

HKFOODS

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INDERES CORPORATE CUSTOMER COMPANY REPORT



Grill in danger of overheating

In our view, the strong share price increase over the past month has turned the stock's risk/reward ratio weak. We expect HKFoods' profitability turnaround to continue, but after the most straightforward efficiency measures, earnings growth will be slower and more capital-intensive. The current share price prices in a return on invested capital of about 10% - a rather good level in the industry context. We lower our recommendation to Reduce (was Accumulate) with a target price of EUR 1.50 (was EUR 1.30).

Profitability has turned around and redeeming the hybrid bond will soon be possible

HKFoods has executed a convincing turnaround in profitability in recent years, after suffering from a low and fluctuating earnings level for more than a decade. The turnaround is attributable to the company's focus on the Finnish market, which has also strengthened its investment capacity. Efficiency-improving targeted investments, a stable cost environment and commercial successes have boosted recent earnings growth. The company's balance sheet has also strengthened, and there is a prospect of redeeming the hybrid. In our view, the hybrid could be redeemed in September 2026, unless the sale of the small Polish bacon business is completed by September 2025. Redemption, however, requires the improved earnings level to be sustainable.

Continuing earnings growth will gradually become more difficult

The adjusted EBIT margin already rose to 2.8% during 2024, and we expect the margin to improve further to 3.1-3.2% in 2025-2026. The company's key competitors, such as Atria Finland and Snellman, achieved an EBIT margin of 4.7% in 2024, so in comparison, our current profitability forecasts are not yet particularly demanding. On the other hand, when

looking at HKFoods' return on capital, the ROI 2025-2026e: 8.5-9.2% is already in our view typical for the industry and is difficult to significantly improve (Atria 2025-26e: 9.8%). After implementing the obvious initial efficiency measures, achieving earnings growth will gradually become more challenging and capital-intensive.

Current share price reflects a good ROI by sector standards, and we believe the upside has been eaten

A change in the profitability margin has a significant impact on the fair value of HKFoods' share, assuming other things remain equal. We have examined the fair share price as a function of the EBIT margin using valuation multiples from our estimated fair range of EV/EBIT 8-10x. With a multiple of 9x, the current share price (EUR 1.78) would correspond to an EBIT margin of 3.7%. This is somewhat above our current forecasts and would correspond to a return on investment (ROI) of around 10%, which can already be considered a fairly good level in the food industry. We do not think it is justified to price in an ROI of over 10% in the share price. Stabilizing ROI at the level of the average return requirement (WACC: 8.6%) would already be a good achievement, considering the company's historical operational challenges.

In connection with the update, we made small positive changes to our estimates (EBIT 2025-2026e increased by 3%) and lowered WACC (was 8.7%) as the company's earnings turnaround lowered the risk level of the share. If the company manages to continue its turnaround in profitability significantly stronger than our estimates, the share price could continue to rise. The balance sheet's strong debt leverage amplifies price reactions in both directions.

Recommendation

Reduce
(was Accumulate)

Target price:

EUR 1.50
(was EUR 1.30)

Share price:
EUR 1.78

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	1001.8	1022.3	1047.9	1074.1
growth-%	-14%	2%	2%	3%
EBIT adj.	27.7	31.7	33.1	33.4
EBIT-% adj.	2.8 %	3.1 %	3.2 %	3.1 %
Net income	-5.3	9.5	12.7	15.0
EPS (adj.)	-0.05	0.06	0.11	0.17

P/E (adj.)	neg.	31.8	16.6	10.7
P/B	0.4	1.0	1.0	0.9
Dividend yield-%	11.1 %	2.7 %	3.2 %	3.7 %
EV/EBIT (adj.)	8.7	10.7	10.2	9.8
EV/EBITDA	4.3	5.3	5.1	4.9
EV/S	0.2	0.3	0.3	0.3

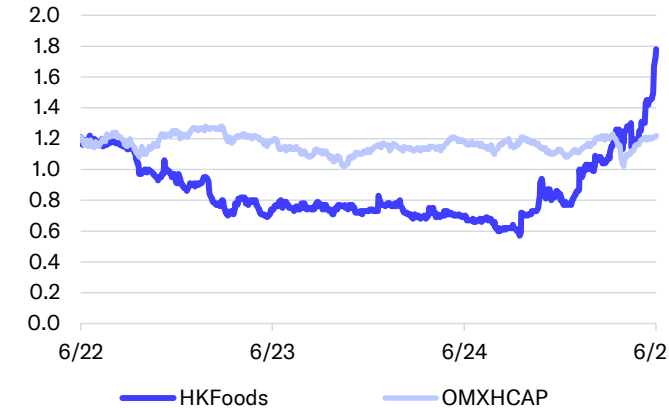
Source: Inderes

Guidance

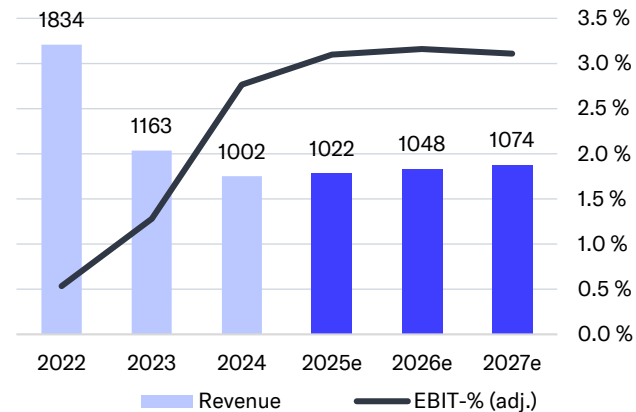
(Unchanged)

In 2025, HKFoods estimates that the Group's comparable EBIT will grow from 2024 (EUR 27.7 million).

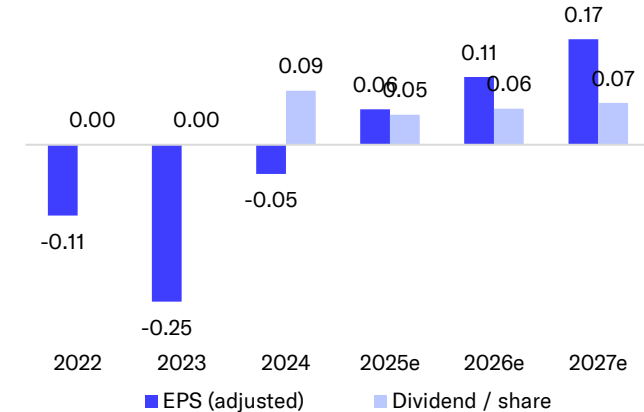
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

- Strong commercial position in Finland through scale and well-known brands
- Investments in poultry and other growing segments such as ready meals
- Focus on Finland allows concentration of investments and strengthening of industrial efficiency
- Balance sheet strengthened through divestments

Risk factors

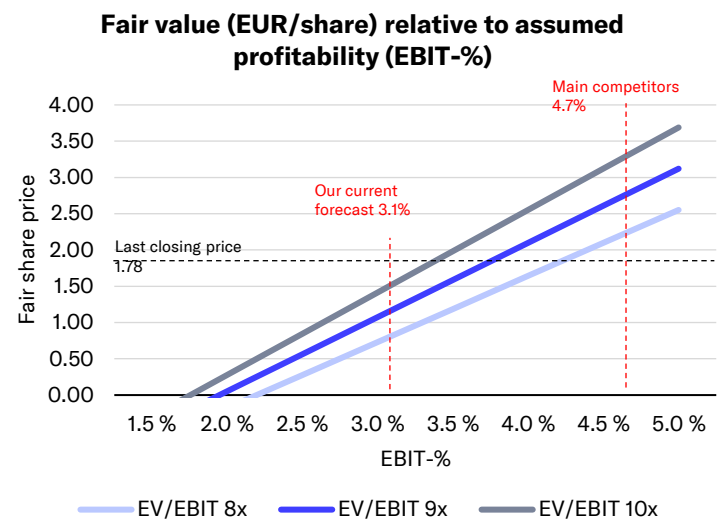
- Long-term decline in red meat consumption
- Fierce competition in the food sector and strong bargaining power of retailers limit profitability
- Changes in consumer demand and cost environment may affect profitability
- Animal diseases may impact export licenses
- Indebtedness still elevated, including hybrid debt

Valuation	2025e	2026e	2027e
Share price	1.78	1.78	1.78
Number of shares, millions	89.9	89.9	89.9
Market cap	160	160	160
EV	340	338	327
P/E (adj.)	31.8	16.6	10.7
P/E	31.8	16.6	10.7
P/B	1.0	1.0	0.9
P/S	0.2	0.2	0.1
EV/Sales	0.3	0.3	0.3
EV/EBITDA	5.3	5.1	4.9
EV/EBIT (adj.)	10.7	10.2	9.8
Payout ratio (%)	46.3 %	40.1 %	39.7 %
Dividend yield-%	2.7 %	3.2 %	3.7 %

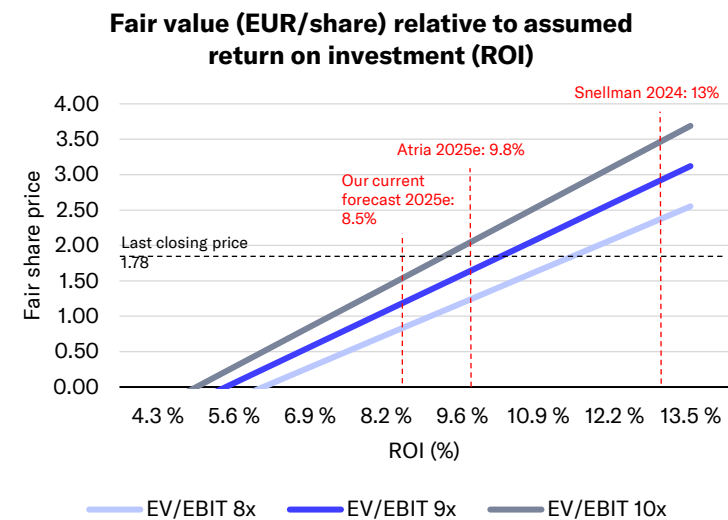
Source: Inderes

No upside for the stock on current forecasts

- We are evaluating HKFoods' valuation in relation to different profitability assumptions in order to estimate the share price performance in different scenarios.
- Profitability potential can be viewed either in relation to revenue (EBIT-%) or in relation to return on investment (ROI).
- When examining the EBIT margin, the company would still have considerable room to improve profitability if it reached the level of its competitors. Achieving the level of competitors is, of course, not self-evident, and this would require significant operational successes from the company. If the EBIT-% improved without larger investments (compared to the depreciation level), the fair valuation level would also increase significantly from the current level. However, we don't see this scenario as very likely.
- When examining ROI, the company's current profitability is already relatively close to that of Atria, for example (2025e: 9.8%). In our view, maintaining an ROI of over 10% in the industry is difficult. Achieving significant additional earnings growth would likely require strong investments exceeding the depreciation level, which in turn would dilute the benefits of potential earnings growth.



-> Downside based on current assumptions, upside at competitors' profitability levels



-> Downside based on current assumptions, with Atria's ROI the valuation would be neutral, with Snellman's ROI (2024) there would be upside

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	1022	1022	0%	1048	1048	0%	1074	1074	0%
EBITDA	62.7	63.7	2%	64.7	65.8	2%	66.2	66.8	1%
EBIT (exc. NRIs)	30.7	31.7	3%	32.1	33.1	3%	32.9	33.4	2%
EBIT	30.7	31.7	3%	32.1	33.1	3%	32.9	33.4	2%
PTP	16.8	17.8	6%	20.5	21.5	5%	23.2	23.7	2%
EPS (excl. NRIs)	0.04	0.06	26%	0.10	0.11	9%	0.16	0.17	3%
DPS	0.05	0.05	0%	0.06	0.06	0%	0.07	0.07	0%

Source: Inderes

- Estimate revisions**
- The estimate revisions are based on our assessment of the company's favorable earnings outlook.
 - The changes are moderate at the operating level (EBIT up 3%), but the changes are greater in the lower lines, due to, among other things, the lever effect of high financing costs.
 - We are also now factoring the recently improved profitability outlook more strongly into the terminal assumptions of our DCF model (terminal EBIT of 2.6%, was 2.4%).

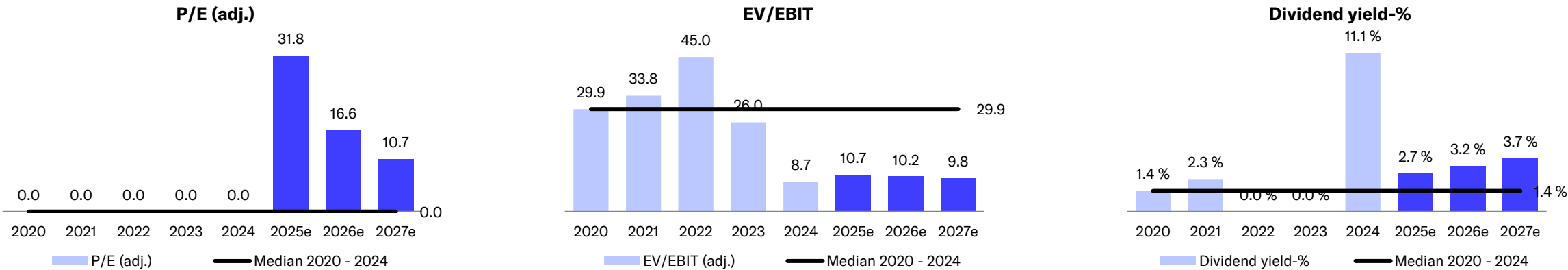
Detailed estimates

MEUR	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Revenue	1715	1744	1781	1815	1834	1163	1002	1022	1048	1074
-growth	-5.1%	1.7%	2.1%	1.9%	1.0%	-36.6%	-13.9%	2.0%	2.5%	2.5%
HKScan Finland	722	771	772	772	868	933	1002	1022	1048	1074
-growth	-2.7%	6.7%	0.2%	0.0%	12.4%	7.5%	7.4%	2.0%	2.5%	2.5%
-of which organic growth					12.4%	6.5%	3.2%	0.0%	2.5%	2.5%
-of which growth related to the change in Polish reporting						0.9%	4.2%	2.0%	0.0%	0.0%
Gross profit	55	74	117	110	97	79	77	87	90	92
-% of revenue	3.2%	4.2%	6.6%	6.1%	5.3%	6.8%	7.7%	8.5%	8.6%	8.6%
Fixed costs (excl. depreciation)	-37	-17	-39	-32	-42	-26	-21	-23	-24	-26
EBITDA	18	57	78	78	56	53	56	64	66	67
-% of revenue	1.0%	3.3%	4.4%	4.3%	3.0%	4.5%	5.6%	6.2%	6.3%	6.2%
Depreciation and amortization	-67	-80	-57	-60	-46	-35	-34	-32	-33	-33
EBIT	-49	-23	21	18	10	17	22	32	33	33
-% of revenue	-2.9%	-1.3%	1.2%	1.0%	0.6%	1.5%	2.2%	3.1%	3.2%	3.1%
Adjusted EBIT	-48	-2	17	15	10	15	28	32	33	33
-% of revenue	-2.8%	-0.1%	1.0%	0.8%	0.5%	1.3%	2.8%	3.1%	3.2%	3.1%
HKScan Finland	-37	-2	6	9	4	21	38			
-% of revenue	-5.1%	-0.2%	0.8%	1.1%	0.4%	2.2%	3.8%			
Group administration	-14	-12	-13	-12	-12	-9	-10			
Net financial expenses	-10	-12	-11	-15	-16	-28	-20	-15	-13	-12
Profit before tax	-59	-35	12	7	-1	-9	4	18	22	23
Taxes	7	-3	-8	-8	-4	-7	-6	-5	-6	-5
Profit for the period (continuing operations)	-51	-38	5	-1	-5	-16	-2	13	16	18
Minority interest	-2	-2	-4	-3	-4	-4	-3	-4	-4	-4
Interest on hybrid loans	-1	-2	-2	-2	-2	-2	-4	-4	-3	0
Shareholders' share of net profit	-54	-42	-1	-7	-11	-22	-9	5	9	14
Total dividends paid for the year	0	0	3	4	0	0	8	4	5	6
Net debt	289	276	300	315	347	278	150	143	165	155
Net debt/EBITDA			3.8x	4.0x	6.2x	5.0x	2.7x	2.2x	2.4x	2.3x

Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	1.96	1.66	0.87	0.89	0.77	1.78	1.78	1.78	1.78
Number of shares, millions	97.0	97.1	97.3	97.4	89.9	89.9	89.9	89.9	89.9
Market cap	190	161	85	87	69	160	160	160	160
EV	508	490	441	387	240	340	338	327	316
P/E (adj.)	neg.	neg.	neg.	neg.	neg.	31.8	16.6	10.7	8.6
P/E	neg.	neg.	neg.	neg.	neg.	31.8	16.6	10.7	8.6
P/B	0.7	0.6	0.4	0.5	0.4	1.0	1.0	0.9	0.9
P/S	0.1	0.1	0.0	0.1	0.1	0.2	0.2	0.1	0.1
EV/Sales	0.3	0.3	0.2	0.3	0.2	0.3	0.3	0.3	0.3
EV/EBITDA	6.5	6.3	7.9	7.3	4.3	5.3	5.1	4.9	4.6
EV/EBIT (adj.)	29.9	33.8	45.0	26.0	8.7	10.7	10.2	9.8	9.3
Payout ratio (%)	249.7 %	neg.	0.0 %	0.0 %	neg.	46.3 %	40.1 %	39.7 %	36.7 %
Dividend yield-%	1.4 %	2.3 %	0.0 %	0.0 %	11.1 %	2.7 %	3.2 %	3.7 %	4.3 %

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 2025e
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	
Atria	369	646	9.9	9.3	5.0	4.8	0.4	0.4	9.3	8.3	5.4	5.8	0.9
Apetit	90	94	11.7	10.4	5.9	5.9	0.6	0.5	13.1	11.4	4.9	5.2	0.8
Raisio	408	325	11.5	10.7	8.6	8.1	1.4	1.4	15.2	14.9	5.2	5.6	1.5
Hilton Foods	921	1334	10.5	10.1	6.8	6.6	0.3	0.3	13.8	12.9	4.1	4.4	2.3
Scandi Standard	559	737	14.2	11.9	8.1	7.2	0.6	0.6	18.3	14.4	3.2	3.9	2.3
Cranswick	3427	3631	15.3	14.0	10.7	9.9	1.1	1.1	20.1	18.8	1.8	2.0	2.8
Societe LDC	3030	2725	8.3	7.5	5.1	4.6	0.4	0.4	12.0	11.0	1.9	2.6	1.3
Bell Foods	1757	2671	15.1	15.2	7.0	6.7	0.5	0.5	12.5	12.7	2.7	2.7	1.0
Orior	93	286	27.9	20.9	7.4	6.7	0.4	0.4	23.9	13.3			2.6
Prima Meat Packers	695	821			6.5	5.9	0.3	0.3	17.8	16.5	3.5	3.5	0.9
NH Foods	3041	4025			8.6	7.6	0.5	0.5	19.4	15.9	2.8	2.9	1.0
HKFoods (Inderes)	160	340	10.7	10.2	5.3	5.1	0.3	0.3	31.8	16.6	2.7	3.2	1.0
Average			13.8	12.2	7.2	6.7	0.6	0.6	15.9	13.6	3.5	3.9	1.6
Median			11.7	10.7	7.0	6.7	0.5	0.5	15.2	13.3	3.4	3.7	1.3
Diff-% to median			-9%	-5%	-24%	-23%	-32%	-31%	109%	25%	-21%	-15%	-23%

Source: Refinitiv / Inderes

Income statement

Income statement	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	1834	1163	229	255	252	267	1002	234	258	256	274	1022	1048	1074	1096
Finland	868	933	229	255	252	267	1002	234	258	256	274	1022	1048	1074	1096
EBITDA	56.0	52.8	8.9	11.4	19.2	16.8	56.3	12.1	15.0	19.2	17.4	63.7	65.8	66.8	68.0
Depreciation	-45.8	-35.3	-7.7	-8.3	-7.5	-10.4	-33.9	-7.4	-7.9	-8.0	-8.7	-32.0	-32.7	-33.4	-33.9
EBIT (excl. NRI)	9.8	14.9	1.4	4.4	11.6	10.3	27.7	4.6	7.1	11.2	8.7	31.7	33.1	33.4	34.1
EBIT	10.2	17.5	1.2	3.1	11.6	6.5	22.4	4.6	7.1	11.2	8.7	31.7	33.1	33.4	34.1
Share of profits in assoc. compan.	5.4	1.3	0.1	0.3	0.4	0.4	1.2	0.5	0.3	0.3	0.3	1.4	1.4	1.8	1.8
Net financial items	-16.3	-27.7	-4.9	-4.9	-5.0	-4.7	-19.5	-3.9	-3.9	-3.8	-3.7	-15.3	-13.0	-11.5	-8.6
PTP	-0.7	-8.9	-3.7	-1.4	7.0	2.2	4.1	1.2	3.5	7.7	5.4	17.8	21.5	23.7	27.3
Taxes	-4.0	-6.6	-0.1	-0.2	-0.6	-5.1	-6.0	-0.3	-1.1	-2.2	-1.2	-4.8	-5.2	-5.0	-5.1
Minority interest	-3.7	-4.0	-0.1	-0.5	-0.9	-1.9	-3.4	-0.2	-0.7	-1.0	-1.6	-3.5	-3.6	-3.6	-3.6
Net earnings	-8.4	-19.5	-3.9	-2.2	5.5	-4.8	-5.3	0.3	1.7	4.6	2.6	9.2	12.7	15.0	18.6
EPS (rep.)	-0.09	-0.20	-0.04	-0.02	0.06	-0.05	-0.06	0.00	0.02	0.05	0.03	0.10	0.14	0.17	0.21

Key figures	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	1.0 %	-36.6 %	-18.1 %	-13.2 %	-12.9 %	-11.6 %	-13.9 %	2.2 %	1.4 %	1.9 %	2.6 %	2.0 %	2.5 %	2.5 %	2.0 %
Adjusted EBIT growth-%		52.0 %	-275.0 %	-14.8 %	51.2 %	266.1 %	86.0 %	230.7 %	59.4 %	-3.4 %	-14.6 %	14.3 %	4.5 %	0.9 %	2.0 %
EBITDA-%	3.1 %	4.5 %	3.9 %	4.5 %	7.6 %	6.3 %	5.6 %	5.2 %	5.8 %	7.5 %	6.4 %	6.2 %	6.3 %	6.2 %	6.2 %
Adjusted EBIT-%	0.5 %	1.3 %	0.6 %	1.7 %	4.6 %	3.8 %	2.8 %	2.0 %	2.7 %	4.4 %	3.2 %	3.1 %	3.2 %	3.1 %	3.1 %
Net earnings-%	-0.5 %	-1.7 %	-1.7 %	-0.8 %	2.2 %	-1.8 %	-0.5 %	0.1 %	0.7 %	1.8 %	1.0 %	0.9 %	1.2 %	1.4 %	1.7 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	651	351	340	339	338
Goodwill	27.8	27.8	27.8	27.8	27.8
Intangible assets	16.2	16.2	16.2	16.2	16.2
Tangible assets	285	252	254	257	259
Associated companies	24.3	21.8	21.8	21.8	21.8
Other investments	246	0.0	0.0	0.0	0.0
Other non-current assets	26.2	12.4	-1.1	-4.6	-8.1
Deferred tax assets	25.1	21.2	21.2	21.2	21.2
Current assets	201	177	165	170	175
Inventories	75.2	59.6	62.4	65.0	67.7
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	97.3	80.3	81.9	84.0	86.1
Cash and equivalents	28.7	36.7	20.4	21.0	21.5
Balance sheet total	852	528	505	509	513

Source: Inderes

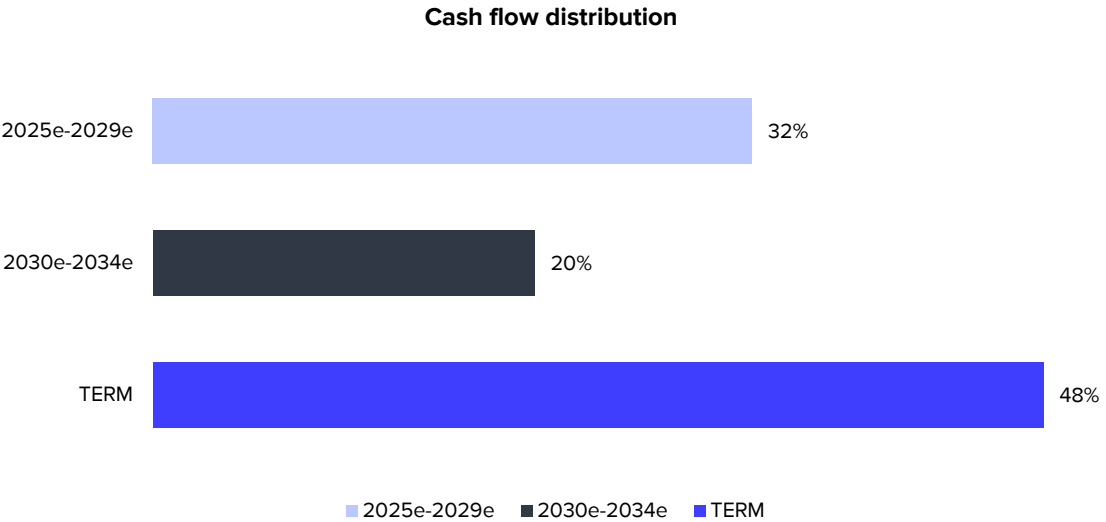
Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	238	215	213	192	202
Share capital	0.0	0.0	0.0	0.0	0.0
Retained earnings	0.0	-30.4	-33.0	-27.6	-17.7
Hybrid bonds	25.9	25.9	25.9	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	185	193	193	193	193
Minorities	26.9	26.9	26.9	26.9	26.9
Non-current liabilities	434	178	153	172	164
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	289	172	148	167	159
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	145	5.4	5.4	5.4	5.4
Current liabilities	179	134	139	144	147
Interest bearing debt	17.9	14.0	16.4	18.6	17.7
Payables	162	120	123	126	129
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	852	528	505	509	513

DCF calculation

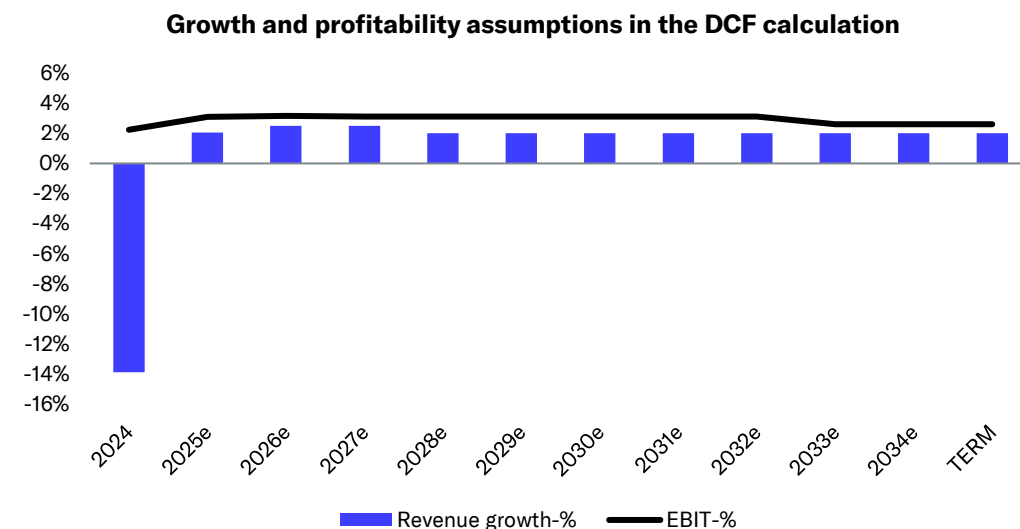
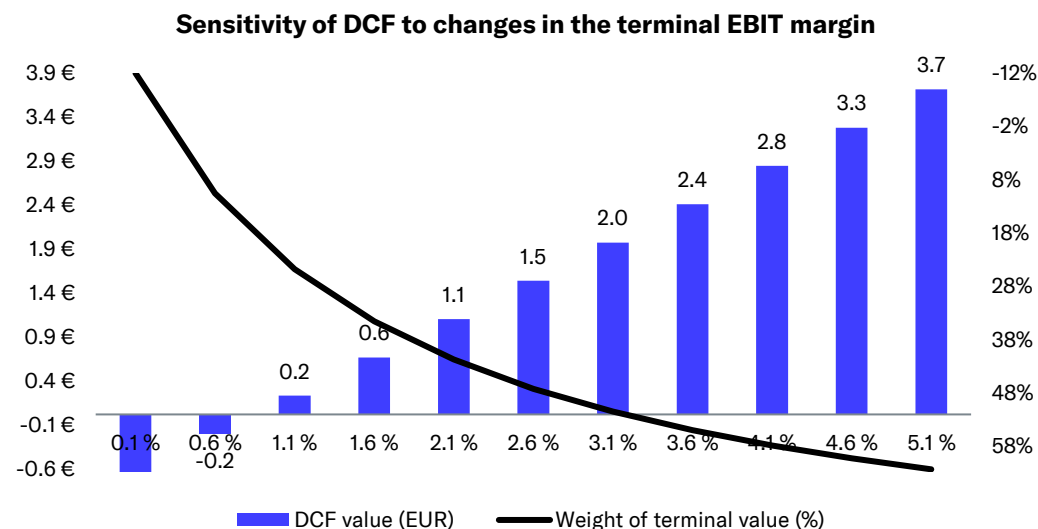
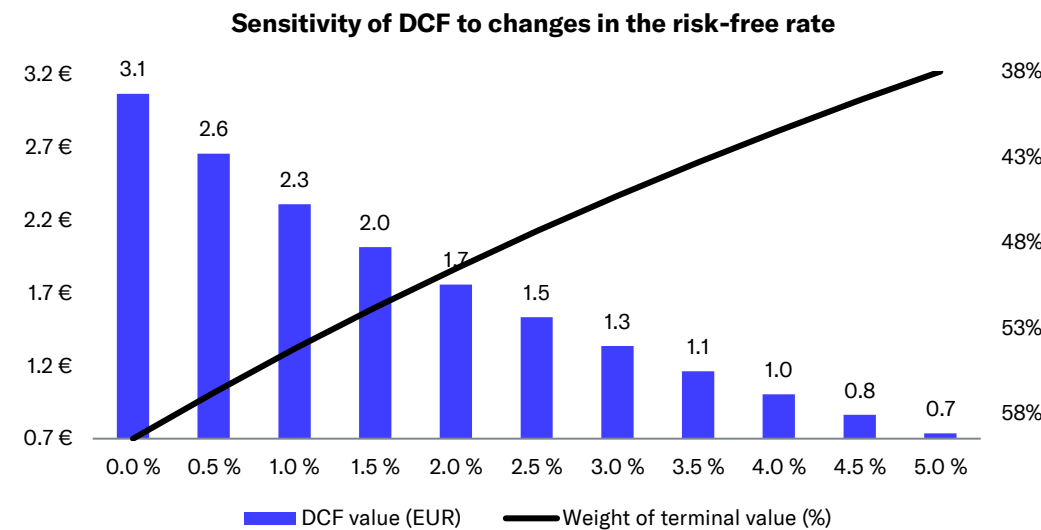
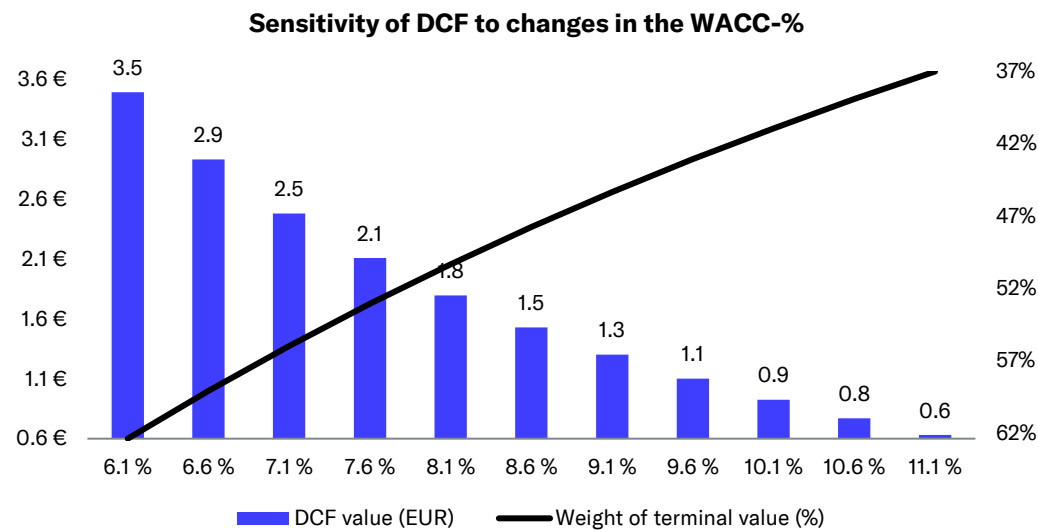
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-13.9 %	2.0 %	2.5 %	2.5 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	2.2 %	3.1 %	3.2 %	3.1 %	3.1 %	3.1 %	3.1 %	3.1 %	3.1 %	2.6 %	2.6 %	2.6 %
EBIT (operating profit)	22.4	31.7	33.1	33.4	34.1	34.8	35.4	36.2	36.9	31.4	32.1	
+ Depreciation	33.9	32.0	32.7	33.4	33.9	34.4	34.9	35.5	36.0	36.5	36.7	
- Paid taxes	-2.1	-4.8	-5.2	-5.0	-5.1	-5.3	-5.5	-6.1	-6.3	-5.3	-5.5	
- Tax, financial expenses	-3.9	-4.5	-3.4	-2.6	-1.7	-1.6	-1.5	-1.1	-1.0	-1.0	-0.9	
+ 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	-8.5	-1.9	-1.6	-1.6	-1.0	-1.1	-1.1	-0.6	-0.6	-0.6	-0.6	
Operating cash flow	41.8	52.5	55.6	57.4	60.1	61.2	62.2	63.8	64.9	61.0	61.7	
+ Change in other long-term liabilities	-139.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	259	-21.2	-31.7	-32.3	-36.2	-36.6	-37.0	-37.4	-37.8	-38.2	-39.3	
Free operating cash flow	161	31.3	23.9	25.2	24.0	24.6	25.2	26.5	27.1	22.8	22.4	
+/- Other	-26.9	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	134	31.0	23.9	25.2	24.0	24.6	25.2	26.5	27.1	22.8	22.4	346
Discounted FCFF		29.6	21.0	20.4	17.9	16.9	15.9	15.4	14.5	11.3	10.2	157
Sum of FCFF present value		330	300	279	259	241	224	208	193	178	167	157
Enterprise value DCF		330										
- Interest bearing debt		-212.3										
+ Cash and cash equivalents		36.7										
-Minorities		-23.2										
-Dividend/capital return		-7.7										
Equity value DCF		137										
Equity value DCF per share		1.52										

WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	15.0 %
Cost of debt	6.0 %
Equity Beta	1.43
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	9.3 %
Weighted average cost of capital (WACC)	8.6 %

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	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	1833.8	1163.2	1001.8	1022.3	1047.9	EPS (reported)	-0.11	-0.22	-0.11	0.06	0.11
EBITDA	56.0	52.8	56.3	63.7	65.8	EPS (adj.)	-0.11	-0.25	-0.05	0.06	0.11
EBIT	10.2	17.5	22.4	31.7	33.1	OCF / share	0.41	0.74	0.46	0.58	0.62
PTP	-0.7	-8.9	4.1	17.8	21.5	OFCF / share	-0.45	1.01	1.49	0.34	0.27
Net Income	-69.5	-26.4	-26.2	9.2	12.7	Book value / share	2.68	2.17	2.10	2.07	1.84
Extraordinary items	0.4	2.6	-5.3	0.0	0.0	Dividend / share	0.00	0.00	0.09	0.05	0.06
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	976.0	851.7	527.6	505.0	509.2	Revenue growth-%	1%	-37%	-14%	2%	2%
Equity capital	285.5	238.0	215.4	212.8	192.2	EBITDA growth-%	-28%	-6%	7%	13%	3%
Goodwill	46.8	27.8	27.8	27.8	27.8	EBIT (adj.) growth-%	-32%	52%	86%	14%	4%
Net debt	347.3	278.2	149.7	143.5	164.6	EPS (adj.) growth-%	10%	122%	-81%	-222%	92%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	3.1 %	4.5 %	5.6 %	6.2 %	6.3 %
EBITDA	56.0	52.8	56.3	63.7	65.8	EBIT (adj.)-%	0.5 %	1.3 %	2.8 %	3.1 %	3.2 %
Change in working capital	-13.5	25.1	-8.5	-1.9	-1.6	EBIT-%	0.6 %	1.5 %	2.2 %	3.1 %	3.2 %
Operating cash flow	39.7	72.5	41.8	52.5	55.6	ROE-%	-3.0 %	-8.3 %	-2.7 %	4.9 %	7.3 %
CAPEX	-41.1	-29.9	259.2	-21.2	-31.7	ROI-%	2.4 %	3.2 %	5.0 %	8.5 %	9.2 %
Free cash flow	-43.3	98.3	134.2	31.0	23.9	Equity ratio	29.3 %	27.9 %	40.8 %	42.1 %	37.8 %
						Gearing	121.6 %	116.9 %	69.5 %	67.4 %	85.6 %
Valuation multiples	2022	2023	2024	2025e	2026e						
EV/S	0.2	0.3	0.2	0.3	0.3						
EV/EBITDA	7.9	7.3	4.3	5.3	5.1						
EV/EBIT (adj.)	45.0	26.0	8.7	10.7	10.2						
P/E (adj.)	neg.	neg.	neg.	31.8	16.6						
P/B	0.4	0.5	0.4	1.0	1.0						
Dividend-%	0.0 %	0.0 %	11.1 %	2.7 %	3.2 %						

Source: Inderes

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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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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
6/1/2024	Reduce	0.65 €	0.70 €
8/8/2024	Reduce	0.55 €	0.63 €
9/26/2024	Reduce	0.70 €	0.72 €
11/6/2024	Reduce	0.85 €	0.88 €
1/15/2025	Reduce	1.00 €	1.00 €
2/17/2025	Reduce	1.00 €	1.09 €
5/8/2025	Accumulate	1.30 €	1.17 €
6/10/2025	Reduce	1.50 €	1.78 €



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