

Suominen

Company report

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✓ Inderes corporate customer

This report is a summary translation of the report "Selkeä tulosparannus jo hinnoiteltu" published on 02/03/2023 at 8:58 pm

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Clear performance improvement already priced in

Suominen's Q4 result was below our expectations, but the guidance for 2023 was positive as expected. We lowered our estimates slightly due to falling sales prices and the weak Q4 result. We feel the share is already pricing a normal earnings level for Suominen which means the expected return is weak. We reiterate our EUR 3 target price and Reduce recommendation.

Q4 was weaker than expected, although improved operationally compared to Q3

Suominen's net sales increased by 15% from the comparison period, most of which was currency effect (stronger USD) and partly the effect of higher prices. According to Suominen, volumes were at the level of the comparison period. Suominen's comparable EBITDA was EUR 5 million, which was below our estimate and the comparison period as expected. Operationally the result improved compared to Q3, but the profitability recovery was slower than we expected. Raw material costs turned downward but it not yet have as significant an impact on the result as we expected, and volume development was slightly lower than we and the company expected. Suominen proposes a dividend of EUR 0.10 for 2022, although its result was clearly in the red and the weak result resulted in net debt/adjusted EBITDA of over 3.5x, which is relatively high. We believe this is a sign of faith in the situation improving in 2023.

As expected, the company's guidance indicates an earnings improvement in 2023

Suominen expects that its comparable EBITDA in 2023 will increase from 2022 (15 MEUR). After a very weak year, the guidance was expected and our estimate is EUR 36 million. The improvement should be supported by the margin improving when pricing "catches up with" decreasing raw material costs. In addition, the company expects volumes to recover once the inventory situation in the US normalizes and the benefits from closing the Mozzate plant support the second half of the year. The company expects the closure of the plant to have an annual positive impact of EUR 3 million on EBITDA. The company also said that profitability should improve during the year, i.e. H2 would be better than H1, which is also in line with our estimates. We did, however, lower our net sales and EBIT estimates for 2023-24 by 2-5% due to decreased sales prices and weaker than expected profitability in Q4.

Valuation neutral with 2023-24 estimates that we feel reflect the company's normal level

With 2023-24 figures, which we consider a relatively normal earnings level for the company (around 20-25 MEUR), the valuation is neutral. P/E ratios are 14x and 11x and EV/EBIT ratios 12x and 9x. We see P/E ratios of around 10-12x as acceptable for Suominen in the current interest rate environment. As a result, the share already prices in the clear earnings improvement we expect at closer to EUR 25 million level. The P/B ratio for Suominen is 1.1-1.2x in 2023-24. We expect the company to deliver a return on capital of around 10% over the next few years, which is on par or slightly above our required return, so we think the right P/B level is also around 1x or slightly above. Considering the limited competitive advantages, we do not believe that Suominen is able to achieve a return on capital that is substantially above the required return in the long term. The expected return mainly relies on dividend yield, which with our estimates is 3% for the next few years and around 5% in the longer term.

Recommendation

Reduce

(previous Reduce)

EUR 3.00

(previous EUR 3.00)

Share price:

3.08



Key figures

	2022	2023e	2024e	2025e
Revenue	493	495	485	490
growth-%	11%	0%	-2%	1%
EBIT adj.	-4.2	19.2	24.5	24.4
EBIT-% adj.	-0.8 %	3.9 %	5.1 %	5.0 %
Net Income	-13.9	8.2	13.7	16.4
EPS (adj.)	-0.16	0.22	0.29	0.29

P/E (adj.)	neg.	14.0	10.6	10.8
P/B	1.2	1.2	1.1	1.1
Dividend yield-%	3.3 %	3.2 %	4.9 %	4.9 %
EV/EBIT (adj.)	neg.	11.6	8.8	8.6
EV/EBITDA	15.8	6.7	5.4	4.9
EV/S	0.5	0.5	0.4	0.4

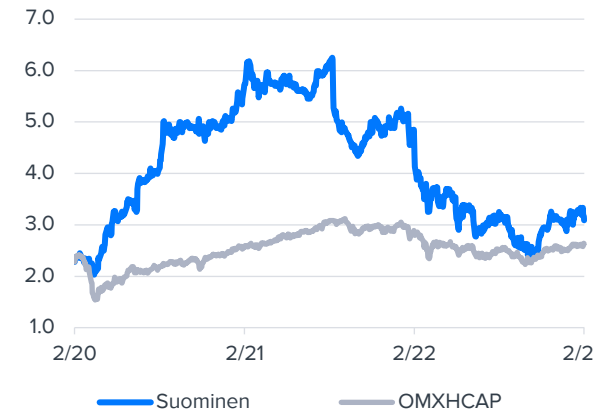
Source: Inderes

Guidance

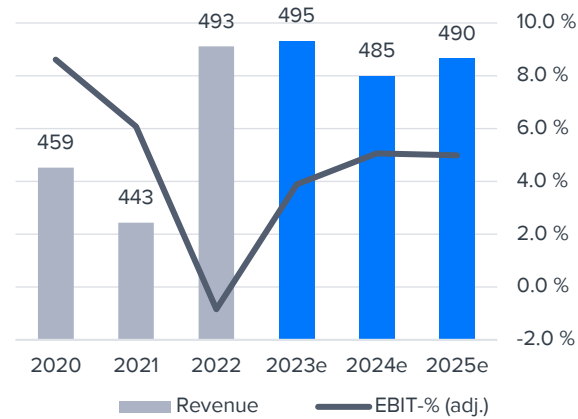
(New guidance)

Suominen expects that its comparable EBITDA in 2023 will increase from 2022. In 2022, Suominen's comparable EBITDA was EUR 15 million.

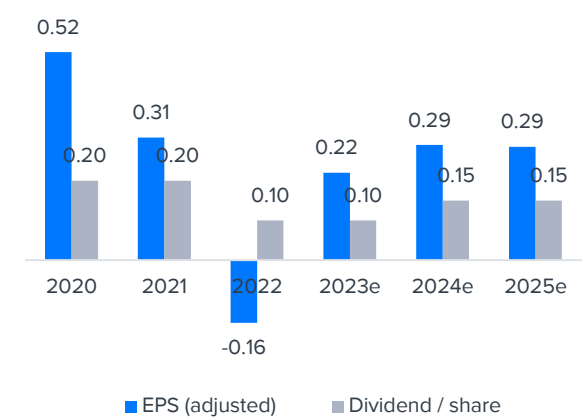
Share price



Revenue and EBIT %



EPS and dividend



Value drivers

- Earnings normalizing as cost inflation stabilizes
- Steady end demand for products
- Suominen's expertise and products in sustainable non-wovens



Risk factors

- Tight competition in the industry
- Low pricing power
- Changes in raw material prices cause earnings fluctuation

Valuation	2023e	2024e	2025e
Share price	3.08	3.08	3.08
Number of shares, millions	57.5	57.5	57.5
Market cap	177	177	177
EV	223	216	211
P/E (adj.)	14.0	10.6	10.8
P/E	21.7	12.9	10.8
P/FCF	11.2	12.1	11.2
P/B	1.2	1.1	1.1
P/S	0.4	0.4	0.4
EV/Sales	0.5	0.4	0.4
EV/EBITDA	6.7	5.4	4.9
EV/EBIT (adj.)	11.6	8.8	8.6
Payout ratio (%)	70%	63%	52%
Dividend yield-%	3.2 %	4.9 %	4.9 %

Source: Inderes

Q4 result was below expectations

Net sales increased, volumes did not

Suominen's net sales grew by 15% from the comparison period, most of which was currency effect (mainly stronger USD vs. EUR) and partly the effect of higher prices. According to Suominen, volumes were at the level of the comparison period, which was slightly below the company's expectations. This was affected by customers' cautious buying when the price level of products is starting to decline. However, the high inventories throughout the delivery chain in the US that have plagued the company for a long time have now normalized according to the company.

Profitability was surprisingly weak

Suominen's comparable EBITDA was EUR 5 million, which was below our estimate and the comparison period as expected. It was at Q3'22 level, although

the Q3 result was supported by one-off grants, while Q4 performance was slightly impaired by the costs of changing CEOs (both are included in the company's comparable result). So, operationally the result improved slightly compared to Q3, but profitability did not recover as quickly as we expected. Raw material costs turned downward but it not yet have as significant an impact on the result as we expected, and volume development was slightly lower than we and the company expected.

Cash flow was good in Q4

Thanks to released working capital, Suominen's cash flow was strong in Q4 (operating cash flow 16 MEUR) and cash flow after investments for 2022 as a whole was also slightly positive. Gearing was close on 40%, i.e. close to the lower end of the company's target range (40-80%). However, due to the weak result, net

debt/adjusted EBITDA was over 3.5x, which is relatively high. However, with the expected performance improvement, this should fall clearly in 2023, so the level is not worrying if the turnaround is successful.

The company distributes a small dividend despite the loss

Suominen proposes a dividend of EUR 0.10 for 2022, although its result was clearly in the red and the balance sheet is not that strong at the moment either. Thus, the company clearly believes in a turnaround this year.

Estimates	Q4'21	Q4'22	Q4'22e	Q4'22e	Consensus		Difference (%)	2022
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. Inderes	Toteutunut
Revenue	116	133	138				-4%	493
EBITDA (adj.)	9.0	5.0	6.7				-25%	15.3
EBITDA	9.0	4.0	2.2				82%	14.3
EBIT (adj.)	3.9	-0.2	1.7				-111%	-4.2
EBIT	3.9	-5.0	-2.8				79%	-9.0
EPS (reported)	0.04	-0.15	-0.04				275%	-0.24
DPS	0.20	0.10	0.00					0.10
Revenue growth-%	4.1 %	15.2 %	19.4 %				-4.2 pp	11.3 %
EBIT-% (adj.)	3.4 %	-3.8 %	1.3 %				-5 pp	-0.8 %

Source: Inderes

2023 guidance positive as expected, estimates cut slightly

As expected, the company's guidance indicates an earnings improvement in 2023

Suominen expects that its comparable EBITDA in 2023 will increase from 2022 (15 MEUR). After a very weak year, the guidance was expected and our estimate is EUR 36 million. The improvement should be supported by the margin improving when pricing “catches up with” decreasing raw material costs. In addition, the company expects volumes to recover once the inventory situation in the US normalizes and the benefits from closing the Mozzate plant support the second half of the year. The company expects the closure of the plant to have an annual positive impact of EUR 3 million on EBITDA. The company also said that profitability should improve during the year, i.e. H2 would be better than H1, which is also in line with our estimates.

Competition has tightened as the demand/supply balance has changed

In our view, Suominen is operating in a difficult place in the value chain, squeezed by raw material prices and big customers. We find it difficult to achieve lasting competitive advantages in this sector. As Suominen's production is almost entirely in countries with higher cost levels, it is also exposed to competition from cheaper production countries. During the pandemic, demand was strong and the industry invested in new capacity. Now that there is unused capacity again, the pricing environment has tightened and weaker factories do not stand up to the competition. This is particularly true for certain basic products, while according to Suominen the situation is better for sustainable products. As the Mozzate plant in Italy focused on these basic products and could not produce them profitably anymore, the company decided to close it.

Relatively small estimate changes

We have lowered our 2023-24 net sales estimates, because we believe the company's sales prices will fall as raw material costs decline more than we previously anticipated. However, as stated above, this should have a positive impact on profitability at least in the beginning. We have lowered our depreciation estimates somewhat, e.g., due to the plant closure, but on the other hand, we also lowered our gross margin estimates due to the weaker than expected Q4 profitability. Our fixed cost estimates are also slightly lower than before. In absolute terms, however, the EBIT level estimate changes are rather small, below EUR 1 million.

Estimate revisions	2022	2022e	Change	2023e	2023e	Change	2024e	2024e	Change
MEUR / EUR	Old	Actualized	%	Old	New	%	Old	New	%
Revenue	498	493	-1%	518	495	-4%	502	485	-3%
EBITDA	12.5	14.3	14%	36.7	33.1	-10%	43.2	40.2	-7%
EBIT (exc. NRIs)	-2.2	-4.2	86%	20.0	19.2	-4%	24.9	24.5	-1%
EBIT	-6.7	-9.0	33%	15.5	14.7	-5%	21.9	21.5	-2%
PTP	-7.6	-11.9	56%	13.0	11.5	-11%	19.4	19.0	-2%
EPS (excl. NRIs)	-0.05	-0.16	194%	0.24	0.22	-9%	0.29	0.29	-1%
DPS	0.00	0.10		0.10	0.10	0%	0.15	0.15	0%

Source: Inderes

Weak expected return

Reduce recommendation unchanged

With earnings and balance sheet-based multiples and supported by our DCF model we reiterate our EUR 3 target price and Reduce recommendation.

Valuation is quite neutral with 2023-24 figures

Due to poor performance, the valuation multiples for 2022 cannot be calculated or are high. With 2023-24 figures, which we consider to be the normal earnings level for the company, the valuation is rather neutral. P/E ratios are 14x and 11x and EV/EBIT ratios are 12x and 9x. In the current interest rate environment we consider a P/E of around 10x-12x acceptable for Suominen so Suominen's 2024 valuation is within the acceptable range, and in 2023 above it even though it includes an expectation of a significant earnings improvement compared to 2022.

The P/B ratio for Suominen is 1.1-1.2x in 2023-24. We expect the company to deliver a return on capital of around 10% over the next few years, which is on par or slightly above our required return, so the right P/B level is also around 1x or slightly above. With our estimates the dividend yield is 3% for 2022-23 and around 5% from 2024 onwards.

The value of the DCF model is around EUR 3.3

The value of the DCF model is around EUR 3.3. This is somewhat above our target price, but as the company's earnings level is still weak and historically rather volatile, we look more at the multiples of the coming years than the long-term DCF value.

Longer-term return potential is moderate

In the longer term, we believe that Suominen's return on capital will be roughly at the level of the required

return, as in the next few years. We believe that the company will be able to achieve small earnings growth, but in the absence of clear competitive advantages, with strong competition in the sector and volatile raw material prices swaying profitability, we do not believe in significant and sustainable earnings growth nor return on capital that exceeds the required return in the long-term. We expect that the company can pay good 5% dividend yield in the longer term compared to the current share price, which also supports the longer-term expected return of the share. However, the expected return in both the short and long term is 0-10% which is below our required return.

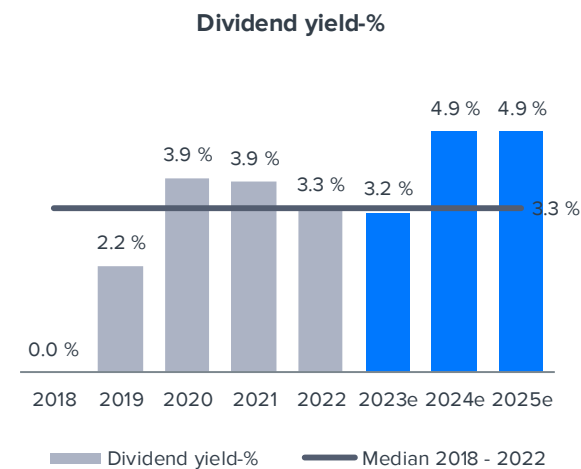
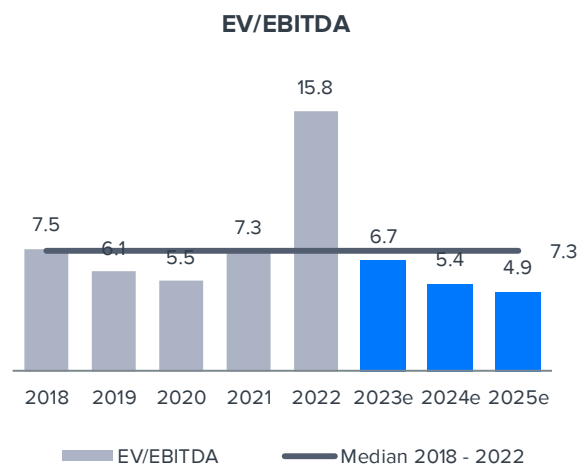
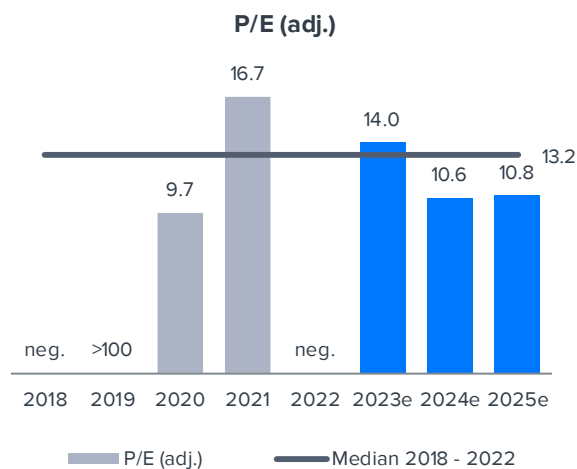
Valuation	2023e	2024e	2025e
Share price	3.08	3.08	3.08
Number of shares, millions	57.5	57.5	57.5
Market cap	177	177	177
EV	223	216	211
P/E (adj.)	14.0	10.6	10.8
P/E	21.7	12.9	10.8
P/FCF	11.2	12.1	11.2
P/B	1.2	1.1	1.1
P/S	0.4	0.4	0.4
EV/Sales	0.5	0.4	0.4
EV/EBITDA	6.7	5.4	4.9
EV/EBIT (adj.)	11.6	8.8	8.6
Payout ratio (%)	70%	63%	52%
Dividend yield-%	3.2 %	4.9 %	4.9 %

Source: Inderes

Valuation table

Valuation	2018	2019	2020	2021	2022	2023e	2024e	2025e	2026e
Share price	2.05	2.31	5.08	5.18	3.00	3.08	3.08	3.08	3.08
Number of shares, millions	57.5	57.5	57.5	57.5	57.5	57.5	57.5	57.5	57.5
Market cap	118	133	292	298	172	177	177	177	177
EV	192	204	334	345	226	223	216	211	205
P/E (adj.)	neg.	>100	9.7	16.7	neg.	14.0	10.6	10.8	10.3
P/E	neg.	>100	9.7	14.4	neg.	21.7	12.9	10.8	10.3
P/FCF	5.5	6.3	5.8	>100	22.4	11.2	12.1	11.2	11.4
P/B	0.9	1.0	2.0	1.8	1.2	1.2	1.1	1.1	1.0
P/S	0.3	0.3	0.6	0.7	0.3	0.4	0.4	0.4	0.4
EV/Sales	0.4	0.5	0.7	0.8	0.5	0.5	0.4	0.4	0.4
EV/EBITDA	7.5	6.1	5.5	7.3	15.8	6.7	5.4	4.9	4.8
EV/EBIT (adj.)	41.7	25.1	8.5	12.8	neg.	11.6	8.8	8.6	8.5
Payout ratio (%)	0.0 %	1282.8 %	38.2 %	55.4 %	neg.	70.4 %	63.0 %	52.5 %	50.0 %
Dividend yield-%	0.0 %	2.2 %	3.9 %	3.9 %	3.3 %	3.2 %	4.9 %	4.9 %	4.9 %

Source: Inderes



Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	MEUR	2023e	2024e	2023e	2024e	2023e	2024e	2023e	2024e	2023e	2024e	2023e
Huhtamäki	3709	5263	13.3	12.7	8.6	8.2	1.2	1.1	14.2	13.2	3.2	3.4	1.9
Duni	379	529	11.9	10.3	7.6	7.0	0.8	0.8	10.2	8.9	5.8	6.0	1.6
Sealed Air	7433	10532	11.5	10.7	9.1	8.5	2.0	1.9	13.7	12.2	1.4	1.5	10.1
Riverstone	711	438	6.8	6.0	5.7	5.1	1.7	1.5	13.4	12.4	18.0	18.5	1.7
Berry Plastics	7256	14426	11.6	11.1	7.5	7.3	1.1	1.1	8.7	7.9	1.5	1.5	2.4
Glatfelter	193	853	15.8		7.4		0.6		13.9				
Suominen (Inderes)	177	223	11.6	8.8	6.7	5.4	0.5	0.4	14.0	10.6	3.2	4.9	1.2
Average			11.8	10.2	7.7	7.2	1.2	1.3	12.4	10.9	6.0	6.2	3.5
Median			11.7	10.7	7.6	7.3	1.2	1.1	13.6	12.2	3.2	3.4	1.9
Diff-% to median			-1%	-18%	-11%	-26%	-61%	-61%	3%	-13%	1%	42%	-38%

Source: Refinitiv / Inderes. NB: The market cap Inderes uses does not consider own shares held by the company.

Income statement

Income statement	2021	Q1'22	Q2'22	Q3'22	Q4'22	2022	Q1'23e	Q2'23e	Q3'23e	Q4'23e	2023e	2024e	2025e	2026e
Revenue	443	110	118	132	133	493	128	123	124	121	495	485	490	495
EBITDA	47.0	3.3	1.9	5.1	4.0	14.3	5.4	7.7	9.9	10.1	33.1	40.2	43.0	42.7
Depreciation	-20.1	-4.6	-4.8	-4.9	-9.0	-23.2	-4.6	-4.6	-4.6	-4.6	-18.4	-18.7	-18.6	-18.5
EBIT (excl. NRI)	26.9	-1.3	-2.9	0.2	-0.2	-4.2	2.3	4.1	6.3	6.5	19.2	24.5	24.4	24.2
EBIT	26.9	-1.3	-2.9	0.2	-5.0	-9.0	0.8	3.1	5.3	5.5	14.7	21.5	24.4	24.2
Net financial items	-0.4	-0.9	0.7	-0.1	-2.6	-2.9	-1.0	-1.0	-0.6	-0.6	-3.2	-2.5	-2.5	-1.3
PTP	26.6	-2.2	-2.2	0.1	-7.6	-11.9	-0.2	2.1	4.7	4.9	11.5	19.0	21.9	22.9
Taxes	-5.8	-0.1	-0.1	-0.5	-1.2	-2.0	-0.5	-0.6	-1.1	-1.1	-3.3	-5.3	-5.5	-5.7
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	20.7	-2.3	-2.3	-0.4	-8.8	-13.9	-0.7	1.4	3.6	3.8	8.2	13.7	16.4	17.2
EPS (adj.)	0.31	-0.04	-0.04	-0.01	-0.07	-0.16	0.01	0.04	0.08	0.08	0.22	0.29	0.29	0.30
EPS (rep.)	0.36	-0.04	-0.04	-0.01	-0.15	-0.24	-0.01	0.03	0.06	0.07	0.14	0.24	0.29	0.30

Key figures	2021	Q1'22	Q2'22	Q3'22	Q4'22	2022	Q1'23e	Q2'23e	Q3'23e	Q4'23e	2023e	2024e	2025e	2026e
Revenue growth-%	-3.4 %	-4.4 %	3.8 %	33.7 %	15.1 %	11.3 %	15.7 %	3.9 %	-6.0 %	-9.2 %	0.3 %	-2.0 %	1.0 %	1.0 %
Adjusted EBIT growth-%	-31.8 %	-109.3 %	-128.1 %	-124.0 %	-104.9 %	-115.4 %	-281.6 %	-239.8 %	3037.9 %	-3498.6 %	-561.4 %	27.7 %	-0.4 %	-0.9 %
EBITDA-%	10.6 %	3.0 %	1.6 %	3.9 %	3.0 %	2.9 %	4.2 %	6.2 %	8.0 %	8.4 %	6.7 %	8.3 %	8.8 %	8.6 %
Adjusted EBIT-%	6.1 %	-1.1 %	-2.5 %	0.2 %	-0.1 %	-0.8 %	1.8 %	3.3 %	5.1 %	5.4 %	3.9 %	5.1 %	5.0 %	4.9 %
Net earnings-%	4.7 %	-2.1 %	-2.0 %	-0.3 %	-6.6 %	-2.8 %	-0.5 %	1.2 %	2.9 %	3.1 %	1.6 %	2.8 %	3.4 %	3.5 %

Source: Inderes

Balance sheet

Assets	2021	2022	2023e	2024e	2025e
Non-current assets	162	154	152	152	151
Goodwill	15.5	15.5	15.5	15.5	15.5
Intangible assets	13.2	9.7	9.8	9.9	10.0
Tangible assets	131	128	125	124	123
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	0.0	0.0	0.0
Deferred tax assets	1.7	0.7	1.7	1.7	1.7
Current assets	225	189	156	158	161
Inventories	49.8	63.3	56.9	55.8	56.3
Other current assets	8.0	9.6	9.6	9.6	9.6
Receivables	65.5	66.6	64.3	63.1	63.7
Cash and equivalents	101	49.5	24.7	29.1	31.4
Balance sheet total	387	343	308	309	312

Source: Inderes

Liabilities & equity	2021	2022	2023e	2024e	2025e
Equity	163	146	148	156	164
Share capital	11.9	11.9	11.9	11.9	11.9
Retained earnings	56.5	30.7	33.1	41.1	48.9
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	94.8	103	103	103	103
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	78.8	74.6	79.3	76.9	74.1
Deferred tax liabilities	13.9	11.7	11.7	11.7	11.7
Provisions	1.9	2.0	2.0	2.0	2.0
Long term debt	62.3	60.5	65.2	62.8	60.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.7	0.4	0.4	0.4	0.4
Current liabilities	145	123	80.1	75.9	73.9
Short term debt	86.8	42.9	5.6	5.3	5.0
Payables	57.2	79.8	74.2	70.3	68.6
Other current liabilities	0.7	0.3	0.3	0.3	0.3
Balance sheet total	387	344	308	309	312

DCF calculation

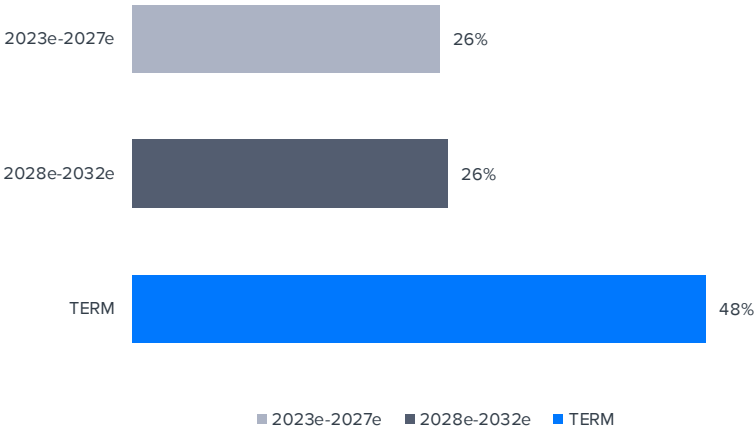
DCF model	2022	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	TERM
Revenue growth-%	11.3 %	0.3 %	-2.0 %	1.0 %	1.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	-1.8 %	3.0 %	4.4 %	5.0 %	4.9 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %
EBIT (operating profit)	-9.0	14.7	21.5	24.4	24.2	25.2	25.7	26.3	26.8	27.3	27.9	
+ Depreciation	23.2	18.4	18.7	18.6	18.5	18.4	18.4	18.3	18.3	12.9	13.1	
- Paid taxes	-3.2	-4.3	-5.3	-5.5	-5.7	-5.7	-5.8	-5.9	-6.0	-6.2	-6.3	
- Tax, financial expenses	0.7	-0.9	-0.7	-0.6	-0.3	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	
+ 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	6.0	3.1	-1.5	-2.9	-3.0	-1.1	-1.1	-1.1	-1.2	-1.2	-1.2	
Operating cash flow	17.7	30.9	32.7	34.0	33.7	36.3	36.6	36.9	37.2	32.2	32.8	
+ Change in other long-term liabilities	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-9.8	-15.1	-18.1	-18.1	-18.1	-18.1	-18.1	-18.1	14.8	-14.8	-15.2	
Free operating cash flow	7.7	15.8	14.6	15.9	15.6	18.2	18.5	18.8	52.0	17.3	17.6	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	7.7	15.8	14.6	15.9	15.6	18.2	18.5	18.8	52.0	17.3	17.6	269
Discounted FCFF		14.7	12.5	12.5	11.2	12.1	11.3	10.5	26.9	8.2	7.7	117
Sum of FCFF present value		245	230	218	205	194	182	171	160	133	125	117

Enterprise value DCF	245
- Interesting bearing debt	-103.4
+ Cash and cash equivalents	49.5
-Minorities	0.0
-Dividend/capital return	0.0
Equity value DCF	191
Equity value DCF per share	3.32

Wacc	
Tax-% (WACC)	25.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	4.0 %
Equity Beta	1.35
Market risk premium	4.75%
Liquidity premium	1.25%
Risk free interest rate	2.5 %
Cost of equity	10.2 %
Weighted average cost of capital (WACC)	8.7 %

Source: Inderes

Cash flow distribution



Summary

Income statement	2020	2021	2022	2023e	2024e	Per share data	2020	2021	2022	2023e	2024e
Revenue	458.9	443.2	493.3	494.9	485.0	EPS (reported)	0.52	0.36	-0.24	0.14	0.24
EBITDA	60.9	47.0	14.3	33.1	40.2	EPS (adj.)	0.52	0.31	-0.16	0.22	0.29
EBIT	39.5	26.9	-9.0	14.7	21.5	OCF / share	0.96	0.34	0.31	0.54	0.57
PTP	33.9	26.6	-11.9	11.5	19.0	FCF / share	0.88	0.03	0.13	0.28	0.25
Net Income	30.1	20.7	-13.9	8.2	13.7	Book value / share	2.54	2.84	2.54	2.58	2.72
Extraordinary items	0.0	0.0	-4.8	-4.5	-3.0	Dividend / share	0.20	0.20	0.10	0.10	0.15
Balance sheet	2020	2021	2022	2023e	2024e	Growth and profitability	2020	2021	2022	2023e	2024e
Balance sheet total	317.4	386.7	343.5	307.8	309.1	Revenue growth-%	12%	-3%	11%	0%	-2%
Equity capital	145.9	163.2	146.0	148.4	156.3	EBITDA growth-%	81%	-23%	-70%	132%	22%
Goodwill	15.5	15.5	15.5	15.5	15.5	EBIT (adj.) growth-%	386%	-32%	-115%	-561%	28%
Net debt	42.4	47.8	53.9	46.1	39.0	EPS (adj.) growth-%	13345%	-41%	-151%	-240%	32%
Cash flow	2020	2021	2022	2023e	2024e	EBITDA-%	13.3 %	10.6 %	2.9 %	6.7 %	8.3 %
EBITDA	60.9	47.0	14.3	33.1	40.2	EBIT (adj.)-%	8.6 %	6.1 %	-0.8 %	3.9 %	5.1 %
Change in working capital	0.3	-24.7	6.0	3.1	-1.5	EBIT-%	8.6 %	6.1 %	-1.8 %	3.0 %	4.4 %
Operating cash flow	55.4	19.4	17.7	30.9	32.7	ROE-%	21.6 %	13.4 %	-9.0 %	5.5 %	9.0 %
CAPEX	-5.0	-17.6	-9.8	-15.1	-18.1	ROI-%	16.2 %	9.7 %	-3.2 %	6.3 %	9.7 %
Free cash flow	50.5	1.8	7.7	15.8	14.6	Equity ratio	46.0 %	42.2 %	42.5 %	48.2 %	50.6 %
						Gearing	29.1 %	29.3 %	36.9 %	31.1 %	25.0 %

Source: Inderes

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Recommendation history (>12 mo)

Date	Recommendation	Target price	Share price
08-08-19	Reduce	2.40 €	2.48 €
23-10-19	Reduce	2.25 €	2.33 €
30-01-20	Reduce	2.35 €	2.48 €
24-04-20	Accumulate	3.25 €	3.02 €
13-05-20	Accumulate	3.40 €	3.17 €
18-06-20	Accumulate	4.00 €	3.69 €
13-08-20	Accumulate	5.40 €	5.00 €
28-10-20	Accumulate	5.40 €	5.06 €
05-02-21	Accumulate	6.00 €	5.74 €
29-04-21	Accumulate	6.25 €	5.87 €
24-06-21	Accumulate	6.25 €	5.45 €
16-08-21	Accumulate	5.60 €	5.27 €
29-10-21	Accumulate	5.25 €	4.72 €
04-02-22	Reduce	4.50 €	4.33 €
05-05-22	Reduce	3.30 €	3.12 €
15-07-22	Reduce	3.30 €	3.12 €
10-08-22	Reduce	3.30 €	3.18 €
Analyst change			
27-10-22	Accumulate	3.00 €	2.48 €
14-12-22	Reduce	3.00 €	3.10 €
11-01-23	Reduce	3.00 €	3.00 €
06-02-23	Reduce	3.00 €	3.08 €



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