

TAALERI

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INDERES CORPORATE CUSTOMER
COMPANY REPORT



Share remains firmly in the discount basket

We reiterate our EUR 9.0 target price for Taaleri and our Accumulate recommendation. Although the Q4 report was better than expected, changes to the forecast remain limited. Taaleri's focus in the next few years will be on the ramp-up of private equity funds and bioindustry balance sheet investments. The valuation of the stock is well below our sum-of-the-parts calculation and the stock is also cheap in absolute terms. However, we do not see clear drivers for near-term value release, with bioindustry investments being a key value driver in the coming years, and thus our own target price is also below the sum-of-the-parts value.

Good Q4 result

Taaleri's Q4 EBIT was 9.4 MEUR, far above our 3.3 MEUR forecast. The overperformance is due to the additional income of around 6 MEUR recognized by Renewable energy related to an old development project. The proposed dividend of EUR 0.50 is in line with our estimate of EUR 0.49 and will be paid in two equal parts.

Private Asset Management's development in the quarter was two-fold. In Renewable energy, the SolarWind 3 fund continued to grow and the non-recurring fees from the development project again demonstrated the team's ability to create value. The report for Other private asset management was again a lackluster read. There was no growth in revenue and, as expected, the result was negative. The numbers were marred by a write-down of 1.7 MEUR. Garantia continued its strong performance, and the insurance service result was fully in line with our expectations (3.3 MEUR). As expected, the guaranty insurance portfolio came down by around 4% as demand for residential mortgage guarantees remained subdued. Investment returns were better than expected and thanks to this, Garantia's result (4.8 MEUR) exceeded our expectations.

Much riding on bioindustry investments

There were no surprises in Taaleri's outlook for 2025. Of course, the main interest is in the success of the fundraising for the

SolarWind 3 fund (ending 6/25), the exits of older wind funds and the own balance sheet bioindustry investments.

In the coming years, the stable development of Taaleri's operating businesses is, in our forecasts, supported by non-recurring income (capital gains and investments). We expect the profitability of private equity funds to gradually improve along with the growth in AUM, but the timing and amount of non-recurring fees will sway annual earnings somewhat. We expect Garantia to return to stable growth as the housing market slowly picks up. Bioindustry investments are an important variable in the company's investment story, but their timing remains a question mark. Overall, we expect Taaleri to deliver stable earnings development in the coming years, with operating profit (EBIT) in the range of 30-40 MEUR (the result will fluctuate with non-recurring income). The dividend stream is reasonable, with the main focus of capital allocation on own balance sheet investments.

Value exists, but how to unwind it is unclear

In this analysis, we focus on the sum of the parts, as it is the best way to consider the value of different parts of Taaleri and the different profiles of the businesses. The value based on our conservative sum of the parts is around EUR 10 per share, which is clearly above the current share price level. The majority of the value is still generated by the insurance company Garantia, while the remainder is effectively split between the energy fund business and balance sheet investments. The stock is also cheap in absolute terms (P/E 10x, EV/EBIT 6x). A bolder view would also be justified, but from an expected return perspective, we see the time horizon as challenging, as it will take years to release value through bioindustry investments. However, the value released over a slightly longer horizon also constitutes an attractive annual expected return. While waiting for this, a healthy dividend yield (6-7%) provides solid ground for investors.

Recommendation

Accumulate
(was Accumulate)

Target price:

EUR 9.00
(was EUR 9.00)

Share price:
7.97

Business risk



Valuation risk



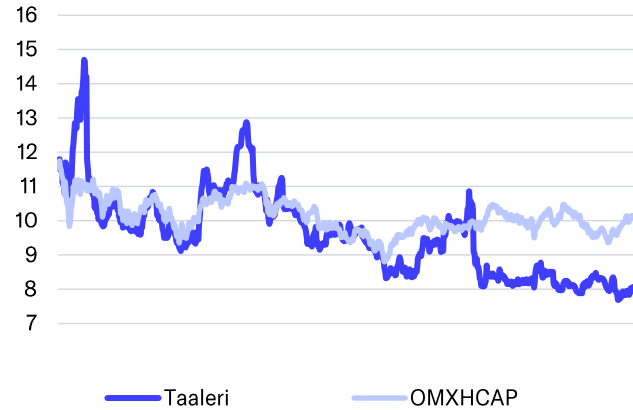
	2024	2025e	2026e	2027e
Revenue	71.7	63.3	65.4	72.1
growth-%	9%	-12%	3%	10%
EBIT adj.	38.1	31.7	32.3	36.7
EBIT-% adj.	53.2 %	50.1 %	49.4 %	50.9 %
Net Income	28.1	21.4	24.1	27.4
EPS (adj.)	1.00	0.75	0.84	0.95
P/E (adj.)	8.1	10.6	9.4	8.4
P/B	1.1	1.0	1.0	0.9
Dividend yield-%	6.2 %	5.7 %	6.4 %	7.3 %
EV/EBIT (adj.)	5.9	6.4	6.6	6.1
EV/EBITDA	5.8	6.2	6.6	6.0
EV/S	3.2	3.2	3.3	3.1

Source: Inderes

Guidance

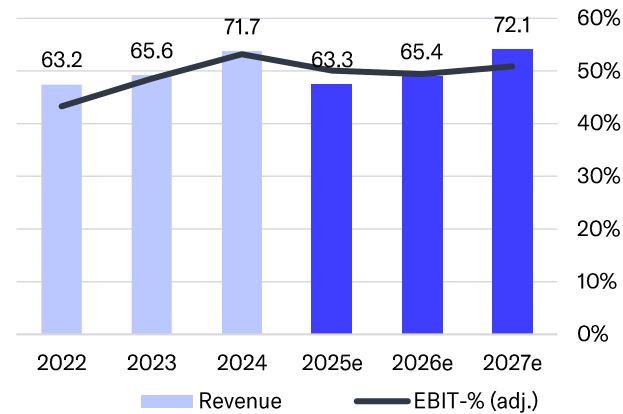
No guidance

Share price 3 y



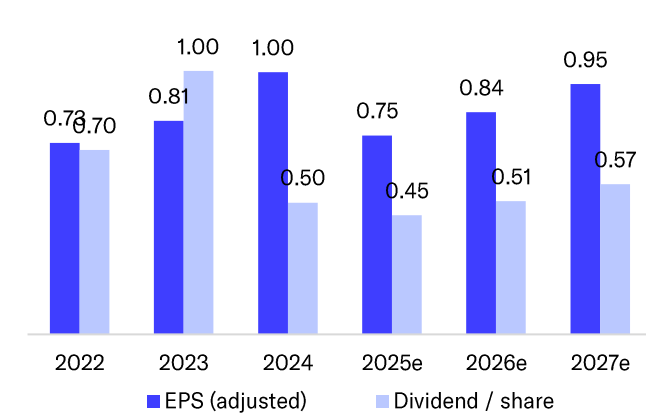
Source: Millstream Market Data AB

Revenue and EBIT-%



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Scaling of Energia
- Ramping up Other private equity funds
- Garantia's profitable growth
- Balance sheet bioindustry investments
- M&A transactions
- Performance fees for funds

Risk factors

- Success in fund investments
- Success of bioindustry investments
- Success of ramping up Other private equity funds
- Scalability of costs and improving cost-efficiency
- Garantia's guarantee risks

Valuation	2025e	2026e	2027e
Share price	7.97	7.97	7.97
Number of shares, millions	28.4	28.6	28.8
Market cap	226	226	226
EV	202	214	223
P/E (adj.)	10.6	9.4	8.4
P/E	10.6	9.4	8.4
P/B	1.0	1.0	0.9
P/S	3.6	3.5	3.1
EV/Sales	3.2	3.3	3.1
EV/EBITDA	6.2	6.6	6.0
EV/EBIT (adj.)	6.4	6.6	6.1
Payout ratio (%)	60.0 %	60.0 %	60.0 %
Dividend yield-%	5.7 %	6.4 %	7.3 %

Source: Inderes

Strong Q4 result driven by non-recurring fees

Taaleri's Q4 EBIT was 9.4 MEUR, far above our 3.3 MEUR forecast. The overperformance is due to additional income of around 6 MEUR recognized by Renewable energy related to the 2018-2021 development activities in Texas. Operational figures were well in line with our forecasts.

The proposed dividend of EUR 0.50 is in line with our estimate of EUR 0.49 and will be distributed in two equal installments. Due to the much better-than-expected Q4 result, the dividend payout ratio is 50% and at the lower end of the company's target (at least 50%). We believe that Taaleri's dividend decision sends a clear message that the focus of future capital allocation will be on investments.

Operational development of segments well in line with estimates

For Private Asset Management, the development in the quarter was twofold. In Renewable energy, the SolarWind 3

fund grew to 481 MEUR and the result was very good, driven by high non-recurring fees. The company stated in its report that the fund's target size of 700 MEUR would be difficult to achieve. This came as no surprise given the difficult fundraising market, and in our own forecasts we had estimated the final size of the fund at 600 MEUR. For Other private asset management, the report was again a lackluster read. There was no growth in revenue and, as expected, the result was negative. The numbers were marred by a 1.7 MEUR write-down on investments. The mandate received from Keva in January is an important strategic opening for the real estate business.

Garantia continued its strong performance, and the insurance service result was fully in line with our expectations (3.3 MEUR). As expected, the guaranty insurance portfolio came down by around 4% as demand for residential mortgage guarantees remained subdued. Investment returns were better than expected and as a

result, Garantia's result (4.8 MEUR) slightly exceeded our expectations.

Outlook in line with forecasts

As in the previous year, Taaleri provided a very clear outlook at segment level. The outlook is very much in line with our own projections. In Renewable energy, growth is expected to continue, and the result will be strongly influenced by the Wind 2 and Wind 3 exits. Other private asset management funds are still in ramp-up mode, which will weigh on their profitability. EBIT will remain negative but will improve year-on-year. Garantia's premium income will decline slightly due to slow market demand. As expected, income from Garantia's investment portfolio is expected to decrease from the heady levels of 2024 as a result of falling interest rates. Costs in the Other segment will remain at the previous year's level.

Estimates MEUR / EUR	Q4'23	Q4'24	Q4'24e	Q4'24e	Consensus		Difference (%)	2024
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	18.2	20.6	11.9				73%	72.6
EBIT (adj.)	6.9	9.4	3.3				187%	38.1
EPS (adj.)	0.14	0.23	0.07				243%	1.00
DPS	1.00	0.50	0.49				2%	0.50
Revenue growth-%	5.3 %	13.0 %	-34.6 %				47.6 pp	9.2 %
EBIT-% (adj.)	37.8 %	45.6 %	27.5 %				18.2 pp	52.5 %

Source: Inderes

Taaleri Q4'24: Renewable energy secured strong result (subtitled in English)



Estimate revisions

Estimate revisions

- We have again slightly revised our estimates across the board. The main changes are the postponement of Fintoil's exit to 2026 and a downward revision of the final performance fee amount for old wind funds (8 => 5 MEUR).
- We have also flattened the curve for the company's investments in the bioindustry, in line with the strategy's 100 MEUR. We note that Taaleri's own return target is significantly higher (+20%). Returns will not materialize linearly, and the fluctuation between years will be significant. Returns are also likely to focus mainly towards the end of the decade.
- Although the year-on-year percentage changes look large, our cumulative earnings forecasts for 2024-2026 have not changed much.
- We have detailed our forecasts in the extensive report published in January, which is freely available [here](#).

Operational earnings drivers:

- In Renewable energy, performance based on recurring management fees has taken a clear leap with the latest SolarWind 3 fund. The next level upgrade can be expected in the next SolarWind fund, which we expect to see the light of day in 2027. We note that non-recurring income (performance fees and investment returns) plays a major role in the segment and we expect significant non-recurring also in the coming years (AT1 performance fee, exits of the Texas wind project and Wind 2 & 3). The segment's earnings outlook for the coming years is good.
- We expect the profitability of Other private asset management, based on continuing earnings, to remain loss-making at least this year, and profitability next year will require good sales success. In the coming years, the segment's result will therefore largely depend on investment returns, the visibility of which is significantly weaker than that of Energy.
- Garantia's guarantee insurance business continues to perform steadily in our forecasts as the mortgage market gradually recovers. Investment returns are under pressure as interest rates weigh on portfolio returns.
- In the longer term, Taaleri's earnings development is increasingly driven by investment income from bioindustry investments, as the company allocates most of its free cash flow to these assets.

Estimate revisions	2024			2025e			2026e		
	Old	New	Change %	Old	New	Change %	Old	New	Change %
MEUR / EUR									
Revenue	63.9	71.7	12%	70.0	63.3	-10%	62.7	65.4	4%
Private equity funds	34.3	41.7	22%	46.2	41.2	-11%	39.0	43.0	10%
Garantia	24.6	25.5	4%	20.8	19.6	-6%	21.4	20.1	-6%
Others	3.6	3.1	-14%	3.1	2.5	-19%	2.3	2.3	0%
EBIT (exc. NRIs)	32.0	38.1	19%	38.2	31.7	-17%	29.6	32.3	9%
EBIT	32.0	38.1	19%	38.2	31.7	-17%	29.6	32.3	9%
Private equity funds	9.9	16.1	62%	21.2	16.4	-22%	13.2	17.1	29%
Garantia	23.7	24.3	3%	19.8	18.6	-6%	20.3	19.0	-6%
Others	-1.7	-2.3	-40%	-2.8	-3.3	-19%	-3.9	-3.8	2%
EPS (adjusted)	0.82	1.00	21%	0.97	0.75	-23%	0.77	0.84	9%
Dividend / share	0.49	0.50	2%	0.58	0.45	-23%	0.46	0.51	9%

Taaleri Interim Report Q3'24



Cheap valuation but...

Sum of the parts as a basis for valuation

Since the profiles of Taaleri's different parts are very different, the sum of the parts serves as the best valuation method. However, we note that based on the latest strategy update, the value of the sum of the parts cannot be assumed to be unwound through various arrangements but must be derived from the cash flows of the businesses. Our estimate of Taaleri's SOTP value is broadly unchanged at around 288 MEUR, or around EUR 10 per share.

Share price under the SOTP value

In our calculations, the current value of Taaleri consists of Garantia (170 MEUR), Renewable Energy (85 MEUR), balance sheet investment assets (70 MEUR, including performance fee receivables from old wind funds and investment tax liabilities), net cash (19 MEUR) and group expenses (-67 MEUR). The value contribution of Other private asset management is marginal (12 MEUR), as the business remains loss-making in our forecasts and profitability requires considerable success in new sales.

In our view, our sum of the parts calculation is quite conservative and even with very small changes, the value could be EUR 1-2/share higher. It is therefore clear to us that there is significant value in the parts of the company and the current price is well below this. The share is also cheap in absolute terms (2024 P/E 8x, 2025e P/E 10x, EV/EBIT ~6x) and this supports our view of cheap pricing.

The key question (and challenge) is the timeframe for realizing the potential. Under the current strategy, the value in the parts cannot be expected to be released through restructuring (e.g., a spin-off) or profit distribution, and

therefore the value must eventually be reflected in the income statement (i.e., the result). The timelines for own-balance-sheet investments in the bioindustry are long, and the potential is not likely to be realized until the end of the decade. Therefore, it is likely to be a long time before the potential is realized, and until we see concrete signs of this, we think it is understandable that the market is pricing the company below the sum of its parts.

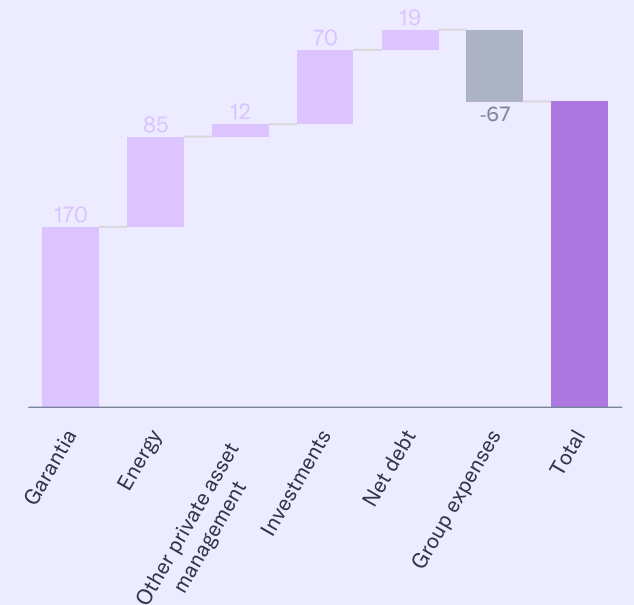
Capital allocation is decisive

The company's investment story increasingly boils down to the management's ability to successfully allocate balance sheet investments. We remind investors that Taaleri's track record of capital allocation is actually very good. The key successes we like to highlight are Finsilva, Garantia and Ficolo. In the bioindustry, the company has accumulated significant expertise, and we believe that the timing is good, as the market is just emerging. However, investors need to understand that the risk level of bioindustry investment is significantly higher than for Taaleri's current portfolio due to, e.g., their larger size and technology risk. The counterpart is naturally a significantly higher return potential.

Taaleri has stated that its strategy will be further clarified at CMD in the fall. In our interview, the company highlighted the greater role of M&A as part of its strategy going forward. We see this as positive, as it would also help to deploy the company's capital and at the same time highlight the value of the parts.

Valuation	2025e	2026e	2027e
Share price	7.97	7.97	7.97
Number of shares, millions	28.4	28.6	28.8
Market cap	226	226	226
EV	202	214	223
P/E (adj.)	10.6	9.4	8.4
P/E	10.6	9.4	8.4
P/B	1.0	1.0	0.9
P/S	3.6	3.5	3.1
EV/Sales	3.2	3.3	3.1
EV/EBITDA	6.2	6.6	6.0
EV/EBIT (adj.)	6.4	6.6	6.1
Payout ratio (%)	60.0 %	60.0 %	60.0 %
Dividend yield-%	5.7 %	6.4 %	7.3 %

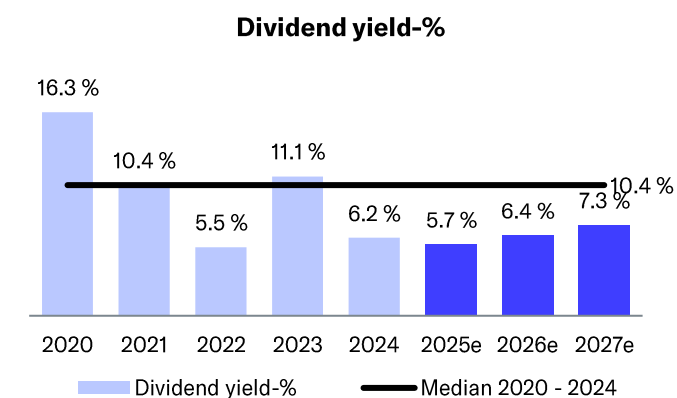
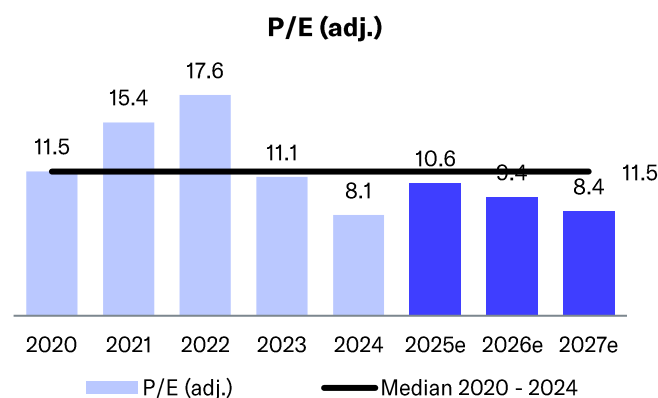
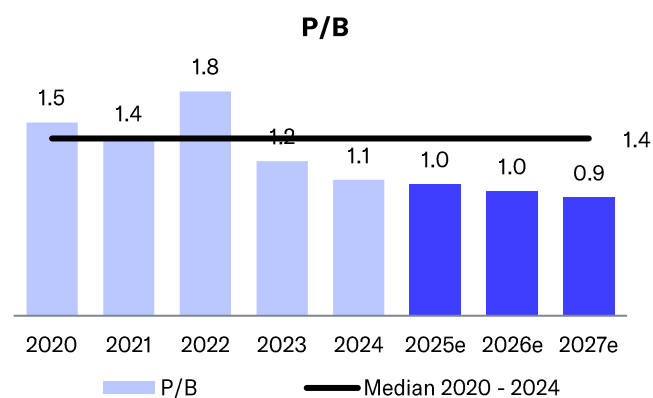
Source: Inderes



Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	8.12	11.5	12.8	8.99	8.03	7.97	7.97	7.97	7.97
Number of shares, millions	28.4	28.4	28.4	28.3	28.2	28.4	28.6	28.8	29.0
Market cap	230	326	363	254	226	226	226	226	226
EV	289	308	331	234	227	202	214	223	212
P/E (adj.)	11.5	15.4	17.6	11.1	8.1	10.6	9.4	8.4	8.7
P/E	11.5	2.4	17.6	11.1	8.1	10.6	9.4	8.4	8.7
P/B	1.5	1.4	1.8	1.2	1.1	1.0	1.0	0.9	0.9
P/S	2.7	4.7	5.7	3.9	3.2	3.6	3.5	3.1	3.0
EV/Sales	3.3	4.4	5.2	3.6	3.2	3.2	3.3	3.1	2.9
EV/EBITDA	10.7	2.1	11.6	7.2	5.8	6.2	6.6	6.0	5.9
EV/EBIT (adj.)	11.8	10.7	12.1	7.3	5.9	6.4	6.6	6.1	5.9
Payout ratio (%)	187.2 %	25.0 %	96.3 %	123.3 %	50.2 %	60.0 %	60.0 %	60.0 %	50.2 %
Dividend yield-%	16.3 %	10.4 %	5.5 %	11.1 %	6.2 %	5.7 %	6.4 %	7.3 %	5.9 %

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 2025e
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	
Aktia	721								7.9	8.3	8.2	7.8	1.0
Alexandria	97	90	8.6	8.0	7.1	6.7	1.9	1.8	12.4	11.8	6.9	7.0	2.8
CapMan	312	302	9.4	7.8	9.0	7.4	4.6	4.2	15.2	12.0	8.0	8.4	1.6
Evli	516	518	12.0	10.6	11.0	9.8	4.8	4.5	16.1	14.3	6.2	6.4	3.4
eQ	460	424	11.9	9.4	11.5	9.1	6.3	5.3	16.2	13.1	6.4	7.9	5.8
Titanium	84	71	8.8	9.2	8.0	8.3	3.3	3.2	13.0	13.5	7.9	7.7	5.1
United Bankers	195	168	8.6	8.7	7.6	7.6	2.8	2.7	13.3	13.6	6.4	6.7	3.2
Taaleri (Inderes)	226	202	6.4	6.6	6.2	6.6	3.2	3.3	10.6	9.4	5.7	6.4	1.0
Average			9.9	8.9	9.0	8.2	3.9	3.6	13.5	12.4	7.2	7.4	3.3
Median			9.1	8.9	8.5	7.9	3.9	3.7	13.3	13.1	6.9	7.7	3.2
Diff-% to median			-30%	-26%	-27%	-17%	-19%	-11%	-21%	-28%	-18%	-17%	-67%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	65.6	17.2	12.6	22.2	19.7	71.7	12.7	20.8	12.9	16.9	63.3	65.4	72.1	74.3
Private equity funds	42.3	6.7	6.4	14.4	14.1	41.7	7.3	15.3	7.3	11.3	41.2	43.0	48.9	50.4
Garantia	17.9	9.3	4.1	6.8	5.3	25.5	4.9	4.8	4.9	4.9	19.6	20.1	21.0	21.6
Others	6.1	1.1	1.3	0.4	0.2	3.1	0.6	0.6	0.6	0.6	2.5	2.3	2.2	2.3
EBITDA	32.4	9.8	4.6	14.9	9.6	39.0	5.2	13.1	6.1	8.1	32.5	32.6	37.0	36.0
Depreciation	-0.5	-0.2	-0.2	-0.2	-0.2	-0.9	-0.2	-0.2	-0.2	-0.2	-0.8	-0.3	-0.3	-0.3
EBIT (excl. NRI)	31.9	9.6	4.4	14.7	9.4	38.1	5.0	12.9	5.9	7.9	31.7	32.3	36.7	35.7
EBIT	31.9	9.6	4.4	14.7	9.4	38.1	5.0	12.9	5.9	7.9	31.7	32.3	36.7	35.7
Private equity funds	14.9	0.5	0.3	9.2	6.0	16.1	1.1	9.1	2.0	4.2	16.4	17.1	21.1	24.2
Garantia	16.5	9.1	4.1	6.3	4.8	24.3	4.6	4.6	4.7	4.7	18.6	19.0	19.8	10.4
Others	0.5	0.0	0.0	-0.9	-1.5	-2.3	-0.7	-0.7	-0.8	-1.0	-3.3	-3.8	-4.2	1.1
Net financial items	-1.2	-0.2	-0.2	-0.2	-0.2	-0.9	-0.1	-0.1	-0.1	-0.1	-0.4	-0.3	-0.3	-0.3
PTP	30.7	9.4	4.2	14.5	9.2	37.2	4.9	12.8	5.8	7.8	31.3	32.0	36.4	35.4
Taxes	-4.2	-1.9	-0.8	-1.4	-0.7	-4.7	-1.0	-2.7	-1.2	-1.6	-6.6	-6.4	-7.3	-7.1
Minority interest	-3.6	-0.1	-0.3	-2.2	-1.8	-4.4	-0.3	-1.0	-1.0	-1.0	-3.3	-1.5	-1.7	-1.8
Net earnings	22.9	7.4	3.1	10.9	6.6	28.1	3.6	9.1	3.5	5.2	21.4	24.1	27.4	26.5
EPS (adj.)	0.81	0.26	0.11	0.39	0.24	1.00	0.13	0.32	0.12	0.18	0.75	0.84	0.95	0.91
EPS (rep.)	0.81	0.26	0.11	0.39	0.24	1.00	0.13	0.32	0.12	0.18	0.75	0.84	0.95	0.91

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	3.8 %	69.1 %	-46.9 %	65.1 %	7.9 %	9.2 %	-25.7 %	64.2 %	-42.0 %	-14.1 %	-11.7 %	3.3 %	10.3 %	3.0 %
Adjusted EBIT growth-%	16.5 %	517.1 %	-75.1 %	155.8 %	36.8 %	19.6 %	-47.9 %	193.0 %	-60.1 %	-15.8 %	-16.8 %	2.0 %	13.5 %	-2.8 %
EBITDA-%	49.3 %	57.4 %	36.4 %	67.1 %	49.0 %	54.4 %	40.8 %	63.2 %	47.0 %	48.1 %	51.4 %	49.9 %	51.3 %	48.5 %
Adjusted EBIT-%	48.6 %	56.0 %	34.9 %	66.1 %	47.8 %	53.2 %	39.2 %	62.2 %	45.5 %	46.9 %	50.1 %	49.4 %	50.9 %	48.0 %
Net earnings-%	35.0 %	43.2 %	24.6 %	49.2 %	33.8 %	39.2 %	28.0 %	43.9 %	27.5 %	30.7 %	33.9 %	36.9 %	38.0 %	35.6 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	221	218	227	254	276
Goodwill	0.3	0.3	0.3	0.3	0.3
Intangible assets	0.2	0.2	0.2	0.2	0.2
Tangible assets	2.4	1.8	1.4	1.5	1.7
Associated companies	51.6	49.9	58.6	86.0	108
Other investments	161	159	159	159	159
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	5.1	7.6	7.6	7.6	7.6
Current assets	87.3	73.4	75.8	61.0	53.5
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	17.2	12.3	12.3	12.3	12.3
Receivables	31.8	41.5	19.0	16.4	18.0
Cash and equivalents	38.3	19.6	44.5	32.3	23.1
Balance sheet total	308	292	302	315	330

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	209	215	226	239	253
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	187	190	197	208	221
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	18.8	18.8	18.8	18.8	18.8
Other equity	0.0	0.0	0.0	0.0	0.0
Minorities	2.5	6.6	9.9	11.4	13.1
Non-current liabilities	53.6	33.8	33.8	33.8	33.8
Deferred tax liabilities	16.5	12.3	12.3	12.3	12.3
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	14.9	0.0	0.0	0.0	0.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	22.2	21.6	21.6	21.6	21.6
Current liabilities	45.6	42.7	42.7	42.7	42.7
Interest bearing debt	0.0	0.0	0.0	0.0	0.0
Payables	0.0	0.0	0.0	0.0	0.0
Other current liabilities	45.6	42.7	42.7	42.7	42.7
Balance sheet total	308	292	302	315	330

DCF-calculation

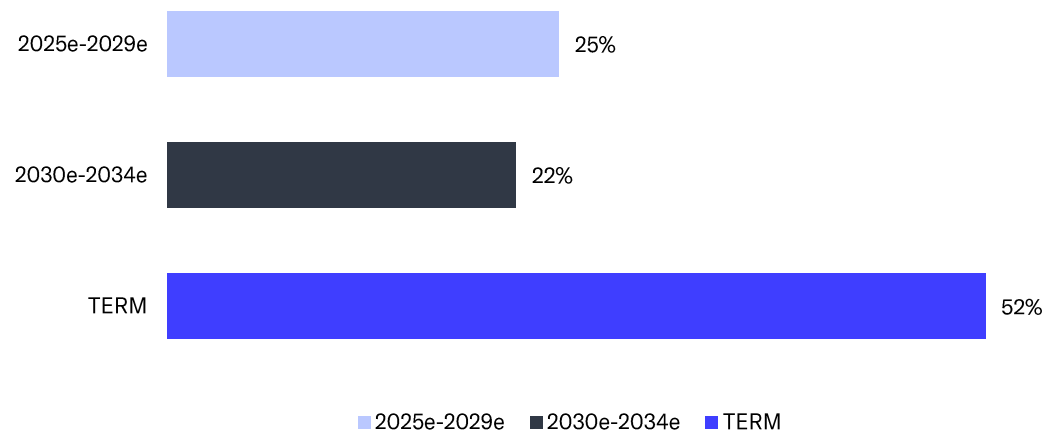
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	9.2 %	-11.7 %	3.3 %	10.3 %	3.0 %	3.0 %	3.0 %	3.0 %	2.5 %	2.5 %	2.5 %	2.5 %
EBIT-%	53.2 %	50.1 %	49.4 %	50.9 %	48.0 %	47.0 %	46.0 %	45.0 %	45.0 %	45.0 %	45.0 %	45.0 %
EBIT (operating profit)	38.1	31.7	32.3	36.7	35.7	36.0	36.3	36.5	37.4	38.4	39.3	
+ Depreciation	0.9	0.8	0.3	0.3	0.3	0.4	0.4	0.5	0.5	0.5	0.6	
- Paid taxes	-11.4	-6.6	-6.4	-7.3	-7.1	-7.1	-7.2	-7.2	-7.4	-7.6	-7.9	
- Tax, financial expenses	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	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	-7.8	22.5	2.6	-1.7	-0.5	-0.6	-0.6	-0.6	-0.5	-0.5	-0.5	
Operating cash flow	19.7	48.3	28.8	28.0	28.3	28.6	28.8	29.1	29.9	30.7	31.5	
+ Change in other long-term liabilities	-0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	2.1	-0.4	-0.4	-0.5	-0.5	-0.6	-0.6	-0.7	-0.7	-0.8	-0.8	
Free operating cash flow	21.1	48.0	28.4	27.5	27.8	28.0	28.2	28.4	29.2	30.0	30.8	
+/- Other	1.7	-8.7	-27.4	-22.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	22.9	39.3	0.9	5.5	27.8	28.0	28.2	28.4	29.2	30.0	30.8	418
Discounted FCFF		36.1	0.8	4.2	19.2	17.6	16.1	14.7	13.8	12.8	12.0	163
Sum of FCFF present value		310	274	273	269	250	232	216	201	187	175	163
Enterprise value DCF		310										
- Interest bearing debt		0.0										
+ Cash and cash equivalents		19.6										
-Minorities		-20.0										
-Dividend/capital return		0.0										
Equity value DCF		309										
Equity value DCF per share		10.9										

WACC

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	0.0 %
Cost of debt	5.0 %
Equity Beta	1.38
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	2.5 %
Cost of equity	10.0 %
Weighted average cost of capital (WACC)	10.0 %

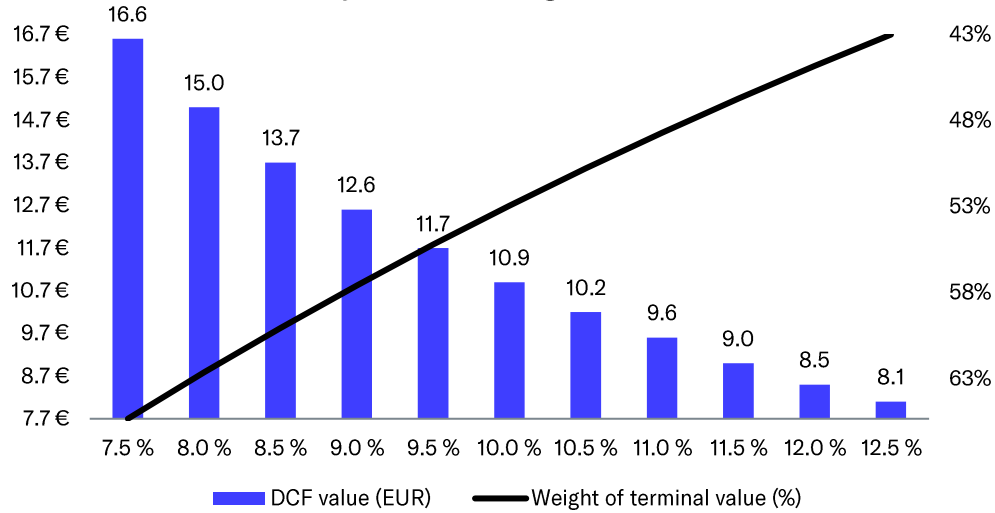
Source: Inderes

Cash flow distribution

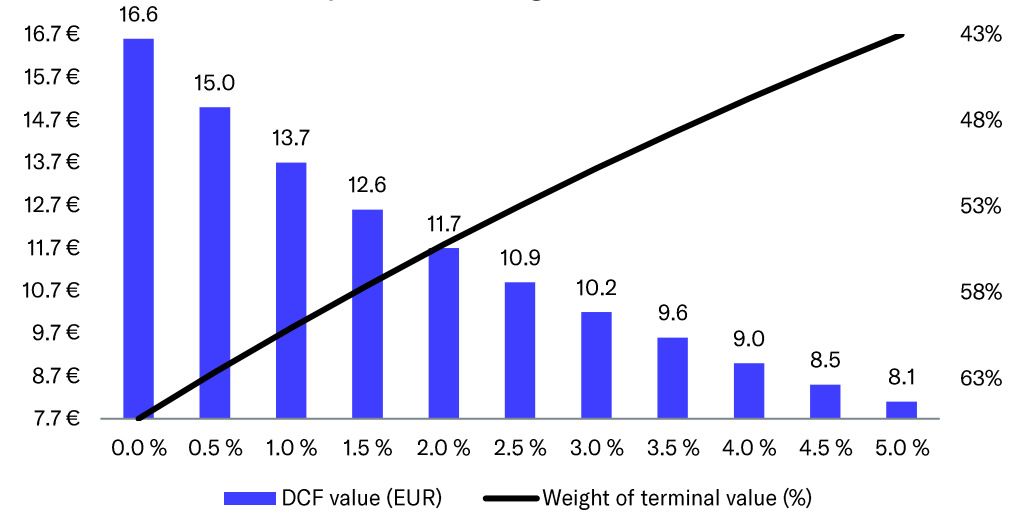


DCF sensitivity calculations and key assumptions in graphs

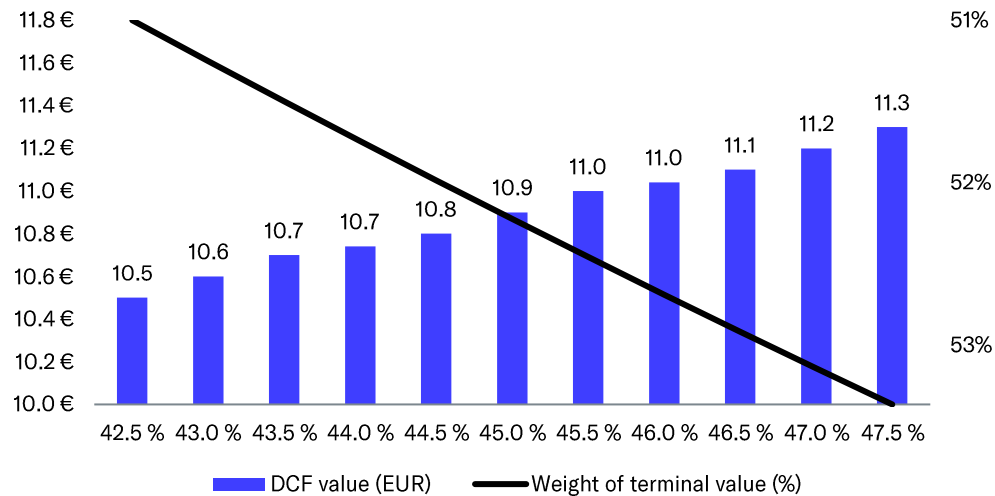
Sensitivity of DCF to changes in the WACC-%



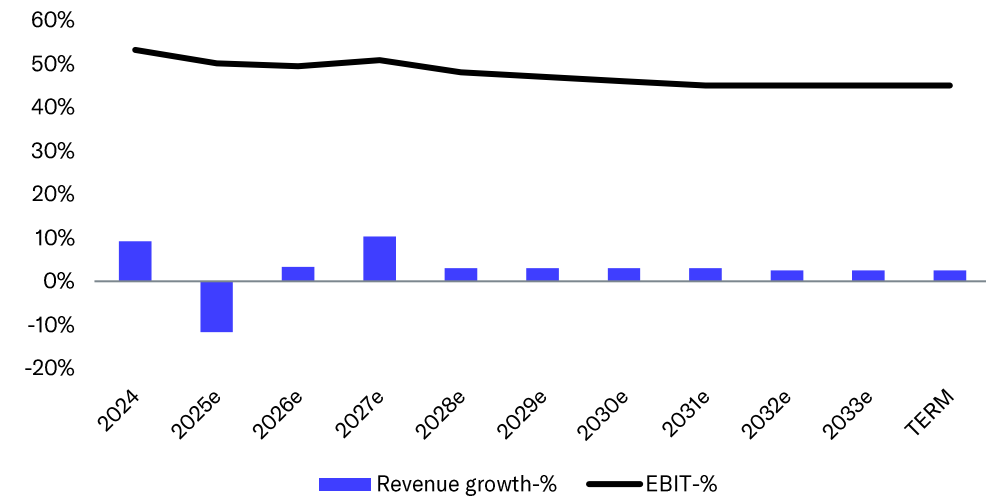
Sensitivity of DCF to changes in the risk-free rate



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	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	63.2	65.6	71.7	63.3	65.4	EPS (reported)	0.73	0.81	1.00	0.75	0.84
EBITDA	28.6	32.4	39.0	32.5	32.6	EPS (adj.)	0.73	0.81	1.00	0.75	0.84
EBIT	27.4	31.9	38.1	31.7	32.3	OCF / share	0.58	0.91	0.70	1.70	1.01
PTP	26.4	30.7	37.2	31.3	32.0	FCF / share	2.04	0.21	0.81	1.38	0.03
Net Income	20.6	22.9	28.1	21.4	24.1	Book value / share	7.16	7.28	7.40	7.61	7.95
Extraordinary items	0.0	0.0	0.0	0.0	0.0	Dividend / share	0.70	1.00	0.50	0.45	0.51
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	300.8	307.9	291.9	302.5	315.2	Revenue growth-%	-9%	4%	9%	-12%	3%
Equity capital	202.7	208.7	215.3	226.0	238.7	EBITDA growth-%	-80%	13%	20%	-17%	0%
Goodwill	0.3	0.3	0.3	0.3	0.3	EBIT (adj.) growth-%	-5%	16%	20%	-17%	2%
Net debt	-31.9	-23.4	-19.6	-44.5	-32.3	EPS (adj.) growth-%	-2%	11%	23%	-24%	12%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	45.2 %	49.3 %	54.4 %	51.4 %	49.9 %
EBITDA	28.6	32.4	39.0	32.5	32.6	EBIT (adj.)-%	43.3 %	48.6 %	53.2 %	50.1 %	49.4 %
Change in working capital	-6.8	0.6	-7.8	22.5	2.6	EBIT-%	43.3 %	48.6 %	53.2 %	50.1 %	49.4 %
Operating cash flow	16.5	25.8	19.7	48.3	28.8	ROE-%	9.5 %	11.2 %	13.5 %	10.1 %	10.9 %
CAPEX	15.0	-9.7	2.1	-0.4	-0.4	ROI-%	11.8 %	14.5 %	17.4 %	14.4 %	13.9 %
Free cash flow	57.7	6.1	22.9	39.3	0.9	Equity ratio	67.4 %	67.8 %	73.8 %	74.7 %	75.7 %
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	-15.8 %	-11.2 %	-9.1 %	-19.7 %	-13.5 %
EV/S	5.2	3.6	3.2	3.2	3.3						
EV/EBITDA	11.6	7.2	5.8	6.2	6.6						
EV/EBIT (adj.)	12.1	7.3	5.9	6.4	6.6						
P/E (adj.)	17.6	11.1	8.1	10.6	9.4						
P/B	1.8	1.2	1.1	1.0	1.0						
Dividend-%	5.5 %	11.1 %	6.2 %	5.7 %	6.4 %						

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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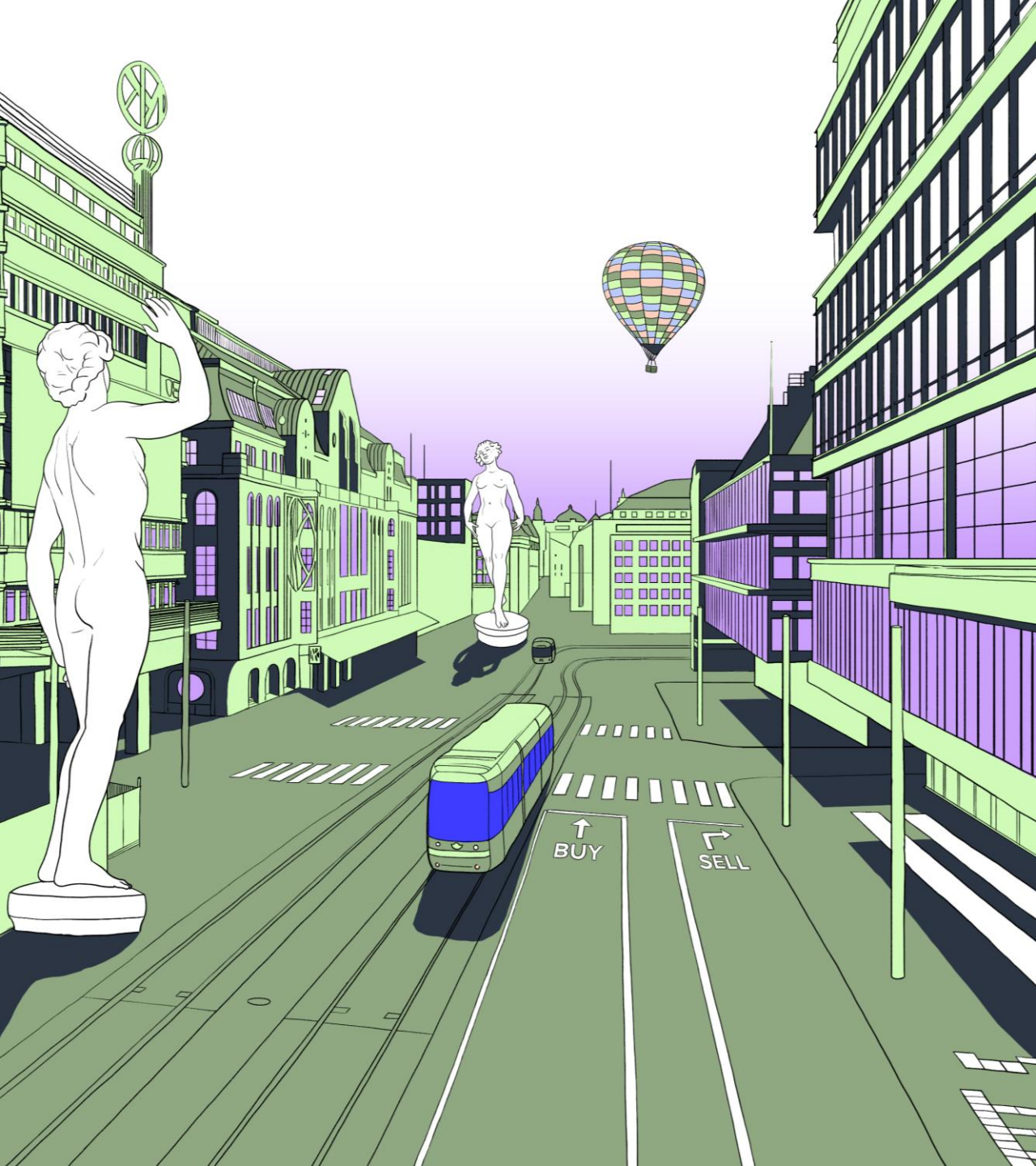
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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
5/10/2021	Accumulate	11.50 €	10.65 €
5/24/2021	Accumulate	12.50 €	11.65 €
6/1/2021	Accumulate	11.50 €	11.20 €
8/20/2021	Accumulate	11.50 €	10.85 €
11/8/2021	Accumulate	11.50 €	10.95 €
12/2/2021	Reduce	11.50 €	11.50 €
2/17/2022	Reduce	12.00 €	11.80 €
5/2/2022	Reduce	11.00 €	10.38 €
5/9/2022	Accumulate	11.00 €	9.92 €
8/22/2022	Accumulate	11.00 €	10.16 €
10/31/2022	Accumulate	11.00 €	9.35 €
11/7/2022	Accumulate	11.00 €	9.91 €
2/7/2023	Sell	11.00 €	12.82 €
2/17/2023	Reduce	11.00 €	11.34 €
4/17/2023	Reduce	11.00 €	10.42 €
5/4/2023	Reduce	11.00 €	10.40 €
8/14/2023	Accumulate	11.00 €	9.42 €
8/17/2023	Accumulate	11.00 €	9.65 €
11/2/2023	Accumulate	10.00 €	8.50 €
11/30/2023	Accumulate	10.00 €	8.63 €
2/12/2024	Accumulate	10.00 €	9.16 €
2/15/2024	Reduce	10.00 €	9.70 €
5/8/2024	Reduce	9.50 €	8.70 €
8/21/2024	Accumulate	9.50 €	8.34 €
11/6/2024	Accumulate	9.50 €	8.18 €
1/17/2025	Accumulate	9.00 €	7.72 €
2/13/2025	Accumulate	9.00 €	7.97 €



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