

# Innofactor

## Company report

9/20/2024



**Joni Grönqvist**  
+358 40 515 3113  
joni.gronqvist@inderes.fi

✓ Inderes corporate customer

This report is a summary translation of the report “Ostotarjous menee todennäköisesti läpi aikanaan” published on 9/29/2024 at 9:05 am EEST

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# Offer likely to succeed in due course

Onni Bidco's tender offer for Innofactor's shares fell about 10% short of the target of more than 90% during the first offer period, and the company has therefore decided to extend its offer. Innofactor also made several other announcements yesterday, the most important of which was a negative profit warning on revenue and EBITDA, which led us to slightly lower our forecasts. In our view, the offer is still a good one for shareholders from a number of perspectives and we believe there is a strong likelihood that the offer will be successful. We reiterate our target price of EUR 1.68 and our Reduce recommendation and also recommend accepting the offer.

## Onni Bidco announced extension of offer period

Innofactor announced yesterday that Onni Bidco Oy has acquired a total of approximately 81.0% of the shares and voting rights in Innofactor. The consortium has thus acquired approximately 60% of the shares (excluding CEO Ensio's shares) during the first offer period. The offer therefore did not yet reach the target of 90% of the shares in the first "window", which would have allowed a redemption of up to 100% of the shares. However, we still expect the offer to pass in due course. At the same time, Onni Bidco announced yesterday that it will continue its public cash tender offer for all Innofactor shares, which commenced yesterday and will expire on October 3, 2024. Onni Bidco will announce the preliminary percentage for the subsequent offer period on or about October 4, 2024 and the final percentage on or about October 8, 2024. Onni Bidco has reserved the right to acquire shares in public trading.

## Innofactor issued a negative profit warning

Innofactor lowered its guidance yesterday and now expects revenue and EBITDA to be lower than in 2023 (previously expected to increase). The decrease in earnings guidance was expected, but the decrease in revenue guidance was disappointing given our forecasts for a positive turnaround in H2. Considering the weak market and the profit warning, we have lowered our forecasts for the next few years.

## Unlikely to see a competing bid, especially now that the consortium already owns 81%

We consider a competing bid unlikely, especially now that the consortium owns 81% of the shares. From an expected return perspective, we still believe the offer is recommendable. In our view, waiting for the company's development and value creation to reach the level of the offer would be a long and uncertain journey. If the 90% ownership is exceeded, as we believe is likely, the remaining owners will, in our understanding, have to wait 6 months for their redemption payments. We understand that in practice Onni Bidco can increase the offer after 9 months if it fails to exceed 90%, but in this case, it will also have to pay an increased offer for the remaining redeemable stake. We therefore expect the company to buy the required stake over time on the stock exchange at the consideration price (EUR 1.68).

## Still a good offer for shareholders from several perspectives

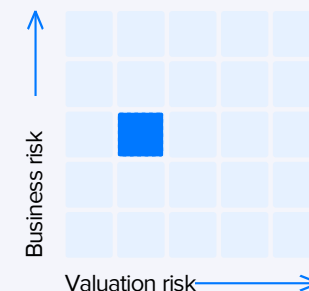
The offer is fully in line with our post-Q2 DCF calculation of EUR 1.68. In terms of 2024e valuation multiples (P/E 17x and EV/EBIT 14x), it also now represents a premium of just over 10% to Finnish peers (20% at time of bid). The corresponding Finnish listed peer multiples for 2019-2023 average 17x and 13x, also reflecting the strength of the offer, especially as the valuation is mainly driven by lower required returns. Thus, we think the consideration was and still is good from several different perspectives. Operationally, Innofactor has made good progress in Finland in recent years, but development in other Nordic countries has been limited for years. In addition, the difficult market situation is now starting to be reflected in the company's weaker operating performance. Hence, the potential in our DCF calculation relies very much on future performance, and we believe the current offer is a good risk/reward proposition from an owner's perspective.

## Recommendation

**Reduce**  
(was Reduce)

**1.68 EUR**  
(was 1.68 EUR)

**Share price:**  
1.68



## Key figures

	2023	2024e	2025e	2026e
<b>Revenue</b>	80	79	82	85
<b>growth-%</b>	13%	-1%	3%	4%
<b>EBITDA</b>	9.1	7.1	8.7	9.8
<b>EBITDA-%</b>	11.3 %	9.0 %	10.5 %	11.4 %
<b>Net Income</b>	3.4	2.7	4.2	5.1
<b>EPS (adj.)</b>	0.10	0.10	0.12	0.14

<b>P/E (adj.)</b>	12.2	17.4	14.3	11.7
<b>P/B</b>	1.7	2.3	2.2	2.1
<b>Dividend yield-%</b>	5.7 %	4.8 %	5.4 %	6.0 %
<b>EV/EBIT (adj.)</b>	8.8	13.7	11.5	9.2
<b>EV/EBITDA</b>	5.8	9.3	7.5	6.3
<b>EV/S</b>	0.7	0.8	0.8	0.7

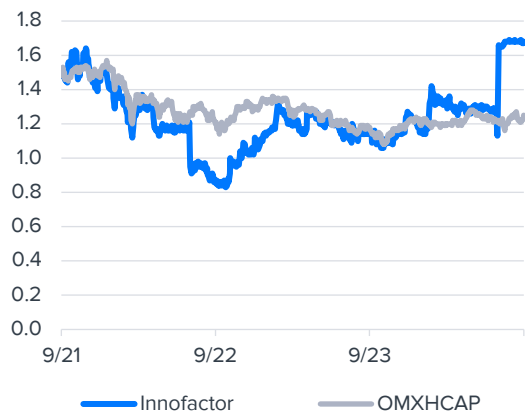
Source: Inderes

## Guidance

(Downgraded)

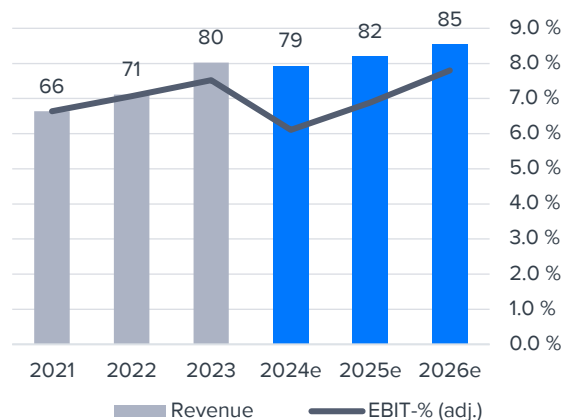
Innofactor's revenue and EBITDA in 2024 are estimated to be lower than in 2023.

## Share price



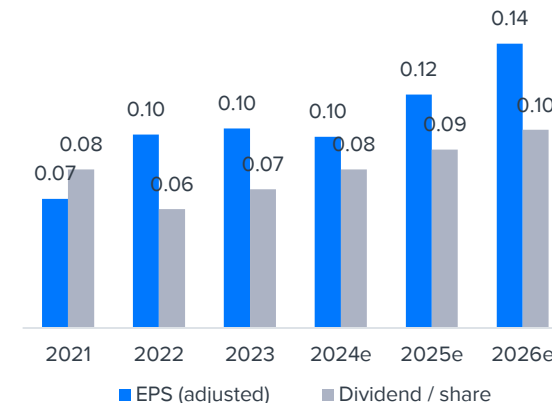
Source: Millstream Market Data AB

## Revenue and EBIT-%



Source: Inderes

## EPS and dividend



Source: Inderes



### Value drivers

- Growth and profitability improvement in all Nordic countries, especially in Finland and Sweden
- Turnaround continuing and strengthening
- The positive trend of recovered investor confidence continuing
- Organic and acquisition-driven growth
- Increasing share of continuous business and own product business



### Risk factors

- Growth strategy failing
- Failure in project management
- Failure in strengthening international business
- Delay in building a Nordic organization
- Internationalization and acquisitions raise the risk level
- Weakening of Microsoft's position, which is currently strong

Valuation	2024e	2025e	2026e
Share price	1.68	1.68	1.68
Number of shares, millions	35.7	35.7	35.7
Market cap	60	60	60
EV	66	65	62
P/E (adj.)	17.4	14.3	11.7
P/E	22.2	14.3	11.7
P/B	2.3	2.2	2.1
P/S	0.8	0.7	0.7
EV/Sales	0.8	0.8	0.7
EV/EBITDA	9.3	7.5	6.3
EV/EBIT (adj.)	13.7	11.5	9.2
Payout ratio (%)	105.8 %	76.4 %	69.7 %
Dividend yield-%	4.8 %	5.4 %	6.0 %

Source: Inderes

## We lowered our forecasts slightly as market weakness persists

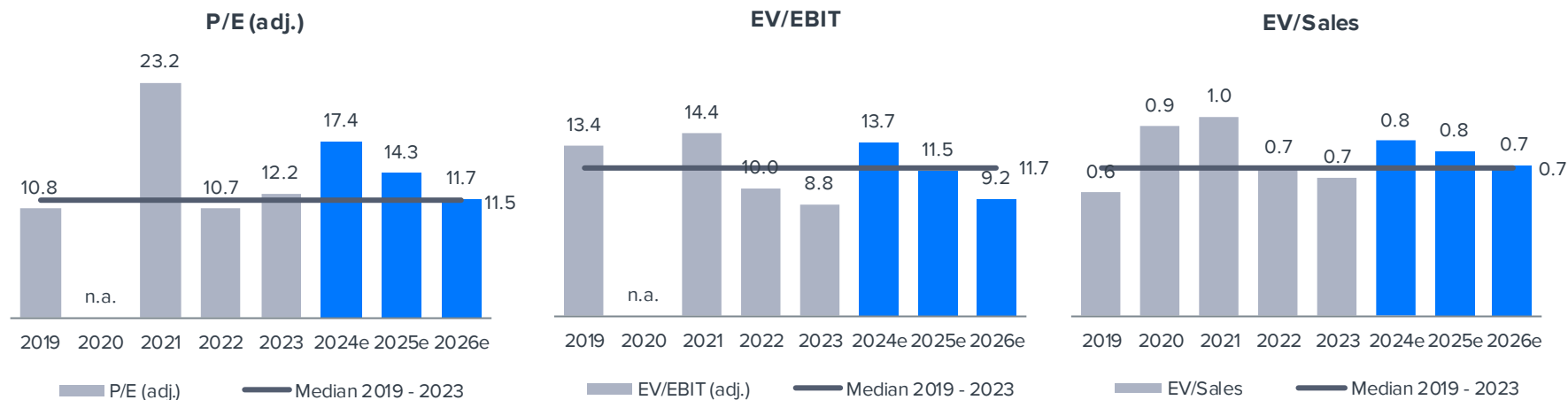
Estimate revisions	2024e			2025e			2026e		
	Old	New	Change %	Old	New	Change %	Old	New	Change %
MEUR / EUR									
Revenue	81.8	79.4	-3%	84.6	82.1	-3%	88.1	85.4	-3%
EBITDA	7.5	7.1	-5%	8.8	8.7	-2%	10.0	9.8	-2%
EBIT (exc. NRIs)	5.2	4.8	-7%	5.8	5.7	-3%	6.9	6.7	-3%
EBIT	4.5	4.1	-9%	5.8	5.7	-3%	6.9	6.7	-3%
PTP	3.8	3.5	-10%	5.5	5.3	-4%	6.7	6.5	-3%
EPS (excl. NRIs)	0.11	0.10	-8%	0.12	0.12	-4%	0.15	0.14	-3%
DPS	0.08	0.08	0%	0.09	0.09	0%	0.10	0.10	0%

Source: Inderes

# Valuation table

Valuation	2019	2020	2021	2022	2023	2024e	2025e	2026e	2027e
Share price	0.72	1.28	1.52	1.05	1.23	<b>1.68</b>	<b>1.68</b>	<b>1.68</b>	<b>1.68</b>
Number of shares, millions	36.8	37.4	36.6	36.2	35.7	<b>35.7</b>	<b>35.7</b>	<b>35.7</b>	<b>35.7</b>
Market cap	27	48	55	38	44	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>
EV	38	60	63	50	53	<b>66</b>	<b>65</b>	<b>62</b>	<b>59</b>
P/E (adj.)	10.8	n.a.	23.2	10.7	12.2	<b>17.4</b>	<b>14.3</b>	<b>11.7</b>	<b>10.4</b>
P/E	63.3	27.1	12.3	11.5	12.8	<b>22.2</b>	<b>14.3</b>	<b>11.7</b>	<b>10.4</b>
P/B	1.2	2.0	2.2	1.5	1.7	<b>2.3</b>	<b>2.2</b>	<b>2.1</b>	<b>1.9</b>
P/S	0.4	0.7	0.8	0.5	0.5	<b>0.8</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>
EV/Sales	0.6	0.9	1.0	0.7	0.7	<b>0.8</b>	<b>0.8</b>	<b>0.7</b>	<b>0.7</b>
EV/EBITDA	7.4	8.4	6.3	6.5	5.8	<b>9.3</b>	<b>7.5</b>	<b>6.3</b>	<b>5.7</b>
EV/EBIT (adj.)	13.4	n.a.	14.4	10.0	8.8	<b>13.7</b>	<b>11.5</b>	<b>9.2</b>	<b>8.0</b>
Payout ratio (%)	0.0 %	84.9 %	65.1 %	65.4 %	72.8 %	<b>105.8 %</b>	<b>76.4 %</b>	<b>69.7 %</b>	<b>61.8 %</b>
Dividend yield-%	0.0 %	3.1 %	5.3 %	5.7 %	5.7 %	<b>4.8 %</b>	<b>5.4 %</b>	<b>6.0 %</b>	<b>6.0 %</b>

Source: Inderes



# Peer group valuation

Company	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%	
	MEUR	MEUR	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e
Digia*	150	164	8.3	7.1	6.9	6.0	0.8	0.7	10.3	9.1	3.4	3.8
Digital Workforce*	45	30	28.8	12.3	24.5	11.3	1.1	0.9	45.9	20.4		
Gofore*	341	317	12.3	11.3	10.7	9.9	1.7	1.6	16.5	15.3	2.3	2.7
Loihde*	66	62	15.8	9.6	6.1	4.6	0.5	0.4	20.8	12.5	3.4	5.2
Netum Group*	37	44	10.1	9.4	9.6	9.0	1.0	0.9	14.0	11.2	4.8	5.4
Silli Solutions*	61	65	10.8	9.0	7.3	5.7	0.6	0.5	15.2	12.1	3.7	4.0
Solteq*	12	36	28.0	11.6	9.7	7.5	0.7	0.6		30.3		
Tietoevry*	2301	3221	8.8	8.3	7.6	7.1	1.1	1.1	9.2	8.7	7.7	8.0
Vincit*	38	26	12.4	5.5	10.1	4.8	0.3	0.3	22.8	10.1	4.4	6.6
Witted Megacorp*	26	18	10.2	6.5	12.1	6.4	0.3	0.3	17.2	12.1		
Addnode	1251	1323	25.9	21.7	15.6	14.6	1.9	2.3	36.6	28.5	1.2	1.3
Avensia AB	29	34	11.3	8.7	7.2	6.4	0.9	0.9	12.8	9.4	3.4	5.7
Bouvet	609	655	15.1	13.6	12.3	11.3	2.0	1.8	18.0	16.4	4.9	5.5
CombinedX	62	63	10.0	7.2	6.0	4.8	0.8	0.7	12.6	9.0		
Exsitec	207	220	20.6	17.8	14.3	12.7	3.0	2.8	26.1	22.9	1.2	1.3
Knowit	404	486	20.3	12.8	9.1	7.3	0.8	0.8	27.9	15.1	2.3	3.8
Netcompany Group	2087	2402	21.3	17.6	15.8	13.4	2.7	2.5	26.4	20.4		
NNIT	385	436	19.4	13.4	15.2	11.0	1.7	1.5	30.5	16.6		
Webstep	57	70	12.2	10.2	9.4	8.2	0.9	0.9	13.4	10.7	7.7	7.9
<b>Innofactor (Inderes)</b>	<b>60</b>	<b>66</b>	<b>13.7</b>	<b>11.5</b>	<b>9.3</b>	<b>7.5</b>	<b>0.8</b>	<b>0.8</b>	<b>17.4</b>	<b>14.3</b>	<b>4.8</b>	<b>5.4</b>
<b>Median Nordic companies</b>			<b>12.4</b>	<b>10.2</b>	<b>9.7</b>	<b>7.5</b>	<b>0.9</b>	<b>0.9</b>	<b>17.6</b>	<b>12.5</b>	<b>3.4</b>	<b>5.2</b>
<i>Diff-% to median</i>			10%	12%	-4%	0%	-9%	-9%	-1%	14%	40%	4%
<b>Median Finnish companies</b>			<b>11.6</b>	<b>9.2</b>	<b>9.7</b>	<b>6.8</b>	<b>0.7</b>	<b>0.7</b>	<b>16.5</b>	<b>12.1</b>	<b>3.7</b>	<b>5.2</b>
<i>Diff-% to median</i>			18%	25%	-4%	11%	14%	17%	5%	18%	29%	4%

Source: Refinitiv / \*Inderes adjusted forecast. Note: The market value used by Inderes does not take into account treasury shares held by the company.

# Income statement

Income statement	H1'22	H2'22	2022	H1'23	H2'23	2023	H1'24	H2'24e	2024e	2025e	2026e	2027e
<b>Revenue</b>	<b>33.9</b>	<b>37.2</b>	<b>71.1</b>	<b>40.3</b>	<b>39.9</b>	<b>80.3</b>	<b>41.1</b>	<b>38.3</b>	<b>79.4</b>	<b>82.1</b>	<b>85.4</b>	<b>88.1</b>
<b>EBITDA</b>	<b>3.4</b>	<b>4.4</b>	<b>7.8</b>	<b>4.3</b>	<b>4.9</b>	<b>9.1</b>	<b>3.2</b>	<b>3.9</b>	<b>7.1</b>	<b>8.7</b>	<b>9.8</b>	<b>10.5</b>
Depreciation	-1.4	-1.6	-3.1	-1.6	-1.7	-3.3	-1.5	-1.5	-3.0	-3.0	-3.1	-3.1
<b>EBIT (excl. NRI)</b>	<b>2.1</b>	<b>2.9</b>	<b>5.0</b>	<b>2.8</b>	<b>3.2</b>	<b>6.0</b>	<b>2.4</b>	<b>2.4</b>	<b>4.8</b>	<b>5.7</b>	<b>6.7</b>	<b>7.4</b>
<b>EBIT</b>	<b>2.0</b>	<b>2.8</b>	<b>4.8</b>	<b>2.7</b>	<b>3.1</b>	<b>5.8</b>	<b>1.7</b>	<b>2.4</b>	<b>4.1</b>	<b>5.7</b>	<b>6.7</b>	<b>7.4</b>
Net financial items	-0.2	-0.3	-0.6	-0.6	-0.1	-0.7	-0.3	-0.3	-0.6	-0.4	-0.2	-0.1
<b>PTP</b>	<b>1.7</b>	<b>2.4</b>	<b>4.2</b>	<b>2.1</b>	<b>3.1</b>	<b>5.2</b>	<b>1.4</b>	<b>2.1</b>	<b>3.5</b>	<b>5.3</b>	<b>6.5</b>	<b>7.3</b>
Taxes	-0.3	-0.5	-0.9	-0.6	-1.1	-1.7	-0.3	-0.4	-0.7	-1.1	-1.3	-1.5
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
<b>Net earnings</b>	<b>1.4</b>	<b>1.9</b>	<b>3.3</b>	<b>1.5</b>	<b>1.9</b>	<b>3.4</b>	<b>1.1</b>	<b>1.7</b>	<b>2.8</b>	<b>4.2</b>	<b>5.1</b>	<b>5.8</b>
<b>EPS (adj.)</b>	<b>0.04</b>	<b>0.06</b>	<b>0.10</b>	<b>0.04</b>	<b>0.06</b>	<b>0.10</b>	<b>0.05</b>	<b>0.05</b>	<b>0.10</b>	<b>0.12</b>	<b>0.14</b>	<b>0.16</b>
<b>EPS (rep.)</b>	<b>0.04</b>	<b>0.05</b>	<b>0.09</b>	<b>0.04</b>	<b>0.05</b>	<b>0.10</b>	<b>0.03</b>	<b>0.05</b>	<b>0.08</b>	<b>0.12</b>	<b>0.14</b>	<b>0.16</b>

Key figures	H1'22	H2'22	2022	H1'23	H2'23	2023	H1'24	H2'24e	2024e	2025e	2026e	2027e
<b>Revenue growth-%</b>	-3.4 %	19.1 %	7.2 %	18.9 %	7.3 %	12.8 %	1.8 %	-4.1 %	-1.1 %	3.4 %	4.1 %	3.1 %
<b>Adjusted EBIT growth-%</b>	-22.2 %	74.9 %	14%	31%	12%	20%	-13%	-25%	-20%	17%	18%	11.0 %
<b>EBITDA-%</b>	10.1 %	11.8 %	11.0 %	10.5 %	12.1 %	11.3 %	7.8 %	10.2 %	9.0 %	10.5 %	11.4 %	11.9 %
<b>Adjusted EBIT-%</b>	6.3 %	7.7 %	7.1 %	7.0 %	8.1 %	7.5 %	6.0 %	6.3 %	6.1 %	6.9 %	7.8 %	8.4 %
<b>Net earnings-%</b>	4.1 %	5.2 %	4.7 %	3.7 %	4.9 %	4.3 %	2.7 %	4.4 %	3.5 %	5.1 %	6.0 %	6.6 %

Source: Inderes

# Balance sheet

Assets	2022	2023	2024e	2025e	2026e
<b>Non-current assets</b>	<b>39.3</b>	<b>35.6</b>	<b>34.6</b>	<b>33.6</b>	<b>32.3</b>
Goodwill	26.8	26.8	26.8	26.8	26.8
Intangible assets	2.4	1.9	1.7	1.5	1.3
Tangible assets	5.9	4.3	4.5	4.8	5.0
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.1	0.1	0.1	0.1
Other non-current assets	0.1	0.0	0.0	0.0	0.0
Deferred tax assets	4.1	2.4	1.5	0.4	-0.9
<b>Current assets</b>	<b>16.5</b>	<b>18.9</b>	<b>19.0</b>	<b>18.9</b>	<b>20.5</b>
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	14.5	18.4	16.7	17.2	17.9
Cash and equivalents	2.0	0.4	2.4	1.6	2.6
<b>Balance sheet total</b>	<b>55.8</b>	<b>54.5</b>	<b>53.7</b>	<b>52.5</b>	<b>52.8</b>

Source: Inderes

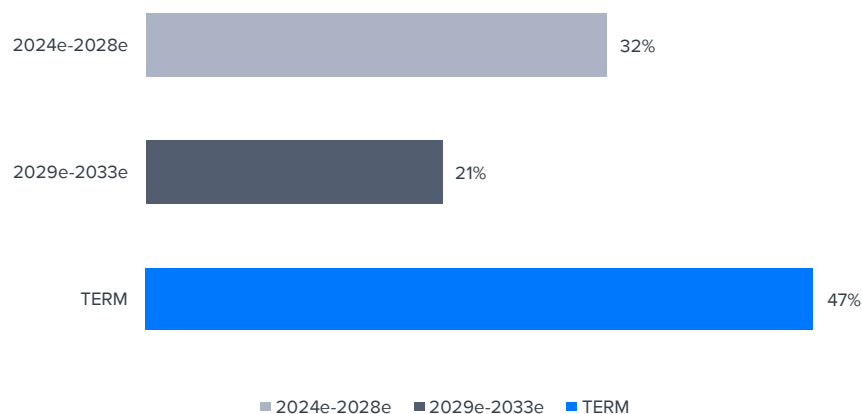
Liabilities & equity	2022	2023	2024e	2025e	2026e
<b>Equity</b>	<b>24.8</b>	<b>25.5</b>	<b>25.7</b>	<b>27.0</b>	<b>28.9</b>
Share capital	2.1	2.1	2.1	2.1	2.1
Retained earnings	5.3	8.2	8.4	9.7	11.6
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.1	0.1	0.1	0.1	0.1
Other equity	17.2	15.1	15.1	15.1	15.1
Minorities	0.0	0.0	0.0	0.0	0.0
<b>Non-current liabilities</b>	<b>9.2</b>	<b>4.9</b>	<b>4.7</b>	<b>4.1</b>	<b>5.1</b>
Deferred tax liabilities	1.9	1.9	1.9	1.9	1.9
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	7.3	3.1	2.8	2.2	3.3
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>21.8</b>	<b>24.1</b>	<b>23.3</b>	<b>21.4</b>	<b>18.7</b>
Interest bearing debt	7.0	6.6	5.9	4.1	0.8
Payables	14.8	17.6	17.5	17.2	17.9
Other current liabilities	0.0	0.0	0.0	0.0	0.0
<b>Balance sheet total</b>	<b>55.8</b>	<b>54.5</b>	<b>53.7</b>	<b>52.5</b>	<b>52.8</b>



# DCF calculation

DCF model	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	TERM
Revenue growth-%	12.8 %	-1.1 %	3.4 %	4.1 %	3.1 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	1.5 %	1.5 %
EBIT-%	7.3 %	5.2 %	6.9 %	7.8 %	8.4 %	8.0 %	8.0 %	8.0 %	8.0 %	7.0 %	7.0 %	7.0 %
<b>EBIT (operating profit)</b>	<b>5.8</b>	<b>4.1</b>	<b>5.7</b>	<b>6.7</b>	<b>7.4</b>	<b>7.2</b>	<b>7.4</b>	<b>7.6</b>	<b>7.8</b>	<b>7.0</b>	<b>7.1</b>	
+ Depreciation	3.3	3.0	3.0	3.1	3.1	3.1	3.2	3.1	2.9	3.1	3.3	
- Paid taxes	-0.1	0.0	0.0	0.0	-1.5	-1.5	-1.5	-1.6	-1.6	-1.4	-1.5	
- Tax, financial expenses	-0.1	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
+ 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	-1.2	1.7	-0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>Operating cash flow</b>	<b>7.8</b>	<b>8.7</b>	<b>7.8</b>	<b>9.7</b>	<b>9.0</b>	<b>8.8</b>	<b>9.1</b>	<b>9.1</b>	<b>9.1</b>	<b>8.7</b>	<b>8.9</b>	
+ Change in other long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-1.2	-3.0	-3.1	-3.1	-3.2	-3.2	-3.3	-3.3	-3.4	-3.4	-2.9	
<b>Free operating cash flow</b>	<b>6.6</b>	<b>5.7</b>	<b>4.7</b>	<b>6.6</b>	<b>5.8</b>	<b>5.6</b>	<b>5.8</b>	<b>5.8</b>	<b>5.7</b>	<b>5.3</b>	<b>6.0</b>	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	6.6	5.7	4.7	6.6	5.8	5.6	5.8	5.8	5.7	5.3	6.0	77.2
<b>Discounted FCFF</b>		<b>5.5</b>	<b>4.2</b>	<b>5.4</b>	<b>4.3</b>	<b>3.8</b>	<b>3.6</b>	<b>3.3</b>	<b>3.0</b>	<b>2.5</b>	<b>2.6</b>	<b>33.6</b>
Sum of FCFF present value		71.9	66.4	62.1	56.8	52.4	48.6	45.0	41.7	38.8	36.3	33.6
<b>Enterprise value DCF</b>		<b>71.9</b>										
- Interest bearing debt		-9.6										
+ Cash and cash equivalents		0.4										
-Minorities		0.0										
-Dividend/capital return		-2.5										
<b>Equity value DCF</b>		<b>60.2</b>										
<b>Equity value DCF per share</b>		<b>1.68</b>										

## Cash flow distribution



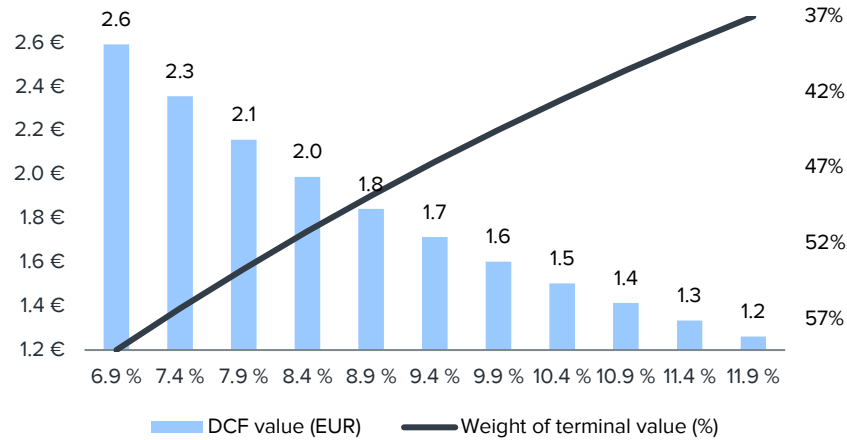
## WACC

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	6.0 %
Equity Beta	1.55
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>9.9 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>9.4 %</b>

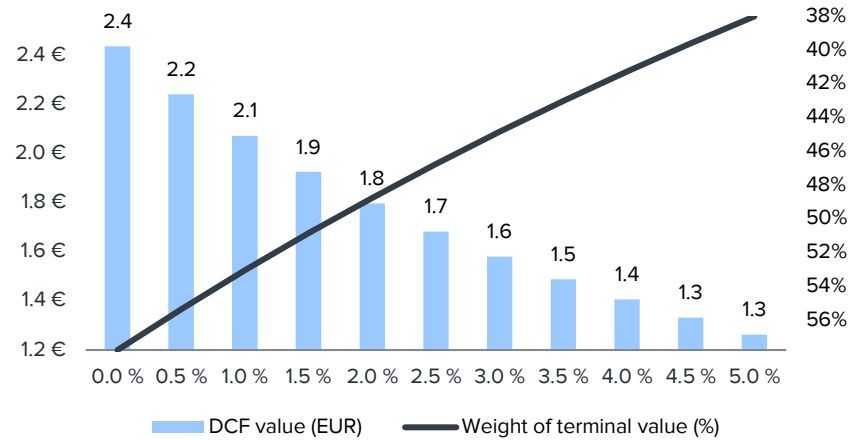
Source: Inderes

# DCF sensitivity calculations and key assumptions in graphs

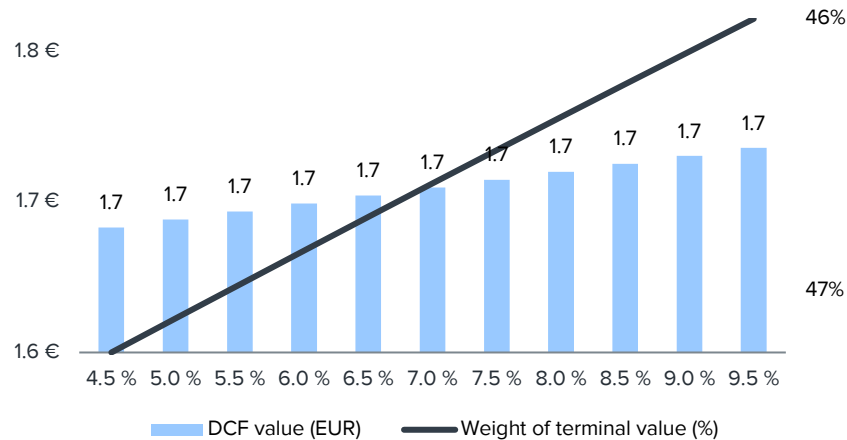
Sensitivity of DCF to changes in the WACC-%



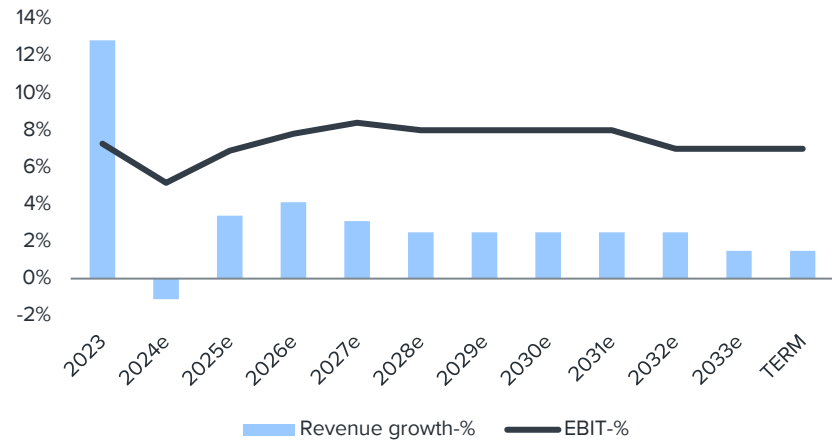
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

# Summary

Income statement	2021	2022	2023	2024e	2025e	Per share data	2021	2022	2023	2024e	2025e
Revenue	66.4	71.1	80.3	<b>79.4</b>	<b>82.1</b>	EPS (reported)	0.12	0.09	0.10	<b>0.08</b>	<b>0.12</b>
EBITDA	10.1	7.8	9.1	<b>7.1</b>	<b>8.7</b>	EPS (adj.)	0.07	0.10	0.10	<b>0.10</b>	<b>0.12</b>
EBIT	6.5	4.8	5.8	<b>4.1</b>	<b>5.7</b>	OCF / share	0.24	0.20	0.22	<b>0.24</b>	<b>0.22</b>
PTP	5.7	4.2	5.2	<b>3.6</b>	<b>5.3</b>	FCF / share	0.21	0.00	0.18	<b>0.16</b>	<b>0.13</b>
Net Income	4.5	3.3	3.4	<b>2.7</b>	<b>4.2</b>	Book value / share	0.70	0.68	0.71	<b>0.72</b>	<b>0.76</b>
Extraordinary items	2.1	-0.3	-0.2	<b>-0.8</b>	<b>0.0</b>	Dividend / share	0.08	0.06	0.07	<b>0.08</b>	<b>0.09</b>
Balance sheet	2021	2022	2023	2024e	2025e	Growth and profitability	2021	2022	2023	2024e	2025e
Balance sheet total	51.1	55.8	54.5	<b>53.7</b>	<b>52.5</b>	Revenue growth-%	0%	7%	13%	<b>-1%</b>	<b>3%</b>
Equity capital	25.5	24.8	25.5	<b>25.7</b>	<b>27.0</b>	EBITDA growth-%	n.a.	n.a.	17%	<b>-22%</b>	<b>21%</b>
Goodwill	26.4	26.8	26.8	<b>26.8</b>	<b>26.8</b>	EBIT (adj.) growth-%	n.a.	n.a.	20%	<b>-20%</b>	<b>17%</b>
Net debt	7.9	12.4	9.2	<b>6.3</b>	<b>4.7</b>	EPS (adj.) growth-%	n.a.	n.a.	3%	<b>-4%</b>	<b>22%</b>
Cash flow	2021	2022	2023	2024e	2025e	EBITDA-%	15.2 %	11.0 %	11.3 %	<b>9.0 %</b>	<b>10.5 %</b>
EBITDA	10.1	7.8	9.1	<b>7.1</b>	<b>8.7</b>	EBIT (adj.)-%	6.6 %	7.1 %	7.5 %	<b>6.1 %</b>	<b>6.9 %</b>
Change in working capital	-1.1	-0.7	-1.2	<b>1.7</b>	<b>-0.8</b>	EBIT-%	9.8 %	6.7 %	7.3 %	<b>5.2 %</b>	<b>6.9 %</b>
Operating cash flow	8.9	7.3	7.8	<b>8.7</b>	<b>7.8</b>	ROE-%	18.4 %	13.2 %	13.7 %	<b>10.6 %</b>	<b>16.0 %</b>
CAPEX	-1.3	-7.4	-1.2	<b>-3.0</b>	<b>-3.1</b>	ROI-%	17.7 %	12.8 %	15.8 %	<b>11.8 %</b>	<b>16.7 %</b>
Free cash flow	7.6	-0.2	6.6	<b>5.7</b>	<b>4.7</b>	Equity ratio	49.9 %	44.4 %	46.8 %	<b>47.9 %</b>	<b>51.5 %</b>
						Gearing	30.8 %	50.0 %	36.1 %	<b>24.5 %</b>	<b>17.4 %</b>
Valuation multiples	2021	2022	2023	2024e	2025e						
EV/S	1.0	0.7	0.7	<b>0.8</b>	<b>0.8</b>						
EV/EBITDA	6.3	6.5	5.8	<b>9.3</b>	<b>7.5</b>						
EV/EBIT (adj.)	14.4	10.0	8.8	<b>13.7</b>	<b>11.5</b>						
P/E (adj.)	23.2	10.7	12.2	<b>17.4</b>	<b>14.3</b>						
P/B	2.2	1.5	1.7	<b>2.3</b>	<b>2.2</b>						
Dividend-%	5.3 %	5.7 %	5.7 %	<b>4.8 %</b>	<b>5.4 %</b>						

Source: Inderes

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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
10/31/2018	Reduce	0.52 €	0.50 €
1/28/2019	Reduce	0.35 €	0.40 €
3/6/2019	Reduce	0.45 €	0.47 €
5/15/2019	Reduce	0.58 €	0.60 €
6/5/2019	Sell	0.68 €	0.71 €
7/24/2019	Reduce	0.68 €	0.63 €
10/30/2019	Reduce	0.80 €	0.75 €
2/26/2020	Reduce	0.90 €	0.78 €
4/1/2020	Accumulate	0.68 €	0.66 €
5/5/2020	Accumulate	0.90 €	0.84 €
6/23/2020	Accumulate	0.95 €	0.90 €
6/24/2020	Reduce	1.30 €	1.19 €
10/28/2020	Accumulate	1.40 €	1.28 €
2/19/2021	Accumulate	1.80 €	1.43 €
4/28/2021	Accumulate	2.00 €	1.97 €
6/10/2021	Accumulate	2.00 €	1.72 €
7/23/2021	Buy	2.00 €	1.86 €
10/27/2021	Reduce	1.80 €	1.59 €
2/18/2022	Accumulate	1.50 €	1.33 €
4/27/2022	Accumulate	1.45 €	1.24 €
6/28/2022	Accumulate	1.35 €	1.17 €
7/22/2022	Reduce	1.00 €	1.02 €
10/25/2022	Reduce	1.00 €	1.00 €
2/10/2023	Accumulate	1.35 €	1.20 €
4/26/2023	Accumulate	1.45 €	1.29 €
7/20/2023	Accumulate	1.35 €	1.11 €
9/11/2023	Accumulate	1.35 €	1.14 €
10/25/2023	Accumulate	1.30 €	1.11 €
2/9/2024	Buy	1.55 €	1.25 €
4/24/2024	Accumulate	1.55 €	1.32 €
7/19/2024	Reduce	1.20 €	1.15 €
7/23/2024	Reduce	1.68 €	1.66 €
9/20/2024	Reduce	1.68 €	1.68 €



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Itämerentori 2

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