

# Incap

## Company report

04/19/2023 08:50



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✓ Inderes Corporate customer

This report is a summary translation of the report “Tuomio vaikuttaa hieman tylyltä” published on 04/19/2023 at 8:50 am.

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# The market verdict seems slightly exaggerated

Reflecting significant estimate changes, we are cutting our target price for Incap to EUR 12.00 (was EUR 17.00) but we are nevertheless raising our recommendation to Accumulate (was Reduce) due to the valuation, which has fallen by more than 40% following the share price drop. Yesterday, Incap issued a profit warning for the current year after the company's largest customer decided to lower its inventory levels due to the normalization of the component situation and a slowing growth outlook. In the short term, there are few positive drivers for the stock, but we don't see the problems associated with the largest client as structural. As such, we believe that the share's dropped valuation already gives brave and patient investors a buying opportunity.

## Biggest customer puts the brakes on Incap's growth and drags down earnings

Yesterday, Incap issued a profit warning stating that the company's revenue and operating profit (EBIT) in 2023 will be lower than in 2022 (previously: revenue, EBIT and adjusted EBIT will be higher than in 2022). In 2022, Incap achieved an operating profit of EUR 39 million on a revenue of EUR 264 million. According to Incap, the profit warning relates to the company's largest customer, which has decided to reduce its inventory levels and thus postpone some orders from 2023 to 2024. Growth for this customer has been lower than originally forecast due to changes in market dynamics, improved availability of components and a downturn in some key markets. Incap expects the period of destocking to be temporary. Incap expects the revenue of other customers to increase this year, but the growth won't be enough to compensate for the decline in sales of its largest customer. Incap's largest customer accounted for 70% of the company's revenue last year, according to the annual report.

## The profit warning was a surprise, but the client risks were known and taken into account in the view

Incap's profit warning came as a surprise to us and, judging by the share price reaction, to others as well. The significant binary risk associated with the largest customer Victron Energy, a Dutch power electronics manufacturer, has been taken into account and has been a major factor in constraining the valuation level we have adopted for the company in recent years. To our understanding, Victron Energy's product portfolio is good in the long run, as the company manufactures many electronic products that benefit from the green transition. Therefore, we don't expect the slowdown in Victron Energy's business to be structural. We cut our Incap estimates for the current year by 24% to EUR 237 million in revenue and by 34% to EUR 30.7 million in operating profit. Our estimates now correspond to a 10% fall in revenue and a 20% fall in EBIT, which we believe is in line with the new guidance. Moreover, our estimates for next year were significantly lowered, although we expect Incap to return to an upward trajectory in terms of both revenue and earnings growth, reaching close to the 2022 earnings level. We base our estimates on a scenario in which Victor Energy's destocking lasts until around next winter and other customers continue to grow over the next few years, despite the economic risks.

## Required return marginally exceeded as share price drop fall was sharper than estimate changes

Incap's P/E ratios for 2023 and 2024 based on our estimates are 14x and 11x, while the corresponding EV/EBIT ratios are 10x and 8x. In our view, Incap's valuation is cautiously attractive, given not only the client risk but also the company's strong competitiveness and long track-record as an industry elite. Thus, we believe that the expected return on the stock already slightly exceeds our required return, which we also raised slightly following the unpleasant reminder of the existence of client risk. In addition, the upside margin is already reasonable to the fallen DCF value.

## Recommendation

**Accumulate**

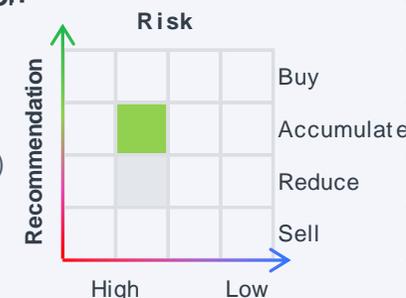
(previous Reduce)

**EUR 12.00**

(previous EUR 17.00)

**Share price:**

EUR 10.92



## Key figures

	2022	2023e	2024e	2025e
<b>Revenue</b>	263.8	237.0	266.4	293.0
<b>growth-%</b>	55%	-10%	12%	10%
<b>EBIT adj.</b>	40.0	31.0	38.2	42.8
<b>EBIT-% adj.</b>	15.2 %	13.1 %	14.4 %	14.6 %
<b>Net Income</b>	27.6	22.6	28.8	32.5
<b>EPS (adj.)</b>	0.98	0.78	0.99	1.12

<b>P/E (adj.)</b>	17.5	14.0	11.0	9.8
<b>P/B</b>	5.7	2.9	2.4	2.0
<b>Dividend yield-%</b>	0.0 %	1.4 %	1.8 %	2.3 %
<b>EV/EBIT (adj.)</b>	12.8	9.5	7.2	6.0
<b>EV/EBITDA</b>	12.0	8.4	6.4	5.4
<b>EV/S</b>	1.9	1.2	1.0	0.9

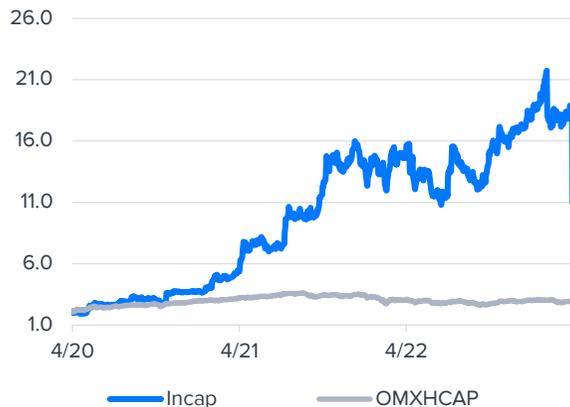
Source: Inderes

## Guidance

(Lowered)

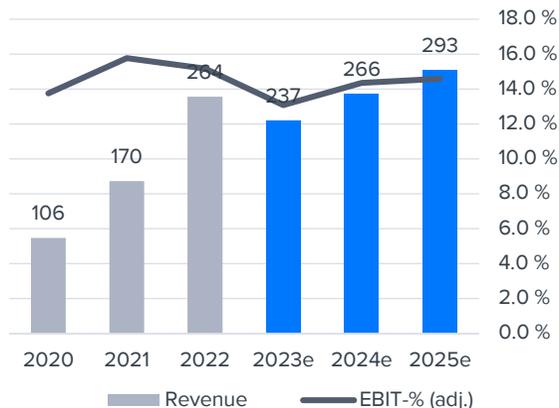
Incap estimates that its revenue and operating profit (EBIT) for 2023 will be lower than in 2022. The decrease in the revenue and operating profit estimate is related to Incap's largest customer, who has decided to reduce inventory levels.

## Share price



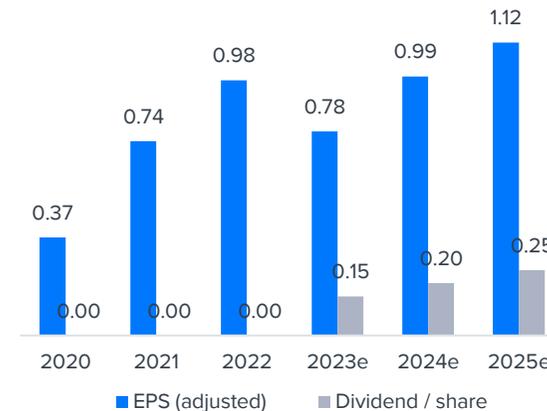
Source: Millstream Market Data AB

## Revenue and EBIT %



Source: Inderes

## EPS and dividend



Source: Inderes



## Value drivers

- Organic growth in the electronics market, supported by global megatrends and increased outsourcing rate
- Light organization and cost structure enable a high profitability level
- Quick decision-making supports new customer procurement
- Accelerating growth with acquisitions



## Risk factors

- Mutually challenging value chain position upholds a brutal competitive situation
- Cyclical nature of customer industries
- Tightening competitive situation
- Company's cost efficiency deteriorating
- Disruptions in the supply chain
- A very large single customer and an otherwise concentrated customer structure

Valuation	2023e	2024e	2025e
Share price	10.92	10.92	10.92
Number of shares, millions	29.3	29.3	29.3
Market cap	319	319	319
EV	295	276	257
P/E (adj.)	14.0	11.0	9.8
P/E	14.2	11.1	9.8
P/FCF	8.3	13.3	12.9
P/B	2.9	2.4	2.0
P/S	1.3	1.2	1.1
EV/Sales	1.2	1.0	0.9
EV/EBITDA	8.4	6.4	5.4
EV/EBIT (adj.)	9.5	7.2	6.0
Payout ratio (%)	19.4 %	20.3 %	22.5 %
Dividend yield-%	1.4 %	1.8 %	2.3 %

Source: Inderes

# Estimates and estimate revisions

Estimates MEUR / EUR	Q1'22	Q1'23	Q1'23e	Q1'23e	Consensus		2023e
	Comparison	Actualized	Inderes	Consensus	Low	High	Inderes
Revenue	53.3		66.0				237
EBIT (adj.)	6.9		9.0				31.0
EBIT	6.8		8.9				30.7
EPS (reported)	0.19		0.22				0.77
Revenue growth-%	41.4 %		23.8 %				-10.2 %
EBIT-% (adj.)	12.9 %		13.6 %				13.1 %

Source: Inderes

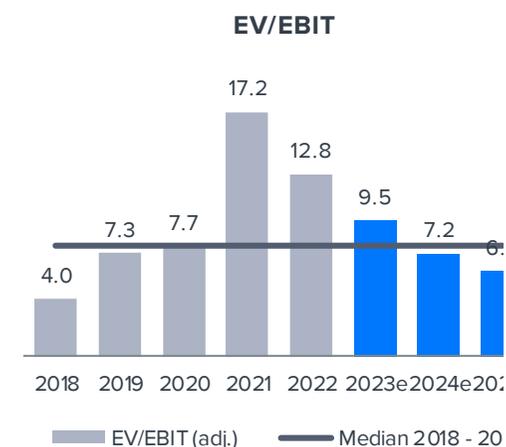
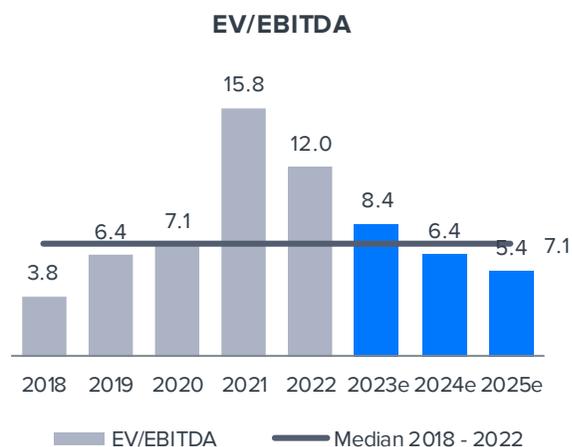
Estimate revisions MEUR / EUR	2023e	2023e	Change	2024e	2024e	Change	2025e	2025e	Change
	Old	New	%	Old	New	%	Old	New	%
Revenue	311	237	-24%	311	266	-14%	342	293	-14%
EBIT	46.4	30.7	-34%	46.7	37.9	-19%	51.1	42.5	-17%
PTP	44.9	29.7	-34%	46.0	37.2	-19%	50.4	41.8	-17%
EPS (raportoitu)	1.17	0.78	-33%	1.19	0.97	-19%	1.30	1.08	-17%
DPS	0.15	0.15	0%	0.20	0.20	0%	0.25	0.25	0%

Source: Inderes

# Valuation table

Valuation	2018	2019	2020	2021	2022	2023e	2024e	2025e	2026e
Share price	1.45	3.38	3.69	15.70	17.10	10.92	10.92	10.92	10.92
Number of shares, millions	21.9	21.9	29.1	29.2	29.3	29.3	29.3	29.3	29.3
Market cap	32	74	107	459	500	319	319	319	319
EV	35	73	113	461	514	295	276	257	234
P/E (adj.)	5.4	11.8	9.8	21.2	17.5	14.0	11.0	9.8	8.6
P/E	5.4	11.8	11.6	21.8	18.1	14.2	11.1	9.8	8.6
P/FCF	13.7	11.4	neg.	>100	neg.	8.3	13.3	12.9	10.8
P/B	2.0	3.4	2.8	7.3	5.7	2.9	2.4	2.0	1.7
P/S	0.5	1.0	1.0	2.7	1.9	1.3	1.2	1.1	1.0
EV/Sales	0.6	1.0	1.1	2.7	1.9	1.2	1.0	0.9	0.7
EV/EBITDA	3.8	6.4	7.1	15.8	12.0	8.4	6.4	5.4	4.4
EV/EBIT (adj.)	4.0	7.3	7.7	17.2	12.8	9.5	7.2	6.0	4.8
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	19.4 %	20.3 %	22.5 %	23.7 %
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	1.4 %	1.8 %	2.3 %	2.7 %

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	2023e	2024e	2023e	2024e	2023e	2024e	2023e	2024e	2023e	2024e	2023e
Cicor Technologies	155	260	14.0	12.4	6.6	6.0	0.7	0.6	24.2	16.8			1.2
Integrated Micro-Electronics	180	404	16.4	12.6	6.1	5.4	0.3	0.3	22.2	11.1			0.4
Data Modul	210	221	6.5	5.3	5.8	4.9	0.6	0.6	10.8	9.7	0.2	0.2	1.4
Hanza	295	344	12.6	9.0	5.0	4.3	0.4	0.4	20.8	18.0	1.3	1.5	1.1
Kitron	632	951	19.6	17.6	15.0	13.9	1.5	1.4	19.1	16.5	1.9	2.5	4.0
Lacroix Group SA	147	316	10.8	8.9	6.3	5.6	0.4	0.4	8.5	6.9	3.3	4.3	0.8
Jabil	10152	11779	7.7	7.4	4.9	4.8	0.4	0.4	10.0	9.2	0.4	0.4	3.9
Scanfil	591	677	12.4	11.6	9.4	8.9	0.8	0.8	14.4	13.2	2.5	2.6	2.3
Fabrinet	3295	2823	10.8	9.9	9.3	8.7	1.1	1.1	12.7	11.6			2.4
Hana Microelectronics	1062	973	16.0	13.2	9.0	7.9	1.3	1.1	16.3	13.7	2.9	3.7	1.6
SVI	603	691	14.9	13.2	11.6	10.7	0.9	0.8	13.4	12.1	2.6	2.9	2.9
TT Electronics	360	520	9.1	8.4	6.8	6.2	0.7	0.7	9.7	8.6	3.7	4.1	1.0
Katek Se	214	291	30.0	17.4	12.6	7.2	0.4	0.4		25.0			1.3
Nolato AB	1282	1363	17.7	13.7	10.8	9.1	1.5	1.3	21.2	16.4	3.8	3.5	2.6
Celestica	1396	1759	5.0	4.8	3.9	3.7	0.3	0.2	6.2	5.7			0.9
<b>Incap (Inderes)</b>	<b>319</b>	<b>295</b>	<b>9.5</b>	<b>7.2</b>	<b>8.4</b>	<b>6.4</b>	<b>1.2</b>	<b>1.0</b>	<b>14.0</b>	<b>11.0</b>	<b>1.4</b>	<b>1.8</b>	<b>2.9</b>
<b>Average</b>			<b>13.6</b>	<b>11.0</b>	<b>8.2</b>	<b>7.1</b>	<b>0.7</b>	<b>0.7</b>	<b>15.0</b>	<b>13.0</b>	<b>2.3</b>	<b>2.6</b>	<b>1.9</b>
<b>Median</b>			<b>12.6</b>	<b>11.6</b>	<b>6.8</b>	<b>6.6</b>	<b>0.7</b>	<b>0.6</b>	<b>13.9</b>	<b>12.1</b>	<b>2.5</b>	<b>2.8</b>	<b>1.4</b>
<i>Diff.% to median</i>			<b>-24%</b>	<b>-38%</b>	<b>23%</b>	<b>-2%</b>	<b>81%</b>	<b>62%</b>	<b>1%</b>	<b>-9%</b>	<b>-46%</b>	<b>-33%</b>	<b>107%</b>

Source: Refinitiv / Inderes

# Income statement

Income statement	H1'21	H2'21	2021	H1'22	H2'22	2022	H1'23e	H2'23e	2023e	2024e	2025e	2026e
<b>Revenue</b>	<b>71.3</b>	<b>98.5</b>	<b>170</b>	<b>115</b>	<b>149</b>	<b>264</b>	<b>127</b>	<b>110</b>	<b>237</b>	<b>266</b>	<b>293</b>	<b>316</b>
Incap	71.3	98.5	170	115	149	264	127	110	237	266	293	316
<b>EBITDA</b>	<b>11.3</b>	<b>17.9</b>	<b>29.3</b>	<b>17.2</b>	<b>25.6</b>	<b>42.8</b>	<b>18.8</b>	<b>16.5</b>	<b>35.2</b>	<b>42.6</b>	<b>47.0</b>	<b>52.8</b>
Depreciation	-1.6	-1.7	-3.3	-1.8	-2.0	-3.8	-2.1	-2.4	-4.5	-4.7	-4.6	-4.6
<b>EBIT (excl. NRI)</b>	<b>10.2</b>	<b>16.6</b>	<b>26.8</b>	<b>15.6</b>	<b>24.4</b>	<b>40.0</b>	<b>16.8</b>	<b>14.2</b>	<b>31.0</b>	<b>38.2</b>	<b>42.8</b>	<b>48.5</b>
<b>EBIT</b>	<b>9.8</b>	<b>16.2</b>	<b>26.0</b>	<b>15.4</b>	<b>23.6</b>	<b>39.0</b>	<b>16.7</b>	<b>14.1</b>	<b>30.7</b>	<b>37.9</b>	<b>42.5</b>	<b>48.2</b>
Net financial items	-0.3	0.1	-0.3	-0.8	-1.5	-2.3	-0.7	-0.3	-1.0	-0.7	-0.7	-0.7
<b>PTP</b>	<b>9.4</b>	<b>16.3</b>	<b>25.7</b>	<b>14.6</b>	<b>22.1</b>	<b>36.7</b>	<b>16.0</b>	<b>13.8</b>	<b>29.7</b>	<b>37.2</b>	<b>41.8</b>	<b>47.5</b>
Taxes	-1.6	-3.0	-4.7	-3.4	-5.7	-9.0	-3.8	-3.3	-7.1	-9.1	-10.3	-11.7
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
<b>Net earnings</b>	<b>7.8</b>	<b>13.3</b>	<b>21.1</b>	<b>11.2</b>	<b>16.4</b>	<b>27.6</b>	<b>12.1</b>	<b>10.5</b>	<b>22.6</b>	<b>28.1</b>	<b>31.5</b>	<b>35.8</b>
<b>EPS (adj.)</b>	<b>0.28</b>	<b>0.46</b>	<b>0.74</b>	<b>0.39</b>	<b>0.59</b>	<b>0.98</b>	<b>0.42</b>	<b>0.36</b>	<b>0.78</b>	<b>0.97</b>	<b>1.08</b>	<b>1.23</b>
<b>EPS (rep.)</b>	<b>0.27</b>	<b>0.45</b>	<b>0.72</b>	<b>0.38</b>	<b>0.57</b>	<b>0.94</b>	<b>0.41</b>	<b>0.36</b>	<b>0.77</b>	<b>0.96</b>	<b>1.08</b>	<b>1.22</b>

Key figures	H1'21	H2'21	2021	H1'22	H2'22	2022	H1'23e	H2'23e	2023e	2024e	2025e	2026e
<b>Revenue growth-%</b>	52.2 %	65.1 %	59.4 %	60.6 %	51.6 %	55.4 %	10.9 %	-26.3 %	-10.2 %	12.4 %	10.0 %	8.0 %
<b>Adjusted EBIT growth-%</b>	83.5 %	82.3 %	82.8 %	53.1 %	47.1 %	49.4 %	7.7 %	-41.8 %	-22.5 %	23.3 %	11.9 %	13.4 %
<b>EBITDA-%</b>	15.9 %	18.2 %	17.2 %	15.0 %	17.2 %	16.2 %	14.8 %	15.0 %	14.9 %	16.0 %	16.0 %	16.7 %
<b>Adjusted EBIT-%</b>	14.3 %	16.8 %	15.8 %	13.6 %	16.4 %	15.2 %	13.2 %	12.9 %	13.1 %	14.4 %	14.6 %	15.3 %
<b>Net earnings-%</b>	10.9 %	13.5 %	12.4 %	9.8 %	11.0 %	10.5 %	9.5 %	9.5 %	9.5 %	10.6 %	10.8 %	11.3 %

Lähde: Inderes

# Balance sheet

Assets	2021	2022	2023e	2024e	2025e
<b>Non-current assets</b>	<b>23</b>	<b>33</b>	<b>32</b>	<b>31</b>	<b>31</b>
Goodwill	8	7	7	7	7
Intangible assets	0	4	4	3	3
Tangible assets	14	20	20	20	20
Associated companies	0	0	0	0	0
Other investments	0	0	0	0	0
Other non-current assets	0	1	1	1	1
Deferred tax assets	1	0	0	0	0
<b>Current assets</b>	<b>102</b>	<b>136</b>	<b>154</b>	<b>187</b>	<b>221</b>
Inventories	59	92	71	79	85
Other current assets	0	0	0	0	0
Receivables	34	36	45	51	59
Cash and equivalents	9	8	38	58	77
<b>Balance sheet total</b>	<b>130</b>	<b>168</b>	<b>186</b>	<b>218</b>	<b>251</b>

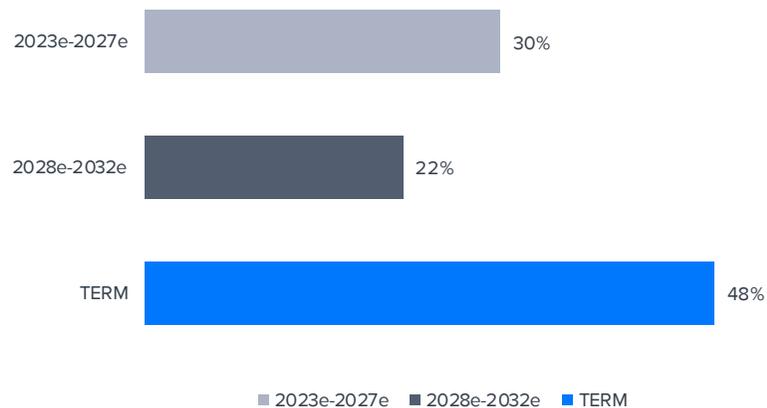
Source: Inderes

Liabilities & equity	2021	2022	2023e	2024e	2025e
<b>Equity</b>	<b>63</b>	<b>87</b>	<b>110</b>	<b>134</b>	<b>161</b>
Share capital	1	1	1	1	1
Retained earnings	42	70	92	117	143
Hybrid bonds	0	0	0	0	0
Revaluation reserve	-2	-5	-5	-5	-5
Other equity	22	22	22	22	22
Minorities	0	0	0	0	0
<b>Non-current liabilities</b>	<b>6</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>
Deferred tax liabilities	1	1	1	1	1
Provisions	2	2	2	2	2
Long term debt	4	11	10	10	10
Convertibles	0	0	0	0	0
Other long term liabilities	0	0	0	0	0
<b>Current liabilities</b>	<b>60</b>	<b>68</b>	<b>64</b>	<b>71</b>	<b>78</b>
Short term debt	7	11	4	4	4
Payables	53	57	59	67	73
Other current liabilities	0	1	1	1	1
<b>Balance sheet total</b>	<b>130</b>	<b>168</b>	<b>186</b>	<b>218</b>	<b>251</b>

# DCF calculation

DCF model	2022	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	TERM
Revenue growth-%	55.4 %	-10.2 %	12.4 %	10.0 %	8.0 %	5.0 %	4.0 %	3.5 %	3.0 %	3.0 %	2.0 %	2.0 %
EBIT-% (adj.)	14.8 %	13.0 %	14.2 %	14.5 %	15.2 %	14.5 %	14.0 %	14.0 %	13.5 %	13.0 %	13.0 %	13.0 %
<b>EBIT (operating profit)</b>	<b>39.0</b>	<b>30.7</b>	<b>37.9</b>	<b>42.5</b>	<b>48.2</b>	<b>48.2</b>	<b>48.4</b>	<b>50.1</b>	<b>49.7</b>	<b>49.3</b>	<b>50.3</b>	
+ Depreciation	3.8	4.5	4.9	4.8	4.8	4.8	5.1	5.1	5.3	5.3	4.8	
- Paid taxes	-8.8	-7.1	-9.1	-10.3	-11.7	-11.8	-11.9	-12.4	-12.4	-12.4	-12.7	
- Tax, financial expenses	-0.6	-0.3	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	
+ Tax, financial income	0.0	0.0	0.2	0.2	0.3	0.4	0.5	0.6	0.6	0.7	0.8	
- Change in working capital	-30.7	14.6	-5.7	-7.7	-7.2	-2.2	-3.2	-2.9	-2.6	-2.7	-1.8	
<b>Operating cash flow</b>	<b>2.8</b>	<b>42.5</b>	<b>28.0</b>	<b>29.3</b>	<b>34.2</b>	<b>39.2</b>	<b>38.6</b>	<b>40.3</b>	<b>40.5</b>	<b>40.2</b>	<b>41.2</b>	
+ Change in other long-term liabilities	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-9.7	-4.0	-4.0	-4.5	-4.5	-5.0	-5.0	-5.0	-5.0	-5.0	-5.7	
<b>Free operating cash flow</b>	<b>-6.7</b>	<b>38.4</b>	<b>23.9</b>	<b>24.8</b>	<b>29.7</b>	<b>34.2</b>	<b>33.6</b>	<b>35.2</b>	<b>35.5</b>	<b>35.1</b>	<b>35.5</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	-6.7	38.4	23.9	24.8	29.7	34.2	33.6	35.2	35.5	35.1	35.5	469
<b>Discounted FCFF</b>		<b>36.0</b>	<b>20.4</b>	<b>19.3</b>	<b>21.0</b>	<b>22.1</b>	<b>19.8</b>	<b>18.9</b>	<b>17.3</b>	<b>15.7</b>	<b>14.4</b>	<b>190</b>
Sum of FCFF present value		395	359	339	319	298	276	257	238	220	205	190
<b>Enterprise value DCF</b>		<b>395</b>										
- Interesting bearing debt		-21.2										
+ Cash and cash equivalents		7.6										
-Minorities		0.0										
-Dividend/capital return		0.0										
<b>Equity value DCF</b>		<b>382</b>										
<b>Equity value DCF per share</b>		<b>13.0</b>										

Cash flow distribution



## WACC

Tax-% (WACC)	25.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	5.0 %
Equity Beta	1.40
Market risk premium	4.75%
Liquidity premium	1.25%
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>10.4 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>9.7 %</b>

Source: Inderes

# Summary

Income statement	2020	2021	2022	2023e	2024e	Per share data	2020	2021	2022	2023e	2024e
Revenue	106.5	169.8	263.8	<b>237.0</b>	<b>266.4</b>	EPS (reported)	0.32	0.72	0.94	<b>0.77</b>	<b>0.99</b>
EBITDA	15.9	29.3	42.8	<b>35.2</b>	<b>42.8</b>	EPS (adj.)	0.37	0.74	0.98	<b>0.78</b>	<b>0.99</b>
EBIT	12.6	26.0	39.0	<b>30.7</b>	<b>37.9</b>	OCF / share	0.12	0.24	0.09	<b>1.45</b>	<b>0.96</b>
PTP	11.5	25.7	36.7	<b>29.7</b>	<b>37.9</b>	FCF / share	-0.44	0.03	-0.23	<b>1.31</b>	<b>0.82</b>
Net Income	9.2	21.1	27.6	<b>22.6</b>	<b>28.8</b>	Book value / share	1.32	2.15	2.99	<b>3.76</b>	<b>4.60</b>
Extraordinary items	-2.1	-0.8	-1.0	<b>-0.3</b>	<b>-0.3</b>	Dividend / share	0.00	0.00	0.00	<b>0.15</b>	<b>0.20</b>
Balance sheet	2020	2021	2022	2023e	2024e	Growth and profitability	2020	2021	2022	2023e	2024e
Balance sheet total	76.4	129.5	168.4	<b>186.3</b>	<b>218.1</b>	Revenue growth-%	50%	59%	55%	<b>-10%</b>	<b>12%</b>
Equity capital	38.5	62.9	87.4	<b>110.0</b>	<b>134.4</b>	EBITDA growth-%	39%	84%	46%	<b>-18%</b>	<b>22%</b>
Goodwill	7.1	7.5	7.2	<b>7.2</b>	<b>7.2</b>	EBIT (adj.) growth-%	45%	83%	49%	<b>-23%</b>	<b>23%</b>
Net debt	5.9	2.0	13.6	<b>-24.1</b>	<b>-43.6</b>	EPS (adj.) growth-%	30%	98%	31%	<b>-20%</b>	<b>27%</b>
Cash flow	2020	2021	2022	2023e	2024e	EBITDA-%	15%	17%	16%	<b>15%</b>	<b>16%</b>
EBITDA	15.9	29.3	42.8	<b>35.2</b>	<b>42.8</b>	EBIT (adj.)-%	14%	16%	15%	<b>13%</b>	<b>14%</b>
Change in working capital	-10.0	-17.4	-30.7	<b>14.6</b>	<b>-5.7</b>	EBIT-%	12%	15%	15%	<b>13%</b>	<b>14%</b>
Operating cash flow	3.6	7.0	2.8	<b>42.5</b>	<b>28.0</b>	ROE-%	31%	42%	37%	<b>23%</b>	<b>24%</b>
CAPEX	-18.1	-6.2	-9.7	<b>-4.0</b>	<b>-4.0</b>	ROI-%	33%	42%	43%	<b>26%</b>	<b>28%</b>
Free cash flow	-12.9	0.8	-6.7	<b>38.4</b>	<b>23.9</b>	Equity ratio	50%	52%	52%	<b>59%</b>	<b>62%</b>
						Gearing	15%	3%	16%	<b>-22%</b>	<b>-32%</b>
Valuation multiples	2020	2021	2022	2023e	2024e						
EV/S	1.1	2.7	1.9	<b>1.2</b>	<b>1.0</b>						
EV/EBITDA (adj.)	7.1	15.8	12.0	<b>8.4</b>	<b>6.4</b>						
EV/EBIT (adj.)	7.7	17.2	12.8	<b>9.5</b>	<b>7.2</b>						
P/E (adj.)	9.8	21.2	17.5	<b>14.0</b>	<b>11.0</b>						
P/B	2.8	7.3	5.7	<b>2.9</b>	<b>2.4</b>						
Dividend-%	0.0 %	0.0 %	0.0 %	<b>1.4 %</b>	<b>1.8 %</b>						

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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Date	Recommendation	Target	Share price
5/12/2020	Accumulate	2.60 €	2.40 €
5/25/2020	Accumulate	2.80 €	2.57 €
8/27/2020	Accumulate	4.00 €	3.71 €
9/17/2020	Accumulate	4.00 €	3.60 €
10/27/2020	Accumulate	3.50 €	3.02 €
11/12/2020	Accumulate	3.80 €	3.40 €
11/26/2020	Accumulate	4.00 €	3.60 €
2/25/2021	Accumulate	5.40 €	4.88 €
4/28/2021	Accumulate	7.60 €	7.05 €
7/29/2021	Accumulate	9.20 €	8.58 €
9/16/2021	Accumulate	11.00 €	10.12 €
10/28/2021	Reduce	14.00 €	14.78 €
2/25/2022	Accumulate	14.40 €	13.42 €
3/23/2022	Reduce	14.80 €	15.08 €
4/27/2022	Reduce	14.80 €	14.00 €
7/28/2022	Accumulate	16.00 €	14.66 €
10/19/2022	Accumulate	17.00 €	15.08 €
10/28/2022	Reduce	17.00 €	16.06 €
11/18/2022	Reduce	17.00 €	16.18 €
2/23/2023	Reduce	17.00 €	18.04 €
4/19/2023	Accumulate	12.00 €	10.92 €



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