

NURMINEN LOGISTICS

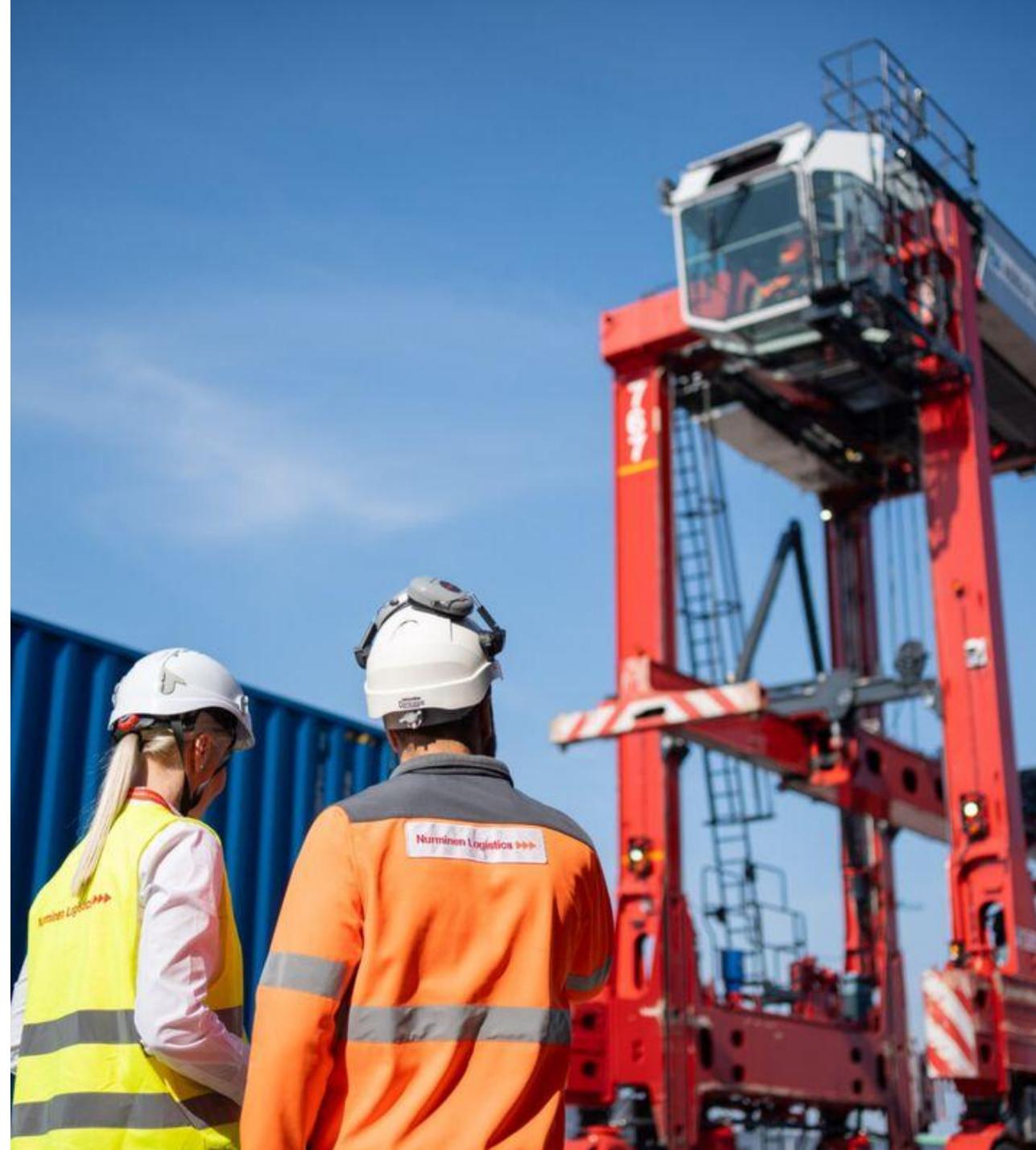
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INDERES CORPORATE CUSTOMER
COMPANY REPORT



Cash flow provides a backbone for internationalization

Nurminen Logistics' Q4 figures were operationally slightly below our expectations. The company only issued guidance for H1'26, estimating that its performance would fall short of the comparison period in terms of both revenue and earnings. However, the company was more positive about its full-year market outlook. Based on the report, we lowered our estimates, especially for this year, but we still expect the company to achieve clear earnings growth from H2 onwards. We find the share's earnings-based valuation currently neutral, but the high cash flow yield keeps the risk-adjusted expected return attractive. Thus, we reiterate our Accumulate recommendation and lower our target price to EUR 1.0 (was EUR 1.1) in line with the estimate revisions.

Q4 result slightly below our expectations, cash flow is strong

Nurminen's Q4 revenue grew by 10%, supported by inorganic growth from the Essinge Rail acquisition, but was slightly below our expectations. The adjusted EBITA was 3.7 MEUR, which was slightly below our estimate, reflecting the revenue development. Reported earnings were weighed down by 2.2 MEUR in non-recurring items, the most significant of which was the write-down of development costs for the railway service between Northern Finland and Gothenburg, as the company decided to cease operating the connection. The company's Board proposes a capital repayment of a maximum of EUR 0.03 per share, which was one cent below our expectations. The most positive aspect of the report was the continued strong cash flow development. Based on our calculations, the company generated 10.3 MEUR in free cash flow in 2025 (incl. payments of Essinge acquisition debts and lease liabilities). We note that part of this, however, belongs to the minorities of the Baltic and North Rail businesses.

This year's estimates under pressure

Nurminen only guided H1'26 in the report and expects revenue (H1'25: 60.3 MEUR) and adjusted EBIT (H1'25: 10.8 MEUR) to fall below the comparison period. This is due to uncertainty regarding the timing of the Baltic business recovery. The company estimates

that investments made in the growth of its Central European business will only start to show results from Q2 onwards. In its outlook, Nurminen estimated that relevant market development will strengthen during the year, driven particularly by new routes and customers in Central Europe. In our view, narrowing the company's guidance horizon is justified due to the volatile situation in the Baltics, which has fluctuated multiple times, and the early development stage of the new block train connection between Italy and Sweden. Reflecting the actual development and the company's comments, we cut our revenue estimate for this year by 10%, which was also reflected in the bottom line. Within the year, we expect Q1 to fall significantly short of the comparison period due to high comparison figures, while for Q2, we expect performance to be roughly in line with the comparison period. For H2, we estimate clear growth in revenue and earnings, supported by the comparison figures. Reflecting the overall picture, we estimate the company's revenue (2026e: 107 MEUR) and EBIT (2026e: 17.1 MEUR) will decrease slightly on an annual basis. In the coming years, we expect a stable performance.

DCF-based valuation is attractive

With our updated estimates, the P/E ratios for Nurminen, adjusted for PPA amortizations, are approximately 9x and 8x for 2025 and 2026. Relative to our accepted multiple range (P/E 9x-12x), the earnings-based valuation is at a neutral level, although we estimate that the acceptable valuation currently leans towards the lower end of the range. However, we expect that the company's free cash flow will be stronger than its earnings due to the high and long depreciation periods of North Rail's locomotives. Thus, we see the cash flow yield, despite the minority interests, as quite attractive (cf 2025 free cash flow yield, excluding acquisition debt payments, of around 22% at current market value and around 14% at our estimated enterprise value considering minorities). Our view of a favorable cash flow profile is also supported by our conservative DCF calculation, which indicates a share value of around EUR 1.1, reflecting the current earnings level.

Recommendation

Accumulate

(was Accumulate)

Target price:

EUR 1.00

(was EUR 1.10)

Share price:

EUR 0.86

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	109.4	107	117	123
growth-%	4%	-2%	9%	5%
EBIT adj.	18.3	17.1	18.0	17.8
EBIT-% adj.	16.7 %	16.0 %	15.4 %	14.4 %
Net Income	3.1	7.2	8.4	8.7
EPS (adj.)	0.08	0.10	0.11	0.12
P/E (adj.)	11.6	8.9	7.7	7.4
P/B	2.2	1.8	1.5	1.3
Dividend yield-%	3.2 %	3.5 %	3.5 %	5.8 %
EV/EBIT (adj.)	6.5	6.2	5.4	5.0
EV/EBITDA	4.8	4.4	3.9	3.6
EV/S	1.1	1.0	0.8	0.7

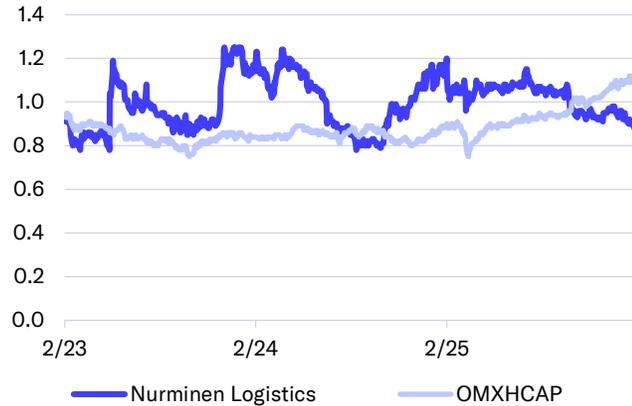
Source: Inderes

Guidance

(New guidance)

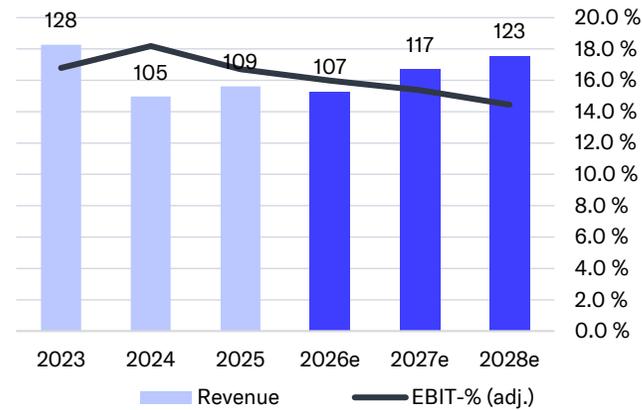
Nurminen estimates the revenue for the first half of 2026 (H1'25: 60.3 MEUR) and comparable EBIT (H1'25: 10.8 MEUR) will fall short of the comparison period. The company will update its guidance in connection with the Q2 result.

Share price



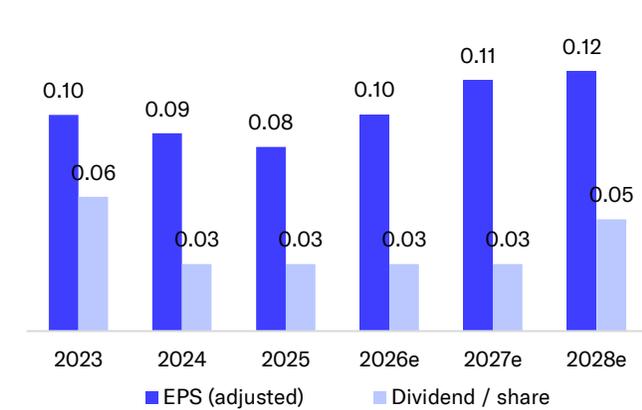
Source: Millstream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Successfully growing international business in the European single market through new route openings and customer base expansion
- Growth in North Rail's business volumes
- M&A transactions supporting internationalization
- Change in valuation profile towards a growth company as earnings growth accelerates and earnings distribution expands
- Potential normalization of the northern route in the medium to long term

Risk factors

- Geopolitical risks (sanctions and counter-sanctions, changes in customer behavior)
- Logistics prices (+/-), especially in North Rail
- Customer risks
- The ownership structures of the Baltic business and North Rail mean that a significant portion of EBIT flows to minority shareholders
- Shortage of comprehensive logistics expertise in the labor market

Valuation	2026e	2027e	2028e
Share price	0.86	0.86	0.86
Number of shares, millions	80.7	80.7	80.7
Market cap	69	69	69
EV	105	97	88
P/E (adj.)	8.9	7.7	7.4
P/E	9.6	8.2	7.9
P/B	1.8	1.5	1.3
P/S	0.6	0.6	0.6
EV/Sales	1.0	0.8	0.7
EV/EBITDA	4.4	3.9	3.6
EV/EBIT (adj.)	6.2	5.4	5.0
Payout ratio (%)	33.6 %	28.7 %	46.1 %
Dividend yield-%	3.5 %	3.5 %	5.8 %

Source: Inderes

Operationally slightly below estimates, NRIs depressed reported earnings

Revenue grew but fell short of our expectations

Numinen's Q4 revenue grew by 10%, supported by inorganic growth from the Essinge Rail acquisition. The development in the Railway business was slightly below our estimates (18.9 MEUR vs. 20.7 MEUR), while the development in the Baltics (6.3 MEUR vs. 6.1 MEUR) was at the level we expected. Based on the reporting, it is difficult to assess more precise forecast deviations.

For the full year, Baltic revenue decreased by 16.8 MEUR, as the geopolitical situation affected global raw material flows. The revenue of the Railway business grew to 20.9 MEUR. According to the company, organic growth accounted for 3.7 MEUR, while 17.2 MEUR was attributable to the Essinge and ILP Group acquisitions. In 2024, the revenue of these businesses was 24.3 MEUR, of which 0.9 MEUR was included in the 2024 figures. In the Q4 interview, the CEO commented that the decrease in revenue was partly due to the company taking on only a few significant customers in the acquisition of ILP Group,

and the rest of the acquired business was discontinued. The development of Essinge Rail was affected by weaker volumes in spring and summer, and we estimate this was also a more significant factor behind the development. However, the company commented that it has recently seen a clear pick-up in volumes. Despite this, we believe revenue development can be seen as a disappointment in the short term. In a strategy relying on internationalization, we consider the acquisition central, provided Nurminen succeeds in raising business volumes and developing new growth opportunities around it (e.g., the recently launched block train connection between Sweden and Italy).

Operational result at the expected level

The adjusted EBITA was 3.7 MEUR, slightly below our estimate. The margin level was at a good level and slightly above our estimates. Reported earnings were depressed by one-off items of around 2.2 MEUR, the most significant of which (1.8 MEUR) was the write-down of development costs for the railway service between Northern Finland and

Gothenburg, as the company decided to cease operating it. Thus, reported earnings fell clearly below our estimates. There were no major surprises on the bottom line. The Board proposes a maximum capital repayment of EUR 0.03 per share, which was also slightly below our expectations. However, there is still uncertainty about the final amount and the time of payment.

Cash flow was very strong in 2025

The company's 2025 operating cash flow was very strong (20.1 MEUR). Free cash flow, on the other hand, was some 10.3 MEUR after small investments, Essinge acquisition debt payments (5.6 MEUR), and lease liability payments (3.0 MEUR). We note, however, that part of this belongs to the minorities of the Baltic and North Rail businesses. Reflecting this development, the equity ratio at the end of Q4 was 44% (2024: 41%), and net liabilities (incl. IFRS16) relative to the EBITDA of the previous 12 months was 0.9x. As such, the company's financial position is good, which enables inorganic moves in the short term.

Estimates MEUR / EUR	Q4'24	Q4'25	Q4'25e	Q4'25e	Consensus	Difference (%)	2025
	Comparison	Actualized	Inderes	Consensus	Low High	Act. vs. inderes	Actualized
Revenue	22.9	25.2	26.7			-6%	109
EBITA (oik.)	3.7	3.7	3.9			-4%	18.3
Liikevoitto (rap.)	2.5	1.3	3.7			-65%	14.6
PTP	1.9	0.3	2.9			-90%	9.7
EPS (reported)	0.01	-0.01	0.02			-151%	0.04
DPS	0.03	0.03	0.04			-25%	0.03
Revenue growth-%	-50.3 %	10.0 %	16.6 %			-6.6 pp	4.4 %
Oik. EBITA-%	16.1 %	14.7 %	14.5 %			0.2 pp	16.7 %

Source: Inderes

Estimates for this year cut clearly

At this stage, guidance only for the beginning of the year

Nurminen provided guidance only for H1'25 in the report. The company expects its revenue (H1'25: 60.3 MEUR) and comparable EBIT (H1'25: 10.8 MEUR) will fall short of the comparison period, as the timing of the Baltic business recovery remains uncertain. In addition, the company estimates that the impact of investments made to grow its Central European business will only be visible from Q2 onwards. The company will specify its guidance in connection with the Q2 report.

In connection with its outlook, Nurminen estimated that the development of the logistics market relevant to it will strengthen during 2026, driven particularly by new routes and customers in Central Europe. It claims this would enable positive business development in 2026. In addition, the company estimates that the recovery in the economy and consumer demand, especially in Sweden, as estimated by various forecasting institutions, will support the demand for the company's services.

Estimates for the current year decreased clearly

We feel, narrowing the guidance horizon can be considered justified due to the volatile situation in the Baltics, which has fluctuated a lot in recent years, and the early development stage of the new block train connection. The guidelines of the given guidance did not surprise, as Nurminen faces high comparison figures in Q1. This was driven by the Baltic region's revenue level (11.1 MEUR), which was still clearly higher than recently, and North Rail's very strong delivery volumes. Nurminen also commented that North Rail's Q1 volumes will be negatively impacted year-on-year by the ice conditions in the Baltic Sea, which currently prevent some cargo vessels from reaching ports. Reflecting the overall picture, we further cut our revenue estimates for the Baltics and expect revenue to remain at Q4 levels throughout 2026. We cut the Railway business's growth estimates due to the actual development and discontinued Gothenburg and Northern Finland connection. We raised the profitability estimates for the terminal and forwarding businesses after the company commented that

their profitability matched the group's relative overall profitability in Q4, which we find a very high level. We do not expect these to remain as high in the next few years.

We estimate that Q1 will be clearly below the comparison period and around the level of Q4'25. For Q2, we expect a performance of around the comparison period level and clear revenue and earnings growth in H2. With these assumptions, we estimate that the company's revenue and EBIT will decrease slightly on an annual basis.

More moderate long-term revisions

We made slightly smaller, similar estimate revisions for the next few years. Nevertheless, we expect Baltic volumes to grow slightly in the coming years, and international rail logistics to achieve growth driven by the economic situation and the block train connection. As far as margins are concerned, we only fine-tuned our estimates. In line with the actual development, we also slightly raised our financial cost estimates.

Estimate revisions	2025	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Inderes	Actualized	%	Old	New	%	Old	New	%
Revenue	111	109	-1%	119	107	-10%	122	117	-4%
EBITDA	25.2	24.6	-2%	26.4	24.2	-8%	25.4	24.8	-2%
EBIT (excl. NRIs)	18.5	18.3	-1%	19.6	17.1	-13%	18.8	18.0	-5%
EBIT	17.0	14.6	-14%	18.8	16.3	-13%	18.0	17.2	-5%
PTP	12.3	9.7	-21%	15.8	12.8	-19%	15.8	14.7	-7%
EPS (excl. NRIs)	0.09	0.08	-4%	0.12	0.10	-19%	0.12	0.11	-7%
DPS	0.040	0.030	-25%	0.060	0.030	-50%	0.060	0.030	-50%

Source: Inderes

Cash flow yield at an attractive level

Strong cash flow supports the expected return

With our estimates, Nurminen's P/E ratios, adjusted for PPA amortizations, are around 9x and 8x for 2025 and 2026. The earnings-based valuation is thus at the lower end of our accepted multiple range (P/E 9x-12x) this year, while being slightly below it next year. Due to several short-term uncertainties (e.g., the Baltic business, international growth) and North Rail's prominent role in earnings generation, we believe the justified valuation of the share focuses on the lower end of the range. However, we expect the company to achieve a stable earnings level and a high return on capital, driven by North Rail, and our confidence in the sustainability of the company's margin levels remains unchanged in the medium term (incl. contracts renewed last year). However, the long-term sustainability of North Rail's current earnings performance upholds long-term uncertainty. The risk level is also partially elevated by ongoing geopolitical risks and their impacts on the economy, as well as binary risks related to North Rail and the Baltic business, which for the latter have also materialized. In our view, the probability of risks related to North Rail is low, but if they materialize, their impact would be very significant. In our view, an increase in acceptable valuation would require a broadening of the earnings distribution in addition to earnings growth.

We estimate that the strong cash flow and strengthened balance sheet have decreased the share's risk level. A strong financial position also theoretically enables acquisitions supporting international growth. We also estimate that the company's free cash flow will be stronger than its earnings due to the long depreciation periods of North Rail's locomotives. The earnings-based valuation of the share is neutral, but the cash flow yield is attractive despite the minority interests. Free cash flow in 2025,

excluding payments for acquisition debts, would correspond to a 22% yield at the current market cap and a 14% yield at our estimated enterprise value, including minorities.

Expected total return in the medium term

Assuming the company's earnings development progresses in line with our expectations, we believe the stock could justifiably be priced at around 9-11x with the realized earnings at the end of 2028 if no significant changes occur in market pricing or interest rates. This would be equivalent to a value of some EUR 1.05-1.30 per share. Converted to an annual return, this would correspond to an average of 11%, in addition to which we estimate the share offers an average annual baseline return of around 3.5% through the dividend. Thus, the medium-term total expected return is above the required return on equity of 11.5% we apply.

Option to restore the China link

Currently, investors also get an option on the potentially significant recovery of the northern route. However, in our opinion, it is difficult to rely on the normalization of the operating environment (incl. customer behavior) due to the geopolitical situation. On the other hand, Nurminen has increased its offering, customer base, and geographical coverage after the suspension of the route. Reflecting this, we see that its longer-term potential in a positive scenario has clearly grown, but we do not believe this can be given significant weight.

DCF value well above the share price

Our view of the company's favorable cash flow profile is also supported by our conservative (i.e., long-term profitability estimates clearly below the current level) DCF calculation, which indicates a share value of around EUR 1.1, also considering the company's current earnings level.

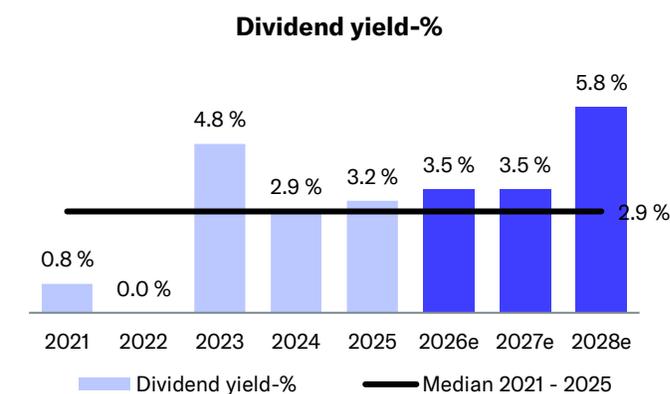
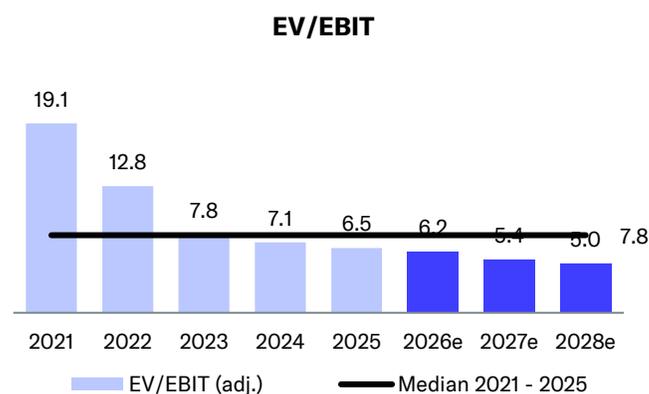
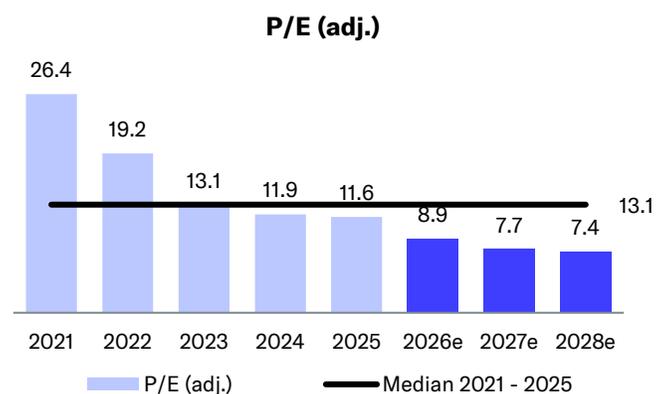
Valuation	2026e	2027e	2028e
Share price	0.86	0.86	0.86
Number of shares, millions	80.7	80.7	80.7
Market cap	69	69	69
EV	105	97	88
P/E (adj.)	8.9	7.7	7.4
P/E	9.6	8.2	7.9
P/B	1.8	1.5	1.3
P/S	0.6	0.6	0.6
EV/Sales	1.0	0.8	0.7
EV/EBITDA	4.4	3.9	3.6
EV/EBIT (adj.)	6.2	5.4	5.0
Payout ratio (%)	33.6 %	28.7 %	46.1 %
Dividend yield-%	3.5 %	3.5 %	5.8 %

Source: Inderes

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	1.96	0.60	1.26	1.05	0.95	0.86	0.86	0.86	0.86
Number of shares, millions	77.1	78.0	78.1	78.2	80.7	80.7	80.7	80.7	80.7
Market cap	151	47	98	82	77	69	69	69	69
EV	194	88	168	135	119	105	97	88	81
P/E (adj.)	26.4	19.2	13.1	11.9	11.6	8.9	7.7	7.4	7.0
P/E	12.8	neg.	6.9	11.6	24.8	9.6	8.2	7.9	7.5
P/B	10.0	3.6	3.6	2.5	2.2	1.8	1.5	1.3	1.2
P/S	1.1	0.4	0.8	0.8	0.7	0.6	0.6	0.6	0.5
EV/Sales	1.4	0.7	1.3	1.3	1.1	1.0	0.8	0.7	0.6
EV/EBITDA	15.4	14.1	4.4	5.5	4.8	4.4	3.9	3.6	3.3
EV/EBIT (adj.)	19.1	12.8	7.8	7.1	6.5	6.2	5.4	5.0	4.6
Payout ratio (%)	10.5 %	0.0 %	32.7 %	33.0 %	78.3 %	33.6 %	28.7 %	46.1 %	52.0 %
Dividend yield-%	0.8 %	0.0 %	4.8 %	2.9 %	3.2 %	3.5 %	3.5 %	5.8 %	7.0 %

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 2026e
			2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	
Kuehne + Nagel	23081	25978	17.8	16.1	10.6	9.8	0.9	0.9	21.9	19.7	3.7	4.0	6.8
DSV	52297	63678	20.0	16.1	13.7	11.8	1.6	1.6	25.2	19.1	0.5	0.7	3.0
Hapag Lloyd	22111	22375		54.7	9.4	8.5	1.3	1.3	128.6	41.5	1.5	1.9	1.3
Id Logistics	2567	3840	21.5	19.5	5.9	5.4	1.0	0.9	30.8	25.8			3.4
Nurminen Logistics (Inderes)	69	105	6.2	5.4	4.4	3.9	1.0	0.8	8.9	7.7	3.5	3.5	1.8
Average			19.7	26.6	9.9	8.9	1.2	1.2	51.6	26.5	1.9	2.2	3.6
Median			20.0	17.8	10.0	9.2	1.1	1.1	28.0	22.8	1.5	1.9	3.2
Diff-% to median			-69%	-70%	-56%	-57%	-13%	-24%	-68%	-66%	133%	89%	-45%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	128	105	32.4	27.9	23.8	25.2	109	24.2	27.6	26.4	28.9	107	117	123	127
Group	128	105	32.4	27.9	23.8	25.2	109	24.2	27.6	26.4	28.9	107	117	123	127
EBITDA	38.4	24.7	8.1	5.8	5.5	5.1	24.6	5.3	6.2	6.1	6.5	24.2	24.8	24.4	24.3
Depreciation	-5.3	-5.4	-1.9	-1.9	-2.3	-3.8	-10.0	-2.0	-2.0	-1.9	-1.9	-7.8	-7.6	-7.4	-7.2
EBIT (excl. NRI)	21.5	19.1	6.5	4.3	3.8	3.7	18.3	3.5	4.4	4.3	4.8	17.1	18.0	17.8	17.7
EBIT	33.1	19.3	6.2	3.9	3.2	1.3	14.6	3.4	4.3	4.1	4.6	16.3	17.2	17.0	17.0
Net financial items	-3.7	-3.1	-1.7	-1.2	-1.0	-1.0	-4.9	-1.0	-0.9	-0.9	-0.8	-3.5	-2.5	-2.0	-1.5
PTP	29.3	16.2	4.5	2.7	2.2	0.3	9.7	2.4	3.4	3.3	3.8	12.8	14.7	15.0	15.5
Taxes	-6.1	-3.1	-1.5	-0.6	-0.6	-0.6	-3.2	-0.5	-0.7	-0.7	-0.8	-2.6	-2.9	-2.8	-2.9
Minority interest	-8.9	-6.0	-1.4	-0.7	-0.7	-0.7	-3.4	-0.7	-0.7	-0.8	-0.8	-3.1	-3.3	-3.4	-3.3
Net earnings	14.3	7.1	1.7	1.5	1.0	-1.0	3.1	1.2	1.9	1.8	2.3	7.2	8.4	8.7	9.3
EPS (adj.)	0.10	0.09	0.02	0.02	0.02	0.02	0.08	0.02	0.03	0.02	0.03	0.10	0.11	0.12	0.12
EPS (rep.)	0.18	0.09	0.02	0.02	0.01	-0.01	0.04	0.01	0.02	0.02	0.03	0.09	0.10	0.11	0.12

Key figures	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	4.4 %	-18.1 %	-7.8 %	23.9 %	-1.3 %	10.0 %	4.4 %	-25.3 %	-1.2 %	10.5 %	14.7 %	-2.1 %	9.2 %	5.2 %	3.6 %
Adjusted EBIT growth-%		-11.3 %	10.6 %	9.0 %	-31.5 %	0.3 %	-4.0 %	-45.2 %	3.2 %	13.2 %	29.8 %	-6.5 %	5.1 %	-1.1 %	-0.1 %
EBITDA-%	30.0 %	23.6 %	25.1 %	20.8 %	23.2 %	20.3 %	22.5 %	22.1 %	22.6 %	23.0 %	22.6 %	22.6 %	21.2 %	19.9 %	19.0 %
Adjusted EBIT-%	16.8 %	18.2 %	20.0 %	15.4 %	16.0 %	14.7 %	16.7 %	14.6 %	16.1 %	16.4 %	16.6 %	16.0 %	15.4 %	14.4 %	13.9 %
Net earnings-%	11.2 %	6.8 %	5.2 %	5.3 %	4.0 %	-4.1 %	2.8 %	4.9 %	7.0 %	6.9 %	7.9 %	6.7 %	7.2 %	7.1 %	7.3 %

Source: Inderes

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	70.1	64.3	61.3	58.5	56.0
Goodwill	7.4	8.2	8.2	8.2	8.2
Intangible assets	6.2	3.9	3.2	2.5	1.8
Tangible assets	51.0	48.1	45.7	43.6	41.8
Associated companies	0.1	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.1	0.1	0.1	0.1	0.1
Deferred tax assets	5.4	4.1	4.1	4.1	4.1
Current assets	31.4	33.0	31.4	34.2	39.2
Inventories	1.1	1.1	1.1	1.2	1.2
Other current assets	1.1	1.1	1.1	1.1	1.1
Receivables	12.9	10.4	13.2	14.4	15.1
Cash and equivalents	16.3	20.3	16.1	17.5	21.7
Balance sheet total	102	97.3	92.7	92.7	95.2

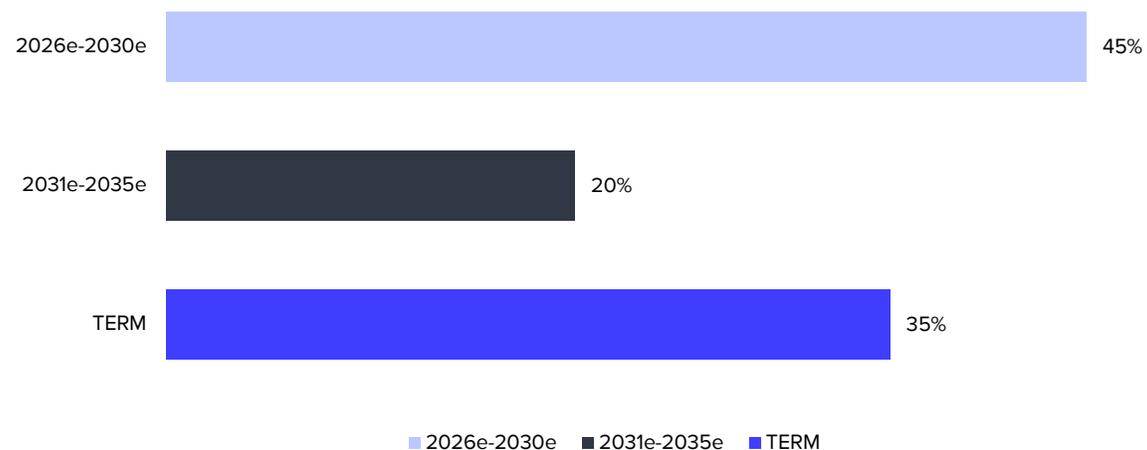
Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	41.2	42.7	47.5	53.5	59.8
Share capital	4.2	4.2	4.2	4.2	4.2
Retained earnings	-7.3	-3.9	0.8	6.8	13.2
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	35.7	34.1	34.1	34.1	34.1
Minorities	8.6	8.3	8.3	8.3	8.3
Non-current liabilities	36.8	32.7	25.6	20.0	16.3
Deferred tax liabilities	1.6	1.3	1.3	1.3	1.3
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	35.1	31.4	24.3	18.6	15.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0	0.0
Current liabilities	23.6	21.9	19.6	19.3	19.0
Interest bearing debt	10.7	10.4	6.8	5.4	4.5
Payables	11.7	10.7	12.0	13.1	13.8
Other current liabilities	1.2	0.8	0.8	0.8	0.8
Balance sheet total	102	97.3	92.7	92.7	95.2

DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	4.4 %	-2.1 %	9.2 %	5.2 %	3.6 %	3.0 %	2.5 %	2.5 %	2.5 %	2.5 %	2.0 %	2.0 %
EBIT-%	13.3 %	15.3 %	14.7 %	13.8 %	13.4 %	12.5 %	11.0 %	10.0 %	9.0 %	8.0 %	8.0 %	8.0 %
EBIT (operating profit)	14.6	16.3	17.2	17.0	17.0	16.4	14.8	13.8	12.7	11.6	11.8	
+ Depreciation	10.0	7.8	7.6	7.4	7.2	6.3	6.1	6.0	5.8	5.7	5.7	
- Paid taxes	-2.2	-2.6	-2.9	-2.8	-2.9	-2.9	-2.6	-2.4	-2.2	-2.0	-2.0	
- Tax, financial expenses	-0.9	-0.7	-0.5	-0.4	-0.3	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	
+ 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	1.0	-1.4	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	
Operating cash flow	22.4	19.5	21.1	21.1	20.9	19.5	18.1	17.1	16.0	15.0	15.2	
+ 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	-5.6	-4.8	-4.8	-4.9	-5.1	-5.2	-5.2	-5.3	-5.3	-5.3	-5.8	
Free operating cash flow	16.9	14.7	16.3	16.2	15.8	14.3	12.9	11.8	10.7	9.7	9.4	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	16.9	14.7	16.3	16.2	15.8	14.3	12.9	11.8	10.7	9.7	9.4	120
Discounted FCFF		13.5	13.7	12.3	11.0	9.0	7.4	6.1	5.1	4.2	3.7	46.9
Sum of FCFF present value		133	119	106	93.4	82.4	73.4	66.0	59.8	54.7	50.6	46.9
Enterprise value DCF		133										
- Interest bearing debt		-42										
+ Cash and cash equivalents		20										
-Minorities		-21										
-Dividend/capital return		0.0										
Equity value DCF		90.5										
Equity value DCF per share		1.1										

Cash flow distribution



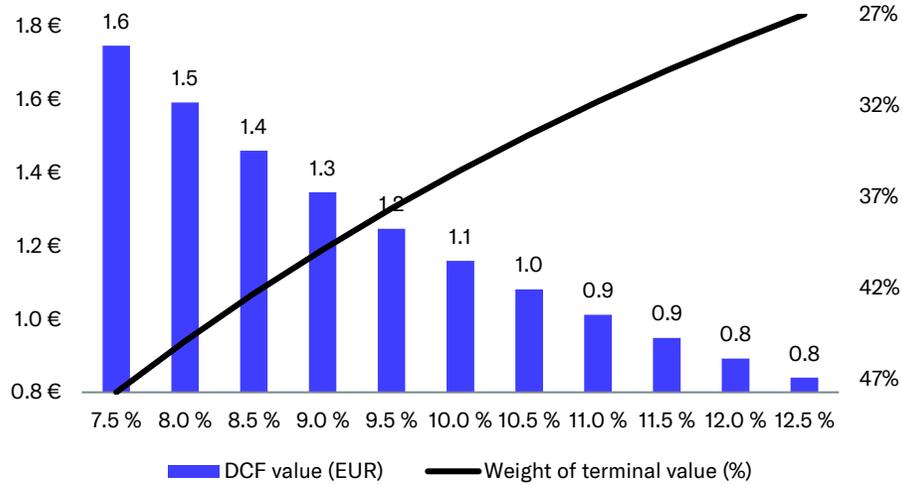
WACC

Tax-% (WACC)	19.5 %
Target debt ratio (D/(D+E))	30.0 %
Cost of debt	8.0 %
Equity Beta	1.60
Market risk premium	4.75%
Liquidity premium	1.40%
Risk free interest rate	2.5 %
Cost of equity	11.5 %
Weighted average cost of capital (WACC)	10.0 %

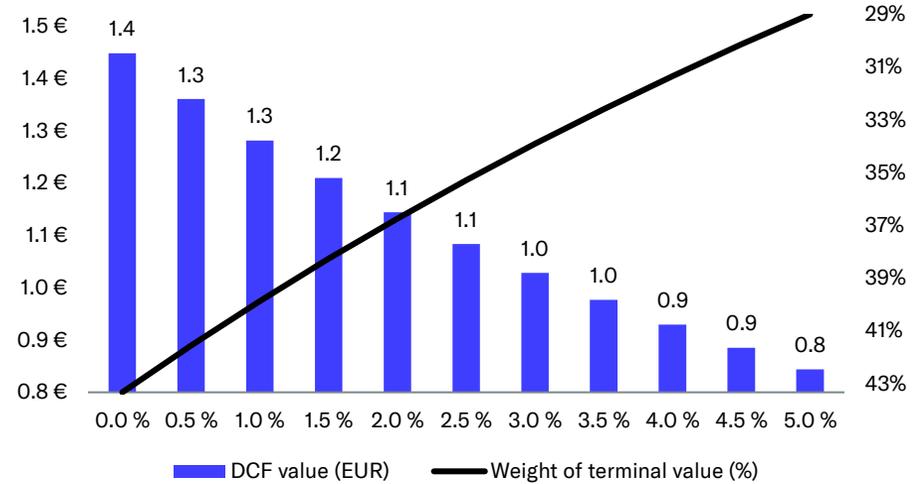
Source: Inderes

DCF sensitivity calculations and key assumptions in graphs

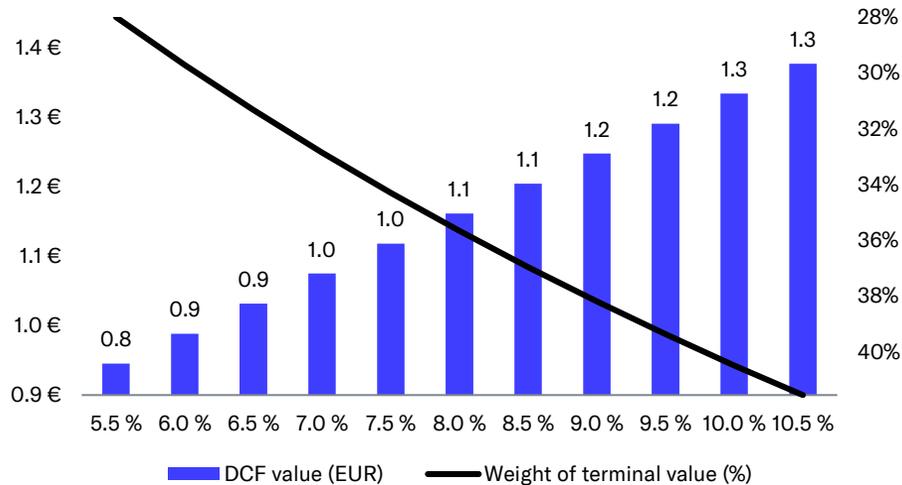
Sensitivity of DCF to changes in the WACC-%



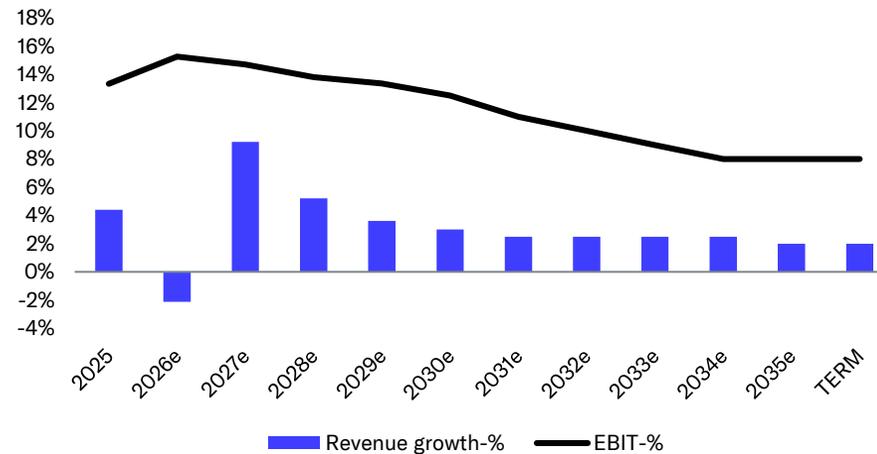
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. NBI The terminal value weight (%) is presented on a reverse scale for clarity.

Summary

Income statement	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e
Revenue	128.0	104.8	109.4	107.1	116.9	EPS (reported)	0.18	0.09	0.04	0.09	0.10
EBITDA	38.4	24.7	24.6	24.2	24.8	EPS (adj.)	0.10	0.09	0.08	0.10	0.11
EBIT	33.1	19.3	14.6	16.3	17.2	OCF / share	0.47	0.21	0.28	0.24	0.26
PTP	29.3	16.2	9.7	12.8	14.7	FCF / share	-0.03	0.14	0.21	0.18	0.20
Net Income	14.3	7.1	3.1	7.2	8.4	Book value / share	0.35	0.42	0.43	0.49	0.56
Extraordinary items	11.6	0.2	-3.7	-0.8	-0.8	Dividend / share	0.06	0.03	0.03	0.03	0.03
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	113.8	101.5	97.3	92.7	92.7	Revenue growth-%	4%	-18%	4%	-2%	9%
Equity capital	45.9	41.2	42.7	47.5	53.5	EBITDA growth-%	518%	-36%	0%	-2%	2%
Goodwill	0.9	7.4	8.2	8.2	8.2	EBIT (adj.) growth-%	212%	-11%	-4%	-6%	5%
Net debt	35.6	29.5	21.4	15.1	6.5	EPS (adj.) growth-%	210%	-8%	-7%	18%	16%
						EBITDA-%	30.0 %	23.6 %	22.5 %	22.6 %	21.2 %
Cash flow	2023	2024	2025	2026e	2027e	EBIT (adj.)-%	16.8 %	18.2 %	16.7 %	16.0 %	15.4 %
EBITDA	38.4	24.7	24.6	24.2	24.8	EBIT-%	25.9 %	18.4 %	13.3 %	15.3 %	14.7 %
Change in working capital	2.6	-5.8	1.0	-1.4	-0.2	ROE-%	70.9 %	23.6 %	9.2 %	19.6 %	20.0 %
Operating cash flow	36.4	16.0	22.4	19.5	21.1	ROI-%	43.1 %	21.3 %	17.0 %	20.0 %	22.0 %
CAPEX	-38.6	10.3	-5.6	-4.8	-4.8	Equity ratio	41.8 %	40.7 %	43.9 %	51.2 %	57.7 %
Free cash flow	-2.2	11.3	16.9	14.7	16.3	Gearing	77.6 %	71.7 %	50.2 %	31.7 %	12.1 %
Valuation multiples	2023	2024	2025	2026e	2027e						
EV/S	1.3	1.3	1.1	1.0	0.8						
EV/EBITDA	4.4	5.5	4.8	4.4	3.9						
EV/EBIT (adj.)	7.8	7.1	6.5	6.2	5.4						
P/E (adj.)	13.1	11.9	11.6	8.9	7.7						
P/B	3.6	2.5	2.2	1.8	1.5						
Dividend-%	4.8 %	2.9 %	3.2 %	3.5 %	3.5 %						

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. 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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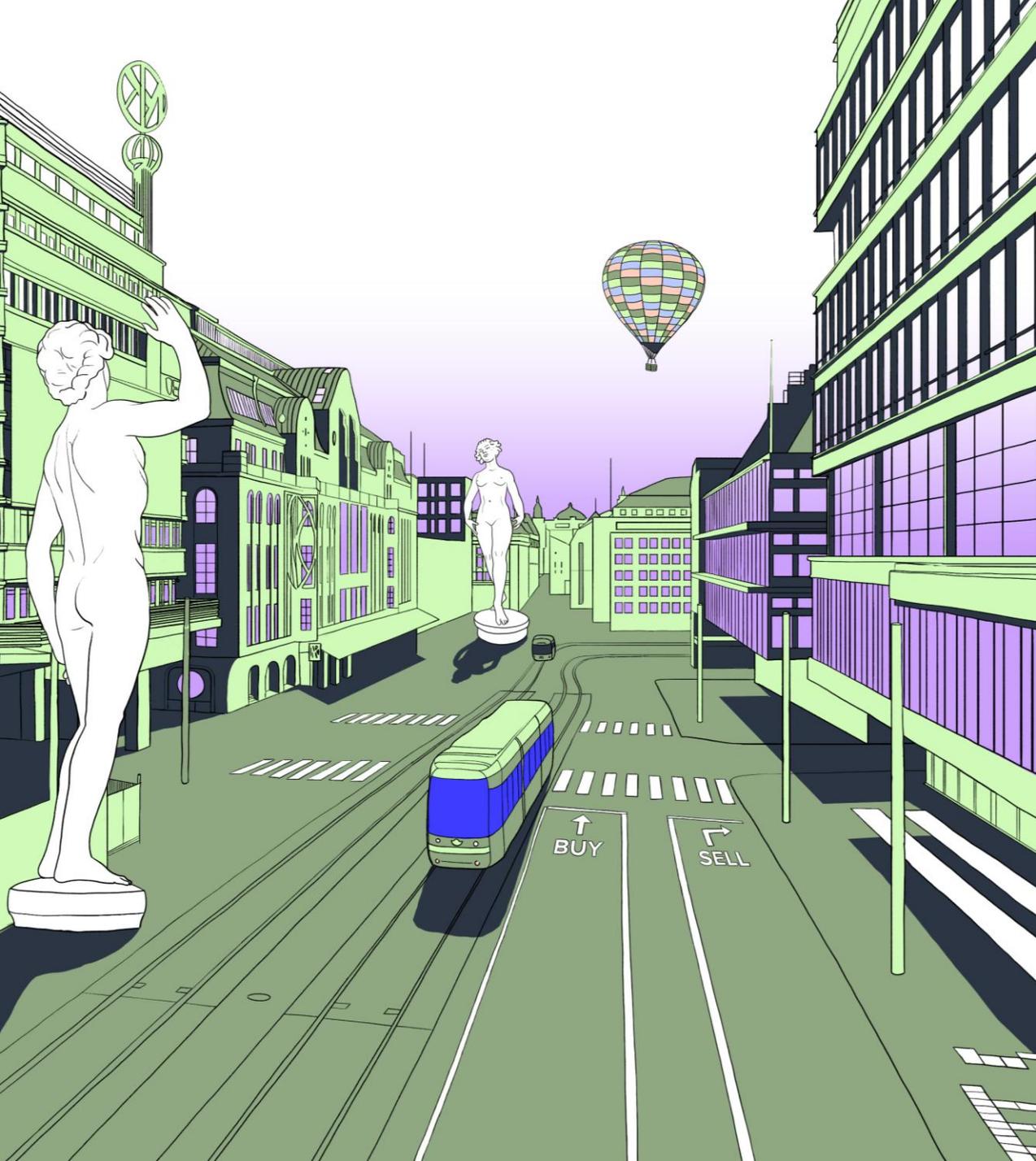
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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
1/9/2018	Reduce	0.56 €	0.58 €
3/9/2018	Reduce	0.52 €	0.54 €
6/6/2018	Reduce	0.50 €	0.49 €
8/10/2018	Reduce	0.42 €	0.45 €
12/19/2018	Reduce	0.27 €	0.28 €
3/11/2019	Sell	0.27 €	0.35 €
8/7/2019	Sell	0.27 €	0.30 €
8/12/2019	Sell	0.25 €	0.27 €
3/9/2020	Sell	0.25 €	0.28 €
8/10/2020	Sell	0.25 €	0.34 €
3/8/2021	Sell	0.35 €	0.70 €
8/4/2021	Sell	0.45 €	1.16 €
8/9/2021	Reduce	1.10 €	1.21 €
<i>Analyst changed</i>			
11/19/2021	Accumulate	1.70 €	1.53 €
3/4/2022	Accumulate	1.25 €	1.10 €
4/19/2022	Reduce	1.25 €	1.28 €
8/5/2022	Accumulate	1.00 €	0.83 €
11/16/2022	Reduce	0.70 €	0.73 €
2/15/2023	Accumulate	1.10 €	0.98 €
3/2/2023	Accumulate	1.10 €	0.91 €
5/29/2023	Buy	1.40 €	1.04 €
8/4/2023	Buy	1.40 €	0.99 €
10/23/2023	Buy	1.25 €	0.85 €
1/25/2024	Accumulate	1.40 €	1.25 €
3/1/2024	Accumulate	1.40 €	1.23 €
4/26/2024	Accumulate	1.40 €	1.20 €
7/30/2024	Accumulate	1.05 €	0.90 €
8/5/2024	Accumulate	1.05 €	0.88 €
10/30/2024	Buy	1.05 €	0.84 €
11/12/2024	Buy	1.20 €	0.97 €
2/28/2025	Accumulate	1.20 €	1.10 €
4/25/2025	Accumulate	1.20 €	1.10 €
6/16/2025	Accumulate	1.20 €	1.04 €
8/1/2025	Accumulate	1.20 €	1.11 €
10/24/2025	Accumulate	1.10 €	0.98 €
2/27/2026	Accumulate	1.00 €	0.86 €



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