ANORA

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INDERES CORPORATE CUSTOMER

COMPANY REPORT

Efficiencies pay off, cost pressure mounts

Anora's Q3 earnings exceeded our expectations, driven by the Industrial segment, and the company reiterated its guidance for the current year. We raised our estimates slightly, but we believe that accelerating cost inflation next year will limit earnings growth. We believe the dividend yield provides a positive expected return, but the valuation is fair. We reiterate our EUR 4.0 target price and Reduce recommendation.

Industrial drove the Q3 result above expectations

Anora's revenue increased slightly to 157.5 MEUR (estimate 155 MEUR), as contract manufacturing volumes in the Industrial segment offset the decrease in revenue in the beverage segments. Adjusted EBITDA improved to 20.2 MEUR and clearly exceeded our estimate (18.5 MEUR). The beat came from the Industrial segment, whose result rose to a record 7.2 MEUR. The Wine and Spirits segments generated results on a par with the comparison period, which, in the case of Spirits, was slightly weaker than our estimate. Cash flow from operating activities was seasonally weak, but in January-September it improved by nearly 10 MEUR year on year. The net debt/adjusted EBITDA ratio decreased to 2.5x, which is in line with the company's target.

Guidance appears safe, cost pressure growing next year

After nine months, Anora is 5 MEUR ahead of the comparison period, so the guidance of 74-79 MEUR requires an adjusted EBITDA of 29-34 MEUR for Q4 (Q4'25: 31 MEUR). We raised our adjusted EBITDA estimate for the full year to 77.5 MEUR (was 75 MEUR) and 2027-28 estimates by 2-3%. The fixed cost savings of the efficiency program are already largely visible in this year's figures, and next year should, in addition, see savings specifically in the supply chain and procurement. However, we estimate that inflation in transport, energy, and packaging costs will dilute the net impact of the savings, as Anora's rigid pricing passes on cost increases with a delay. We expect revenue to return to growth next year, as the Bacardi distribution agreement generates over 20 MEUR in additional revenue. However, the profitability of the distribution agreements is low, so the impact on earnings is limited. Our adjusted EBITDA estimate for 2028 (81 MEUR) remains below the company's target of 85-90 MEUR.

Value creation still seems difficult

Although we believe Anora can improve its profitability somewhat, the company's return on capital remains roughly at the level of our required return in our forecasts. We estimate the company's investment needs to be small, and it continues to aim at freeing up working capital, which is only realized to a limited extent in our estimates. The growth outlook for the longer term is also subdued, as we do not believe there is any growth in the alcohol market in sight. In an environment of flat or decreasing volumes, the company must continuously improve its efficiency just to compensate for normal cost inflation. Therefore, after the earnings improvement in the coming years, we estimate earnings and cash flow to remain at the same levels in 2028-2034.

Valuation is neutral; dividend creates a positive expected return

Anora's 2026 adjusted P/E (10x) is in line with our acceptable multiples (10-12x), and for 2027 the multiple decreases to 9x. A dividend yield of 6–7% over the next few years alone nearly meets our required return. However, accelerating cost inflation and the structural decline of the alcohol market put pressure on earnings, which keeps us cautious regarding the share. Based on our DCF model the share value is around EUR 4.0, which corresponds to our target price.

Recommendation
Reduce
(was Reduce)

Target price:
EUR 4.00
(was EUR 4.00)

Share price:
EUR 4.19

Business risk



Valuation risk



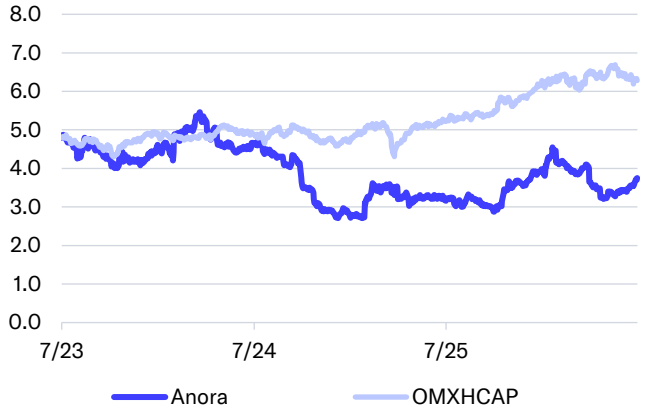
	2025	2026e	2027e	2028e
Revenue	657.9	648.8	666.2	666.6
growth-%	-5%	-1%	3%	0%
EBITDA (oik.)	71.0	77.6	79.0	80.6
EBITDA-% (oik.)	10.8 %	12.0 %	11.9 %	12.1 %
Net Income	5.5	20.0	30.9	32.4
EPS (adj.)	0.33	0.42	0.46	0.48
P/E (adj.)	11.8	9.9	9.2	8.7
P/B	0.7	0.7	0.7	0.7
Dividend yield-%	6.2 %	6.0 %	6.4 %	7.2 %
EV/EBIT (adj.)	8.3	7.7	7.2	6.7
EV/EBITDA	7.1	5.6	4.8	4.5
EV/S	0.6	0.6	0.6	0.5

Source: Inderes

Guidance (Unchanged)

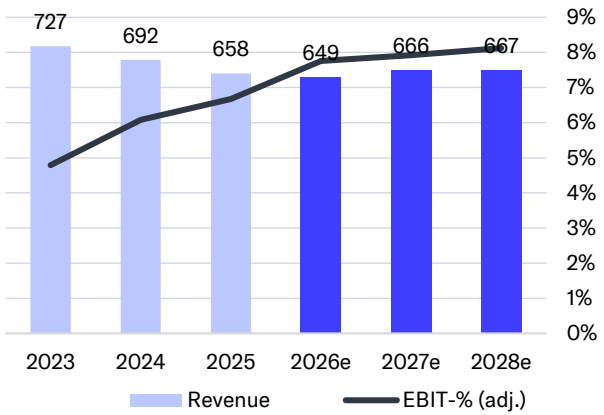
In 2026, Anora's comparable EBITDA is expected to be 74-79 MEUR (2025: 71 MEUR).

Share price



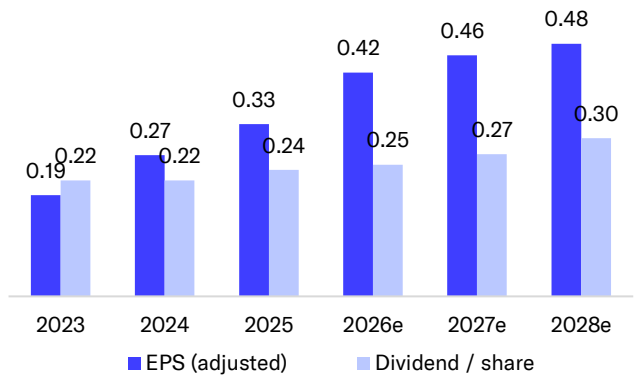
Source: Millistream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and DPS



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

- The alcohol market is on a downward trend
- 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	2026e	2027e	2028e
Share price	4.19	4.19	4.19
Number of shares, millions	67.6	67.6	67.6
Market cap	283	283	283
EV	385	378	363
P/E (adj.)	9.9	9.2	8.7
P/E	14.1	9.2	8.7
P/B	0.7	0.7	0.7
P/S	0.4	0.4	0.4
EV/Sales	0.6	0.6	0.5
EV/EBITDA	5.6	4.8	4.5
EV/EBIT (adj.)	7.7	7.2	6.7
Payout ratio (%)	84%	59%	63%
Dividend yield-%	6.0 %	6.4 %	7.2 %

Source: Inderes

Earnings beat expectations driven by Industrial

Industrial's strength keeps revenue steady in market headwinds

Anora's revenue returned to slight growth and stood at 157.5 MEUR, which was slightly better than our estimate (155 MEUR). According to the company, the volumes in the Nordic markets continued to decrease at a 3% rate, which was on par with our estimates and was also reflected in a decrease in revenue for Anora's beverage segments (Wine and Spirits). Higher volumes in industrial contract manufacturing (the Industrial segment) drove sales upward and above our estimate.

Industrial segment pushed earnings above our estimates

The company's adjusted EBITDA improved to 20.2 MEUR, clearly exceeding our 18.5 MEUR estimate. Similarly, adjusted EBIT (13.3 MEUR) jumped above our estimate (11.7 MEUR). The gross margin increased clearly as expected due to efficiency measures. By segment, the Spirits an

Wine segments delivered earnings at around the level of the comparison period. For the Wine segment, this was in line with our estimates, whereas the Spirits segment fell short of our estimate by around 1 MEUR. The Industrial segment achieved excellent earnings driven by volumes. The Industrial segment's earnings were at a record level (7.2 MEUR), while we expected 5.5 MEUR, and the comparison period was 5.8 MEUR. The "others" line was also slightly better than we estimated.

We understand that the Industrial segment is supported by the growth of contract manufacturing – primarily the production of Finlandia Vodka – which also increases side product volumes. Anora's efficiency program has also supported its industrial operations, which, in addition to contract manufacturing and side products, include logistics operations in Norway.

Cash flow seasonally weak, balance sheet position improved to the targeted level

Anora's cash flow from operating activities was slightly more negative in Q3 than in the comparison period. For January-September, cash flow was clearly negative (-45 MEUR) as is typical for the seasonal pattern, but nevertheless improved by nearly 10 MEUR from last year. However, Anora's full-year cash flow is in practice generated in Q4.

Anora's net debt at the end of Q3 was just under 190 MEUR, which was around 15 MEUR lower than in the comparison period. Driven by lower debt and increased earnings, Anora achieved its net debt/adj. EBITDA target of 2.5x at the end of the quarter, compared to 3.0x in the comparison period. At the end of the year, Anora's balance sheet is always clearly stronger due to the seasonality of cash flow, and at the turn of last year, indebtedness was only 1.4x.

Estimates	Q3'25	Q3'26	Q3'26e	Q3'26e	Consensus		Difference (%)	2026e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	157	158	155	155	-		2%	649
EBITDA (adj.)	17.9	20.2	18.5	19.1	-		9%	77.5
EBITDA	18.0	20.1	16.0	18.4	-		26%	66.5
EBIT (adj.)	11.3	13.3	11.7	12.4	-		14%	50.3
EBIT	11.4	10.7	9.2	11.7	-		16%	39.3
EPS (reported)	0.09	0.09	0.07	0.1	-		34%	0.30
Revenue growth-%	-3.6 %	0.4 %	-1.1 %	-1.0 %			1.6 pp	-1.4 %
EBIT-% (adj.)	7.2 %	8.4 %	7.5 %		-		0.9 pp	7.8 %

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

Anora Q3'26: Revenue growth returns after more than four years



Reiterated guidance is on a strong footing, cost inflation threatens next year

Strong Q3 makes the reiterated guidance quite easy

As expected, Anora reiterated its earnings guidance for this year, estimating that its comparable EBITDA for 2026 will be 74-79 MEUR. This means an improvement of 3-8 MEUR from the comparison period, as after nine months, Anora is 5 MEUR ahead of the comparison period. For Q4, the guidance therefore implies earnings of 29-34 MEUR, compared to 31 MEUR in the comparison period. Anora warranted the lower end of the range, i.e., a potential decrease in Q4 earnings, by stating that Q4 is the most important earnings quarter and is always dependent to some extent on seasonal volumes, including glögg. The company also said that cost inflation is beginning to show in the figures.

We raised our estimates for this year mainly due to stronger Q3 earnings. Our adj. EBITDA estimate for Q4 remained at 32 MEUR, and our estimate for the full year rose to 77.5 MEUR. This change was also reflected in the lower earnings lines.

The efficiency program is progressing well and the impacts are visible

Anora's efficiency program, announced around a year ago, targeted gross savings of 40 MEUR, half of which were to be realized during 2026 and the other half during 2027. The company commented that fixed cost savings of ~20 MEUR have largely been made already in the early part of the year, and will therefore be predominantly reflected already in the 2026 earnings. Similarly, some of the portfolio and pricing changes (which are part of the second 20 MEUR package) have already been visible as a strengthened gross profit this year. Therefore, we believe that a significant portion of the cost-saving measures taken by the company will already be visible in this year's earnings. However, next year the figures will also reflect especially savings related to the supply chain and procurement, which will take a bit more time.

Cost inflation will dilute cost savings next year

The company commented that it sees cost inflation pressure in, e.g., transport and energy costs. Due to the sharp rise in oil prices seen in September and October, we expect this inflationary pressure to intensify heading into next year. We expect cost pressure to be visible in packaging costs going forward as well.

Anora's pricing, particularly for monopoly chains, is rigid (price increases only possible 2-3 times a year), so they almost invariably lag behind rising costs. Thus, we believe that cost inflation will weigh on margins at least in the early part of next year, before prices can be adjusted. According to our estimate, Anora's efficiency program will offset the impact of cost inflation, but it will clearly limit earnings growth compared to, e.g., this year's development. However, on the back of the strong earnings performance in 2026, we also raised our estimates for 2027-28 despite cost pressures. Our 2028 adj. EBITDA estimate (81 MEUR) remains below the company's target of 85-90 MEUR.

Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	646	649	0%	661	666	1%	662	667	1%
EBITDA (adj.)	75.4	77.5	3%	77.1	79.0	2%	78.8	80.6	2%
EBIT (exc. NRIs)	48.2	50.3	4%	50.4	52.8	5%	52.0	54.2	4%
EBIT	37.3	39.3	5%	50.4	52.8	5%	52.0	54.2	4%
PTP	23.3	25.6	10%	36.9	39.3	7%	39.0	41.2	6%
EPS (excl. NRIs)	0.40	0.43	7%	0.43	0.46	6%	0.46	0.48	5%
DPS	0.25	0.25	0%	0.27	0.27	0%	0.30	0.30	0%

Source: Inderes

Anora, Audiocast, Q3'26



Valuation is neutral

Valuation summary

Anora's expected return over the next few years consists mainly of dividend yield but also slight earnings growth. We consider the stock's valuation level neutral (2026 P/E 10x). The valuation picture appears moderate by other metrics. A dividend yield of 6-7% over the next few years alone nearly meets our required return. However, risks related to accelerating cost inflation and the structural decline of the alcohol market weigh to some extent in the balance.

Earnings-based valuation is neutral; dividend creates a positive expected return

In terms of the P/E ratio, we see acceptable multiples being 10-12x, which means the 2026 valuation falls within this range. 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 140 MEUR (at the end of 2025), which can be considered as debt-like assets. We have not adjusted this either way when calculating multiples, but for these reasons we do not believe EV-based multiples are the most appropriate for Anora.

For this year, we estimate a payout ratio of around 60% of adjusted EPS and a dividend yield of 6%, which alone is close to our required return. We feel the company's net profit corresponds reasonably well to its free cash flow, meaning its free cash flow yield, adjusted for one-off items, will reach 9% this year, according to our estimate. Thus, measured by cash flow/dividend yield, we see a positive expected return, close to our required return.

Competitor faces a takeout offer

A buyout offer for Anora's Wine segment's main competitor, the Swedish Viva Wine Group, was made by its main shareholders at the end of June, and it in the fall. The offer valued Viva at some 12x the 2026 EV/EBIT ratio. If a corresponding multiple is applied to Anora's Wine segment, its value would correspond to roughly half of Anora's market cap, although it generates less than a third of the group's adjusted EBITDA. However, it has been possible to construct attractive sum-of-the-parts calculations for Anora in the past as well. Nevertheless, Viva clearly has a better track record of growth and profitability than Anora, and we do not believe that dividing Anora is on the agenda at this time. Therefore, we value Anora as a whole and do not use the sum-of-the-parts method.

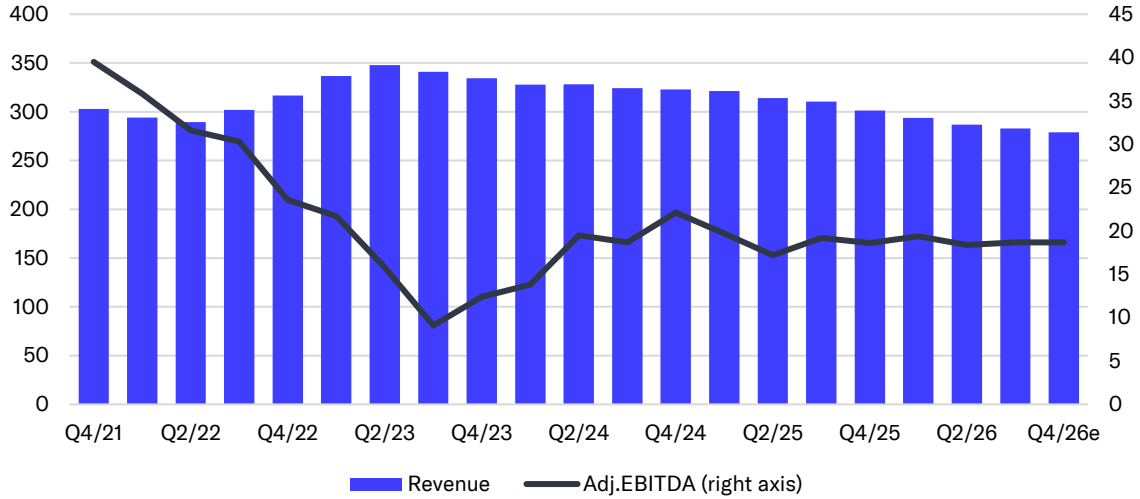
The value of the DCF model is around EUR 4

Due to the relatively stable and defensive industry and the fairly 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 270 MEUR, or some EUR 4.0 per share. Here we treat sold receivables (~140 MEUR) as debt. However, the DCF model assumes better profitability than currently in the longer term, whose materialization naturally entails uncertainty. On the other hand, we estimate earnings to remain almost flat from 2028 onwards, and our terminal growth assumption is 0%, reflecting the downward trend in the target market. Because the company’s demand is even and defensive and profitability is stable, we use a relatively low 8.1% WACC. Over half of the cash flows will already be generated in the next 10 years and the remainder in the terminal period.

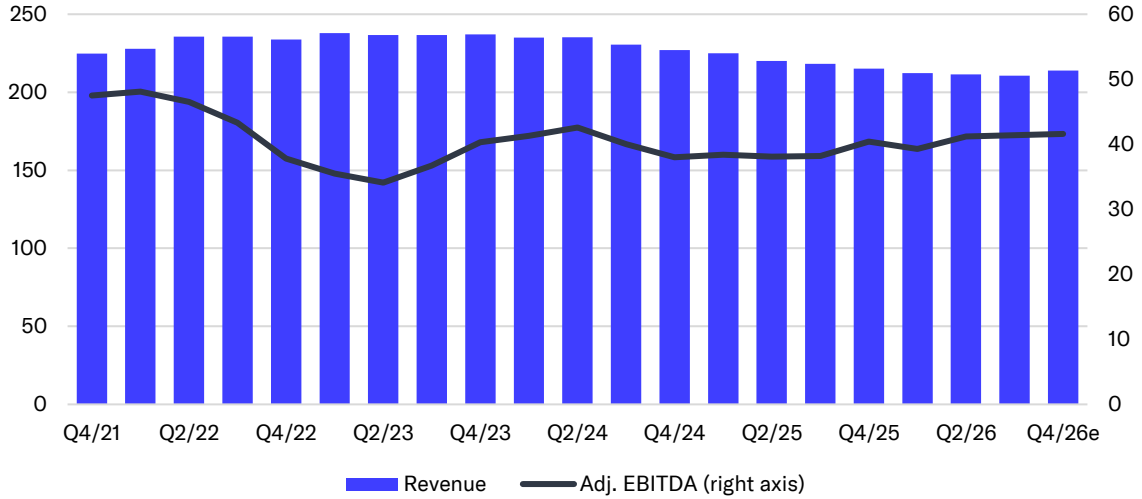
Valuation	2026e	2027e	2028e
Share price	4.19	4.19	4.19
Number of shares, millions	67.6	67.6	67.6
Market cap	283	283	283
EV	385	378	363
P/E (adj.)	9.9	9.2	8.7
P/E	14.1	9.2	8.7
P/B	0.7	0.7	0.7
P/S	0.4	0.4	0.4
EV/Sales	0.6	0.6	0.5
EV/EBITDA	5.6	4.8	4.5
EV/EBIT (adj.)	7.7	7.2	6.7
Payout ratio (%)	84%	59%	63%
Dividend yield-%	6.0 %	6.4 %	7.2 %

Source: Inderes

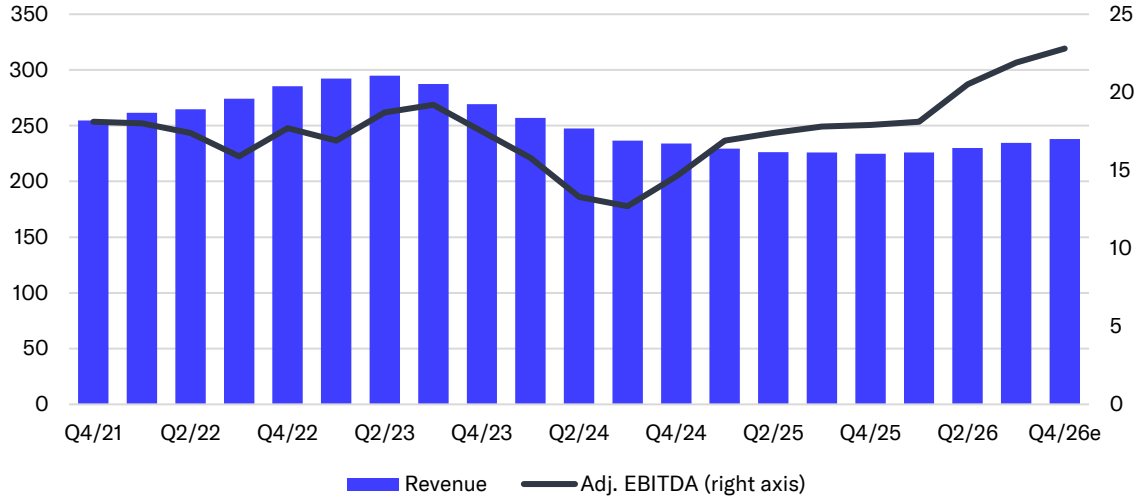
Wine: revenue and adj. EBITDA (rolling 12 months, MEUR)



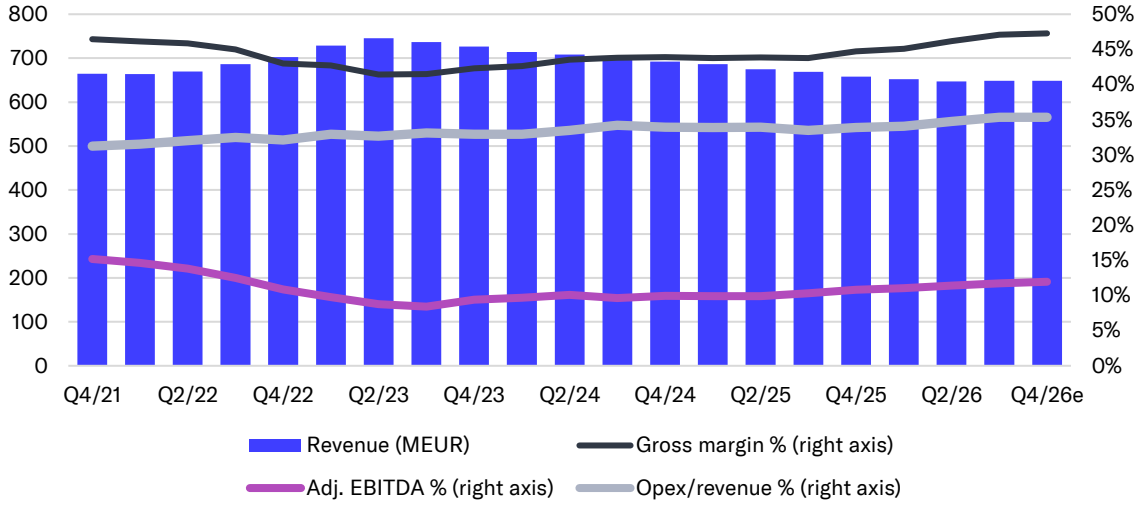
Spirits: revenue and adj. EBITDA (rolling 12 months, MEUR)



Industrial: revenue and adj. EBITDA (rolling 12 months, MEUR)



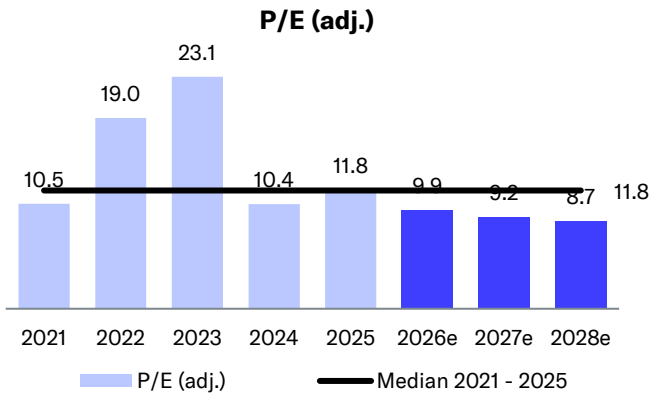
Group: revenue and margins (rolling 12 months)

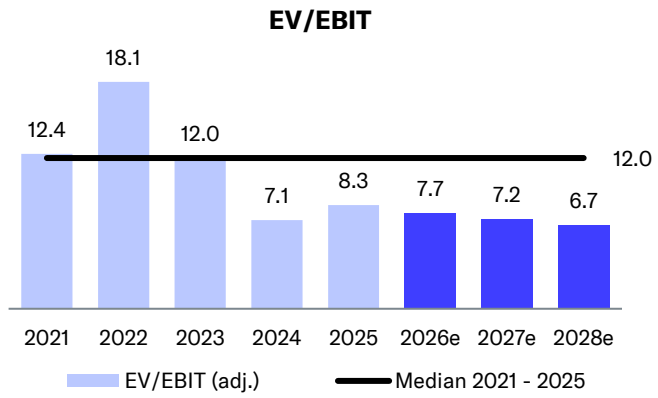


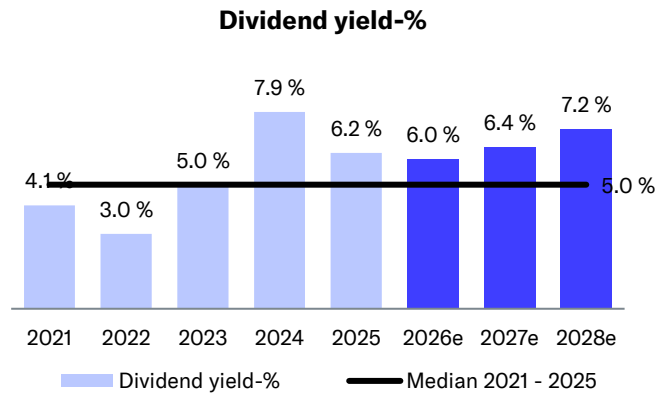
Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	10.9	7.36	4.44	2.80	3.86	**4.19**	**4.19**	**4.19**	**4.19**
Number of shares, millions	46.6	67.6	67.6	67.6	67.6	**67.6**	**67.6**	**67.6**	**67.6**
Market cap	736	498	300	189	261	**283**	**283**	**283**	**283**
EV	864	778	419	298	364	**385**	**378**	**363**	**350**
P/E (adj.)	10.5	19.0	23.1	10.4	11.8	**9.9**	**9.2**	**8.7**	**8.5**
P/E	11.9	27.7	neg.	18.0	47.3	**14.1**	**9.2**	**8.7**	**8.5**
P/B	1.5	1.0	0.7	0.5	0.7	**0.7**	**0.7**	**0.7**	**0.6**
P/S	1.1	0.7	0.4	0.3	0.4	**0.4**	**0.4**	**0.4**	**0.4**
EV/Sales	1.3	1.1	0.6	0.4	0.6	**0.6**	**0.6**	**0.5**	**0.5**
EV/EBITDA	9.1	11.5	6.2	4.9	7.1	**5.6**	**4.8**	**4.5**	**4.3**
EV/EBIT (adj.)	12.4	18.1	12.0	7.1	8.3	**7.7**	**7.2**	**6.7**	**6.3**
Payout ratio (%)	71.2 %	82.9 %	neg.	141.2 %	293.9 %	**84.3 %**	**59.0 %**	**62.6 %**	**80.0 %**
Dividend yield-%	4.1 %	3.0 %	5.0 %	7.9 %	6.2 %	**6.0 %**	**6.4 %**	**7.2 %**	**9.4 %**

Source: Inderes







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

Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	**MEUR**	**MEUR**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**
Brown-Forman	10154	12054	12.3	12.8	11.5	11.9	3.5	3.5	14.4	14.8	3.7	3.8	2.9
Davide Campari Milano	10262	12106	19.4	18.0	15.8	14.7	4.0	3.8	17.7	16.0	1.9	2.1	1.3
Diageo	39581	58274	11.4	11.7	10.3	10.5	3.3	3.3	12.7	12.8	3.0	3.2	3.5
Pernod-Ricard	16014	27204	11.2	11.0	9.5	9.5	2.9	2.9	11.1	10.9	6.6	6.5	1.0
Remy-Cointreau	2289	2953	18.0	17.3	14.0	13.6	3.2	3.1	26.5	25.0	2.7	2.1	1.2
Constellation Brands	19596	28974	11.3	11.2	9.9	9.8	3.7	3.6	11.3	11.1	3.1	3.2	3.0
Olvi	676	716	8.3	7.4	6.2	5.6	0.9	0.9	10.5	9.1	4.3	4.5	1.7
Royal Unibrew	3089	3936	12.4	11.6	9.5	8.9	1.9	1.8	13.7	12.4	3.7	4.0	3.3
Viva Wine Group	309	440	13.0	11.5	9.0	8.2	0.8	0.7	14.8	12.5	4.6	5.3	2.0
Anora (Inderes)	**283**	**385**	**7.7**	**7.2**	**5.6**	**4.8**	**0.6**	**0.6**	**9.9**	**9.2**	**6.0**	**6.4**	**0.7**
Average			**13.0**	**12.5**	**10.6**	**10.3**	**2.7**	**2.6**	**14.7**	**13.8**	**3.7**	**3.9**	**2.2**
Median			**12.3**	**11.6**	**9.9**	**9.8**	**3.2**	**3.1**	**13.7**	**12.5**	**3.7**	**3.8**	**2.0**
Diff-% to median			***-38%***	***-38%***	***-44%***	***-51%***	***-81%***	***-82%***	***-28%***	***-27%***	***63%***	***70%***	***-63%***

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26	Q4'26e	2026e	2027e	2028e	2029e
Revenue	**692**	**141**	**165**	**157**	**194**	**658**	**136**	**161**	**158**	**195**	**649**	**666**	**667**	**664**
Wine	323	65	75	70	91	301	58	68	66	87	279	279	282	282
Spirits	227	45	54	51	66	215	42	53	50	69	214	235	233	230
Industrial	234	51	58	60	57	225	52	62	64	60	238	233	233	233
Group and eliminations	-92.0	-19	-21	-24	-19	-83.2	-16	-22	-23	-21	-82	-81	-81	-81
EBITDA	**61.3**	**8.9**	**13.5**	**18.0**	**10.6**	**51.0**	**6.7**	**12.3**	**17.5**	**30.0**	**66.5**	**79.0**	**80.6**	**81.3**
Depreciation	-26.8	-6.8	-6.8	-6.6	-7.0	-27.2	-6.8	-6.8	-6.8	-6.8	-27.2	-26.2	-26.4	-26.2
EBIT (excl. NRI)	**42.1**	**1.2**	**7.3**	**11.3**	**24.1**	**43.9**	**2.0**	**9.3**	**13.3**	**25.7**	**50.3**	**52.8**	**54.2**	**55.1**
EBIT	**34.5**	**2.1**	**6.7**	**11.4**	**3.6**	**23.8**	**-0.1**	**5.5**	**10.7**	**23.2**	**39.3**	**52.8**	**54.2**	**55.1**
Wine (EBITDA)	22.1	0.2	2.0	3.4	13.0	18.6	1.0	0.9	3.9	13.0	18.8	19.5	22.5	22.5
Spirits (EBITDA)	38.0	7.2	8.6	9.3	15.3	40.4	6.1	10.5	9.5	15.5	41.6	43.5	44.2	44.9
Industrial (EBITDA)	14.7	3.1	3.9	5.9	5.1	18.0	3.3	6.3	7.1	6.0	22.7	21.5	19.8	19.8
Group and eliminations	-5.9	-2.5	-0.5	-0.6	-2.3	-5.9	-1.5	-1.7	-0.3	-2.0	-5.5	-5.5	-6.0	-6.0
Share of profits in assoc. compan.	0.3	-0.2	-0.2	-0.3	-0.4	-1.1	-0.1	0.0	0.0	0.0	-0.1	0.0	0.0	0.0
Net financial items	-20.0	-4.3	-3.4	-3.5	-3.5	-14.8	-3.3	-3.8	-3.2	-3.3	-13.6	-13.5	-13.0	-13.0
PTP	**14.7**	**-2.4**	**3.0**	**7.7**	**-0.3**	**8.0**	**-3.5**	**1.7**	**7.5**	**19.9**	**25.6**	**39.3**	**41.2**	**42.1**
Taxes	-3.7	0.1	-0.8	-1.5	-0.1	-2.4	0.8	-0.3	-1.7	-4.4	-5.5	-8.3	-8.6	-8.8
Minority interest	-0.5	0.0	0.0	-0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1
Net earnings	**10.5**	**-2.3**	**2.2**	**6.0**	**-0.4**	**5.5**	**-2.7**	**1.4**	**5.9**	**15.5**	**20.1**	**30.9**	**32.4**	**33.2**
EPS (adj.)	**0.27**	**-0.04**	**0.04**	**0.09**	**0.25**	**0.33**	**-0.02**	**0.06**	**0.12**	**0.26**	**0.43**	**0.46**	**0.48**	**0.49**
EPS (rep.)	**0.16**	**-0.03**	**0.03**	**0.09**	**-0.01**	**0.08**	**-0.04**	**0.02**	**0.09**	**0.23**	**0.30**	**0.46**	**0.48**	**0.49**

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	-4.7 %	-3.7 %	-6.6 %	-3.6 %	-5.4 %	-4.9 %	-4.0 %	-3.0 %	0.4 %	0.4 %	-1.4 %	2.7 %	0.1 %	-0.3 %
Adjusted EBIT growth-%	21.0 %	-36.8 %	-16.2 %	22.9 %	8.1 %	4.3 %	66.7 %	27.6 %	17.8 %	6.6 %	14.6 %	4.9 %	2.6 %	1.7 %
EBITDA-%	8.9 %	6.3 %	8.2 %	11.5 %	5.5 %	7.8 %	4.9 %	7.7 %	11.1 %	15.4 %	10.3 %	11.9 %	12.1 %	12.2 %
Adjusted EBIT-%	6.1 %	0.8 %	4.4 %	7.2 %	12.4 %	6.7 %	1.5 %	5.8 %	8.5 %	13.2 %	7.8 %	7.9 %	8.1 %	8.3 %
Net earnings-%	1.5 %	-1.6 %	1.4 %	3.8 %	-0.2 %	0.8 %	-2.0 %	0.9 %	3.7 %	8.0 %	3.1 %	4.6 %	4.9 %	5.0 %

Source: Inderes

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

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	**628**	**611**	**614**	**617**	**616**
Goodwill	299	304	304	304	304
Intangible assets	194	176	176	176	176
Tangible assets	122	119	122	126	125
Associated companies	11.6	10.5	10.5	10.5	10.5
Other investments	0.7	2.2	1.0	1.0	1.0
Other non-current assets	0.2	0.0	0.0	0.0	0.0
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
Current assets	**442**	**421**	**402**	**410**	**410**
Inventories	139	113	114	117	117
Other current assets	7.2	0.0	0.0	0.0	0.0
Receivables	114	126	126	127	127
Cash and equivalents	182	183	162	167	167
Balance sheet total	**1070**	**1032**	**1015**	**1027**	**1026**

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	**399**	**393**	**397**	**411**	**425**
Share capital	61.5	61.5	61.5	61.5	61.5
Retained earnings	50.1	41.0	44.8	58.9	73.0
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	286	290	290	290	290
Minorities	0.9	0.3	0.4	0.5	0.6
Non-current liabilities	**306**	**292**	**275**	**272**	**258**
Deferred tax liabilities	35.4	32.7	32.7	32.7	32.7
Provisions	2.6	2.6	2.6	2.6	2.6
Interest bearing debt	268	257	239	237	223
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.1	0.0	0.0	0.0	0.0
Current liabilities	**364**	**347**	**344**	**344**	**343**
Interest bearing debt	34.9	27.4	24.4	24.1	22.6
Payables	324	320	319	320	320
Other current liabilities	5.0	0.0	0.0	0.0	0.0
Balance sheet total	**1070**	**1032**	**1015**	**1027**	**1026**

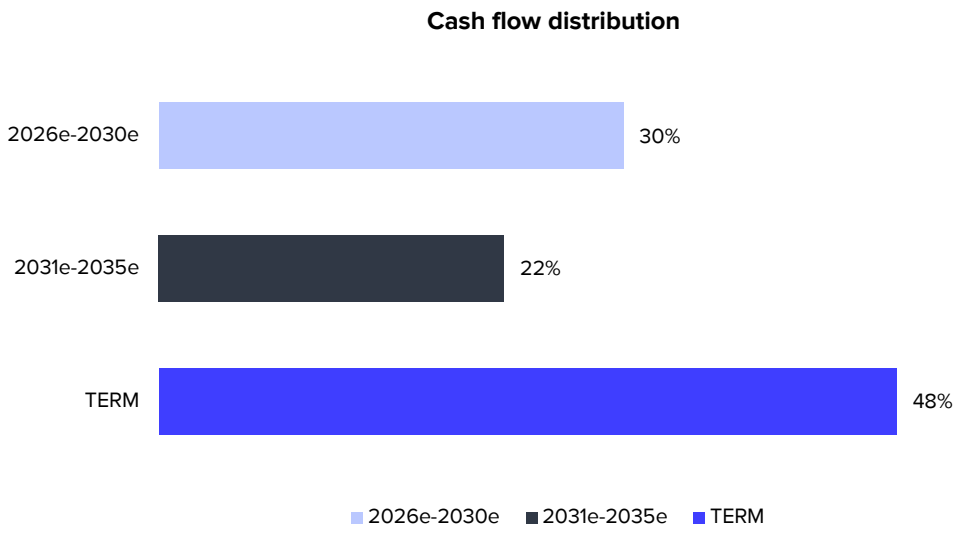
DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	-4.9 %	-1.4 %	2.7 %	0.1 %	-0.3 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %
EBIT-%	3.6 %	6.1 %	7.9 %	8.1 %	8.3 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %
EBIT (operating profit)	**23.8**	**39.3**	**52.8**	**54.2**	**55.1**	**53.1**	**53.1**	**53.1**	**53.1**	**53.1**	**53.2**	
+ Depreciation	27.2	29.7	26.2	26.4	26.2	26.1	26.1	26.3	26.5	26.5	26.5	
- Paid taxes	-5.1	-5.5	-8.3	-8.6	-8.8	-8.4	-8.4	-8.4	-8.4	-8.4	-8.4	
- Tax, financial expenses	-5.2	-3.9	-3.9	-3.8	-3.8	-3.8	-3.8	-3.8	-3.8	-3.8	-3.7	
+ Tax, financial income	1.3	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.0	
- Change in working capital	12.4	-1.8	-3.2	0.1	-0.3	0.0	0.0	0.0	0.0	0.0	0.1	
Operating cash flow	**54.5**	**58.9**	**64.7**	**69.2**	**69.4**	**68.1**	**68.1**	**68.3**	**68.5**	**68.5**	**68.6**	
+ Change in other long-term liabilities	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-11.8	-31.8	-30.0	-25.3	-25.8	-26.3	-26.8	-27.4	-26.9	-27.2	-26.8	
Free operating cash flow	**42.6**	**27.1**	**34.7**	**43.9**	**43.6**	**41.8**	**41.3**	**40.9**	**41.6**	**41.3**	**41.8**	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	42.6	27.1	34.7	43.9	43.6	41.8	41.3	40.9	41.6	41.3	41.8	520
Discounted FCFF		**26.7**	**31.7**	**37.1**	**34.1**	**30.1**	**27.5**	**25.2**	**23.7**	**21.8**	**20.4**	**254**
Sum of FCFF present value		532	505	473	436	402	372	345	319	296	274	254

Enterprise value DCF	**532**
- Interest bearing debt	-425
+ Cash and cash equivalents	183
+ Associated companies	-0.2
-Minorities	-0.3
-Dividend/capital return	-16.2
Equity value DCF	**273**
Equity value DCF per share	**4.0**

WACC	
Tax-% (WACC)	21.0 %
Target debt ratio (D/(D+E)	15.0 %
Cost of debt	6.0 %
Equity Beta	1.00
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	3.0 %
Cost of equity	**8.8 %**
Weighted average cost of capital (WACC)	**8.1 %**

Source: Inderes



Summary

Income statement	2023	2024	2025	2026e	2027e
Revenue	726.5	692.0	657.9	**648.8**	**666.2**
EBITDA	67.5	61.3	51.0	**69.0**	**79.0**
EBIT	-31.3	34.5	23.8	**39.3**	**52.8**
PTP	-53.8	14.7	8.0	**25.6**	**39.3**
Net Income	-39.9	10.5	5.5	**20.0**	**30.9**
Extraordinary items	-66.1	-7.6	-20.1	**-11.0**	**0.0**

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	1135.7	1069.6	1032.3	**1015.1**	**1027.0**
Equity capital	408.7	398.9	393.0	**396.9**	**411.1**
Goodwill	304.3	299.1	303.8	**303.8**	**303.8**
Net debt	138.2	121.6	101.5	**101.5**	**94.3**

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	67.5	61.3	51.0	**69.0**	**79.0**
Change in working capital	138.9	1.2	12.4	**-1.8**	**-3.2**
Operating cash flow	194.5	52.3	54.5	**58.9**	**64.7**
CAPEX	10.1	-1.2	-11.8	**-31.8**	**-30.0**
Free cash flow	203.8	51.3	42.6	**27.1**	**34.7**

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S	0.6	0.4	0.6	**0.6**	**0.6**
EV/EBITDA	6.2	4.9	7.1	**5.6**	**4.8**
EV/EBIT (adj.)	12.0	7.1	8.3	**7.7**	**7.2**
P/E (adj.)	23.1	10.4	11.8	**9.9**	**9.2**
P/B	0.7	0.5	0.7	**0.7**	**0.7**
Dividend-%	5.0 %	7.9 %	6.2 %	**6.0 %**	**6.4 %**

Source: Inderes

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	-0.59	0.16	0.08	**0.30**	**0.46**
EPS (adj.)	0.19	0.27	0.33	**0.42**	**0.46**
OCF / share	2.88	0.77	0.81	**0.87**	**0.96**
OFCF / share	3.02	0.76	0.63	**0.40**	**0.51**
Book value / share	6.04	5.89	5.81	**5.87**	**6.07**
Dividend / share	0.22	0.22	0.24	**0.25**	**0.27**

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	3%	-5%	-5%	**-1%**	**3%**
EBITDA growth-%	-1%	-9%	-17%	**35%**	**14%**
EBIT (adj.) growth-%	-19%	21%	4%	**15%**	**5%**
EPS (adj.) growth-%	-50%	40%	22%	**30%**	**8%**
EBITDA-%	9.3 %	8.9 %	7.8 %	**10.6 %**	**11.9 %**
EBIT (adj.)-%	4.8 %	6.1 %	6.7 %	**7.8 %**	**7.9 %**
EBIT-%	-4.3 %	5.0 %	3.6 %	**6.1 %**	**7.9 %**
ROE-%	-9.0 %	2.6 %	1.4 %	**5.1 %**	**7.7 %**
ROI-%	-3.2 %	5.4 %	4.0 %	**6.6 %**	**8.7 %**
Equity ratio	36.0 %	37.3 %	38.1 %	**39.1 %**	**40.0 %**
Gearing	33.8 %	30.5 %	25.8 %	**25.6 %**	**22.9 %**
Net debt/EBITDA	2.0	2.0	2.0	**1.5**	**1.2**
EBITDA/net financials	3.0	3.1	3.5	**5.1**	**5.9**

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

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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
9/27/2022	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 €
8/18/2025	Accumulate	3.30 €	3.01 €
11/3/2025	Accumulate	3.30 €	3.15 €
11/6/2025	Accumulate	3.50 €	3.42 €
1/21/2025	Reduce	3.80 €	3.81 €
2/12/2026	Reduce	4.00 €	4.15 €
4/9/2026	Reduce	4.00 €	4.10 €
5/7/2026	Accumulate	3.60 €	3.24 €
7/16/2026	Reduce	3.70 €	3.76 €
7/17/2026	Reduce	4.00 €	3.98 €
11/2/2026	Reduce	4.00 €	4.19 €



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