

SCANFIL

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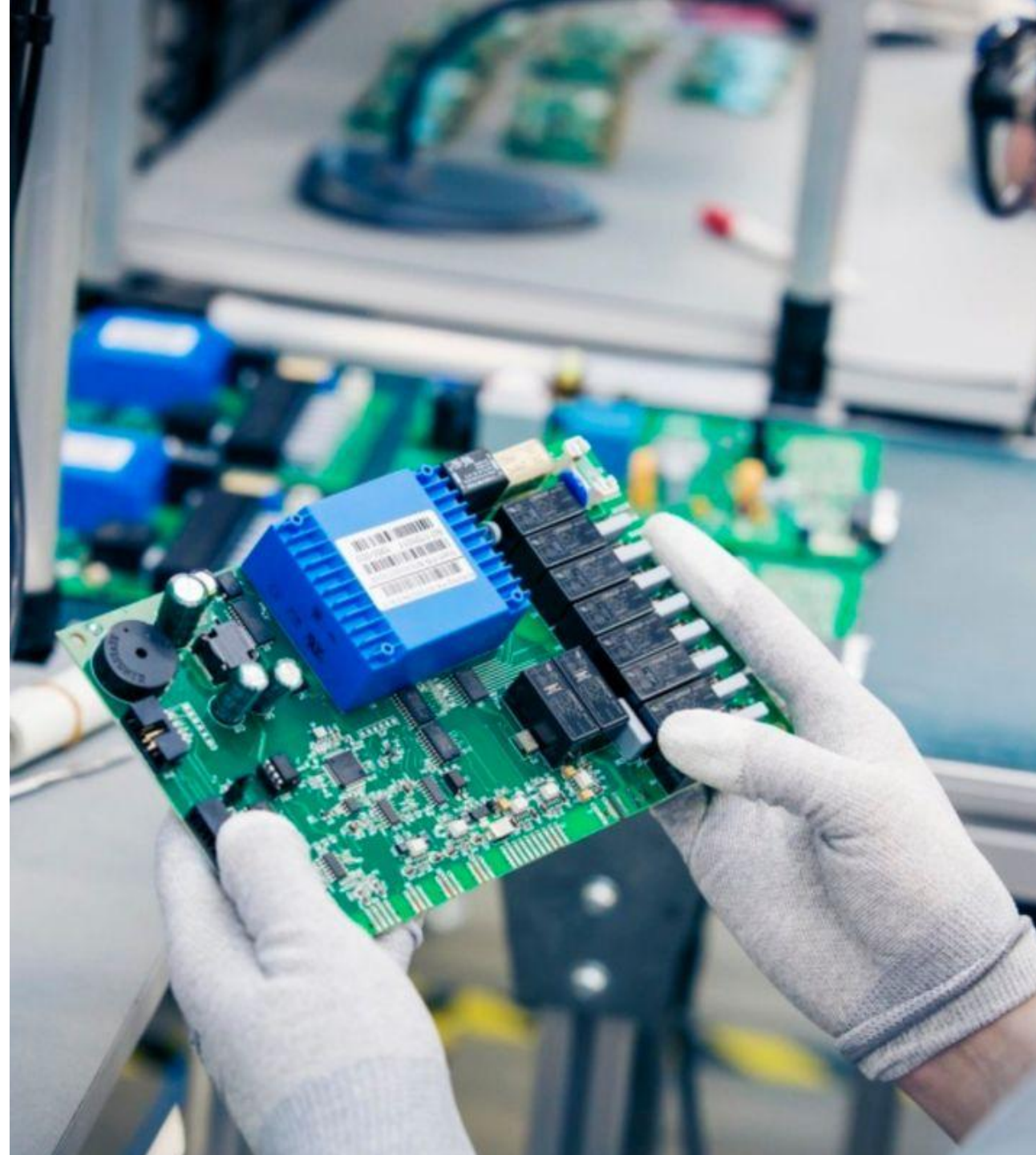
This is a translated version of "Väijymme neutraalia arvostusta käyttäyskopista" report, published on 4/24/2026



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INDERES CORPORATE CUSTOMER

COMPANY REPORT



We're staying in our hideout waiting for neutral valuation

Scanfil's Q1 figures, published Thursday, were slightly weaker than we expected, but we did not change our forecasts significantly for the coming years. The company's outlook is positive in both the short and longer term, but in our opinion, the stock has adequately priced in the expected earnings growth (2026e: adj. EV/EBITA 13x). Thus, the expected return for the year will not quite rise to a level that is attractive enough from the current valuation level. We therefore reiterate our Reduce recommendation and EUR 11.50 target price for Scanfil.

Growth and earnings improvement were slower than we expected

Scanfil's Q1 revenue grew by 19% to 229 MEUR but was 5% below our estimate. Growth was driven by the ADCO and MB acquisitions (14 pp) and 7% organic growth, but the shortfall of the forecast was likely due to the acquisitions' contribution. The Aerospace & Defense segment's 9% share was in line with our estimate. Scanfil's adjusted EBITDA increased by 24% to 15.5 MEUR, but it fell short of our forecast due to lower volumes and a margin that remained at 6.8%. According to the company, profitability was weighed down by the ramp-up of new projects. Cash flow from operating activities was -2 MEUR due to the tie-up of working capital. Net debt/EBITDA rose to 1.6x, marginally exceeding the target, but the company's balance sheet is good as a whole.

We did not make any forecast changes after the report

As expected, Scanfil reiterated its guidance for 2026 of 940-1,060 MEUR revenue and 64-78 MEUR adjusted EBITA. The market commentary was even surprisingly positive, and the escalating geopolitical situation does not appear to have much impacted Scanfil's business so far (though demand is, of course, somewhat post-cyclical). We consider the lower ends of these guidance ranges particularly cautious compared to the pro forma levels achieved by Scanfil, MB, and ADCO last year, assuming no significant new geopolitical or general economic risks materialize.

Even before the report, however, our forecasts included a fairly positive scenario in which the company would reach approximately the midpoint of its revenue guidance and slightly above the midpoint of its earnings guidance range. Consequently, we did not change our near-term forecasts for Scanfil in response to the report, except for minor adjustments. However, the shortfall in Q1 and the rise in the tax rate for the current year reduced our adjusted EPS forecast for this year by around 6%. We forecast Scanfil's adjusted EPS to grow by around 15% by 2028, driven by acquisitions, a gradually recovering economic situation, and organic growth enabled by project wins. The main risks to our forecasts relate to external demand factors such as the global economy. Internally, we believe the company is in fairly good shape apart from some minor challenges in the German market, and we also believe the risks associated with integrating acquisitions have decreased slightly following the report.

We believe the share is roughly correctly priced

Based on our estimates for 2026 and 2027, Scanfil's adjusted P/E ratios are 16x and 14x, while the corresponding EV/EBITA ratios are 13x and 11x. The current-year multiples, which are the main focus, are about 15% above the company's own 5-year medians. Correspondingly, we believe that the expected annual return, consisting of earnings growth, the downside in multiples (Q1'26 LTM P/E 18x), and a dividend yield of just over 2%, remains unnecessarily modest. Also, when viewed against our DCF value, the upside in the share has been exhausted. Relatively speaking, Scanfil is undervalued by approximately 10–30% compared to global contract manufacturers and slightly undervalued relative to some Nordic peers. However, the global peer group and some Nordic peers are already priced at quite high levels and clearly above their medium-term averages. Consequently, we do not believe that peer valuation alone changes the overall neutral valuation picture.

Recommendation

Reduce

(was Reduce)

Target price:

EUR 11.50

(was EUR 11.50)

Share price:

EUR 12.42

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	797	984	1059	1109
growth-%	2%	23%	8%	5%
EBIT adj.	56.4	72.2	81.1	86.6
EBIT-% adj.	7.1 %	7.3 %	7.7 %	7.8 %
Net Income	40.9	47.6	55.6	60.4
EPS (adj.)	0.65	0.78	0.90	0.97

P/E (adj.)	15.4	16.0	13.9	12.8
P/B	2.1	2.3	2.1	1.9
Dividend yield-%	2.5 %	2.2 %	2.3 %	2.5 %
EV/EBIT (adj.)	11.8	12.5	11.0	9.9
EV/EBITDA	8.5	9.4	8.6	7.8
EV/S	0.8	0.9	0.8	0.8

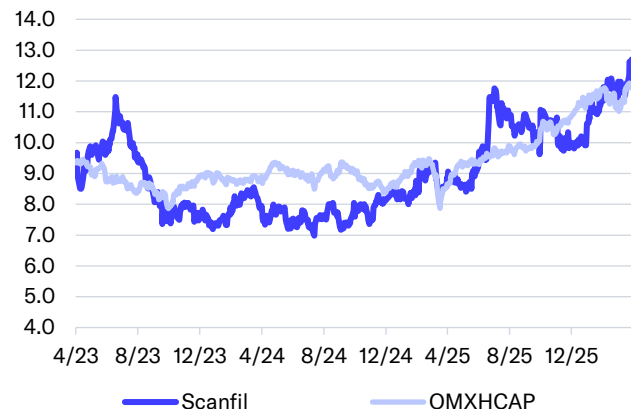
Source: Inderes

Guidance

(Unchanged)

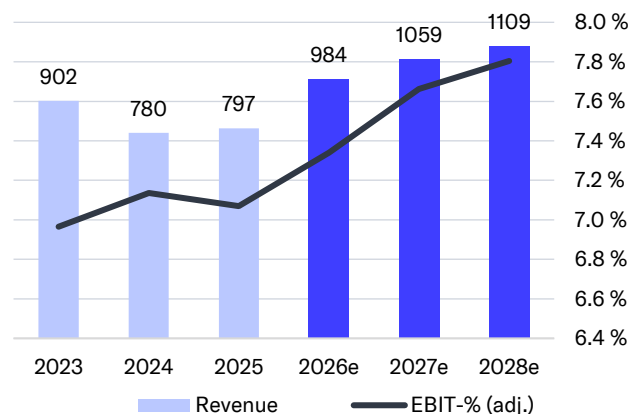
Scanfil estimates that in 2026, its revenue is 940-1,060 MEUR and comparable EBITA 64-78 MEUR.

Share price



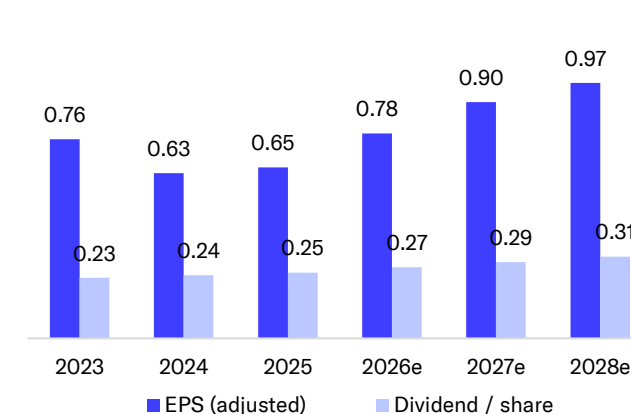
Source: Millistream Market Data AB

Revenue and EBIT % (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Organic growth with the market and key customers
- Benefiting from the green trend
- Accelerating growth through M&A
- Strong financial track record
- Increase in acceptable valuation

Risk factors

- Demand comes partly from somewhat cyclical sectors
- Demand is investment-driven and therefore somewhat sensitive to interest rates
- Tightening competition and changes in the competitive field
- Limited pricing power
- Inflation

Valuation	2026e	2027e	2028e
Share price	12.4	12.4	12.4
Number of shares, millions	65.5	65.5	65.5
Market cap	814	814	814
EV	904	896	859
P/E (adj.)	16.0	13.9	12.8
P/E	17.1	14.6	13.5
P/B	2.3	2.1	1.9
P/S	0.8	0.8	0.7
EV/Sales	0.9	0.8	0.8
EV/EBITDA	9.4	8.6	7.8
EV/EBIT (adj.)	12.5	11.0	9.9
Payout ratio (%)	37.2 %	34.2 %	33.6 %
Dividend yield-%	2.2 %	2.3 %	2.5 %

Source: Inderes

Acceleration was not quite as sharp as expected in Q1

Revenue saw a level adjustment driven by acquisitions but fell short of our forecast

Scanfil's revenue grew by 19% year-on-year in Q1 to 229 MEUR, which was 5% below our estimate. The ADCO and MB acquisitions accounted for about 14 percentage points of the growth, and currencies created a headwind of just under 2 percentage points for the top line. Organic growth was slightly below 7%. However, the forecast miss was more likely due to the contribution of acquisitions, although it is difficult to make an exact calculation of this from outside the company. The fastest growth by region came naturally from North America and Central Europe, boosted by acquisitions, though all regions grew organically. In particular, we consider APAC's 10% organic growth to be a strong performance. The revenue share of the new customer segment, Aerospace & Defense, was 9% after the acquisitions (incl. 2 months of MB's contribution), which was fairly close to our estimated 10%.

Earnings improved, but our forecasts were even higher

Scanfil's adjusted EBITA rose with revenue and acquisitions to 15.5 MEUR. Operating earnings accrual also fell short of our forecast due to revenue below our estimates and profitability at 6.8% (adj. EBITA-%), slightly missing our projections. According to Scanfil, Q1 profitability was still held back by new product introductions, although these will support volumes later in the year. Regionally, Northern Europe exceeded our earnings forecast, but the pace of improvement in other regions was slower than we had expected. On the lower lines, PPA amortization (which we treat as an adjustment item) increased due to acquisitions, and financial expenses rose as well due to additional debt incurred for acquisitions. However, both items were slightly below our forecasts, though the tax rate exceeded our estimate slightly, and minor integration costs were recorded in Q1, too. Consequently, Scanfil's reported EPS for Q1 rose well above the figure for the comparison period to EUR 0.15 per share, but falling short of our forecast by 2 cents, or 13%.

In terms of cash flow, the report was weaker, in line with expectations. Cash flow from operating activities was -2 MEUR (in Q1'25: 11 MEUR), as volume growth and the seasonal nature of the beginning of the year tied up cash flow, which is typical of the industry. We expect Scanfil's cash flow to recover over the year, reflecting normal seasonal factors. In addition, we believe the company also has at least some potential for improving working capital turnover.

Balance sheet remains solid even after acquisitions

The net debt-to-EBITDA ratio rose marginally above the upper limit of the company's target range to 1.6x at the end of Q1 (Q1'25: 0.2x), as the company financed the MB acquisition during the quarter. We expect Scanfil to return to its target range soon, as earnings rise and also cash flow recovers throughout the year. Overall, we believe the company's balance sheet is in a sound position.

Estimates MEUR / EUR	Q1'25	Q1'26	Q1'26e	Q1'26e	Consensus		Difference (%)	2026e
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. Inderes	Inderes
Revenue	193	229	242				-5%	984
EBITA (adj.)	12.6	15.6	16.9				-8%	72.2
EBIT	11.9	14.2	15.7				-10%	67.8
PTP	10.7	13.1	14.5				-9%	63.4
EPS (reported)	0.13	0.15	0.17				-13%	0.73
Revenue growth-%	-3.2 %	18.9 %	25.5 %				-6.6 pp	23.5 %
EBITA-% (adj.)	6.5 %	6.8 %	7.0 %				-0.2 pp	7.3 %

Source: Inderes

We kept our estimates largely unchanged

The reiterated guidance was in line with our expectations

As expected, Scanfil reiterated its guidance for 2026 of 940-1,060 MEUR revenue and 64-78 MEUR adjusted EBITA. The market commentary was even surprisingly positive, and the tightening geopolitical situation in the Middle East does not seem to have affected Scanfil's business much at all. Aerospace & Defense is performing exceptionally well, of course, and activity in the energy sector seems to be picking up as well. Nevertheless, we note that the company's investment-driven demand is somewhat post-cyclical. However, a potential decline in economic growth estimates and a rise in inflation expectations resulting from a prolonged situation in the Middle East would not be good for Scanfil's business either, in principle. Therefore, risks persist if the situation in the Middle East is not resolved soon. In our view, though, the company will be able to counter any inflationary pressures through its pricing.

That said, we consider the lower ends of these guidance ranges particularly cautious compared to the pro forma

levels achieved by Scanfil, MB, and ADCO last year, assuming no significant new geopolitical or general economic risks materialize. Reaching the upper limits, on the other hand, would probably require a clear upturn in demand outside the defense sector. Additionally, we would like to point out that Scanfil will launch a significant number of new products and projects this year as well. This means that the moderate earnings leverage of contract manufacturing under normal circumstances may not necessarily function as usual if growth were to accelerate more clearly this year.

No significant changes were made to our forecasts, which are close to midpoints of ranges

Even before the report, our forecasts included a fairly positive scenario in which the company would reach the midpoint of its revenue guidance and slightly above the midpoint of its earnings guidance range. Consequently, we did not change our near-term forecasts for Scanfil in response to the report, except for minor adjustments.

However, the shortfall in Q1 and the rise in the tax rate for the current year (due to the higher tax rate in Italy and the non-deductibility of certain acquisition-related expenses) reduced our adjusted EPS forecast for this year by approximately 6%.

We forecast Scanfil's adjusted EPS to grow by around 15% by 2028, driven by acquisitions, a gradually recovering economic situation, and organic growth enabled by project wins. The main risks to our forecasts relate to external demand factors such as the global economy. Internally, we believe the company is on pretty solid ground, except for minor challenges in the relatively small German market for Scanfil (Wutha factory). In our view, the risks associated with integrating acquisitions also decreased slightly following the report because MB's development, in particular, was strong in the beginning of the year, and ADCO's performance also appeared to be roughly in line with the company's expectations in Q1.

Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	993	984	-1%	1070	1059	-1%	1121	1109	-1%
EBIT (exc. NRIs)	73.8	72.2	-2%	82.4	81.1	-2%	86.8	86.6	0%
EBIT	69.0	67.8	-2%	77.6	77.1	-1%	82.0	82.6	1%
PTP	64.4	63.4	-2%	73.1	72.7	0%	78.4	79.0	1%
EPS (excl. NRIs)	0.82	0.78	-6%	0.92	0.90	-2%	0.98	0.97	-1%
DPS	0.27	0.27	0%	0.29	0.29	0%	0.31	0.31	0%

Source: Inderes

We think share price level is about right

Overall valuation picture is very neutral

Scanfil's share price has risen by almost 50% in one year. In our view, the share price increase has been driven by putting the balance sheet to work through M&A, an increased focus on the defense sector with its good prospects due to M&A, rising peer valuations, and the materialization of the organic growth outlook for the coming years. Although the outlook for the defense sector is good and its opening to Scanfil is positive, we do not currently see a need to drastically change the share's valuation multiples, as the defense sector will be Scanfil's smallest customer segment after the ADCO and MB acquisitions, with a revenue share of about 10%. We believe that Scanfil's adjusted P/E multiple of 12x-15x and adjusted EV/EBITA multiple of 10x-12x are still acceptable based on the company's and the industry's growth and return on capital potential, the stock's risk level, and its largely strong historical track record.

In our estimate, Scanfil's P/E ratios for 2026 and 2027 are around 16x and 14x, while the corresponding EV/EBITA ratios are some 13x and 11x. We expect dividend yields to settle at a level of 2-3% in the coming years. The earnings-based valuation is about 15% above the company's historical medians with this year's multiples.

Correspondingly, for next year, the multiples are approximately on par with medium-term median levels. Therefore, we believe the share valuation is fairly neutral in relation to levels acceptable to the company and that the increase in expected value due to positive developments over the past year has thus been appropriately factored into the share price. Thus, we consider the stock to be quite correctly priced in the short term. In our view, the expected return, consisting of earnings growth, a dividend

yield of just over 2%, and a decline in multiples (Q1'26 LTM P/E 18x), does not clearly exceed the required return within a one-year timeframe, even though the fair value of the stock could steadily rise if our forecasts materialize. A continued strong rise in the share price would, in our view, require stronger earnings growth than we have forecast, as well as reaching the upper end of the guidance ranges.

Some peers are more expensive, but DCF also indicates full pricing

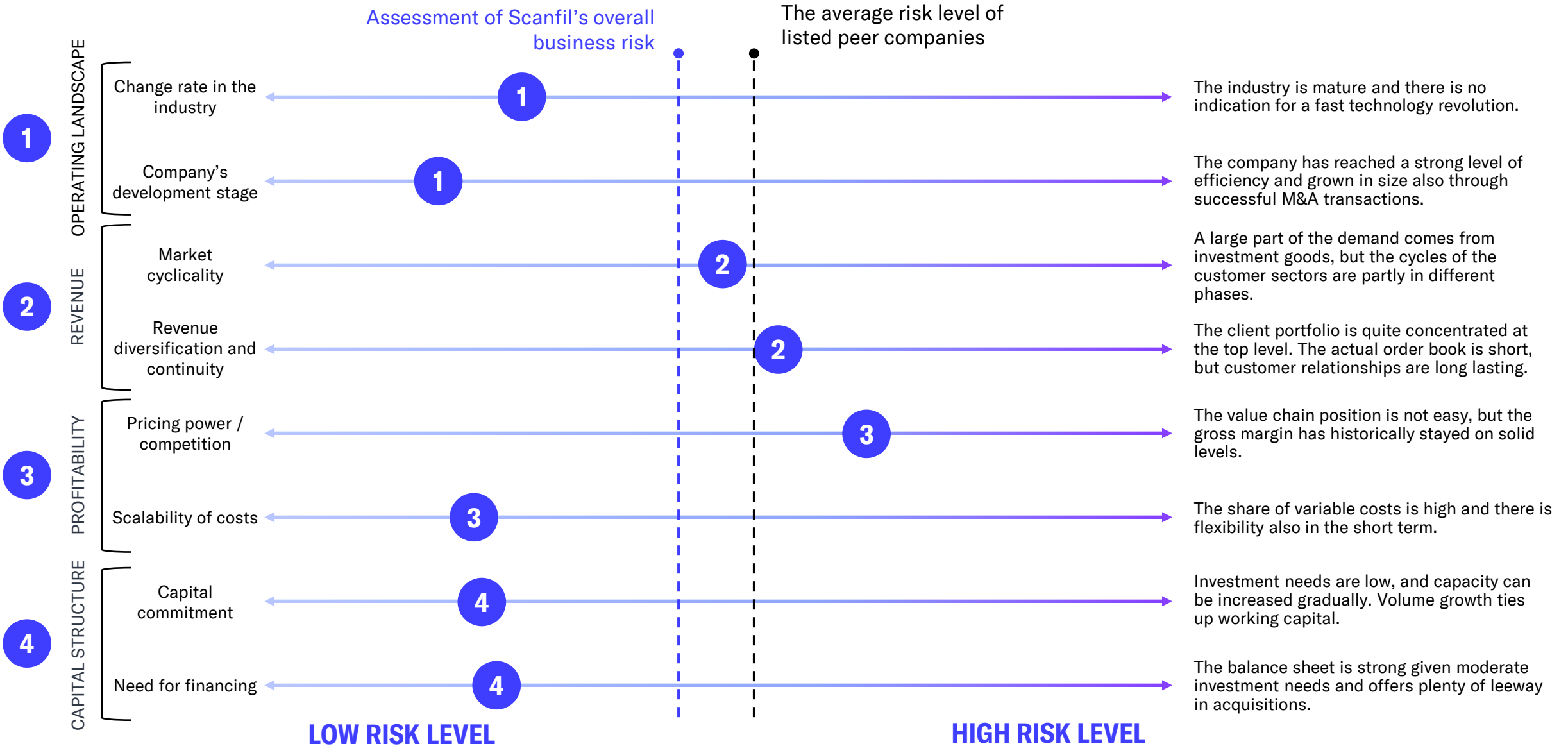
Compared to a peer group of global contract manufacturers, Scanfil's earnings-based valuation is discounted. We have traditionally accepted a small premium for Scanfil due to its long-term track record and positioning in industrial electronics with better margin potential, but in our view, the peer group, valued clearly above its long-term average, is already expensive in the short term (2026e: P/E 23x, EV/EBIT 14x). Among the Nordic peers, Kitron is clearly more highly valued than Scanfil, while Note and Hanza's valuations are fairly comparable to Scanfil's. Incap, on the other hand, is clearly undervalued relative to Scanfil. Against this overall backdrop, we do not view even the relative valuation of the stock as particularly low.

Scanfil's DCF model is also on par with our target price at around EUR 11.5 per share. Thus, also in light of the DCF, the stock is correctly priced. The model's average profitability corresponds to Scanfil's realized margin level (and is, on average, roughly in line with the target level of 7-8%). We kept our model's required return at 8.8% (CoE) for the time being, even though the integration of acquisitions progressed admirably in Q1. In our opinion, the DCF model gives a good picture of the share's fair value.

Valuation	2026e	2027e	2028e
Share price	12.4	12.4	12.4
Number of shares, millions	65.5	65.5	65.5
Market cap	814	814	814
EV	904	896	859
P/E (adj.)	16.0	13.9	12.8
P/E	17.1	14.6	13.5
P/B	2.3	2.1	1.9
P/S	0.8	0.8	0.7
EV/Sales	0.9	0.8	0.8
EV/EBITDA	9.4	8.6	7.8
EV/EBIT (adj.)	12.5	11.0	9.9
Payout ratio (%)	37.2 %	34.2 %	33.6 %
Dividend yield-%	2.2 %	2.3 %	2.5 %

Source: Inderes

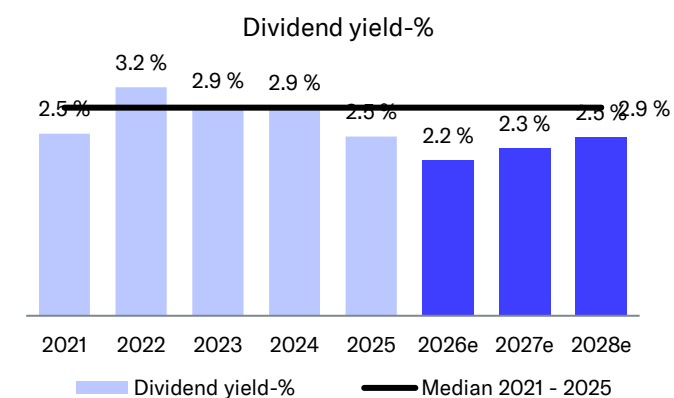
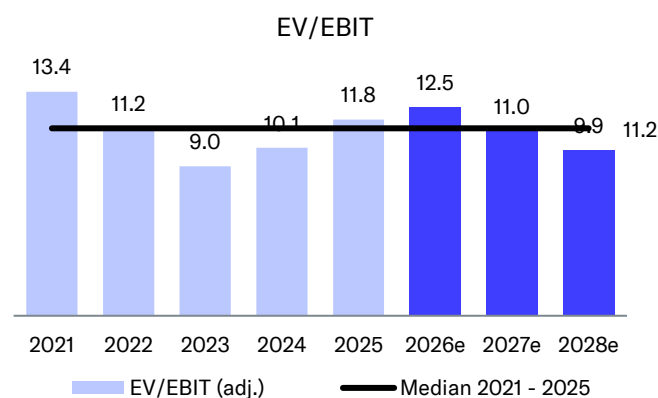
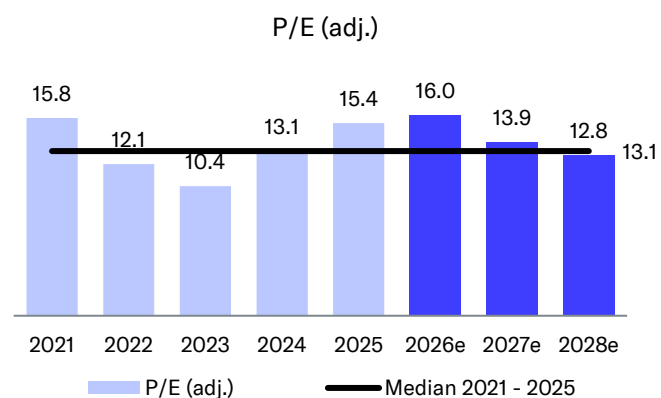
Risk profile of the business model



Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	7.46	6.58	7.83	8.25	9.98	12.4	12.4	12.4	12.4
Number of shares, millions	64.5	64.5	65.3	65.3	65.4	65.5	65.5	65.5	65.5
Market cap	481	424	511	538	653	814	814	814	814
EV	541	510	563	560	662	904	896	859	821
P/E (adj.)	15.8	12.1	10.4	13.1	15.4	16.0	13.9	12.8	12.0
P/E	16.2	12.1	10.6	14.0	16.0	17.1	14.6	13.5	12.6
P/B	2.3	1.9	1.9	1.9	2.1	2.3	2.1	1.9	1.7
P/S	0.7	0.5	1.9	0.7	0.8	0.8	0.8	0.7	0.7
EV/Sales	0.8	0.6	0.6	0.7	0.8	0.9	0.8	0.8	0.7
EV/EBITDA	9.8	8.1	7.0	7.6	8.5	9.4	8.6	7.8	7.1
EV/EBIT (adj.)	13.4	11.2	9.0	10.1	11.8	12.5	11.0	9.9	9.0
Payout ratio (%)	41.1 %	38.7 %	31.1 %	40.6 %	40.0 %	37.2 %	34.2 %	33.6 %	35.0 %
Dividend yield-%	2.5 %	3.2 %	2.9 %	2.9 %	2.5 %	2.2 %	2.3 %	2.5 %	2.8 %

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 2026e
			2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
Incap	312	259	8.2	7.0	6.3	5.6	0.9	0.8	12.9	11.3			2.0
Kitron	1951	1917	18.4	15.4	15.2	12.9	1.8	1.5	25.6	21.4	1.4	1.6	5.2
Hanza	815	964	13.9	11.7	8.6	7.5	1.0	1.0	17.2	13.9	1.4	1.8	3.1
Pegatron	6153	5458	12.3	9.8	6.0	5.4	0.2	0.2	14.3	12.9	4.7	5.2	1.1
Celestica	39465	39620	33.8	23.3	29.0	20.1	2.7	1.9	45.0	31.0			14.5
Flextronics	26801	27987	19.1	17.4	14.7	13.7	1.2	1.1	26.3	23.4			6.2
Foxconn	83820	80781	9.1	7.7	6.9	5.9	0.3	0.3	12.9	11.0	4.0	4.8	1.6
Jabil	30286	32076	19.4	16.9	14.0	12.7	1.1	1.0	27.2	23.1	0.1	0.1	22.2
Hana Microelectronics	657	343	13.4	9.9	5.2	4.5	0.6	0.6	25.7	19.9	2.9	3.5	1.0
TT Electronics	243	315	8.0	6.6	5.6	5.0	0.6	0.6	12.7	8.3	2.6	2.9	1.0
Fabrinet	21096	20266	48.6	40.1	42.6	35.3	5.2	4.4	50.9	41.8			10.5
Universal Scientific	13233	12338	37.0	23.4	24.6	17.9	1.4	1.2	41.0	27.7	0.8	1.0	4.7
Venture Corporation	3202	2359	13.0	12.2	11.4	10.7	1.3	1.3	19.4	18.3	4.8	4.8	1.7
Plexus	5567	5489	24.2	21.8	18.5	16.9	1.4	1.3	31.6	28.1			4.2
Note	523	572	12.6	11.0	9.5	8.3	1.3	1.2	16.8	14.0	0.5	0.6	2.8
Lacroix	62	127	6.0	4.8	3.7	3.2	0.3	0.3	5.4	3.8	3.8	9.3	
Scanfil (Inderes)	814	904	12.5	11.0	9.4	8.6	0.9	0.8	16.0	13.9	2.2	2.3	2.3
Average			18.6	14.9	13.9	11.6	1.3	1.1	24.1	19.4	2.4	3.2	5.5
Median			13.6	11.9	10.5	9.5	1.2	1.1	22.5	19.1	2.6	2.9	3.1
Diff-% to median			-8%	-8%	-10%	-9%	-20%	-21%	-29%	-27%	-17%	-18%	-24%

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	780	193	202	191	211	797	229	251	239	265	984	1059	1109	1159
Americas	38.0	11.7	11.8	12.7	13.9	50.1	17.7	17.6	19.7	21.1	76.1	79.2	83.1	86.5
APAC	189	52.2	59.5	53.8	51.9	217	55.0	62.5	58.6	57.1	233	249	262	278
Central Europe	303	69.5	67.5	63.3	75.6	276	92.2	101	96.4	115	405	448	470	489
Northern Europe	257	60.6	65.6	63.1	70.9	260	65.5	70.1	65.6	73.0	274	291	302	314
Eliminations / group expenses	-8.1	-1.4	-2.2	-1.7	-1.2	-6.5	-1.0	-1.0	-1.0	-1.0	-4.0	-8.0	-8.0	-8.0
EBITDA	73.7	17.5	19.2	18.2	23.1	78.0	21.3	24.5	25.2	25.6	96.5	104	110	115
Depreciation	-21.1	-5.6	-5.9	-5.6	-6.5	-23.6	-7.1	-7.2	-7.2	-7.2	-28.7	-26.4	-27.2	-28.0
EBITA (oik.)	55.7	12.6	14.2	14.1	15.5	56.4	15.6	18.3	19.0	19.4	72.2	81.1	86.6	91.3
EBIT	52.6	11.9	13.3	12.6	16.6	54.4	14.2	17.3	18.0	18.4	67.8	77.1	82.6	87.3
Americas (adj. EBITA)	3.3	0.8	0.9	1.0	0.7	3.4	1.1	1.4	1.7	1.8	6.0	6.7	7.2	7.5
APAC (adj. EBITA)	14.6	3.6	5.1	4.2	4.5	17.4	4.1	4.9	5.1	4.9	18.9	20.7	22.1	23.4
Central Europe (adj. EBITA)	24.2	5.2	4.9	4.1	6.8	21.0	6.8	7.9	8.1	9.3	32.1	36.8	39.5	41.9
Northern Europe(adj. EBITA)	14.4	3.1	3.7	5.4	4.8	17.0	4.4	4.6	4.6	3.9	17.5	19.0	19.7	20.5
Eliminations / group expenses	-0.8	-0.1	-0.4	-0.7	-1.2	-2.4	-0.8	-0.5	-0.5	-0.5	-2.3	-2.0	-2.0	-2.0
Adjustment items	-3.1	-0.7	-0.9	-1.5	1.1	-2.0	-1.4	-1.0	-1.0	-1.0	-4.4	-4.0	-4.0	-4.0
Net financial items	-1.5	-1.2	0.2	-0.6	-1.6	-3.2	-1.1	-1.1	-1.1	-1.1	-4.4	-4.4	-3.6	-2.8
PTP	51.1	10.7	13.5	12.0	15.0	51.2	13.1	16.2	16.9	17.3	63.4	72.7	79.0	84.5
Taxes	-12.5	-2.4	-3.0	-2.8	-2.1	-10.3	-3.3	-4.0	-4.2	-4.3	-15.9	-17.1	-18.6	-19.9
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
Net earnings	38.6	8.3	10.5	9.2	12.9	40.9	9.8	12.1	12.6	13.0	47.6	55.6	60.4	64.7
Net earnings	38.6	8.3	10.5	9.2	12.9	40.9	9.8	12.1	12.6	13.0	47.6	55.6	60.4	64.7
EPS (adj.)	0.63	0.14	0.17	0.16	0.18	0.65	0.17	0.20	0.20	0.21	0.78	0.90	0.97	1.03
EPS (rep.)	0.59	0.13	0.16	0.14	0.20	0.62	0.15	0.18	0.19	0.20	0.73	0.85	0.92	0.99

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	-13.5 %	-3.2 %	3.4 %	10.4 %	-0.6 %	2.2 %	19.1 %	23.9 %	25.1 %	25.6 %	23.5 %	7.6 %	4.8 %	4.5 %
Adjusted EBITA growth-%	-11.4 %	-3.4 %	-0.8 %	10.4 %	-0.4 %	1.3 %	23.8 %	28.5 %	34.4 %	25.8 %	28.2 %	12.3 %	6.7 %	5.5 %
EBITDA-%	9.4 %	9.1 %	9.5 %	9.5 %	10.9 %	9.8 %	9.3 %	9.8 %	10.5 %	9.7 %	9.8 %	9.8 %	9.9 %	9.9 %
Adjusted EBITA-%	7.1 %	6.5 %	7.0 %	7.4 %	7.3 %	7.1 %	6.8 %	7.3 %	7.9 %	7.3 %	7.3 %	7.7 %	7.8 %	7.9 %
Net earnings-%	4.9 %	4.3 %	5.2 %	4.8 %	6.1 %	5.1 %	4.3 %	4.8 %	5.3 %	4.9 %	4.8 %	5.3 %	5.4 %	5.6 %

Source: Inderes

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	152	162	283	267	266
Goodwill	29.1	36.3	88.3	72.3	72.3
Intangible assets	20.0	20.6	46.7	42.8	38.9
Tangible assets	94.9	96.7	108	111	114
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.5	0.5	0.5	0.5	0.5
Other non-current assets	0.0	0.0	31.5	31.5	31.5
Deferred tax assets	7.7	8.2	8.2	8.2	8.2
Current assets	387	432	460	487	500
Inventories	168	177	209	222	228
Other current assets	4.9	5.4	4.9	4.9	4.9
Receivables	165	176	207	217	222
Cash and equivalents	48.5	74.7	39.4	42.4	44.4
Balance sheet total	539	595	743	753	765

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	291	315	348	386	427
Share capital	2.0	2.0	2.0	2.0	2.0
Retained earnings	256	281	313	351	392
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	33.4	31.1	33.0	33.0	33.0
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	63.7	59.8	142	106	84.6
Deferred tax liabilities	9.7	8.6	14.6	14.6	14.6
Provisions	1.8	1.9	1.8	1.8	1.8
Interest bearing debt	41.9	45.5	89.5	86.1	64.4
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	10.3	3.8	36.0	3.8	3.8
Current liabilities	184	220	253	262	254
Interest bearing debt	27.8	38.7	39.9	37.9	25.2
Payables	154	175	207	217	222
Other current liabilities	2.8	6.6	6.6	6.6	6.6
Balance sheet total	539	595	743	753	765

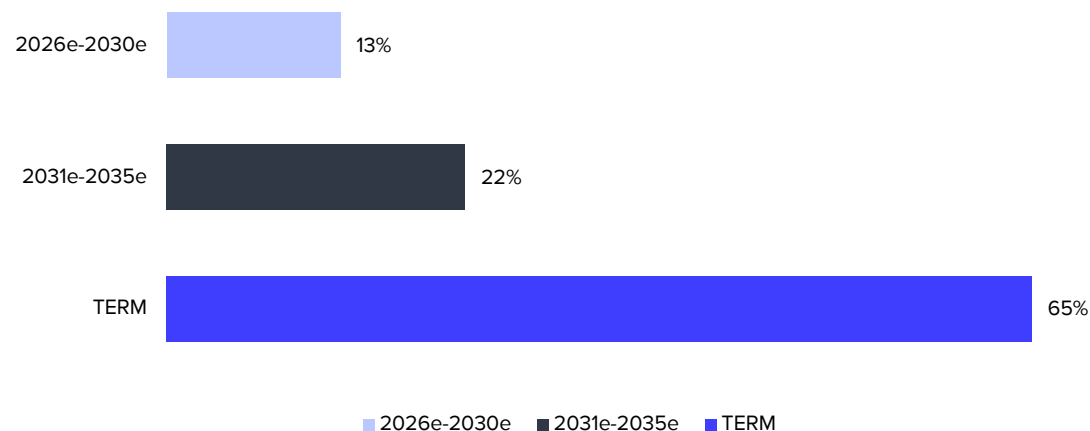
DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	2.2 %	23.5 %	7.6 %	4.8 %	4.5 %	4.0 %	3.5 %	3.5 %	3.0 %	3.0 %	2.0 %	2.0 %
EBIT-%	6.8 %	6.9 %	7.3 %	7.4 %	7.5 %	7.2 %	7.0 %	6.9 %	6.8 %	6.8 %	6.8 %	6.8 %
EBIT (operating profit)	54.4	67.8	77.1	82.6	87.3	86.8	87.3	89.1	90.4	93.2	95.0	
+ Depreciation	23.6	28.7	26.4	27.2	28.0	28.4	28.3	28.7	29.1	29.0	28.8	
- Paid taxes	-11.9	-9.9	-17.1	-18.6	-19.9	-20.1	-20.3	-20.8	-21.2	-21.9	-22.3	
- Tax, financial expenses	-0.8	-1.3	-1.1	-0.9	-0.8	-0.5	-0.4	-0.4	-0.4	-0.4	-0.4	
+ Tax, financial income	0.1	0.2	0.1	0.1	0.1	0.1	0.2	0.3	0.3	0.4	0.4	
- Change in working capital	5.8	-31.0	-13.7	-6.1	-8.0	-7.0	-6.0	-8.7	-7.7	-8.0	-5.5	
Operating cash flow	71.2	54.6	71.8	84.2	86.8	87.8	89.0	88.2	90.5	92.3	96.0	
+ Change in other long-term liabilities	-6.4	32.1	-32.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-33.2	-149.5	-10.1	-26.1	-26.1	-26.1	-27.1	-27.1	-27.1	-27.1	-29.8	
Free operating cash flow	31.6	-62.8	29.5	58.1	60.7	61.7	61.9	61.1	63.4	65.2	66.2	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	31.6	-62.8	29.5	58.1	60.7	61.7	61.9	61.1	63.4	65.2	66.2	1083
Discounted FCFF		-59.5	25.8	47.0	45.4	42.6	39.5	36.0	34.5	32.8	30.8	503
Sum of FCFF present value		778	837	812	765	719	677	637	601	567	534	503
Enterprise value DCF		778										
- Interest bearing debt		-84.2										
+ Cash and cash equivalents		74.7										
+ Associated companies		0.0										
-Minorities		0.0										
-Dividend/capital return		-16.4										
Equity value DCF		752										
Equity value DCF per share		11.5										

WACC

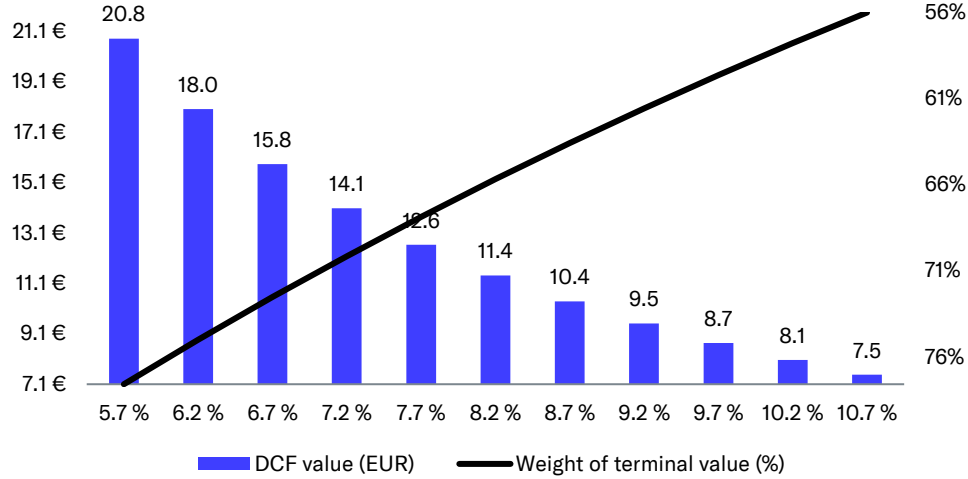
Tax-% (WACC)	23.5 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	4.5 %
Equity Beta	1.32
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	8.8 %
Weighted average cost of capital (WACC)	8.2 %

Cash flow distribution

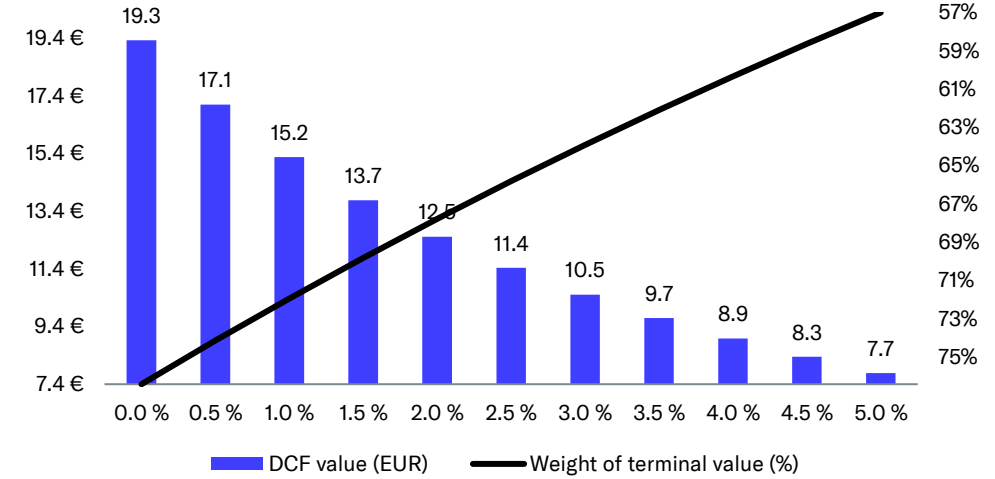


DCF sensitivity calculations and key assumptions in graphs

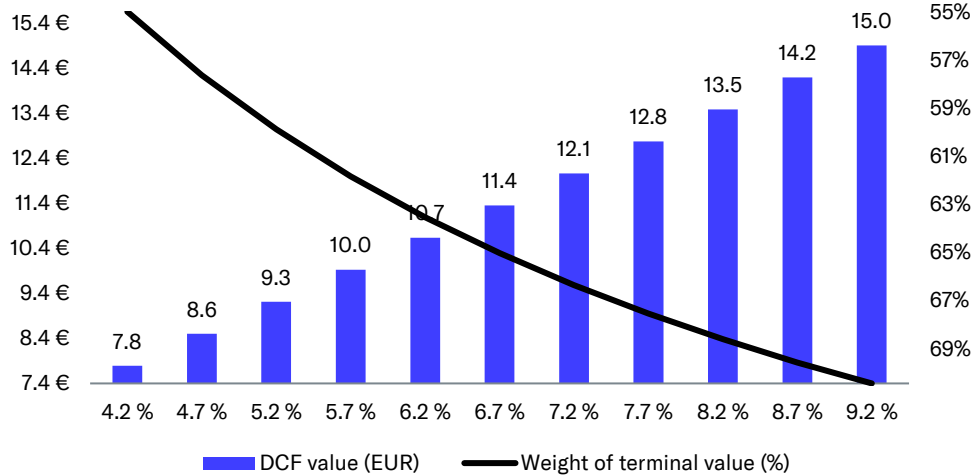
Sensitivity of DCF to changes in the WACC-%



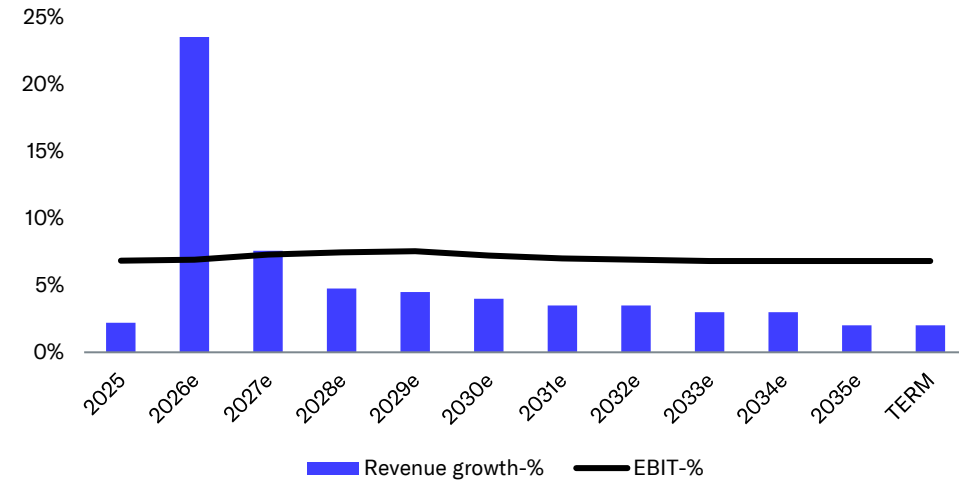
Sensitivity of DCF to changes in the risk-free rate



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	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e
Revenue	902	780	797	984	1059	EPS (reported)	0.74	0.59	0.62	0.73	0.85
EBITDA	80.4	73.7	78.0	96.5	103.6	EPS (adj.)	0.76	0.63	0.65	0.78	0.90
EBIT	61.3	52.6	54.4	67.8	77.1	OCF / share	1.02	1.47	1.09	0.83	1.09
PTP	61.7	51.1	51.2	63.4	72.7	OFCF / share	0.65	0.69	0.48	-0.96	0.45
Net Income	48.2	38.6	40.9	47.6	55.6	Book value / share	4.08	4.46	4.81	5.30	5.88
Extraordinary items	-1.5	-3.1	-2.0	-4.4	-4.0	Dividend / share	0.23	0.24	0.25	0.27	0.29
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	518	539	595	743	753	Revenue growth-%	7%	-13%	2%	23%	8%
Equity capital	266	291	315	348	386	EBITDA growth-%	28%	-8%	6%	24%	7%
Goodwill	7.7	29.1	36.3	88.3	72.3	EBIT (adj.) growth-%	38%	-11%	1%	28%	12%
Net debt	51.7	21.2	9.5	90.1	81.7	EPS (adj.) growth-%	39%	-17%	3%	20%	15%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	8.9 %	9.4 %	9.8 %	9.8 %	9.8 %
EBITDA	80.4	73.7	78.0	96.5	103.6	EBIT (adj.)-%	7.0 %	7.1 %	7.1 %	7.3 %	7.7 %
Change in working capital	-2.0	31.1	5.8	-31.0	-13.7	EBIT-%	6.8 %	6.7 %	6.8 %	6.9 %	7.3 %
Operating cash flow	66.3	95.9	71.2	54.6	71.8	ROE-%	19.6 %	13.8 %	13.5 %	14.4 %	15.2 %
CAPEX	-24.3	-61.7	-33.2	-149.5	-10.1	ROI-%	18.3 %	15.2 %	14.5 %	15.7 %	15.7 %
Free cash flow	42.3	45.2	31.6	-62.8	29.5	Equity ratio	51.3 %	54.0 %	52.9 %	46.8 %	51.2 %
Valuation multiples	2023	2024	2025	2026e	2027e	Gearing	19.4 %	7.3 %	3.0 %	25.9 %	21.2 %
EV/S	0.6	0.7	0.8	0.9	0.8	Net debt/EBITDA	0.6	0.3	0.1	0.9	0.8
EV/EBITDA	7.0	7.6	8.5	9.4	8.6	EBITDA/net financials	-236.5	47.8	24.4	21.9	23.6
EV/EBIT (adj.)	9.0	10.1	11.8	12.5	11.0						
P/E (adj.)	10.4	13.1	15.4	16.0	13.9						
P/B	1.9	1.9	2.1	2.3	2.1						
Dividend-%	2.9 %	2.9 %	2.5 %	2.2 %	2.3 %						

Source: Inderes

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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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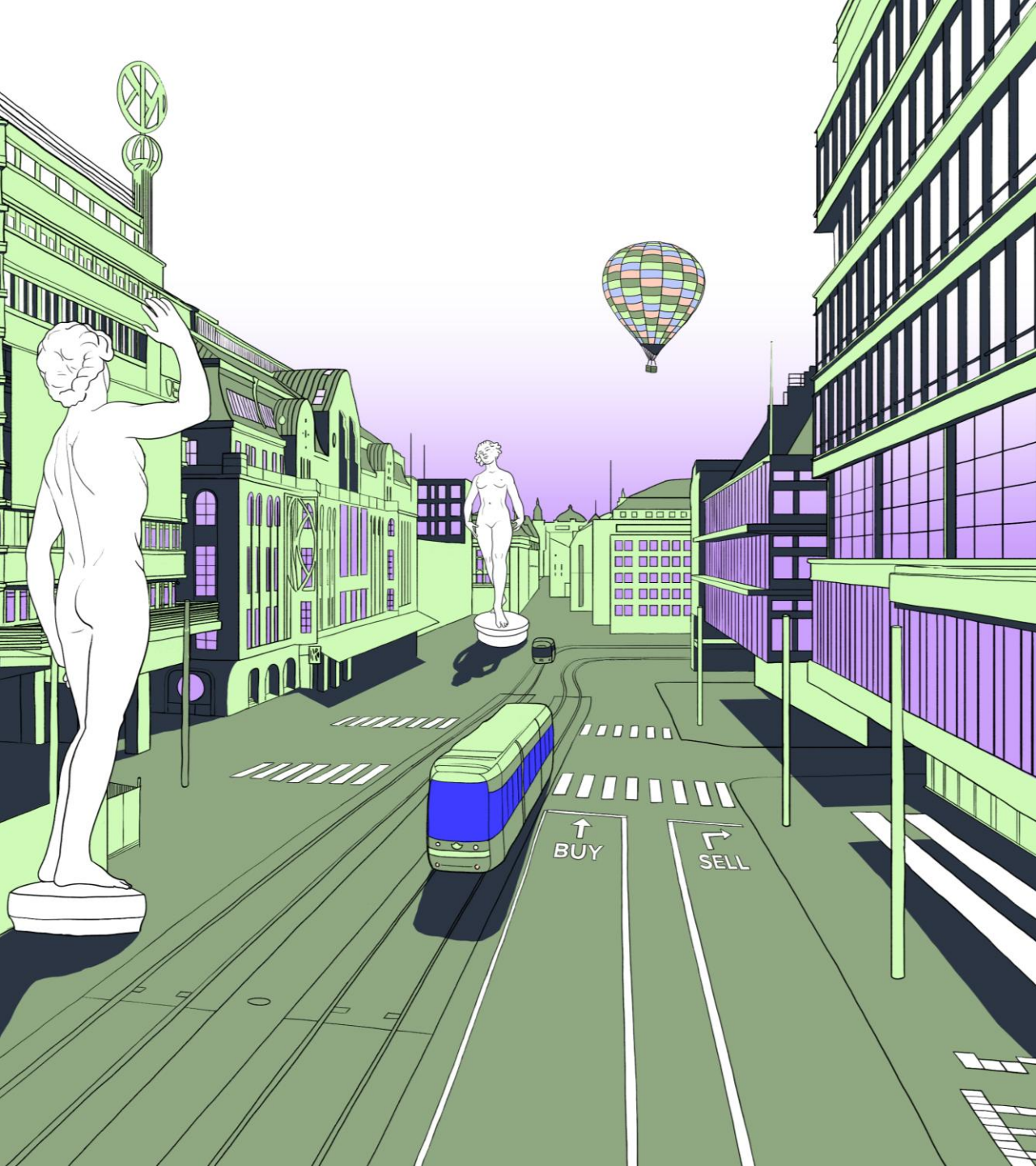
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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
4/26/2019	Accumulate	4.50 €	4.20 €
8/12/2019	Accumulate	4.50 €	4.04 €
10/28/2019	Accumulate	4.75 €	4.35 €
1/17/2020	Accumulate	5.25 €	4.94 €
2/20/2020	Accumulate	5.60 €	5.20 €
3/23/2020	Accumulate	4.25 €	3.73 €
4/25/2020	Accumulate	5.00 €	4.48 €
8/5/2020	Accumulate	5.50 €	5.18 €
8/10/2020	Accumulate	6.00 €	5.56 €
10/28/2020	Buy	6.00 €	5.14 €
12/15/2020	Accumulate	6.30 €	5.96 €
3/19/2021	Accumulate	7.30 €	6.90 €
4/9/2021	Accumulate	8.00 €	7.56 €
4/26/2021	Accumulate	8.60 €	8.08 €
6/14/2021	Accumulate	8.60 €	8.06 €
8/8/2021	Accumulate	8.75 €	8.30 €
10/14/2021	Accumulate	8.75 €	7.94 €
10/27/2021	Accumulate	8.75 €	7.78 €
12/13/2021	Reduce	8.30 €	7.96 €
2/16/2022	Accumulate	8.00 €	7.08 €
2/23/2022	Accumulate	8.00 €	6.84 €
4/19/2022	Accumulate	8.00 €	7.04 €
6/1/2022	Accumulate	7.60 €	6.66 €
7/14/2022	Accumulate	7.60 €	6.98 €
8/8/2022	Accumulate	7.60 €	6.76 €
10/27/2022	Buy	7.25 €	5.84 €
2/22/2023	Accumulate	8.25 €	7.74 €
4/23/2023	Reduce	9.00 €	9.13 €
4/26/2023	Reduce	9.00 €	9.67 €
7/6/2023	Reduce	9.50 €	10.38 €
7/31/2023	Reduce	10.00 €	10.56 €
8/7/2023	Reduce	10.00 €	10.64 €
9/14/2023	Accumulate	10.00 €	8.51 €
10/16/2023	Accumulate	9.00 €	7.64 €
10/30/2023	Accumulate	9.00 €	7.38 €
2/25/2024	Accumulate	9.00 €	7.71 €
4/25/2024	Accumulate	9.00 €	7.78 €
6/11/2024	Accumulate	9.00 €	7.48 €
8/7/2024	Accumulate	9.00 €	7.35 €
10/7/2024	Accumulate	9.00 €	7.38 €
10/28/2024	Accumulate	8.70 €	7.87 €
2/24/2025	Accumulate	9.40 €	8.76 €
4/9/2025	Accumulate	9.00 €	8.08 €
4/25/2025	Reduce	9.00 €	8.76 €
7/18/2025	Reduce	10.50 €	11.32 €
10/27/2025	Reduce	10.50 €	11.06 €
12/12/2025	Accumulate	10.50 €	9.82 €
2/2/2026	Reduce	11.00 €	11.30 €
2/23/2026	Reduce	11.50 €	11.64 €
2/24/2026	Reduce	11.50 €	12.42 €



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