

SOLWERS

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INDERES CORPORATE CUSTOMER COMPANY REPORT



Challenges have surfaced late in the year

According to preliminary data released by Solwers on Saturday, the company's final quarter of 2024 has been weak earnings-wise. We believe some of the factors behind this weak development are related to a rather weak operating environment and, therefore, probably temporary. On the other hand, recent economic news flow does not support expectations of a rapid recovery in market activity. Reflecting our estimate changes, we lower our target price to EUR 2.8 (was EUR 4.20) and our recommendation to Reduce (was Accumulate). We feel the high valuation of the share, coupled with the increased indebtedness creates a weak risk/reward ratio over a 12-month horizon.

According to preliminary data, Q4 has been challenging

Solwers issued preliminary data on its Q4 development on Saturday, as the company stated that its IFRS operating profit is lower than could be reasonably concluded from its previously published information. In addition, the level differs from the consensus forecasts. According to unaudited preliminary data, Solwers' Q4 revenue is 21-22 MEUR (Q4'23: 19 MEUR) and its IFRS operating result (EBIT) is close to zero (Q4'23: 1.45 MEUR). According to the company, revenue development has been hampered by the low number of billable hours and tight price competition. In addition to these factors, the result has been burdened by non-recurring items, such as changes in earnout payments, write-downs of uncertain receivables, and preparations related to the potential transfer to the main list.

We estimate that intense price competition stems from generally weak demand in technical consulting and design, resulting in some operators seeking to secure billable work for their staff by cutting prices. We believe Solwers has not engaged in this price competition, which, together with the timing of the holidays in December, has reduced billable hours. Since the company's cost structure largely consists of wage

costs that do not fluctuate with revenue, a drop in revenue is quickly reflected in the result. We suspect the situation regarding these factors will ease once economic growth and investments pick up. However, we have to wait for this, as there are no clear indications of it in sight so far.

We cut our estimates clearly

We have cut our Q4'24 forecast to line with the preliminary data. Thus, our forecasts decreased clearly, as before the preliminary data, our forecast for Q4'24 revenue was approximately 23.4 MEUR and EBIT around 1.4 MEUR. We feel the recent economic news flow does not support a quick recovery in the market situation, which is also reflected in our lower revenue forecasts. Our EBITDA estimates for 2025-2026 decreased by 10-15%, but due to high depreciation levels and financing costs, the leverage in lower income lines and cash flow is strong. Reflecting this and the negative free cash flow during H1'24, we pay special attention to the development of cash flow in late 2024 in the financial statements (February 27).

Operational estimate changes hit the bottom lines with force

With our 2024-2025 estimates, EV/EBITDA ratios are 9x and 8x, which are reasonable. However, relative to the operating profit level, high depreciation and net financial expenses significantly erode earnings (and cash flow), resulting in P/E ratios of 55x and 20x for the respective years. Thus, the earnings-based valuation is high as a whole. Together with the increased indebtedness caused by the weakened profitability (2025e net debt/EBITDA 3.3x), we believe this turns the risk/reward ratio weak, even though the company's earnings potential is, in our view, higher than the short-term development.

Recommendation

Reduce

(was Accumulate)

Target price:

EUR 2.80

(was EUR 4.20)

Share price:

3.02

Business risk



Valuation risk



	2023	2024e	2025e	2026e
Revenue	66.0	78.1	81.0	83.9
growth-%	5%	18%	4%	3%
EBIT adj.	4.8	2.5	3.2	4.1
EBIT-% adj.	7.3 %	3.2 %	4.0 %	4.9 %
Net Income	3.2	0.6	1.5	2.3
EPS (adj.)	0.32	0.06	0.15	0.23
P/E (adj.)	15.1	54.5	20.1	13.4
P/B	1.2	0.8	0.8	0.7
Dividend yield-%	1.3 %	0.5 %	1.3 %	2.0 %
EV/EBIT (adj.)	13.5	22.1	16.8	12.7
EV/EBITDA	8.2	9.1	7.7	6.6
EV/S	1.0	0.7	0.7	0.6

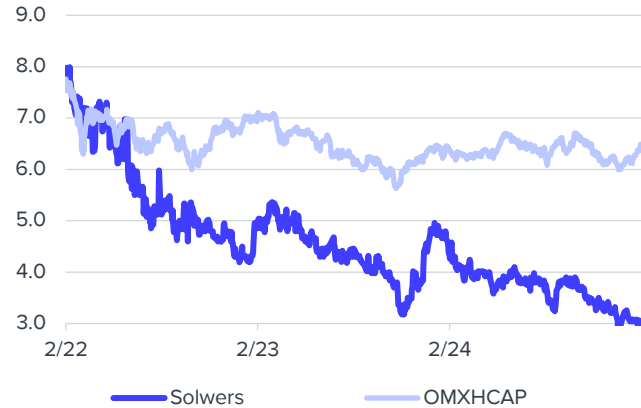
Source: Inderes

Guidance

(New guidance)

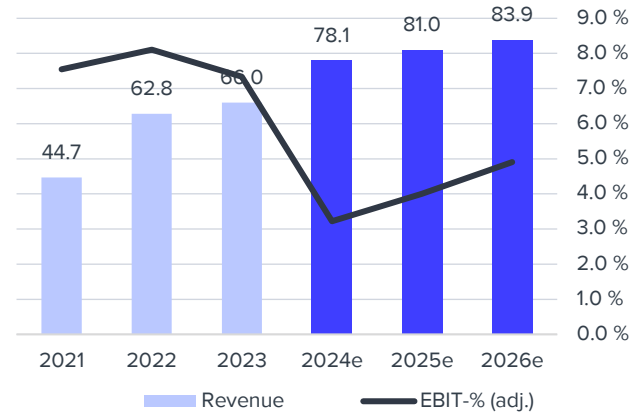
According to preliminary and unaudited data, Solwers' Q4 revenue is 21-22 MEUR while the corresponding figure in Q4'23 was 19.0 MEUR.

Share price



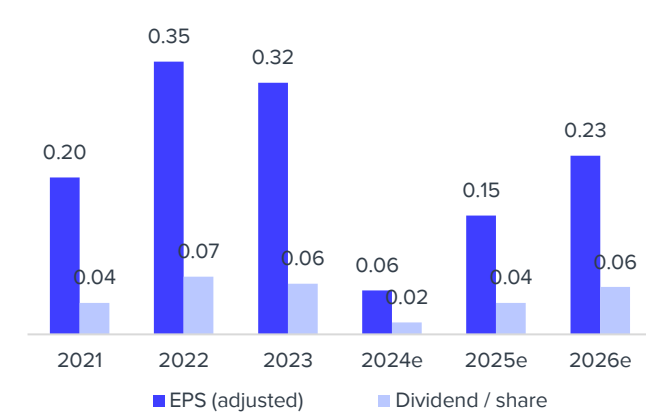
Source: Millstream Market Data AB

Revenue and EBIT-%



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Long-term organic growth supported by market growth
- Good preconditions to continue the rapid and value-creating inorganic growth strategy
- Effective acquisition process
- Success in capital allocation determines the level of long-term value creation

Risk factors

- The cyclical nature of customer industries and a weaker investment outlook
- Uncertainty and low visibility related to the development of billable utilization and thus, profitability
- Risks related to inorganic growth
- Personal dependence
- Low liquidity of the stock

Valuation	2024e	2025e	2026e
Share price	3.02	3.02	3.02
Number of shares, millions	10	10	10
Market cap	31	31	31
EV	56	54	52
P/E (adj.)	54.5	20.1	13.4
P/E	54.5	20.1	13.4
P/B	0.8	0.8	0.7
P/S	0.4	0.4	0.4
EV/Sales	0.7	0.7	0.6
EV/EBITDA	9.1	7.7	6.6
EV/EBIT (adj.)	22.1	16.8	12.7
Payout ratio (%)	27.1 %	26.6 %	26.5 %
Dividend yield-%	0.5 %	1.3 %	2.0 %

Source: Inderes

We cut our estimates clearly

Preliminary data depressed Q4'24 estimates

Based on the preliminary data from Solwers, its revenue for Q4'24 was around 21-22 MEUR, while the IFRS operating result was close to zero. Reflecting this, we made clear cuts to our 2024 estimates, as before the preliminary data our Q4'24 revenue estimate was approximately 23.4 MEUR and our EBIT estimate was around 1.4 MEUR. In the comparison period, Solwers reached a revenue of 20.7 MEUR according to our calculations, and the company has carried out acquisitions after that. We cut our revenue estimate to the midpoint of the pre-announcement range, which according to our calculations implies an organic revenue decline of approximately 7%. We suspect that due to price competition, the company has refrained from participating in some tenders. In addition, we estimate that the timing of the holidays in December has clearly reduced its billable hours.

Economic growth is yet to come

Recent news flow related to economic development has not been particularly encouraging, nor do we believe that investment activity on the company's target markets has strengthened significantly. In light of this overall picture, we don't expect the market situation to recover quickly this year, and in our view, the weak outlook for residential construction is likely to uphold the risk of continued price competition in certain pockets of the market in 2025. Considering this overall picture, we have also revised our revenue estimates for 2025-2026 downwards. These flowed through, especially in the short term, to our EBITDA forecasts as a result of fixed salary expenses, as we have not assumed any personnel reductions in our current forecasts. With the current relatively low operating profit level and the diversified group structure, the company's depreciation levels are high (incl. lease liabilities), and the company also has a significant amount of interest-bearing debt in its balance sheet. Reflecting these factors, the

operational forecast changes flowed down to the lower lines of the income statement with force (i.e., high financing costs) and they also clearly depress the group's free cash flow.

For the previous reported 12 months (H2'23-H1'24) the company has only 2.6 MEUR of free cash flow. At the same time, at the end of H1'24, the company's net debt/EBITDA was 2.6x. Since then the company has, however, carried out acquisitions and with our updated forecasts, the net debt/EBITDA at the end of 2025 is 3.3x. This is a high level and increases the risk level of the stock. Against this backdrop, we pay special interest to the development of cash flow in H2'24 and whether the company has optimized its balance sheet position (i.e., reduced debt with excess cash). We suspect that the company had an unnecessarily large cash position at the end of H1'24 relative to its business needs, which resulted in the debt burden increasing net financial expenses unnecessarily.

Estimate revisions	2024e	2024e	Change	2025e	2025e	Change	2026e	2026e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	80.0	78.1	-2%	82.9	81.0	-2%	85.8	83.9	-2%
EBITDA	7.5	6.1	-19%	8.3	7.0	-15%	8.8	7.9	-10%
EBIT	3.9	2.5	-36%	4.5	3.2	-28%	5.0	4.1	-17%
PTP	2.5	1.1	-56%	3.3	2.0	-40%	3.8	2.9	-23%
EPS (excl. NRIs)	0.18	0.06	-69%	0.25	0.15	-40%	0.29	0.23	-23%
DPS	0.075	0.015	-80%	0.08	0.04	-50%	0.09	0.06	-33%

Source: Inderes

There is a gap between the operating result and the bottom line

The elevated debt level should be noted

When assessing Solwers' valuation, it should be noted that the company carried out acquisitions during 2024, the full impact of which is not reflected in 2024. This supports relying on longer-term valuation multiples, but on the other hand, forecasting risks increase when looking further ahead. In the current operating environment, estimate risks are also elevated by the fact that the turnaround in the industry's investment activity is difficult to predict, and a further prolongation of the current difficult market situation cannot be ruled out, as there have been no signs of improvement.

The combination of subdued earnings development and the increased debt burden from acquisitions has recently also raised the stock's risk level, which, together with the uncertainty related to the development of the operating environment, in our view, justifies applying a higher required return. According to our estimates, the leverage (net debt/EBITDA 2025e 3.3x) is still tolerable, but we point out that if the earnings level (and cash flow) fall short of our forecasts, the indicator rises rapidly.

Earnings-based valuation multiples are high

With our updated forecasts, Solwers' adjusted 2024 P/E ratio is 55x and the corresponding EV/EBITDA ratio is 9x. At the EBITDA level, the valuation is still reasonable, but reflecting the previously mentioned high burden of depreciations and net financial expenses on the bottom lines, the valuation is very high at the net profit level. This overall picture does not change significantly when looking at 2025, as with our forecasts for the current year the P/E ratio is 20x, although the corresponding EV/EBITDA ratio is already reasonable, i.e. close to 8x.

Solwers' revenue-based EV/S ratio is 0.7x for 2024-2025. In our view, this is a fairly reasonable level considering the profitability potential of this kind of service business and we believe it limits the downside of the stock. On the other hand, we feel relying on a purely revenue-based valuation would require confidence in a market turnaround already in the short term.

Relative valuation

In relative terms, based on 2024-2025 EV/EBITDA ratios, Solwers is valued at a 14-12% discount to its peers, while based on the P/E ratio, the company's valuation rises to a significant (2024-2025 average + 90+ %) premium. Thus, the relative valuation reflects the same earnings-related challenge and the gap between the operating profit and net profit. However, as a whole, the earning-based relative valuation does not support an upside for the stock.

The challenges related to the earnings level are also reflected in Solwers' revenue-based valuation, as the share is valued at approximately a 30% discount with the EV/S multiple, and the median level for peers is 1x EV/S. This is roughly the level at which, considering the industry's profitability potential, it is justified to price an average player over time. Thus, we feel this reflects the stock's potential if the company manages to prove that its profitability potential is higher than recent development and simultaneously, with rising earnings development, manages to lower the risk level related to its financial position.

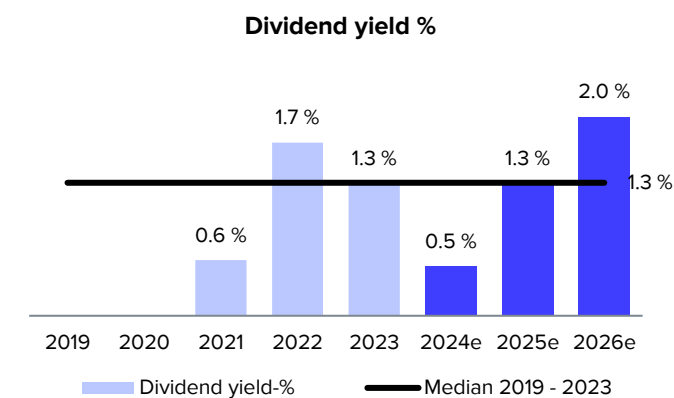
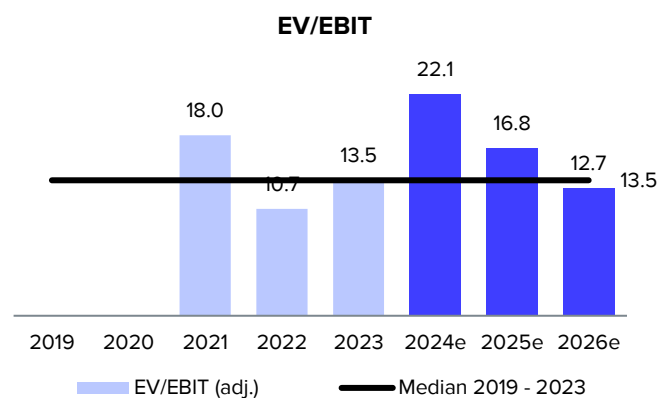
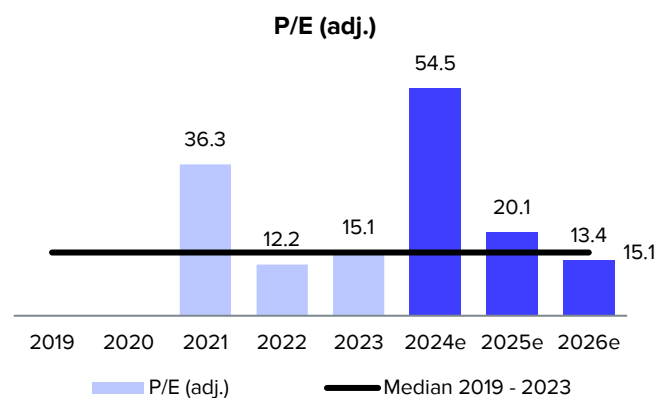
Valuation	2024e	2025e	2026e
Share price	3.02	3.02	3.02
Number of shares, millions	10	10	10
Market cap	31	31	31
EV	56	54	52
P/E (adj.)	54.5	20.1	13.4
P/E	54.5	20.1	13.4
P/B	0.8	0.8	0.7
P/S	0.4	0.4	0.4
EV/Sales	0.7	0.7	0.6
EV/EBITDA	9.1	7.7	6.6
EV/EBIT (adj.)	22.1	16.8	12.7
Payout ratio (%)	27.1 %	26.6 %	26.5 %
Dividend yield-%	0.5 %	1.3 %	2.0 %

Source: Inderes

Valuation table

Valuation	2019	2020	2021	2022	2023	2024e	2025e	2026e	2027e
Share price			7.20	4.22	4.82	3.02	3.02	3.02	3.02
Number of shares, millions			7.24	9.83	9.9	10	10	10	10
Market cap			52	41	48	30.7	30.7	30.7	30.7
EV			61	54	66	55.7	54.3	52.3	50.4
P/E (adj.)			36.3	12.2	15.1	54.5	20.1	13.4	12.4
P/E			36.3	12.2	15.1	54.5	20.1	13.4	12.4
P/B			1.7	1.1	1.2	0.8	0.8	0.7	0.7
P/S			1.2	0.7	0.7	0.4	0.4	0.4	0.4
EV/Sales			1.4	0.9	1.0	0.7	0.7	0.6	0.6
EV/EBITDA			11.0	6.7	8.2	9.1	7.7	6.6	6.3
EV/EBIT (adj.)			18.0	10.7	13.5	22.1	16.8	12.7	12.1
Payout ratio (%)			20.2 %	21.1 %	20.1 %	27.1 %	26.6 %	26.5 %	28.8 %
Dividend yield-%			0.6 %	1.7 %	1.3 %	0.5 %	1.3 %	2.0 %	2.3 %

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
			2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e
Sitowise	104	190	39.2	17.1	10.6	8.1	1.0	1.0		20.0	1.7	2.9	0.9
Sweco AB	5487	6073	23.4	20.4	18.1	16.1	2.3	2.1	29.1	24.6	1.9	2.1	5.6
Afry AB	1744	2363	14.1	12.5	9.6	8.8	1.0	1.0	16.3	13.5	3.5	3.9	1.5
Rejlers AB	285	348	13.1	11.1	8.1	7.2	0.9	0.9	14.8	12.1	3.2	3.8	1.7
WSP Global	21375	23327	23.4	25.9	16.3	13.9	2.9	2.5	31.0	26.3	0.6	0.6	3.9
Etteplan	270	352	16.4	13.5	8.7	7.4	1.0	0.9	24.5	14.8	1.9	3.1	2.2
Arcadis NV	4997	6005	14.9	12.7	10.9	9.6	1.3	1.2	18.4	15.2	1.9	2.2	4.1
Solwers (Inderes)	31	56	22.1	16.8	9.1	7.7	0.7	0.7	54.5	20.1	0.5	1.3	0.8
Average			20.6	16.2	11.8	10.2	1.5	1.4	22.3	18.1	2.1	2.7	2.8
Median			16.4	13.5	10.6	8.8	1.0	1.0	21.4	15.2	1.9	2.9	2.2
Diff-% to median			35%	24%	-14%	-12%	-29%	-30%	154%	32%	-73%	-55%	-65%

Source: Refinitiv / Inderes

Income statement

Income statement	2022	H1'23	H2'23	2023	H1'24	H2'24e	2024e	2025e	2026e	2027e
Revenue	62.8	33.2	32.8	66.0	39.9	38.2	78.1	81.0	83.9	85.6
Group	62.8	33.2	32.8	66.0	39.9	38.2	78.1	81.0	83.9	85.6
EBITDA	8.2	4.0	3.9	8.0	3.8	2.4	6.1	7.0	7.9	8.0
Depreciation	-3.1	-1.5	-1.6	-3.1	-1.8	-1.8	-3.6	-3.8	-3.8	-3.8
EBIT	5.1	2.5	2.4	4.8	2.0	0.6	2.5	3.2	4.1	4.2
EBITA	7.2	3.5	3.5	7.0	3.3	2.1	5.3	6.5	7.4	7.4
Net financial items	-0.5	-0.5	-0.5	-1.0	-0.8	-0.6	-1.4	-1.3	-1.2	-1.0
PTP	4.6	2.0	1.9	3.9	1.1	0.0	1.1	2.0	2.9	3.2
Taxes	-1.0	-0.5	-0.2	-0.7	-0.4	-0.2	-0.5	-0.4	-0.6	-0.7
Minority interest	-0.2	0.0	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	3.4	1.5	1.7	3.2	0.8	-0.2	0.6	1.5	2.3	2.5
EPS (adj.)	0.35	0.15	0.17	0.32	0.07	-0.02	0.06	0.15	0.23	0.24
EPS (rep.)	0.35	0.15	0.17	0.32	0.07	-0.02	0.06	0.15	0.23	0.24

Key figures	2022	H1'23	H2'23	2023	H1'24	H2'24e	2024e	2025e	2026e	2027e
Revenue growth-%	40.6 %	1.9 %	8.5 %	5.1 %	20.2 %	16.4 %	18.3 %	3.8 %	3.5 %	2.0 %
EBITDA-%	13.0 %	12.1 %	12.0 %	12.1 %	9.4 %	6.2 %	7.8 %	8.7 %	9.5 %	9.3 %
EBITA-%	11.5 %	10.7 %	10.7 %	10.7 %	8.2 %	5.5 %	6.8 %	8.0 %	8.8 %	8.7 %
Net earnings-%	5.4 %	4.5 %	5.0 %	4.8 %	1.9 %	-0.5 %	0.7 %	1.9 %	2.7 %	2.9 %

Balance sheet

Assets	2022	2023	2024e	2025e	2026e
Non-current assets	49	55	58	57	57
Goodwill	37.8	42.0	46.8	46.8	46.8
Intangible assets	1.3	1.0	0.2	0.6	0.9
Tangible assets	5.7	7.3	7.7	6.7	5.7
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	1.9	1.9	1.9	1.9	1.9
Other non-current assets	1.5	1.3	1.4	1.4	1.4
Deferred tax assets	0.9	1.2	0.0	0.0	0.0
Current assets	33	32	38	39	40
Inventories	0.2	0.1	0.2	0.2	0.2
Other current assets	4.7	5.3	5.3	5.3	5.3
Receivables	9.3	10.9	19.5	20.3	21.0
Cash and equivalents	18.5	16.0	12.5	13.0	13.4
Balance sheet total	82	87	95	96	97

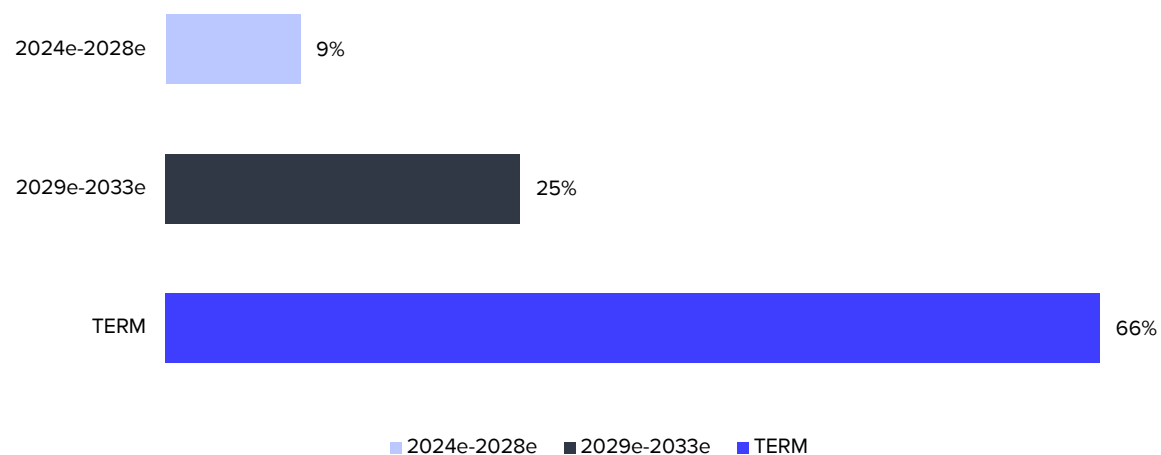
Source: Inderes

Liabilities & equity	2022	2023	2024e	2025e	2026e
Equity	38	40	40	42	43
Share capital	1.0	1.0	1.0	1.0	1.0
Retained earnings	0.6	2.4	2.3	3.7	5.6
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	35.9	36.5	36	36	36
Minorities	0.6	0.5	0.6	0.6	0.6
Non-current liabilities	28	29	27	26	23
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	27.2	28.3	24.0	23.0	20.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.8	0.3	3.0	3.0	3.0
Current liabilities	16	18	28	29	30
Interest bearing debt	3.4	4.7	13.0	13.1	14.6
Payables	1.9	1.9	3.9	4.1	4.2
Other current liabilities	10.2	11.4	11.4	11.4	11.4
Balance sheet total	82	87	95	96	97

DCF-calculation

DCF model	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	TERM
Revenue growth-%	5.1 %	18.3 %	3.8 %	3.5 %	2.0 %	2.5 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	7.3 %	3.2 %	4.0 %	4.9 %	4.9 %	5.5 %	6.0 %	7.0 %	7.0 %	7.0 %	7.0 %	7.0 %
EBIT (operating profit)	4.8	2.5	3.2	4.1	4.2	4.8	5.4	6.4	6.5	6.6	6.8	
+ Depreciation	3.1	3.6	3.8	3.8	3.8	3.7	3.5	3.5	3.7	3.7	3.8	
- Paid taxes	-0.9	0.7	-0.4	-0.6	-0.7	-0.8	-1.0	-1.2	-1.3	-1.3	-1.3	
- Tax, financial expenses	-0.2	-0.3	-0.3	-0.3	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.1	
+ 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	-6.6	-0.6	-0.6	-0.3	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	
Operating cash flow	5.9	-0.2	5.7	6.4	6.7	7.0	7.4	8.1	8.4	8.5	8.7	
+ Change in other long-term liabilities	-0.5	2.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-8.5	-8.1	-3.2	-3.2	-3.4	-3.5	-3.6	-3.7	-3.7	-3.8	-4.0	
Free operating cash flow	-3.1	-5.5	2.5	3.2	3.3	3.5	3.8	4.4	4.7	4.7	4.7	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-3.1	-5.5	2.5	3.2	3.3	3.5	3.8	4.4	4.7	4.7	4.7	69.5
Discounted FCFF		-5.5	2.3	2.8	2.6	2.5	2.5	2.7	2.6	2.4	2.2	32.7
Sum of FCFF present value		49.8	55.3	53.0	50.2	47.6	45.1	42.6	39.9	37.3	34.9	32.7
Enterprise value DCF		49.8										
- Interest bearing debt		-33										
+ Cash and cash equivalents		16.0										
-Minorities		-0.5										
-Dividend/capital return		-0.6										
Equity value DCF		32										
Equity value DCF per share		3.1										

Cash flow distribution



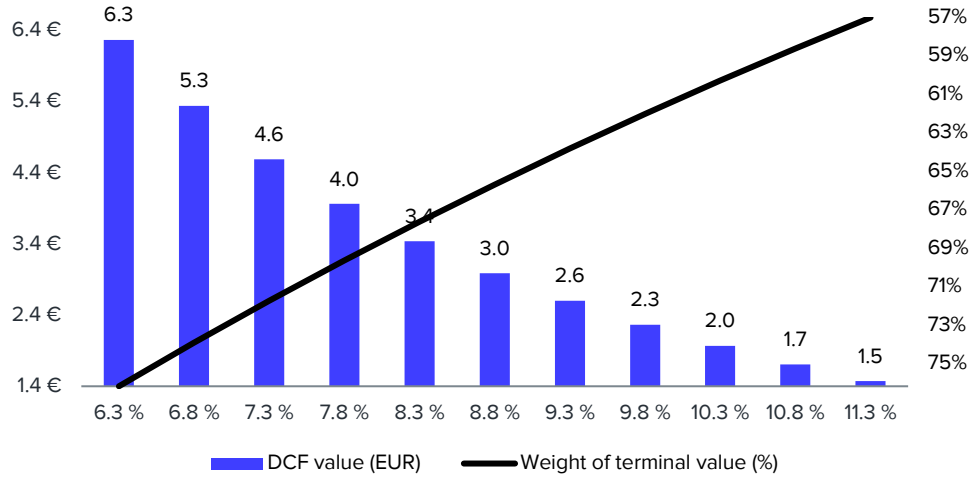
WACC

Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	4.5 %
Equity Beta	1.30
Market risk premium	4.75%
Liquidity premium	1.50%
Risk free interest rate	2.5 %
Cost of equity	10.2 %
Weighted average cost of capital (WACC)	8.8 %

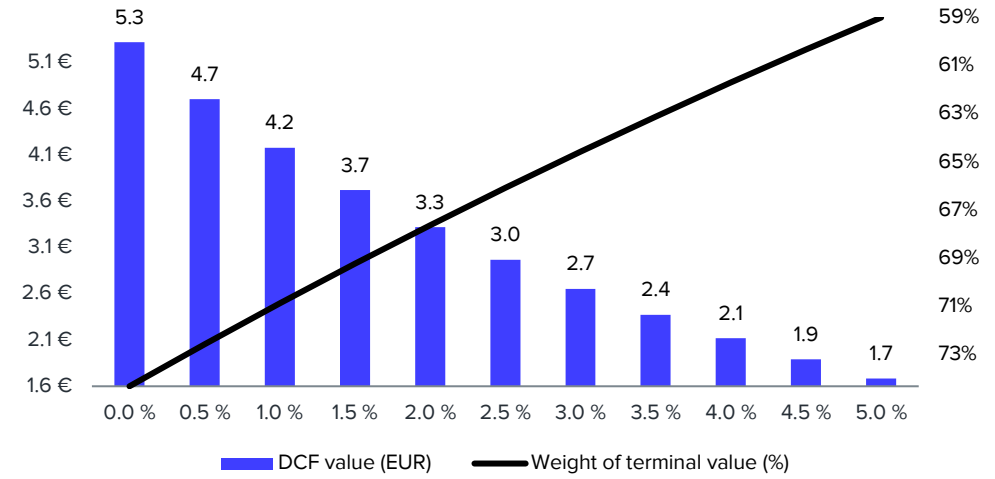
Source: Inderes

DCF sensitivity calculations and key assumptions in graphs

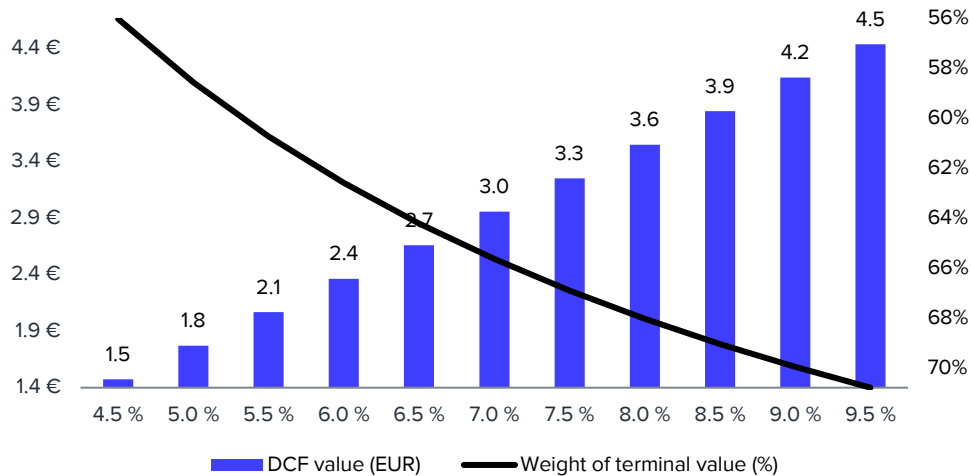
Sensitivity of DCF to changes in the WACC-%



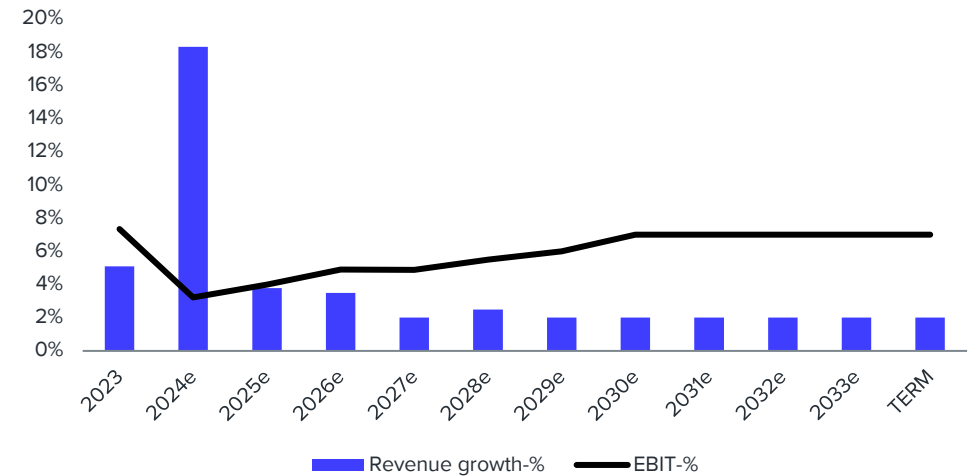
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Lähde: Inderes. Huomaa, että terminaaliarvon paino (%) on esitetty käännteisellä asteikolla selkeyden vuoksi.

Summary

Income statement	2021	2022	2023	2024e	2025e	Per share data	2021	2022	2023	2024e	2025e
Revenue	44.7	62.8	66.0	78.1	81.0	EPS (reported)	0.20	0.35	0.32	0.06	0.15
EBITDA	5.5	8.2	8.0	6.1	7.0	EPS (adj.)	0.20	0.35	0.32	0.06	0.15
EBIT	3.4	5.1	4.8	2.5	3.2	OCF / share	0.76	0.39	0.59	-0.02	0.56
PTP	2.1	4.6	3.9	1.1	2.0	FCF / share	-1.85	-0.71	-0.32	-0.54	0.25
Net Income	1.4	3.4	3.2	0.6	1.5	Book value / share	4.32	3.81	4.02	3.89	4.02
Extraordinary items	0.0	0.0	0.0	0.0	0.0	Dividend / share		0.07	0.06	0.02	0.04
Balance sheet	2021	2022	2023	2024e	2025e	Growth and profitability	2021	2022	2023	2024e	2025e
Balance sheet total	70.3	81.7	87.0	95.5	96.1	Revenue growth-%	37%	41%	5%	18%	4%
Equity capital	31.9	38.1	40.4	40.1	41.5	EBITDA growth-%	11%	48%	-2%	-23%	15%
Goodwill	16.6	37.8	42.0	46.8	46.8	EBIT (adj.) growth-%	-5%	51%	-5%	-48%	29%
Net debt	7.5	12.2	17.1	24.5	23.1	EPS (adj.) growth-%	-98%	74%	-8%	-83%	171%
						EBITDA-%	12.3 %	13.0 %	12.1 %	7.8 %	8.7 %
Cash flow	2021	2022	2023	2024e	2025e	EBIT (adj.)-%	7.5 %	8.1 %	7.3 %	3.2 %	4.0 %
EBITDA	5.5	8.2	8.0	6.1	7.0	EBIT-%	7.5 %	8.1 %	7.3 %	3.2 %	4.0 %
Change in working capital	1.3	-2.9	-1.0	-6.6	-0.6	ROE-%	6.9 %	9.9 %	8.2 %	1.4 %	3.8 %
Operating cash flow	5.5	3.8	5.9	-0.2	5.7	ROI-%	8.3 %	8.4 %	6.8 %	3.3 %	4.2 %
CAPEX	-21.8	-7.6	-8.5	-8.1	-3.2	Equity ratio	45.4 %	46.6 %	46.4 %	42.0 %	43.2 %
Free cash flow	-13.4	-7.0	-3.1	-5.5	2.5	Gearing	23.6 %	32.0 %	42.3 %	61.1 %	55.7 %
Valuation multiples	2021	2022	2023	2024e	2025e						
EV/S	1.4	0.9	1.0	0.7	0.7						
EV/EBITDA	11.0	6.7	8.2	9.1	7.7						
EV/EBIT (adj.)	18.0	10.7	13.5	22.1	16.8						
P/E (adj.)	36.3	12.2	15.1	54.5	20.1						
P/B	1.7	1.1	1.2	0.8	0.8						
Dividend-%	0.6 %	1.7 %	1.3 %	0.5 %	1.3 %						

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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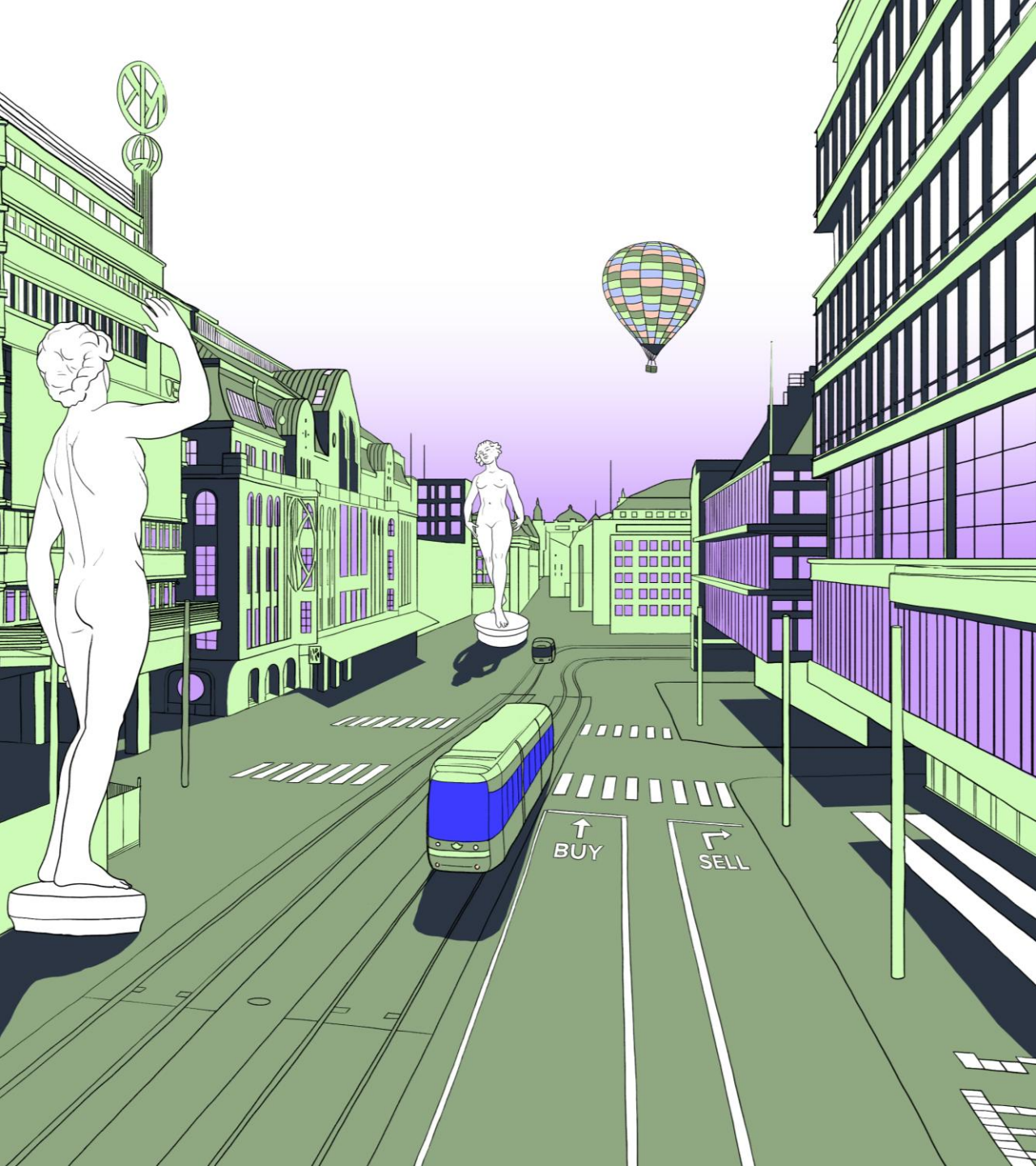
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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
6/21/2021	Reduce	8.20 €	8.35 €
9/16/2021	Accumulate	8.20 €	7.40 €
11/3/2021	Accumulate	8.60 €	7.34 €
12/1/2021	Accumulate	9.00 €	7.90 €
3/9/2022	Accumulate	8.00 €	7.20 €
3/16/2022	Reduce	7.00 €	6.97 €
9/16/2022	Reduce	5.50 €	5.34 €
1/25/2023	Buy	5.50 €	4.39 €
3/1/2023	Accumulate	6.00 €	5.36 €
9/1/2023	Accumulate	5.00 €	4.32 €
9/15/2023	Buy	5.00 €	4.06 €
1/30/2024	Accumulate	5.00 €	4.60 €
3/11/2024	Accumulate	5.00 €	4.24 €
5/14/2024	Buy	5.00 €	3.70 €
6/3/2024	Buy	5.00 €	4.00 €
8/30/2024	Buy	5.00 €	3.74 €
12/2/2014	Accumulate	4.20 €	3.42 €
2/3/2025	Reduce	2.80 €	3.02 €



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