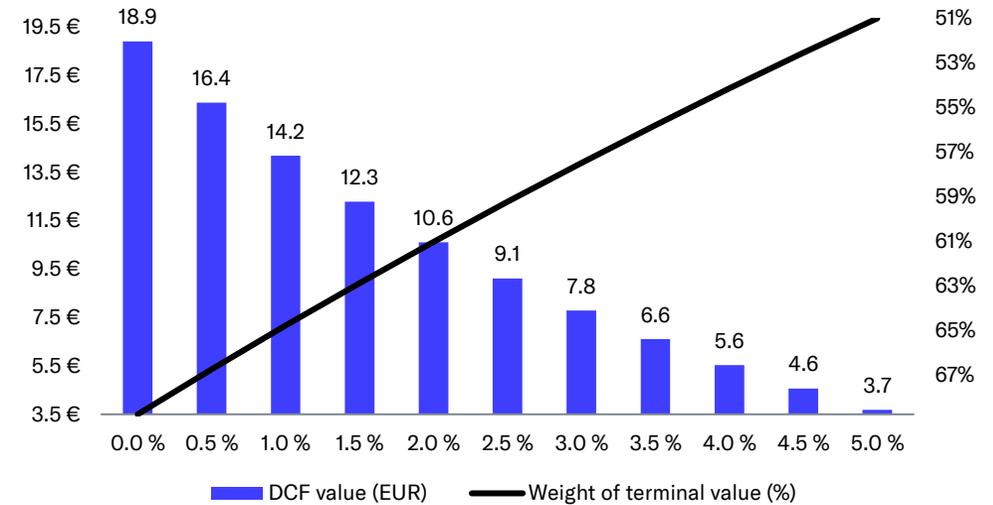


# DCF sensitivity calculations and key assumptions in graphs

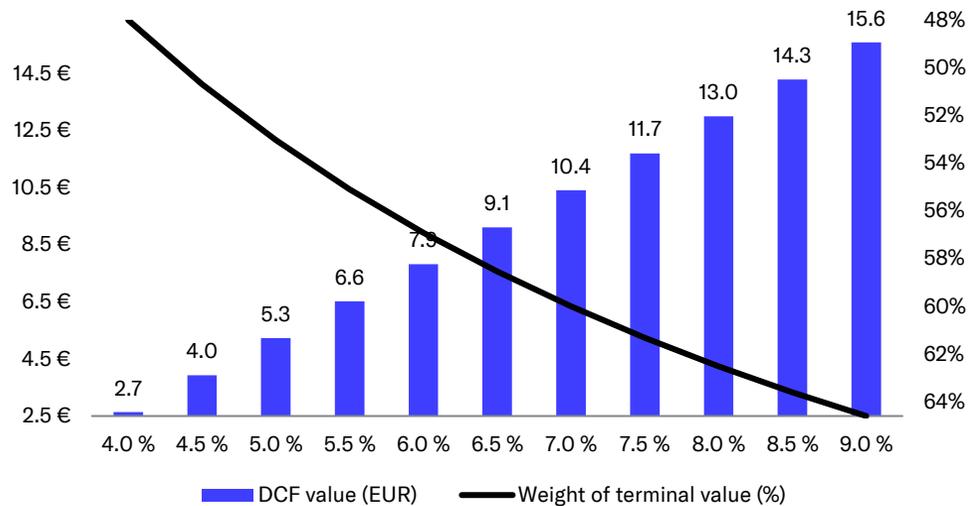
Sensitivity of DCF to changes in the WACC-%



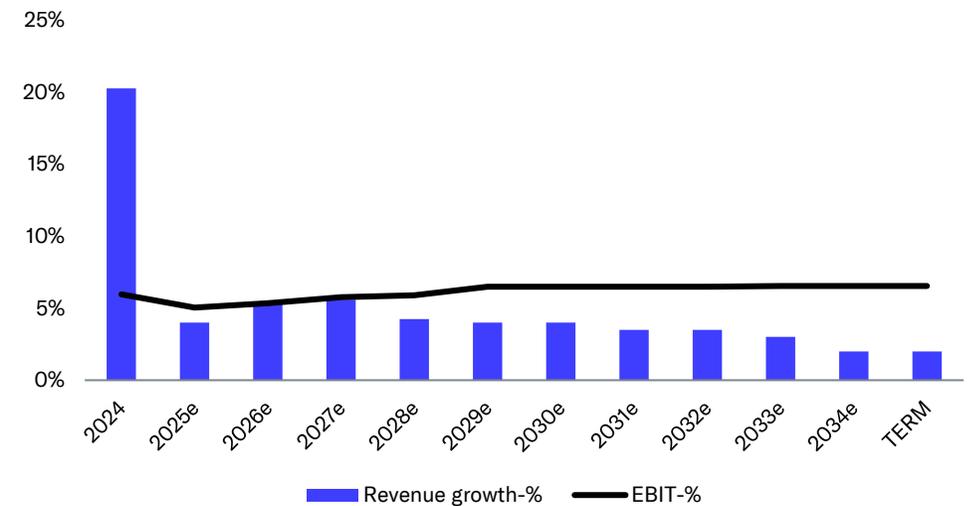
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



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	1168.0	1392.6	1674.9	<b>1741.9</b>	<b>1835.0</b>	EPS (reported)	1.00	0.92	0.83	<b>0.66</b>	<b>0.76</b>
EBITDA	157.2	189.8	227.6	<b>220.3</b>	<b>228.6</b>	EPS (adj.)	1.03	1.02	0.87	<b>0.68</b>	<b>0.81</b>
EBIT	84.0	93.0	99.9	<b>87.8</b>	<b>98.2</b>	OCF / share	1.62	3.95	2.12	<b>3.50</b>	<b>3.38</b>
PTP	73.3	68.4	61.1	<b>48.7</b>	<b>56.2</b>	OFCF / share	-0.07	-4.97	-0.06	<b>1.48</b>	<b>0.91</b>
Net Income	58.8	54.0	48.8	<b>39.1</b>	<b>44.9</b>	Book value / share	4.20	4.51	4.47	<b>4.79</b>	<b>5.16</b>
Extraordinary items	-1.7	-5.8	-2.4	<b>-1.1</b>	<b>-3.0</b>	Dividend / share	0.76	0.76	0.34	<b>0.40</b>	<b>0.53</b>
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	793.8	1410.3	1376.3	<b>1529.9</b>	<b>1562.1</b>	Revenue growth-%	2%	19%	20%	<b>4%</b>	<b>5%</b>
Equity capital	247.0	265.4	263.1	<b>282.2</b>	<b>303.6</b>	EBITDA growth-%	-10%	21%	20%	<b>-3%</b>	<b>4%</b>
Goodwill	136.2	218.1	217.3	<b>217.3</b>	<b>217.3</b>	EBIT (adj.) growth-%	-19%	15%	4%	<b>-13%</b>	<b>14%</b>
Net debt	383.3	730.5	816.3	<b>780.5</b>	<b>784.0</b>	EPS (adj.) growth-%	-20%	-1%	-15%	<b>-21%</b>	<b>19%</b>
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	13.5 %	13.6 %	13.6 %	<b>12.6 %</b>	<b>12.5 %</b>
EBITDA	157.2	189.8	227.6	<b>220.3</b>	<b>228.6</b>	EBIT (adj.)-%	7.3 %	7.1 %	6.1 %	<b>5.1 %</b>	<b>5.5 %</b>
Change in working capital	-44.9	47.6	-80.0	<b>2.1</b>	<b>-10.1</b>	EBIT-%	7.2 %	6.7 %	6.0 %	<b>5.0 %</b>	<b>5.4 %</b>
Operating cash flow	95.4	232.4	124.8	<b>205.9</b>	<b>198.8</b>	ROE-%	23.9 %	21.1 %	18.4 %	<b>14.4 %</b>	<b>15.3 %</b>
CAPEX	-98.8	-524.3	-127.8	<b>-118.9</b>	<b>-145.2</b>	ROI-%	13.1 %	10.5 %	9.0 %	<b>7.6 %</b>	<b>7.9 %</b>
Free cash flow	-3.9	-292.3	-3.5	<b>86.9</b>	<b>53.6</b>	Equity ratio	31.1 %	18.8 %	19.1 %	<b>18.4 %</b>	<b>19.4 %</b>
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	155.2 %	275.3 %	310.3 %	<b>276.5 %</b>	<b>258.2 %</b>
EV/S	0.9	1.2	0.9	<b>0.7</b>	<b>0.7</b>						
EV/EBITDA	6.7	8.6	6.7	<b>5.6</b>	<b>5.5</b>						
EV/EBIT (adj.)	12.2	16.6	14.9	<b>14.0</b>	<b>12.3</b>						
P/E (adj.)	11.0	15.2	13.9	<b>11.5</b>	<b>9.7</b>						
P/B	2.7	3.4	2.7	<b>1.6</b>	<b>1.5</b>						
Dividend-%	6.7 %	4.9 %	2.8 %	<b>5.1 %</b>	<b>6.8 %</b>						

Source: Inderes

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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
5/8/2021	Buy	25.00 €	21.68 €
7/29/2021	Accumulate	27.00 €	24.66 €
10/31/2021	Buy	25.00 €	19.68 €
<i>Analyst changed</i>			
2/14/2022	Buy	20.00 €	17.90 €
4/27/2022	Buy	17.00 €	14.78 €
5/2/2022	Buy	15.00 €	12.40 €
5/27/2022	Accumulate	13.50 €	12.17 €
8/1/2022	Accumulate	14.00 €	12.82 €
9/30/2022	Accumulate	12.50 €	11.04 €
10/31/2022	Accumulate	12.50 €	11.83 €
12/19/2022	Accumulate	12.50 €	11.63 €
2/13/2023	Accumulate	14.00 €	12.98 €
4/13/2023	Accumulate	14.20 €	13.20 €
5/2/2023	Accumulate	13.50 €	12.41 €
8/7/2023	Accumulate	14.50 €	13.73 €
<i>Analyst changed</i>			
11/20/2023	Accumulate	14.00 €	12.61 €
2/14/2024	Reduce	15.50 €	15.42 €
3/25/2024	Accumulate	16.00 €	14.96 €
5/20/2024	Accumulate	15.00 €	13.63 €
6/13/2024	Accumulate	15.00 €	13.35 €
8/8/2024	Accumulate	13.00 €	11.16 €
8/19/2024	Accumulate	13.00 €	10.80 €
11/18/2024	Buy	14.00 €	11.60 €
3/3/2025	Accumulate	15.50 €	13.76 €
3/10/2025	Accumulate	14.50 €	12.73 €
5/19/2025	Reduce	11.50 €	11.65 €
7/21/2025	Reduce	10.00 €	9.38 €
8/18/2025	Reduce	10.00 €	9.08 €
11/15/2025	Reduce	7.70 €	7.29 €
12/15/2025	Reduce	7.70 €	7.42 €
3/3/2026	Accumulate	9.00 €	7.87 €



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