

SCANFIL

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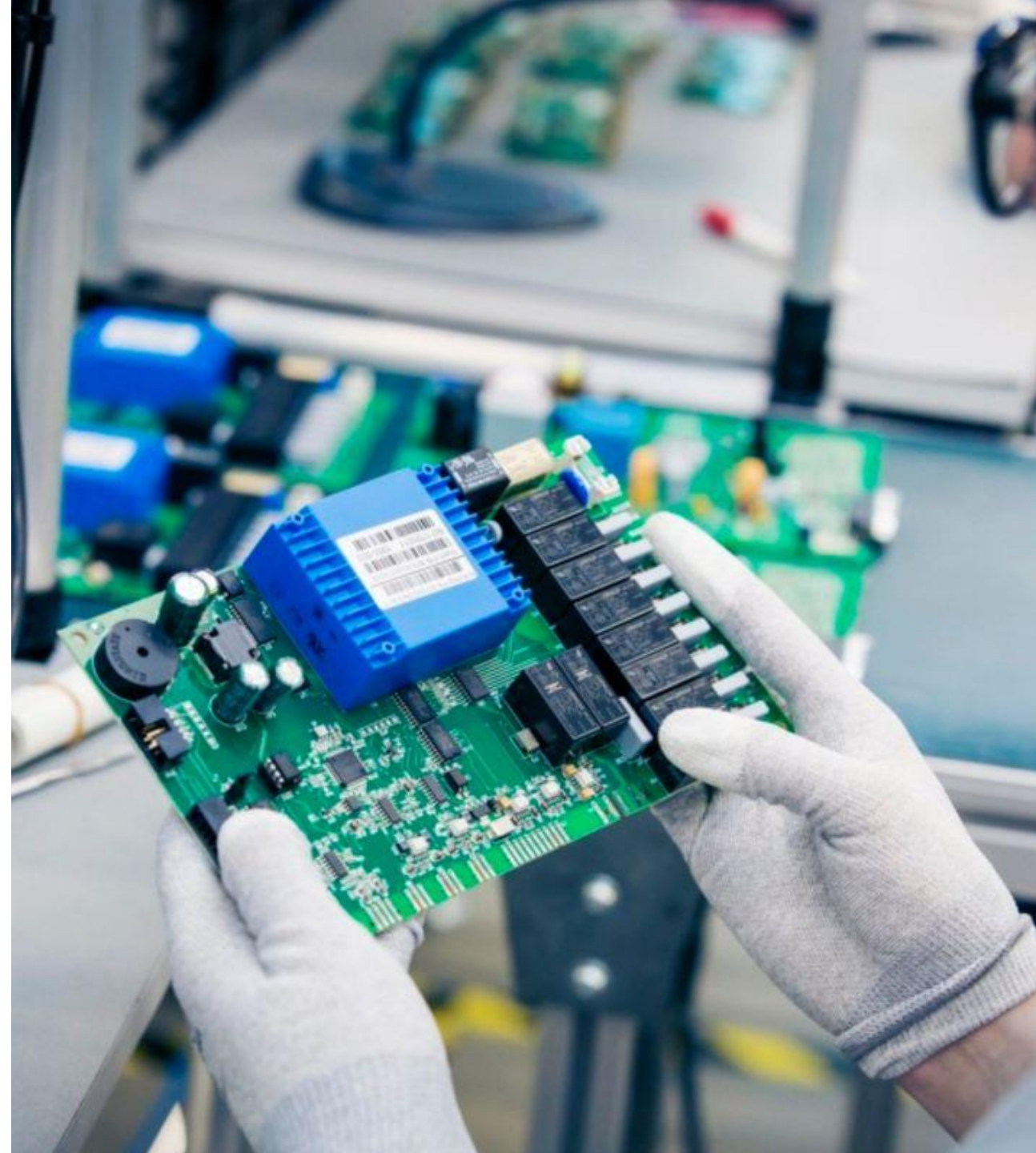
This is a translated version of "Luotettava suorittaminen
jatkuu" report, published on 10/26/2026



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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Reliable performance continued

Scanfil's Q3 figures, published on Friday, were operationally in line with our expectations, and we made virtually no changes to our earnings forecasts for the coming years. The company's outlook is positive in both the short and longer term, and the stock's valuation is also moderate (2027e: adj. EV/EBITA 11x). Therefore, the stock's expected annual return is attractive in our view. Thus, we reiterate our target price of EUR 14.00 and our Accumulate recommendation for Scanfil.

Direction and pace were in line with our expectations in Q3

Scanfil's Q3 revenue grew by 32% to 252 MEUR, exceeding our estimate by 5%. Growth was driven by the ADCO and MB acquisitions (21 pp), while organic growth stood at 8.5%, the highest level since the COVID era. Currencies provided slight support to reported revenue. Scanfil's adjusted EBITA rose by 26% to 17.8 MEUR, which was practically in line with our estimate. Despite growth, profitability declined, which we attribute to a temporarily weak quarter in APAC and inflation (the impact on earnings was roughly neutral). Scanfil's operating cash flow was significantly weaker than the result at 4 MEUR (-45% y/y) due to the commitment of working capital. At the end of Q3, the net debt/EBITDA ratio was 1.5x, which is solidly in the middle of the company's target range (1x–2x). Scanfil's balance sheet is in good shape overall. We commented on Scanfil's Q3 numbers in more detail on Friday [here](#).

We made no significant estimate revisions

As expected, Scanfil reiterated its guidance for 2026 of 940-1,060 MEUR revenue and 64-78 MEUR adjusted EBITA. Based on the company's comments, the demand situation appears stably good despite geopolitical and economic uncertainties, although Q3 was, for a change, somewhat weaker in terms of sharply volatile new project wins (Q3: 48 MEUR, -33% y/y). The situation regarding components and raw materials also seems

moderately under control, even though there is still some supply chain disruption. Scanfil's internal performance is steady and reliable, and we believe that APAC profitability will turn around by next year at the latest, once new product ramp-up in China and the Malaysian plant commissioning have progressed.

We did not make any changes to Scanfil's short-term operational forecasts beyond a marginal fine-tuning following the report, but we slightly raised our financial cost forecasts due to increased working capital estimates (cf. Q3 developments and ongoing inflation). We forecast Scanfil's adjusted EPS to grow by around 15% by 2028, driven by the acquisitions made, momentum in the defense sector, a gradually recovering economic situation, and organic growth enabled by project wins. The main risks to our forecasts relate to external demand factors driven by the global economy, as well as the smooth functioning of the supply chain. However, we believe the risks associated with the latter factor are significantly smaller this time than in the aftermath of the COVID era.

We consider the valuation attractive

Based on our estimates for 2026 and 2027, Scanfil's adjusted P/E ratios are 16x and 13x, while the corresponding EV/EBITA ratios are 12x and 11x. Next year's multiples, which are gradually gaining prominence, are at the company's 5-year medians. Correspondingly, the 12-month expected return, consisting of earnings growth, a slight downside in multiples (Q3'26 LTM P/E 17x), and a dividend yield of just over 2%, exceeds our required return quite clearly. The share also has a moderate upside relative to our DCF value. Relatively, Scanfil is undervalued by approximately 10-20% compared to global contract manufacturers, but the company's valuation is quite in line with the mostly more moderately valued Nordic core peers. Therefore, we believe that additional purchases of this attractive long-term growth stock are well justified.

Recommendation

Accumulate

(was Accumulate)

Target price:

EUR 14.00

(was EUR 14.00)

Share price:

EUR 12.00

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	797	1019	1117	1185
growth-%	2%	28%	10%	6%
EBIT adj.	56.4	72.8	82.1	88.8
EBIT-% adj.	7.1 %	7.1 %	7.4 %	7.5 %
Net Income	40.9	46.1	56.0	61.6
EPS (adj.)	0.65	0.76	0.90	0.98
P/E (adj.)	15.4	15.8	13.3	12.2
P/B	2.1	2.3	2.1	1.8
Dividend yield-%	2.5 %	2.2 %	2.3 %	2.3 %
EV/EBIT (adj.)	11.8	12.4	10.9	9.7
EV/EBITDA	8.5	9.3	8.6	7.7
EV/S	0.8	0.9	0.8	0.7

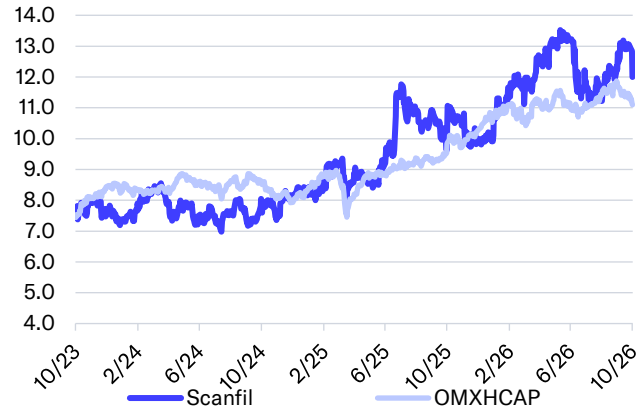
Source: Inderes

Guidance

(Unchanged)

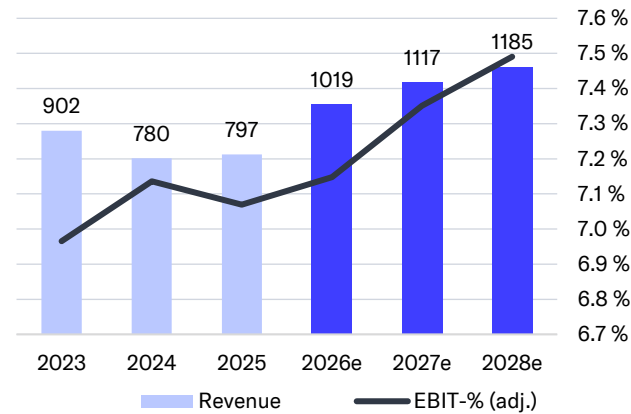
Scanfil estimates that in 2026, its revenue is 940-1,060 MEUR and comparable EBITA 64-78 MEUR.

Share price



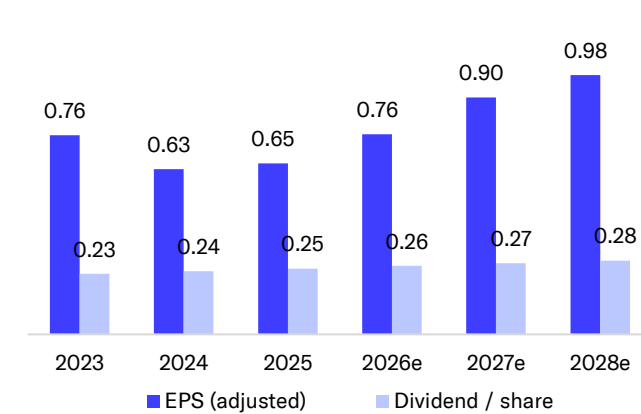
Source: Millistream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and DPS



Source: Inderes

Value drivers

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

Risk factors

- Demand comes from somewhat cyclical sectors
- Tightening competition and changes in the competitive field
- Limited pricing power
- Inflation
- Failure in acquisitions

Valuation	2026e	2027e	2028e
Share price	12.0	12.0	12.0
Number of shares, millions	65.7	65.7	65.7
Market cap	789	789	789
EV	904	898	865
P/E (adj.)	15.8	13.3	12.2
P/E	17.1	14.1	12.8
P/B	2.3	2.1	1.8
P/S	0.8	0.7	0.7
EV/Sales	0.9	0.8	0.7
EV/EBITDA	9.3	8.6	7.7
EV/EBIT (adj.)	12.4	10.9	9.7
Payout ratio (%)	37.1 %	31.7 %	29.9 %
Dividend yield-%	2.2 %	2.3 %	2.3 %

Source: Inderes

Operational direction and pace were in line with our expectations

Revenue grew, especially driven by acquisitions

Scanfil’s revenue grew by 32% year-on-year to 252 MEUR in Q3, surpassing our estimate by 5%. As in previous quarters, inorganic growth was the main driver of the strong Q3. The MB and ADCO acquisitions accounted for ~21 percentage points of the growth. Organic growth was also robust at 8.5%, and currencies provided a slight boost to reported revenue. Price increases implemented to cover material inflation also drove organic growth somewhat, as higher sales prices impacted organic revenue growth by 1.5 percentage points.

Though reported growth was geographically centered in the Americas and Central Europe, all regions grew organically as well. Among the segments, Aerospace & Defense once again demonstrated strong momentum, and underlying demand in Medtech & Life Science and Energy & Cleantech remained favorable. In Industrial, macroeconomic uncertainties likely slowed down organic growth. As a result, revenue progress was positive overall in Q3, a period characterized by production shutdowns during the summer holiday season.

Operating result matched our estimate

Scanfil's adjusted EBITA rose alongside sales growth by 26% to 17.8 MEUR, which is nearly identical to the figure we forecast. Comparable EBITA-% was slightly down year-on-year at 7.1% in Q3, while our estimate was 7.4%. The lower margin compared to our estimates was likely driven by inflation appearing faster in revenue and expenses. Group-level profitability was also diluted by APAC's atypically weak margin (which the company attributes to the implementation of new product introductions and weak activity levels at the SRX factories). In other areas, margin development was in line with or better than our expectations. On the lower lines, the company recorded normal PPA amortization, slightly positive non-recurring items on a net basis, as well as normal financial expenses and taxes. Thus, EPS, which rose to EUR 0.18, exceeded our estimate by one cent.

Regarding cash flow, the report was weaker than our low expectations, as cash flow from operating activities decreased by around 45% to only 4 MEUR in Q3 due to

working capital tied up by volume growth (and likely also material inflation). Historically, Q4 has been a stronger quarter for Scanfil in terms of working capital, and we expect working capital to be released in Q4 this year as well, though to a lesser extent than in previous years.

Balance sheet remains at a healthy level

Scanfil's net debt-to-EBITDA ratio was 1.5x at the end of Q3, which is within the target range of 1x–2x (Q3’25: 0.1x). We estimate that Scanfil's net debt-to-EBITDA ratio will quickly decrease as earnings trend upwards and cash flow recovers at least to some extent in Q4. The company still has work to do in the coming years with regard to generating cash flow and, in particular, improving working capital turnover, and it has begun taking measures in this regard as well. Overall, we believe the company's balance sheet position is completely unproblematic, and the company would have the capacity for new acquisitions, if desired, at the latest next year.

Estimates	Q3'25	Q3'26	Q3'26e	Q3'26e	Consensus	Difference (%)	2026e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes
Revenue	191	252	241				5%
EBITA (adj.)	14.1	17.8	17.7				0%
EBIT	12.6	17.1	16.7				2%
PTP	12.0	15.4	15.2				1%
EPS (reported)	0.14	0.18	0.17				3%
Revenue growth-%	10.4 %	31.7 %	25.8 %				5.9 pp
EBITA-% (adj.)	7.4 %	7.1 %	7.4 %				-0.3 pp

Source: Inderes

Minor forecast changes

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. Prior to the report, our revenue and EBITA forecasts were around the midpoint of the guidance range. Based on the company's comments, Scanfil's demand situation appears stably good despite geopolitical and economic uncertainties, although Q3 was, for a change, somewhat weaker in terms of sharply fluctuating new project wins (Q3: 48 MEUR, -33% y/y). Demand is partly supported by relatively high global investment activity (incl. data centers, defense, and the green transition). The company also commented that visibility into growth has improved as customer confidence strengthens, supported by the longer-term forecasts that they provide. In contrast, the company stated that the operating environment regarding component availability remained challenging, but Scanfil appears to have coped reasonably well with the situation thus far.

According to the company, the M&A market remains favorable, with target company prices at a moderate level. This enables Scanfil to continue hunting for acquisition targets, but it is impossible to predict the timing of the completion of deals.

We made no significant estimate revisions

Following the report, we did not make any changes to our near-term operational earnings forecasts for Scanfil beyond minor adjustments, as the increases in revenue and expense forecasts, due to a slightly more inflationary operating environment than we had anticipated, offset each other. We slightly raised our financial cost forecasts due to increased working capital estimates (cf. Q3 developments and ongoing inflation). This revision eroded the growth of the EPS estimates to zero.

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

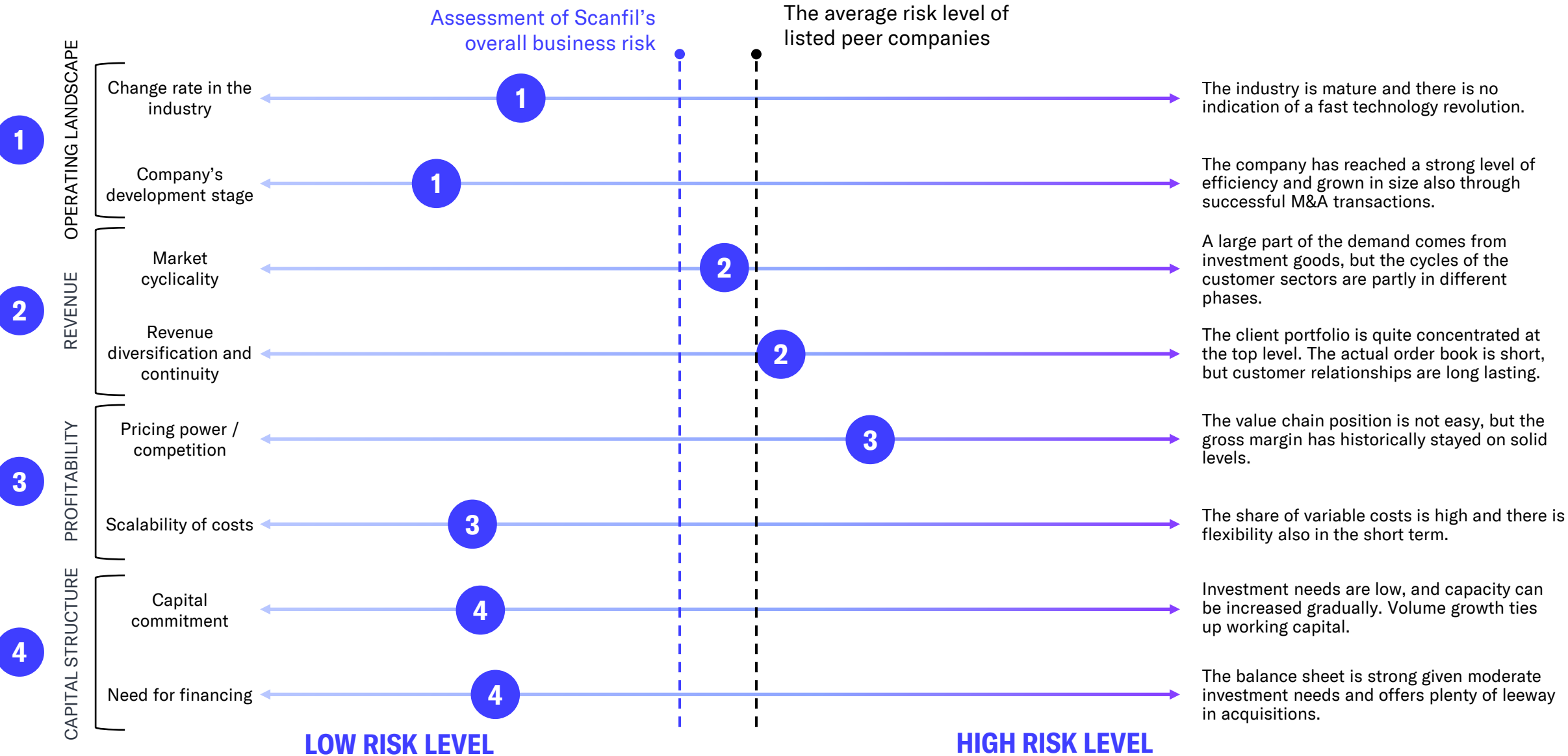
wins. The main risks to our forecasts relate to external demand factors driven by the global economy, as well as the smooth functioning of the supply chain. However, we believe the risks associated with the latter factor are significantly smaller this time than in the aftermath of the COVID era. Our estimate also assumes upward pressure on raw material sourcing, but Scanfil should be able to pass the elevated costs on to sales prices, if only with a delay. Internally, Scanfil is in reliable shape, as long as the availability of raw materials and components does not clearly worsen and disrupt operations as it did in 2021-2022. In our view, the risks associated with integrating acquisitions also decreased another notch to an already low level following the report, as MB and ADCO both showed strong progress in Q3. Conversely, activity levels at SRX's factories were low but, according to the company, they should gradually improve starting in Q4.

Our more detailed forecast scenario has been discussed in Scanfil's [extensive report](#) published in June.

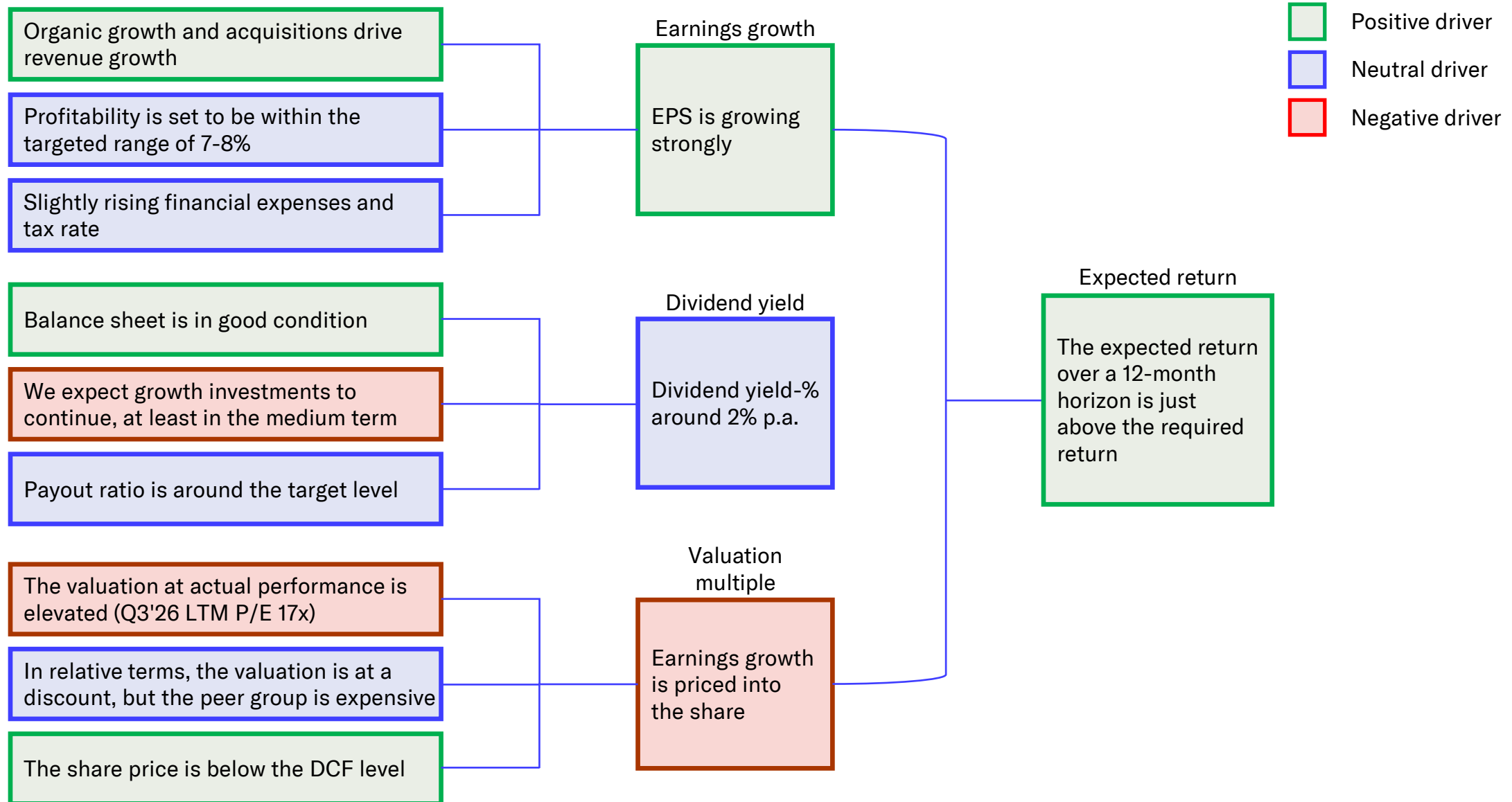
Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	1003	1019	2%	1085	1117	3%	1150	1185	3%
EBIT (exc. NRIs)	72.4	72.8	1%	81.2	82.1	1%	87.5	88.8	1%
EBIT	67.6	67.9	0%	77.2	78.1	1%	83.5	84.8	2%
PTP	61.8	62.1	1%	73.1	73.2	0%	80.2	80.5	0%
EPS (excl. NRIs)	0.76	0.76	1%	0.90	0.90	0%	0.98	0.98	0%
DPS	0.26	0.26	0%	0.27	0.27	0%	0.28	0.28	0%

Source: Inderes

Risk profile of the business model



Total Shareholder Return drivers Q3'26 ACT-2028e



Valuation warrants additional purchases

Expected return is quite good

Scanfil's stock is primarily valued on an earnings basis in the market. We believe that Scanfil's adjusted P/E multiple of 12x-16x and adjusted EV/EBITA multiple of 10x-13x 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. We have also covered the cornerstones of the share's valuation in our [extensive report](#) on Scanfil.

In our estimate, Scanfil's P/E ratios for 2026 and 2027 are around 16x and 13x, while the corresponding EV/EBITA ratios are some 12x and 11x. We expect dividend yields to settle at just over 2% in the coming years. The earnings-based valuation is well above the company's historical medians for this year's multiples. Correspondingly, next year's multiples, which are becoming the main focus, are around the company's long-term, rather moderate median levels. On the other hand, Scanfil's growth outlook has strengthened recently, and the company's 5-year median multiples are not particularly demanding in absolute terms. Therefore, we believe the stock's valuation is quite attractive relative to acceptable valuation levels for the company, even though expectations have risen over the past year, and for example, the company's volume-based EV/S multiple of 0.9x (2026e) does not provide a margin of safety against forecast errors.

We believe that the expected return, consisting of earnings growth, a dividend yield of just over 2%, and a slight downside in multiples (Q3'26 LTM P/E 17x), is quite clearly higher than the required return. The fair value of the share has the potential to rise steadily as our forecasts materialize, even in the medium term.

Relative valuation and, in particular, DCF are also in the green

In comparison with 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. In our view, the peer group, valued clearly above its long-term average, is still expensive in the short term (2026e: P/E 17x, EV/EBIT 12x). The share prices of global peers, which rose sharply in early 2023, have been under pressure during the summer and fall, reflecting risks associated with elevated valuations, which we believe still persist to some extent. Among the Nordic peers, Kitron is slightly 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. Thus, we believe Scanfil's valuation is very neutral compared to its Nordic core peers. In our view, the Nordic core peers are not remarkably expensive in absolute terms either.

Scanfil's DCF model is also on par with our target price at around EUR 14 per share. Thus, in light of the DCF, the share would also have a moderate upside. The model's average profitability corresponds to Scanfil's realized margin level and is roughly in line with the lower end of the target level of 7-8% (adj. EBITA-%). We raised the risk-free interest rate in our model to 3% (was 2.5 %) but kept our model's required return at 8.8% (CoE). In our opinion, the DCF model gives a good picture of the stock's fair value.

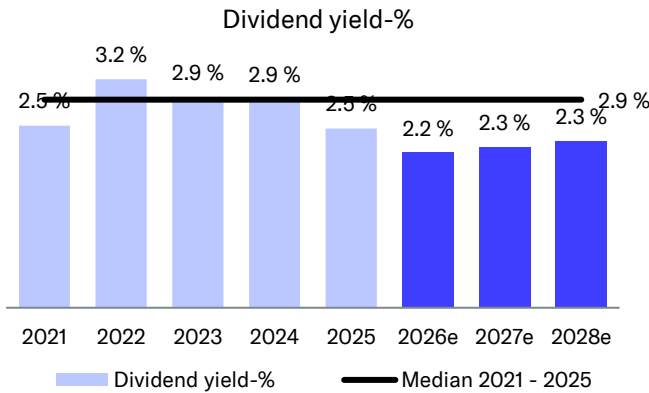
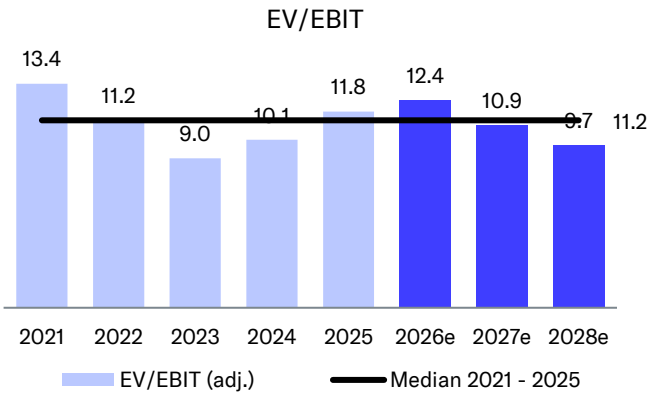
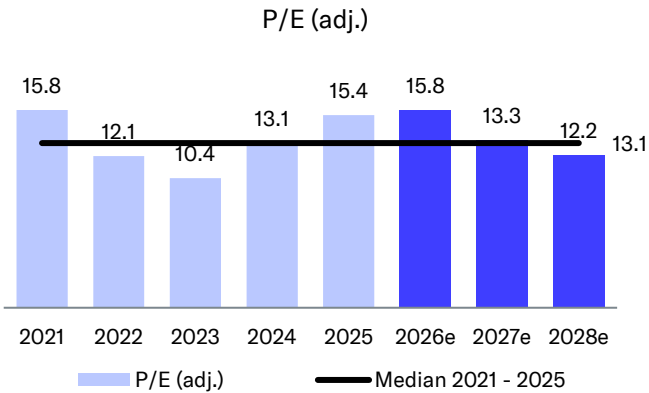
Valuation	2026e	2027e	2028e
Share price	12.0	12.0	12.0
Number of shares, millions	65.7	65.7	65.7
Market cap	789	789	789
EV	904	898	865
P/E (adj.)	15.8	13.3	12.2
P/E	17.1	14.1	12.8
P/B	2.3	2.1	1.8
P/S	0.8	0.7	0.7
EV/Sales	0.9	0.8	0.7
EV/EBITDA	9.3	8.6	7.7
EV/EBIT (adj.)	12.4	10.9	9.7
Payout ratio (%)	37.1 %	31.7 %	29.9 %
Dividend yield-%	2.2 %	2.3 %	2.3 %

Source: Inderes

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	7.46	6.58	7.83	8.25	9.98	12.00	12.00	12.00	12.00
Number of shares, millions	64.5	64.5	65.3	65.3	65.4	65.7	65.7	65.7	65.7
Market cap	481	424	511	538	653	789	789	789	789
EV	541	510	563	560	662	904	898	865	831
P/E (adj.)	15.8	12.1	10.4	13.1	15.4	15.8	13.3	12.2	11.1
P/E	16.2	12.1	10.6	14.0	16.0	17.1	14.1	12.8	11.6
P/B	2.3	1.9	1.9	1.9	2.1	2.3	2.1	1.8	1.7
P/S	0.7	0.5	1.9	0.7	0.8	0.8	0.7	0.7	0.6
EV/Sales	0.8	0.6	0.6	0.7	0.8	0.9	0.8	0.7	0.7
EV/EBITDA	9.8	8.1	7.0	7.6	8.5	9.3	8.6	7.7	6.9
EV/EBIT (adj.)	13.4	11.2	9.0	10.1	11.8	12.4	10.9	9.7	8.6
Payout ratio (%)	41.1 %	38.7 %	31.1 %	40.6 %	40.0 %	37.1 %	31.7 %	29.9 %	28.1 %
Dividend yield-%	2.5 %	3.2 %	2.9 %	2.9 %	2.5 %	2.2 %	2.3 %	2.3 %	2.4 %

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
Incap	250	259	10.6	8.2	7.5	6.2	0.9	0.8	15.3	11.5			1.7
Kitron	1784	1817	16.6	13.3	13.3	10.9	1.6	1.3	21.7	17.6	1.5	1.8	4.5
Hanza	883	1058	16.0	11.4	9.5	7.2	1.1	0.9	20.1	14.8	1.1	1.7	2.5
Pegatron	7583	7646	15.3	11.2	7.8	6.3	0.2	0.2	17.8	14.0	3.8	4.6	1.3
Celestica	30230	30478	19.8	11.0	17.9	10.0	1.7	1.0	23.9	13.6			7.6
Flextronics	25304	27455	17.9	12.4	13.8	10.0	1.1	0.9	23.6	16.4			5.6
Foxconn	94431	94727	9.0	7.3	7.1	5.8	0.3	0.2	13.1	10.4	3.8	4.9	1.8
Jabil	25025	26493	14.8	11.0	10.7	8.5	0.9	0.7	21.0	15.1	0.1	0.1	18.3
Hana Microelectronics	1137	840	34.5	20.1	12.4	9.8	1.4	1.3	41.4	27.0	1.6	2.3	1.6
TT Electronics	395	472	10.2	9.0	7.5	6.7	0.8	0.8	15.5	11.8	1.1	1.8	1.5
Fabrinet	10166	9374	21.4	15.8	18.6	13.7	2.3	1.7	23.1	17.5			4.8
Universal Scientific	6727	5788	17.6	10.6	11.5	8.1	0.6	0.5	21.9	14.3	2.0	2.7	2.3
Venture Corporation	3136	2351	12.1	11.2	10.7	9.9	1.2	1.2	18.0	16.8	5.2	5.2	1.4
Plexus	5255	5220	19.5	16.4	15.6	13.5	1.2	1.0	25.4	21.8			3.8
Note	445	592	15.0	12.1	10.9	9.0	1.4	1.3	17.0	12.8			2.5
Lacroix	79	133	4.6	4.6	3.1	3.1	0.3	0.3	11.8	11.7	3.0	8.2	
Scanfil (Inderes)	789	904	12.4	10.9	9.3	8.6	0.9	0.8	15.8	13.3	2.2	2.3	2.3
Average			15.9	11.6	11.1	8.7	1.1	0.9	20.7	15.4	2.3	3.3	4.1
Median			15.7	11.2	10.8	8.7	1.1	0.9	20.5	14.6	1.8	2.5	2.5
Diff-% to median			-21%	-2%	-14%	-1%	-20%	-10%	-23%	-8%	22%	-9%	-7%

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	780	193	202	191	211	797	229	259	252	278	1019	1117	1185	1248
Americas	38.0	11.7	11.8	12.7	13.9	50.1	17.7	19.8	22.1	22.9	82.5	89.1	95.4	101
APAC	189	52.2	59.5	53.8	51.9	217	55.0	62.8	67.7	59.7	245	270	288	309
Central Europe	303	69.5	67.5	63.3	75.6	276	92.2	108	99.4	121	421	476	504	529
Northern Europe	257	60.6	65.6	63.1	70.9	260	65.5	69.5	64.3	76.6	276	290	304	316
Eliminations / Group expenses	-8.1	-1.4	-2.2	-1.7	-1.2	-6.5	-1.4	-1.4	-1.4	-1.5	-5.7	-7.0	-7.0	-7.0
EBITDA	73.7	17.5	19.2	18.2	23.1	78.0	21.3	25.1	24.4	26.7	97.5	104	112	121
Depreciation	-21.1	-5.6	-5.9	-5.6	-6.5	-23.6	-7.1	-7.9	-7.3	-7.3	-29.6	-26.1	-26.9	-28.2
EBITA (oik.)	55.7	12.6	14.2	14.1	15.5	56.4	15.6	18.6	18.1	20.5	72.8	82.1	88.8	96.4
EBIT	52.6	11.9	13.3	12.6	16.6	54.4	14.2	17.2	17.1	19.4	67.9	78.1	84.8	92.4
Americas (adj. EBITA)	3.3	0.8	0.9	1.0	0.7	3.4	1.1	1.6	1.9	1.9	6.5	7.2	7.8	8.5
APAC (adj. EBITA)	14.6	3.6	5.1	4.2	4.5	17.4	4.1	5.3	4.1	4.2	17.7	20.6	22.5	25.3
Central Europe (adj. EBITA)	24.2	5.2	4.9	4.1	6.8	21.0	6.8	8.4	7.8	10.3	33.3	37.5	40.6	44.1
Northern Europe (adj. EBITA)	14.4	3.1	3.7	5.4	4.8	17.0	4.4	4.7	4.3	5.1	18.5	19.8	20.8	21.6
Eliminations / Group expenses	-0.8	-0.1	-0.4	-0.7	-1.2	-2.4	-0.8	-1.5	-0.3	-1.0	-3.6	-3.0	-3.0	-3.0
Adjustments	-3.1	-0.7	-0.9	-1.5	1.1	-2.0	-1.4	-1.4	-0.7	-1.1	-4.6	-4.0	-4.0	-4.0
Net financial items	-1.5	-1.2	0.2	-0.6	-1.6	-3.2	-1.1	-2.0	-1.5	-1.2	-5.8	-4.9	-4.3	-3.8
PTP	51.1	10.7	13.5	12.0	15.0	51.2	13.1	15.2	15.6	18.2	62.1	73.2	80.5	88.7
Taxes	-12.5	-2.4	-3.0	-2.8	-2.1	-10.3	-3.3	-4.2	-3.9	-4.6	-16.0	-17.2	-18.9	-20.8
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	11.0	11.7	13.7	46.2	56.0	61.6	67.8
Net earnings	38.6	8.3	10.5	9.2	12.9	40.9	9.8	11.0	11.7	13.7	46.2	56.0	61.6	67.8
EPS (adj.)	0.63	0.14	0.17	0.16	0.18	0.65	0.17	0.19	0.19	0.22	0.76	0.90	0.98	1.08
EPS (rep.)	0.59	0.13	0.16	0.14	0.20	0.62	0.15	0.17	0.18	0.21	0.70	0.85	0.94	1.03

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-%	-13.5 %	-3.2 %	3.4 %	10.4 %	-0.6 %	2.2 %	19.0 %	28.1 %	31.8 %	32.0 %	27.8 %	9.6 %	6.1 %	5.3 %
Adjusted EBITA growth-%	-11.4 %	-3.4 %	-0.8 %	10.4 %	-0.4 %	1.3 %	23.8 %	31.0 %	28.4 %	32.7 %	29.2 %	12.8 %	8.1 %	8.6 %
EBITDA-%	9.4 %	9.1 %	9.5 %	9.5 %	10.9 %	9.8 %	9.3 %	9.7 %	9.7 %	9.6 %	9.6 %	9.3 %	9.4 %	9.7 %
Adjusted EBITA-%	7.1 %	6.5 %	7.0 %	7.4 %	7.3 %	7.1 %	6.8 %	7.2 %	7.2 %	7.4 %	7.1 %	7.4 %	7.5 %	7.7 %
Net earnings-%	4.9 %	4.3 %	5.2 %	4.8 %	6.1 %	5.1 %	4.3 %	4.2 %	4.6 %	4.9 %	4.5 %	5.0 %	5.2 %	5.4 %

Source: Inderes

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	152	162	283	273	274
Goodwill	29.1	36.3	88.3	78.3	78.3
Intangible assets	20.0	20.6	46.4	42.5	38.6
Tangible assets	94.9	96.7	106	110	115
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	9.6	9.6	9.6
Current assets	387	432	516	543	570
Inventories	168	177	234	246	255
Other current assets	4.9	5.4	7.0	7.0	7.0
Receivables	165	176	234	257	273
Cash and equivalents	48.5	74.7	40.7	33.5	35.6
Balance sheet total	539	595	799	816	844

Source: Inderes

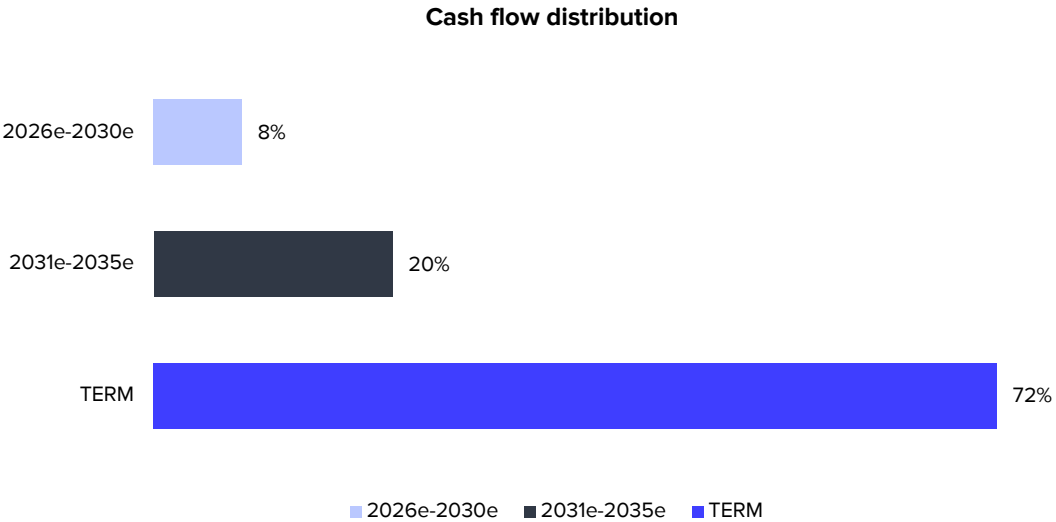
Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	291	315	345	384	428
Share capital	2.0	2.0	2.0	2.0	2.0
Retained earnings	256	281	311	350	394
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	33.4	31.1	32.0	32.0	32.0
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	63.7	59.8	164	124	104
Deferred tax liabilities	9.7	8.6	14.6	14.6	14.6
Provisions	1.8	1.9	6.7	6.7	6.7
Interest bearing debt	41.9	45.5	107	98.7	78.8
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	290	308	312
Interest bearing debt	27.8	38.7	49.1	44.5	32.8
Payables	154	175	234	257	273
Other current liabilities	2.8	6.6	6.6	6.6	6.6
Balance sheet total	539	595	799	816	844

DCF-calculation

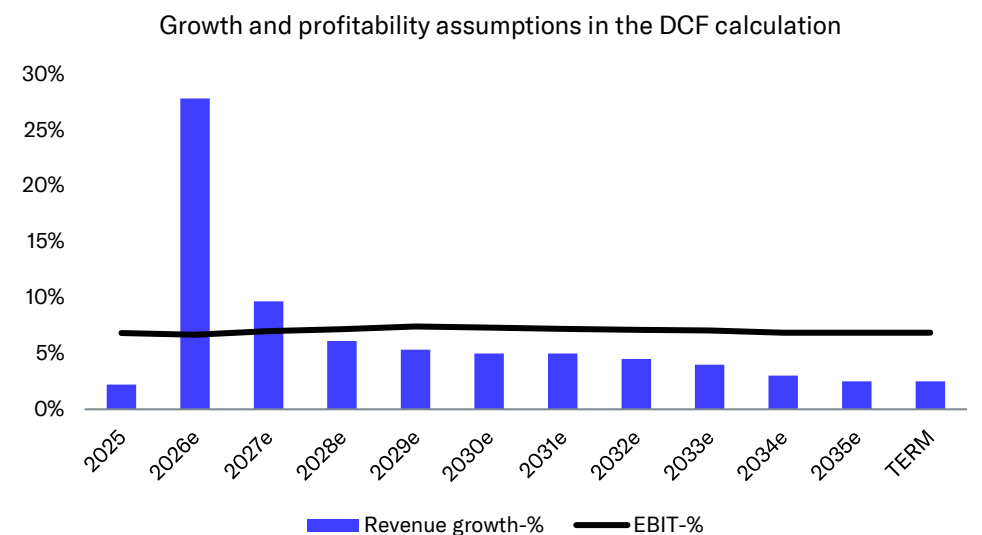
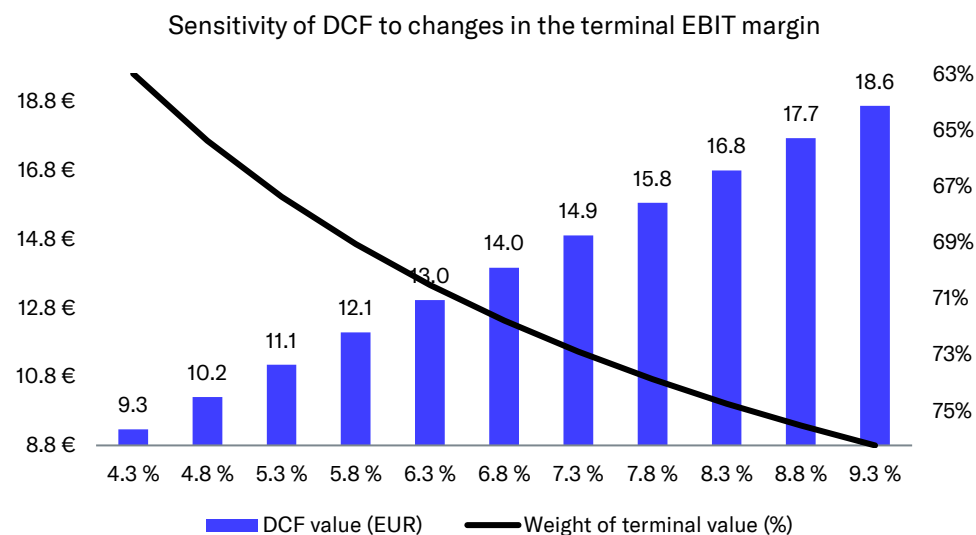
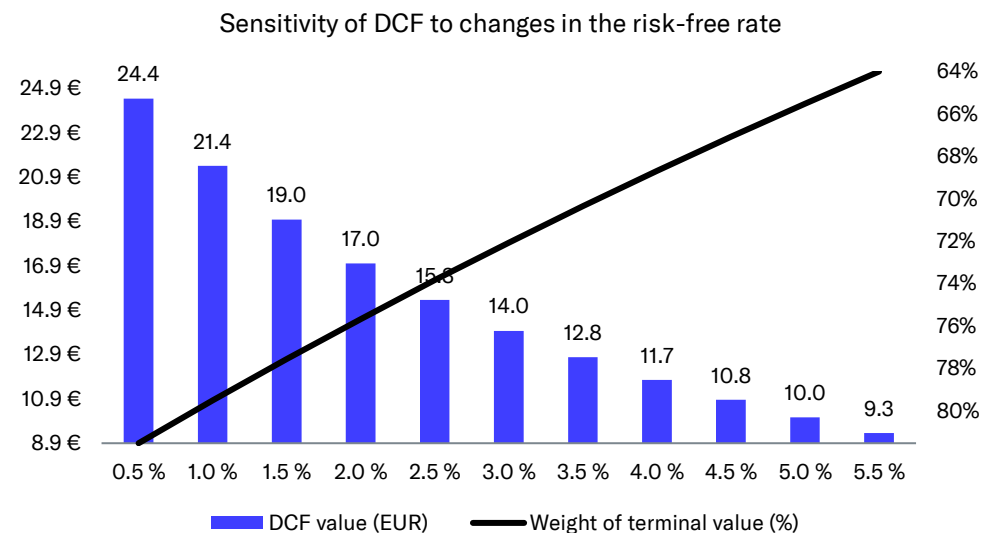
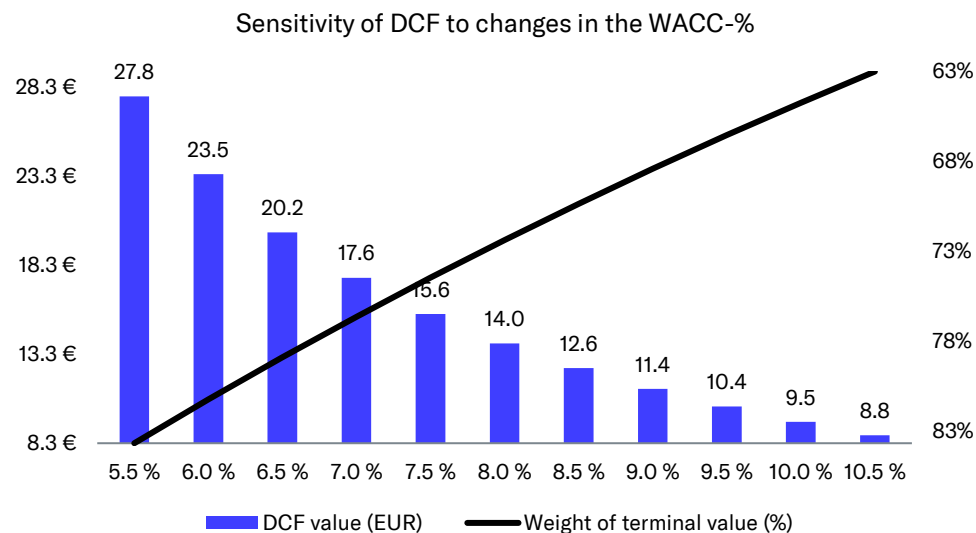
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	2.2 %	27.8 %	9.6 %	6.1 %	5.3 %	5.0 %	5.0 %	4.5 %	4.0 %	3.0 %	2.5 %	2.5 %
EBIT-%	6.8 %	6.7 %	7.0 %	7.2 %	7.4 %	7.3 %	7.2 %	7.1 %	7.0 %	6.8 %	6.8 %	6.8 %
EBIT (operating profit)	54.4	67.9	78.1	84.8	92.4	95.7	99.1	102	105	106	108	
+ Depreciation	23.6	29.6	26.1	26.9	28.2	29.4	30.1	31.2	32.3	32.8	33.0	
- Paid taxes	-11.9	-11.4	-17.2	-18.9	-20.8	-21.9	-23.0	-23.8	-24.6	-24.7	-25.3	
- Tax, financial expenses	-0.8	-1.7	-1.3	-1.1	-1.0	-0.7	-0.5	-0.5	-0.5	-0.5	-0.5	
+ Tax, financial income	0.1	0.2	0.1	0.1	0.1	0.1	0.2	0.3	0.4	0.5	0.5	
- Change in working capital	5.8	-58.7	-11.4	-9.1	-13.6	-13.4	-14.1	-13.3	-12.4	-8.9	-8.3	
Operating cash flow	71.2	25.9	74.4	82.7	85.3	89.2	91.8	96.0	101	105	108	
+ Change in other long-term liabilities	-6.4	37.0	-32.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-33.2	-148.5	-16.1	-28.1	-30.1	-31.1	-32.1	-33.1	-33.1	-33.1	-33.8	
Free operating cash flow	31.6	-85.5	26.1	54.6	55.2	58.1	59.7	62.9	67.4	71.5	73.8	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	31.6	-85.5	26.1	54.6	55.2	58.1	59.7	62.9	67.4	71.5	73.8	1377
Discounted FCFF		-84.3	23.9	46.1	43.2	42.1	40.1	39.1	38.8	38.1	36.4	679
Sum of FCFF present value		943	1027	1003	957	914	872	832	793	754	716	679
Enterprise value DCF		943										
- 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		917										
Equity value DCF per share		14.0										

WACC	
Tax-% (WACC)	23.5 %
Target debt ratio (D/(D+E))	15.0 %
Cost of debt	4.5 %
Equity Beta	1.22
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	3.0 %
Cost of equity	8.8 %
Weighted average cost of capital (WACC)	8.0 %

Source: Inderes



DCF sensitivity calculations and key assumptions in graphs



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	1019	1117	EPS (reported)	0.74	0.59	0.62	0.70	0.85
EBITDA	80.4	73.7	78.0	97.5	104.2	EPS (adj.)	0.76	0.63	0.65	0.76	0.90
EBIT	61.3	52.6	54.4	67.9	78.1	OCF / share	1.02	1.47	1.09	0.39	1.13
PTP	61.7	51.1	51.2	62.0	73.2	OFCF / share	0.65	0.69	0.48	-1.30	0.40
Net Income	48.2	38.6	40.9	46.1	56.0	Book value / share	4.08	4.46	4.81	5.25	5.84
Extraordinary items	-1.5	-3.1	-2.0	-4.9	-4.0	Dividend / share	0.23	0.24	0.25	0.26	0.27
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	518	539	595	799	816	Revenue growth-%	7%	-13%	2%	28%	10%
Equity capital	266	291	315	345	384	EBITDA growth-%	28%	-8%	6%	25%	7%
Goodwill	7.7	29.1	36.3	88.3	78.3	EBIT (adj.) growth-%	38%	-11%	1%	29%	13%
Net debt	51.7	21.2	9.5	114.9	109.6	EPS (adj.) growth-%	39%	-17%	3%	17%	18%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	8.9 %	9.4 %	9.8 %	9.6 %	9.3 %
EBITDA	80.4	73.7	78.0	97.5	104.2	EBIT (adj.)-%	7.0 %	7.1 %	7.1 %	7.1 %	7.4 %
Change in working capital	-2.0	31.1	5.8	-58.7	-11.4	EBIT-%	6.8 %	6.7 %	6.8 %	6.7 %	7.0 %
Operating cash flow	66.3	95.9	71.2	25.9	74.4	ROE-%	19.6 %	13.8 %	13.5 %	14.0 %	15.4 %
CAPEX	-24.3	-61.7	-33.2	-148.5	-16.1	ROI-%	18.3 %	15.2 %	14.5 %	15.3 %	15.3 %
Free cash flow	42.3	45.2	31.6	-85.5	26.1	Equity ratio	51.3 %	54.0 %	52.9 %	43.2 %	47.1 %
Valuation multiples	2023	2024	2025	2026e	2027e	Gearing	19.4 %	7.3 %	3.0 %	33.3 %	28.5 %
EV/S	0.6	0.7	0.8	0.9	0.8	Net debt/EBITDA	0.6	0.3	0.1	1.2	1.1
EV/EBITDA	7.0	7.6	8.5	9.3	8.6	EBITDA/net financials	-236.5	47.8	24.4	16.5	21.1
EV/EBIT (adj.)	9.0	10.1	11.8	12.4	10.9						
P/E (adj.)	10.4	13.1	15.4	15.8	13.3						
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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Buy	The 12-month risk-adjusted expected shareholder return of the share is very attractive
Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

The assessment of the 12-month risk-adjusted expected total shareholder return based on the above-mentioned definitions is company-specific and subjective. Consequently, similar 12-month expected total shareholder returns between different shares may result in different recommendations, and the recommendations and 12-month expected total shareholder returns between different shares should not be compared with each other. The counterpart of the expected total shareholder return is Inderes' view of the risk taken by the investor, which varies considerably between companies and scenarios. Thus, a high expected total shareholder return does not necessarily lead to positive performance when the risks are exceptionally high and, correspondingly, a low expected total shareholder return does not necessarily lead to a negative recommendation if Inderes considers the risks to be moderate.

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
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	Reduce	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 €
4/24/2026	Reduce	11.50 €	12.42 €
6/17/2026	Reduce	12.50 €	13.16 €
7/17/2026	Accumulate	12.50 €	11.52 €
10/1/2026	Accumulate	14.00 €	13.00 €
10/26/2026	Accumulate	14.00 €	12.00 €



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