

# CAPMAN

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INDERES CORPORATE CUSTOMER  
**COMPANY REPORT**



# Earnings growth starts to accelerate

We reiterate our EUR 2.1 target price and Accumulate recommendation for CapMan. The Q4 report was broadly in line with our expectations and the big picture of our forecasts is unchanged. We expect the company to deliver strong earnings growth, and the stock is not expensive relative to that. If our earnings forecasts are realized, we believe the expected return is good and the high dividend limits downside risk.

## No surprises in the Q4 report

CapMan's Q4 numbers were in line with our forecasts across the board. Management fees continued to grow briskly, driven by the acquisition of Dasos and new sales. New sales in the period were slightly better than expected and, for example, the company continued to sell real estate products in a challenging market. Assets under management increased to 6,062 MEUR (Q3'24: 5,975 MEUR). For the full year, the company raised 570 MEUR of new capital, a good performance in today's market. The result was slightly above our forecast due to the good development of investment income. However, the profitability of the Management Company business fell short of our expectations, eroding the earnings beat. The dividend was EUR 0.14 as previously announced and will be distributed in two parts.

## No surprises in the outlook, the market is picking up

With regard to the outlook, CapMan expects to increase the profitability of assets under management and fee income. Somewhat surprisingly, the company is not guiding for an increase in fee income, although an increase in AUM should inevitably lead to an increase in management fees. In addition, we do not believe that an improvement in the profitability of fee income is realistic without an increase in fee income volumes. The report's comments suggest that the fundraising market is slowly picking up, which would be more than welcome for CapMan. Regarding the overcapitalized balance sheet, the company did not provide any

new information in the first reading of the report, but this may be expected in next month's CMD.

## No major changes in forecasts, earnings to start growing

We have made relatively minor estimate revisions with the Q4 report, and our estimates are broadly unchanged. We continue to expect the company's results to improve strongly as investment income recovers significantly. The profitability of the Management Company business, based on recurring fees, will also improve as new sales pick up.

The 2026 result will make yet another level correction, with carried interest income also rising to its potential level. The 2026 EBIT of ~40 MEUR reflects quite well the full potential of the company. For the time being, we do not foresee any major moves on the company's overstretched cash position, but expect more information on this in next month's CMD. In our interview, the company's CEO said that the company has several growth projects underway. We interpret this to mean that M&A negotiations are active and, based on the comments, could proceed at a relatively rapid pace.

## Valuation is not high as long as profit improvement is realized

CapMan's earnings-based valuation is quite low. P/E multiples for the coming years are 12-13x, whereas dividend yields are above 8%. We believe there is room for upside as the earnings improvement is realized. The upside potential of the multiples combined with the high dividend provides a good expected annual return of over 15% in our view. Our sum-of-the-parts calculation of EUR 2.1 per share also supports our view. We believe that the current valuation could provide room for a stronger view, but we would like to hear an update on the company's strategy at CMD and see more concrete evidence of a real start to earnings growth.

## Recommendation

**Accumulate**

(was Accumulate)

## Target price:

**EUR 2.10**

(was EUR 2.10)

## Share price:

EUR 1.87

## Business risk



## Valuation risk



	2024	2025e	2026e	2027e
<b>Revenue</b>	57.6	66.6	74.4	77.7
<b>growth-%</b>	17%	16%	12%	4%
<b>EBIT adj.</b>	17.0	34.3	40.5	42.0
<b>EBIT-% adj.</b>	29.5 %	51.5 %	54.5 %	54.1 %
<b>Net Income</b>	68.6	23.3	25.8	26.7
<b>EPS (adj.)</b>	0.03	0.14	0.15	0.16
<b>P/E (adj.)</b>	56.8	13.5	12.3	11.9
<b>P/B</b>	1.6	1.7	1.7	1.7
<b>Dividend yield-%</b>	7.9 %	8.0 %	8.6 %	9.1 %
<b>EV/EBIT (adj.)</b>	16.9	8.8	7.5	7.4
<b>EV/EBITDA</b>	15.1	8.5	7.3	7.1
<b>EV/S</b>	5.0	4.5	4.1	4.0

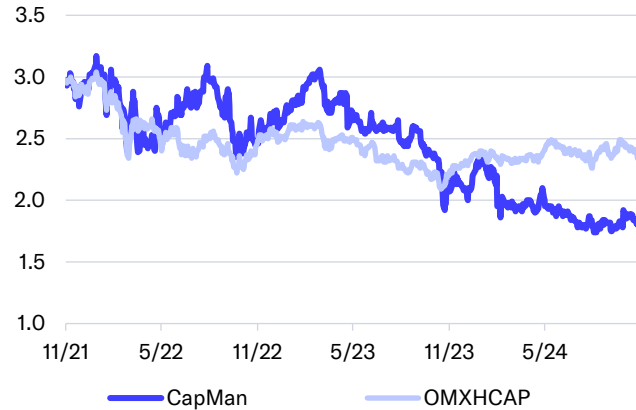
Source: Inderes

## Guidance

(New guidance)

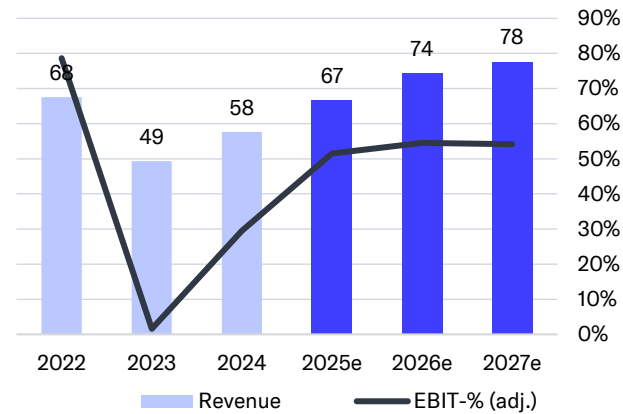
CapMan estimates assets under management to grow in 2025. The company estimates fee profit also to grow in 2025. The estimates do not include possible items affecting comparability.

## Share price



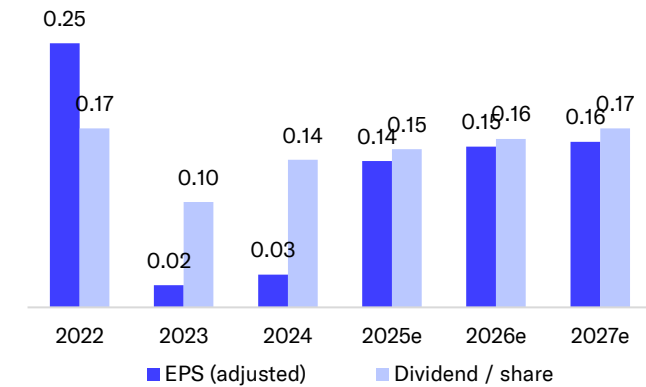
Source: Millstream Market Data AB

## Revenue and EBIT-%



Source: Inderes

## EPS and dividend



Source: Inderes

## Value drivers

- New products in existing and new strategies
- The growth of product sizes and growth potential from new customers
- Good investment returns will be accompanied by rising carried interest income and balance sheet investment income
- Improving cost-efficiency
- Possible value creating acquisitions

## Risk factors

- Weakening investment income and falling short of customer expectations
- Increased cost levels and high bargaining power of the personnel
- A general decline in the attractiveness of alternative asset classes
- Intensifying price competition and lower fee levels for existing products
- High dependency of earnings on investment returns

Valuation	2025e	2026e	2027e
<b>Share price</b>	1.87	1.87	1.87
<b>Number of shares, millions</b>	177.4	177.9	178.4
<b>Market cap</b>	332	332	332
<b>EV</b>	301	306	312
<b>P/E (adj.)</b>	13.5	12.3	11.9
<b>P/E</b>	14.2	12.9	12.5
<b>P/B</b>	1.7	1.7	1.7
<b>P/S</b>	5.0	4.5	4.3
<b>EV/Sales</b>	4.5	4.1	4.0
<b>EV/EBITDA</b>	8.5	7.3	7.1
<b>EV/EBIT (adj.)</b>	8.8	7.5	7.4
<b>Payout ratio (%)</b>	114%	110%	114%
<b>Dividend yield-%</b>	8.0 %	8.6 %	9.1 %

Source: Inderes

# Summary of earnings forecasts

MEUR	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
<b>Revenue</b>	<b>43.0</b>	<b>52.8</b>	<b>67.5</b>	<b>59.4</b>	<b>63.4</b>	<b>72.6</b>	<b>74.4</b>	<b>77.7</b>	<b>84.4</b>
Fund management fees	29.0	36.6	38.8	39.0	45.9	50.1	55.1	59.5	65.2
Carried interest income	0.9	2.9	9.6	3.1	4.5	9.0	12.0	11.0	11.0
Fees from wealth advisory services	4.0	4.2	7.4	6.0	6.6	6.6	6.6	6.6	6.6
Service business	8.6	8.6	11.1	10.6	6.2	0.4	0.2	0.1	0.1
Other and eliminations	0.7	0.5	0.6	0.5	0.6	0.5	0.5	0.5	0.5
Other operating income	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	1.0
Personnel expenses	-23.9	-30.6	-34.6	-33.9	-34.3	-34.3	-36.6	-38.2	-39.9
Other costs	-9.7	-10.0	-12.2	-13.2	-14.5	-13.4	-13.8	-14.4	-14.9
Depreciation	-1.5	-1.5	-4.2	-1.5	-1.8	-1.2	-1.6	-1.7	-1.8
Changes in fair value	4.4	33.9	36.5	-6.1	7.8	16.6	18.2	18.7	19.3
<b>EBIT</b>	<b>44.6</b>	<b>53.1</b>	<b>-1.3</b>	<b>16.7</b>	<b>32.9</b>	<b>39.2</b>	<b>40.7</b>	<b>44.7</b>	<b>42.9</b>
NRI	0.0	0.0	-2.0	-0.3	-1.4	-1.4	-1.4	-1.4	0.0
<b>Adjusted EBIT</b>	<b>44.6</b>	<b>53.1</b>	<b>0.8</b>	<b>17.0</b>	<b>34.3</b>	<b>40.5</b>	<b>42.0</b>	<b>46.1</b>	<b>42.9</b>
<b>EBIT adjusted for investments and profit distribution</b>	<b>39.8</b>	<b>17.4</b>	<b>-46.6</b>	<b>20.1</b>	<b>21.5</b>	<b>14.4</b>	<b>11.3</b>	<b>15.9</b>	<b>13.6</b>
<b>AUM (MEUR)</b>	<b>3827</b>	<b>4909</b>	<b>5040</b>	<b>5005</b>	<b>6062</b>	<b>6513</b>	<b>7015</b>	<b>7679</b>	<b>8357</b>
Private Equity	998	991	933	1,022	1,080	1,080	1,110	1,140	1,170
Real Estate	2,440	3,060	3,187	2,933	3,090	3,390	3,740	4,090	4,440
Infra	357	355	442	562	648	655	655	805	955
Natural Capital	0	0	0	0	726	850	952	1,066	1,194
Other	32	503	478	488	518	538	558	578	598
<i>AUM growth -%</i>	18%	28%	3%	-1%	21%	7%	8%	9%	9%
<i>EBIT %</i>	103.8%	100.6%	-1.9%	28.1%	51.9%	54.0%	54.7%	57.6%	50.8%
<i>EBIT % excl. investments and profit distribution</i>	94.4%	34.9%	-80.5%	35.8%	36.5%	22.7%	18.2%	23.9%	18.5%
<i>EPS (adjusted for NRIs)</i>	0.03	0.22	0.25	0.02	0.14	0.15	0.16	0.17	0.16
<i>DPS</i>	0.14	0.15	0.17	0.10	0.15	0.16	0.17	0.15	0.15
<i>Payout ratio-%</i>	424%	68%	68%	468%	108%	105%	108%	86%	90%
<i>ROE-%, adjusted</i>	4.5%	27.0%	27.9%	2.9%	46.3%	15.6%	16.7%	17.4%	0.0%
<i>Equity ratio</i>	51.8%	53.0%	52.5%	47.7%	51.4%	55.4%	55.5%	54.2%	0.0%
<i>Income from balance sheet investments %</i>	3.8%	27.6%	24.7%	-3.6%	4.8%	10.0%	11.0%	11.0%	11.0%

# Estimates and estimate revisions

Estimates MEUR / EUR	Q4'23	Q4'24	Q4'24e	Q4'24e	Consensus		Difference (%)	2024e
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	11.5	13.9	14.4				-4%	57.6
EBIT (adj.)	-4.3	5.9	4.9				20%	17.0
EBIT	-6.3	5.6	4.6				21%	16.7
EPS (adj.)	-0.02	0.02	0.02				0%	0.03
EPS (reported)	-0.04	0.37	0.35				6%	
DPS	0.10	0.14	0.14				0%	0.14
Revenue growth-%	-41.9 %	21.1 %	25.6 %				-4.4 pp	16.8 %
EBIT-% (adj.)	-37.3 %	42.3 %	34.0 %				8.2 pp	29.5 %

Source: Inderes

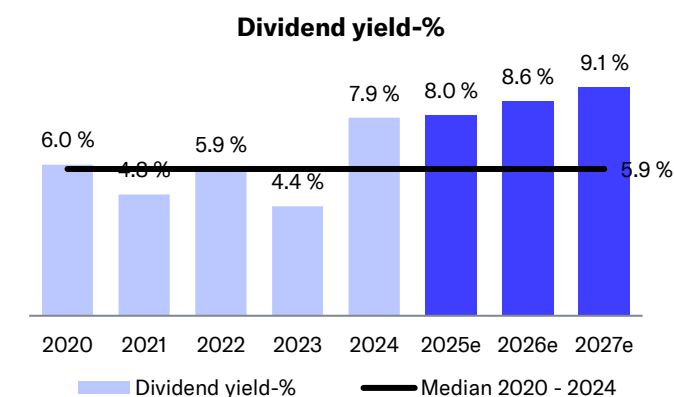
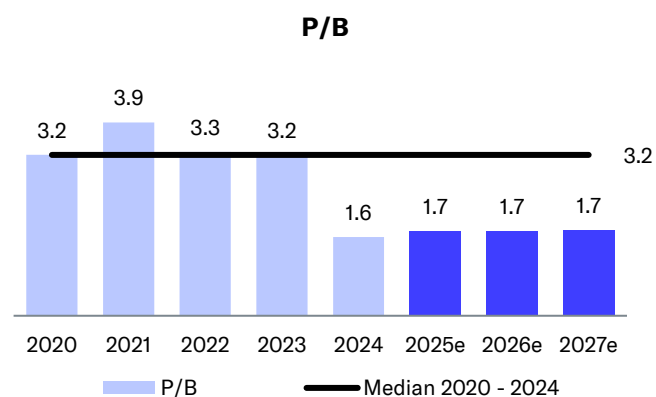
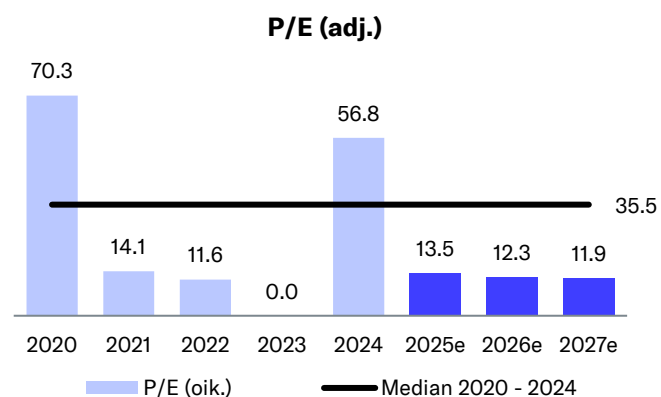
Estimate revisions MEUR / EUR	2024e	2024e	Change	2025e	2025e	Change	2026e	2026e	Change
	Old	New	%	Old	New	%	Old	New	%
Revenue	58.2	57.6	-1%	65.8	66.6	1%	73.9	74.4	1%
EBIT (exc. NRIs)	16.1	17.0	6%	32.0	34.3	7%	39.6	40.5	2%
EBIT	15.7	16.7	6%	30.6	32.9	8%	38.2	39.2	3%
PTP	74.5	76.4	3%	26.2	28.9	10%	33.8	35.2	4%
EPS (excl. NRIs)	0.02	0.03	56%	0.12	0.14	16%	0.15	0.15	2%
DPS	0.14	0.14	0%	0.14	0.15	9%	0.15	0.16	7%

Source: Inderes

# Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	2.32	3.10	2.90	2.29	1.77	<b>1.87</b>	<b>1.87</b>	<b>1.87</b>	<b>1.87</b>
Number of shares, millions	155.8	156.6	158.1	158.6	176.9	<b>177.4</b>	<b>177.9</b>	<b>178.4</b>	<b>178.9</b>
Market cap	361	486	458	363	313	<b>332</b>	<b>332</b>	<b>332</b>	<b>332</b>
EV	395	513	506	426	288	<b>301</b>	<b>306</b>	<b>312</b>	<b>311</b>
P/E (oik.)	70.3	14.1	11.6	>100	56.8	<b>13.5</b>	<b>12.3</b>	<b>11.9</b>	<b>10.7</b>
P/E	70.3	14.1	11.6	>100	4.6	<b>14.2</b>	<b>12.9</b>	<b>12.5</b>	<b>11.2</b>
P/B	3.2	3.9	3.3	3.2	1.6	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>
P/S	8.4	9.2	6.8	7.4	5.4	<b>5.0</b>	<b>4.5</b>	<b>4.3</b>	<b>4.0</b>
EV/Sales	9.2	9.7	7.5	8.6	5.0	<b>4.5</b>	<b>4.1</b>	<b>4.0</b>	<b>3.7</b>
EV/EBITDA	28.7	11.1	8.8	>100	15.1	<b>8.5</b>	<b>7.3</b>	<b>7.1</b>	<b>6.5</b>
EV/EBIT (adj.)	32.0	11.5	9.5	>100	16.9	<b>8.8</b>	<b>7.5</b>	<b>7.4</b>	<b>6.8</b>
Payout ratio (%)	424.1 %	68.5 %	67.8 %	1229.3 %	36.1 %	<b>114.2 %</b>	<b>110.4 %</b>	<b>113.6 %</b>	<b>90.0 %</b>
Dividend yield-%	6.0 %	4.8 %	5.9 %	4.4 %	7.9 %	<b>8.0 %</b>	<b>8.6 %</b>	<b>9.1 %</b>	<b>8.1 %</b>

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	
Alexandria	85	84	7.7	7.5	6.4	6.2	1.8	1.7	10.4	11.0	7.4	7.9	2.5
Aktia	675	861							7.0	7.5	9.1	8.7	0.9
eQ	557	528	14.4	11.7	13.9	11.3	7.7	6.7	19.1	15.8	5.5	6.6	7.3
Evli	496	502	11.4	11.4	8.0	10.3	4.1	4.7	15.8	15.0	7.5	8.0	3.5
Taaleri	233	246	6.6	5.9	6.5	5.8	3.5	3.2	8.6	8.7	7.0	6.9	1.1
Titanium	102	89	9.3	9.3	8.7	8.6	3.9	3.8	13.5	13.4	8.3	8.3	6.0
United Bankers	193	174	8.1	8.6	7.3	7.6	2.9	2.8	12.1	13.3	6.2	6.4	3.3
<b>CapMan (Inderes)</b>	<b>332</b>	<b>301</b>	<b>8.8</b>	<b>7.5</b>	<b>8.5</b>	<b>7.3</b>	<b>4.5</b>	<b>4.1</b>	<b>13.5</b>	<b>12.3</b>	<b>8.0</b>	<b>8.6</b>	<b>1.7</b>
<b>Average</b>			<b>9.6</b>	<b>9.0</b>	<b>8.5</b>	<b>8.3</b>	<b>4.0</b>	<b>3.8</b>	<b>12.3</b>	<b>12.1</b>	<b>7.3</b>	<b>7.5</b>	<b>3.5</b>
<b>Median</b>			<b>8.7</b>	<b>8.9</b>	<b>7.7</b>	<b>8.1</b>	<b>3.7</b>	<b>3.5</b>	<b>12.1</b>	<b>13.3</b>	<b>7.4</b>	<b>7.9</b>	<b>3.3</b>
<b>Diff-% to median</b>			<b>1%</b>	<b>-16%</b>	<b>11%</b>	<b>-10%</b>	<b>21%</b>	<b>17%</b>	<b>11%</b>	<b>-8%</b>	<b>9%</b>	<b>9%</b>	<b>-49%</b>

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
<b>Revenue</b>	<b>49.3</b>	<b>15.6</b>	<b>15.4</b>	<b>12.8</b>	<b>13.8</b>	<b>57.6</b>	<b>15.7</b>	<b>15.8</b>	<b>16.8</b>	<b>18.4</b>	<b>66.6</b>	<b>74.4</b>	<b>77.7</b>	<b>83.4</b>
Management Company business	48.8	15.4	15.3	12.4	13.7	56.8	15.5	15.5	16.6	18.2	65.7	73.7	77.1	82.8
Service business	0.0	0.0	0.0	0.2	0.1	0.3	0.1	0.1	0.1	0.1	0.4	0.2	0.1	0.1
Investment business	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
Other	0.5	0.2	0.1	0.2	0.1	0.6	0.1	0.1	0.1	0.1	0.5	0.5	0.5	0.5
<b>EBITDA</b>	<b>0.2</b>	<b>6.1</b>	<b>4.5</b>	<b>2.3</b>	<b>6.2</b>	<b>19.1</b>	<b>7.4</b>	<b>7.4</b>	<b>10.7</b>	<b>10.0</b>	<b>35.5</b>	<b>42.1</b>	<b>43.7</b>	<b>47.7</b>
Depreciation	-1.5	-0.5	-0.7	-0.6	-0.6	-2.4	-0.7	-0.7	-0.7	-0.7	-2.6	-3.0	-3.1	-3.0
<b>EBIT (excl. NRI)</b>	<b>0.8</b>	<b>6.8</b>	<b>2.6</b>	<b>1.7</b>	<b>5.9</b>	<b>17.0</b>	<b>7.1</b>	<b>7.1</b>	<b>10.4</b>	<b>9.7</b>	<b>34.3</b>	<b>40.5</b>	<b>42.0</b>	<b>46.1</b>
<b>EBIT</b>	<b>-1.3</b>	<b>5.6</b>	<b>3.8</b>	<b>1.7</b>	<b>5.6</b>	<b>16.7</b>	<b>6.7</b>	<b>6.7</b>	<b>10.1</b>	<b>9.4</b>	<b>32.9</b>	<b>39.2</b>	<b>40.7</b>	<b>44.7</b>
Management company business	12.3	6.3	4.3	3.9	2.7	17.2	5.3	4.4	7.7	7.1	24.4	30.3	31.7	36.3
Service business	0.0	0.0	0.0	0.2	0.1	0.3	0.1	0.1	0.1	0.1	0.4	0.2	0.1	0.1
Investment business	-6.6	2.1	1.0	-0.9	4.7	6.9	4.0	3.9	3.9	3.9	15.7	17.3	17.8	18.3
Other	-6.9	-2.8	-1.5	-1.5	-1.9	-7.7	-2.6	-1.7	-1.6	-1.7	-7.7	-8.6	-8.9	-10.0
Net financial items	-0.7	-0.9	-1.1	-1.3	-1.1	-4.3	-1.0	-1.0	-1.0	-1.0	-4.0	-4.0	-4.0	-4.0
<b>PTP</b>	<b>2.7</b>	<b>6.0</b>	<b>4.0</b>	<b>1.2</b>	<b>65.2</b>	<b>76.4</b>	<b>5.7</b>	<b>5.7</b>	<b>9.1</b>	<b>8.4</b>	<b>28.9</b>	<b>35.2</b>	<b>36.7</b>	<b>40.7</b>
Taxes	0.6	-1.5	-0.4	-0.1	-0.9	-3.0	-0.7	-0.7	-1.1	-1.0	-3.4	-7.0	-7.3	-8.1
Minority interest	-2.0	-2.4	-1.3	-0.8	-0.4	-4.9	-0.5	-0.6	-0.5	-0.6	-2.2	-2.4	-2.6	-2.8
<b>Net earnings</b>	<b>1.3</b>	<b>2.1</b>	<b>2.3</b>	<b>0.3</b>	<b>63.9</b>	<b>68.6</b>	<b>4.5</b>	<b>4.5</b>	<b>7.5</b>	<b>6.8</b>	<b>23.3</b>	<b>25.8</b>	<b>26.7</b>	<b>29.8</b>
<b>EPS (adj.)</b>	<b>0.02</b>	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>	<b>0.02</b>	<b>0.03</b>	<b>0.03</b>	<b>0.03</b>	<b>0.04</b>	<b>0.04</b>	<b>0.14</b>	<b>0.15</b>	<b>0.16</b>	<b>0.17</b>
<b>EPS (rep.)</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.00</b>	<b>0.36</b>	<b>0.39</b>	<b>0.03</b>	<b>0.03</b>	<b>0.04</b>	<b>0.04</b>	<b>0.13</b>	<b>0.14</b>	<b>0.15</b>	<b>0.17</b>

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
<b>Revenue growth-%</b>	-27.0 %	22.8 %	10.5 %	14.0 %	20.6 %	16.8 %	0.5 %	2.3 %	31.2 %	32.9 %	15.6 %	11.7 %	4.4 %	7.4 %
<b>Adjusted EBIT growth-%</b>	-98.5 %	-776.7 %	-2.0 %	-49.6 %	-237.8 %	2079.6 %	4.5 %	169.1 %	512.5 %	64.8 %	101.7 %	18.2 %	3.7 %	9.7 %
<b>EBITDA-%</b>	0.5 %	38.9 %	29.1 %	18.3 %	44.7 %	33.1 %	47.1 %	47.0 %	63.9 %	54.6 %	53.3 %	56.6 %	56.3 %	57.2 %
<b>Adjusted EBIT-%</b>	1.6 %	43.4 %	17.1 %	13.3 %	42.7 %	29.5 %	45.1 %	45.0 %	62.1 %	52.9 %	51.5 %	54.5 %	54.1 %	55.3 %
<b>Net earnings-%</b>	2.6 %	13.4 %	14.8 %	2.3 %	462.0 %	119.0 %	29.0 %	28.3 %	44.7 %	36.9 %	35.0 %	34.7 %	34.4 %	35.7 %

Source: Inderes



# Balance sheet

Assets	2023	2024	2025e	2026e	2027e
<b>Non-current assets</b>	<b>173</b>	<b>215</b>	<b>211</b>	<b>215</b>	<b>219</b>
Goodwill	7.9	30.1	30.1	30.1	30.1
Intangible assets	0.0	12.4	11.2	9.8	8.5
Tangible assets	4.1	2.9	3.2	3.4	3.6
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	159	168	165	170	175
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	1.9	1.7	1.7	1.7	1.7
<b>Current assets</b>	<b>68.0</b>	<b>128</b>	<b>117</b>	<b>115</b>	<b>116</b>
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	6.5	7.1	7.1	7.1	7.1
Receivables	20.5	27.4	26.6	29.8	31.1
Cash and equivalents	41.0	93.9	83.4	78.3	77.7
<b>Balance sheet total</b>	<b>241</b>	<b>343</b>	<b>328</b>	<b>330</b>	<b>335</b>

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
<b>Equity</b>	<b>115</b>	<b>203</b>	<b>201</b>	<b>200</b>	<b>199</b>
Share capital	0.8	35.2	35.2	35.2	35.2
Retained earnings	52.9	104	103	102	100
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	38.4	38.4	38.4	38.4	38.4
Other equity	21.1	21.1	21.1	21.1	21.1
Minorities	1.9	3.8	3.8	3.8	3.8
<b>Non-current liabilities</b>	<b>98.9</b>	<b>110</b>	<b>94.1</b>	<b>94.1</b>	<b>99.2</b>
Deferred tax liabilities	6.0	8.5	8.5	8.5	8.5
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	92.5	101	85.0	85.0	90.1
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.5	0.5	0.5	0.5	0.5
<b>Current liabilities</b>	<b>27.5</b>	<b>30.4</b>	<b>33.1</b>	<b>35.8</b>	<b>36.9</b>
Interest bearing debt	1.4	0.0	0.0	0.0	0.0
Payables	24.2	20.6	23.3	26.0	27.2
Other current liabilities	1.9	9.8	9.8	9.8	9.8
<b>Balance sheet total</b>	<b>242</b>	<b>343</b>	<b>328</b>	<b>330</b>	<b>335</b>

# DCF calculation

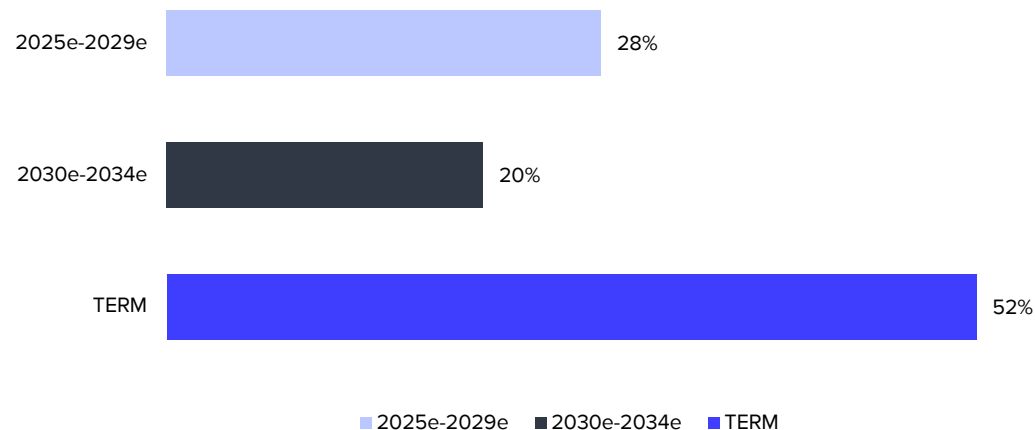
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	16.8 %	15.6 %	11.7 %	4.4 %	7.4 %	5.0 %	5.0 %	5.0 %	3.0 %	3.0 %	2.5 %	2.5 %
EBIT-%	28.9 %	49.4 %	52.7 %	52.4 %	53.6 %	49.0 %	48.0 %	47.0 %	45.0 %	45.0 %	45.0 %	45.0 %
<b>EBIT (operating profit)</b>	<b>16.7</b>	<b>32.9</b>	<b>39.2</b>	<b>40.7</b>	<b>44.7</b>	<b>42.9</b>	<b>44.1</b>	<b>45.4</b>	<b>44.7</b>	<b>46.1</b>	<b>47.2</b>	
+ Depreciation	2.4	2.6	3.0	3.1	3.0	2.9	2.9	2.8	2.8	2.9	2.9	
- Paid taxes	-0.2	-3.4	-7.0	-7.3	-8.1	-8.0	-8.2	-8.5	-8.4	-8.7	-9.0	
- Tax, financial expenses	-1.0	-0.5	-0.8	-0.8	-0.8	-0.6	-0.6	-0.6	-0.5	-0.5	-0.5	
+ 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	-3.1	3.4	-0.4	-0.2	-0.3	-0.2	-0.2	-0.2	-0.1	-0.1	-0.1	
<b>Operating cash flow</b>	<b>14.7</b>	<b>35.0</b>	<b>33.9</b>	<b>35.4</b>	<b>38.5</b>	<b>37.0</b>	<b>37.9</b>	<b>38.9</b>	<b>38.5</b>	<b>39.6</b>	<b>40.5</b>	
+ Change in other long-term liabilities	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-44.2	1.1	-6.8	-6.9	-2.0	-2.1	-2.2	-2.3	-2.4	-2.5	-4.0	
<b>Free operating cash flow</b>	<b>-29.4</b>	<b>36.1</b>	<b>27.1</b>	<b>28.5</b>	<b>36.5</b>	<b>34.9</b>	<b>35.7</b>	<b>36.6</b>	<b>36.1</b>	<b>37.1</b>	<b>36.5</b>	
+/- Other	83.0	3.0	-3.0	-2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	53.6	39.1	24.1	26.5	36.5	34.9	35.7	36.6	36.1	37.1	36.5	559
<b>Discounted FCFF</b>		<b>36.2</b>	<b>20.4</b>	<b>20.6</b>	<b>25.9</b>	<b>22.7</b>	<b>21.3</b>	<b>20.0</b>	<b>18.1</b>	<b>17.0</b>	<b>15.3</b>	<b>235</b>
Sum of FCFF present value		452	416	396	375	349	326	305	285	267	250	235
<b>Enterprise value DCF</b>		<b>452</b>										
- Interest bearing debt		-101.3										
+ Cash and cash equivalents		93.9										
-Minorities		-31.5										
-Dividend/capital return		0.0										
<b>Equity value DCF</b>		<b>478</b>										
<b>Equity value DCF per share</b>		<b>2.7</b>										

## WACC

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	5.5 %
Equity Beta	1.45
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>10.4 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>9.2 %</b>

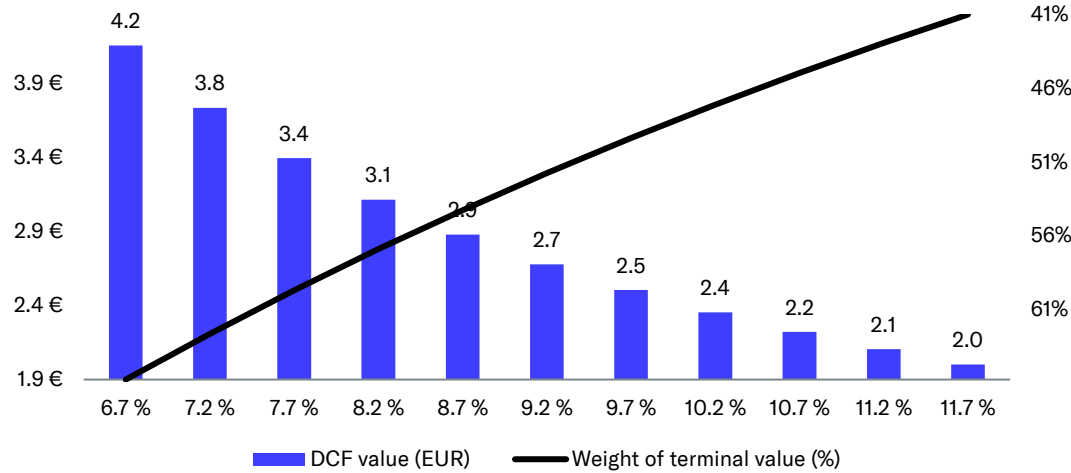
Source: Inderes

## Cash flow distribution

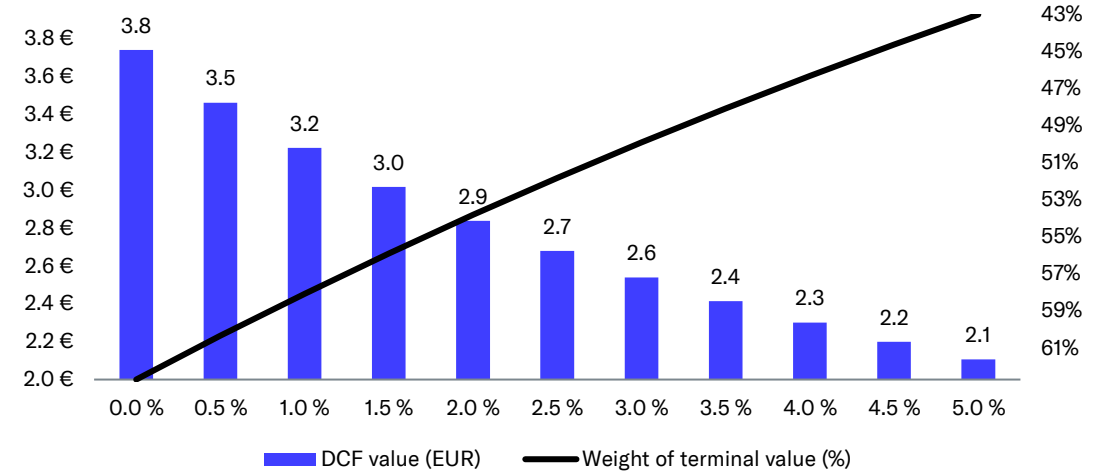


# DCF sensitivity calculations and key assumptions in graphs

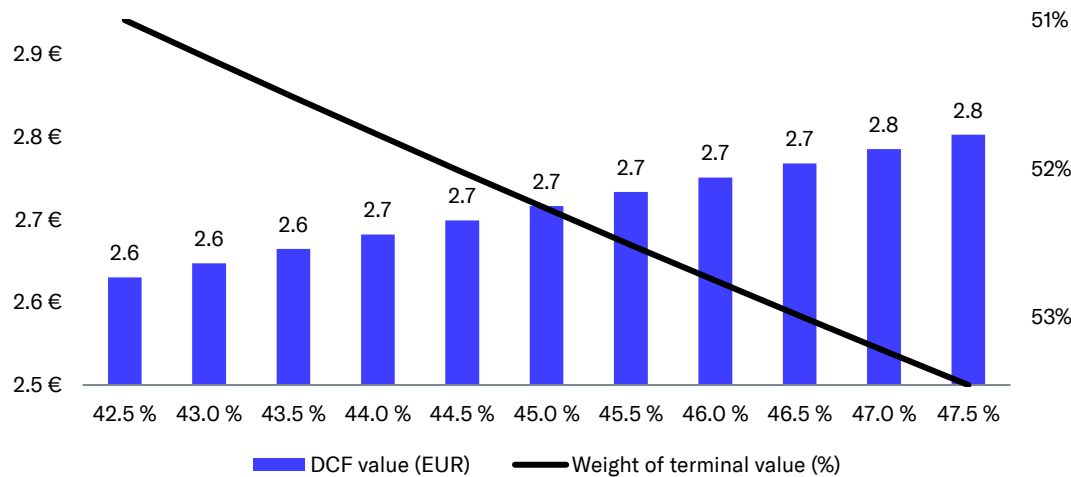
Sensitivity of DCF to changes in the WACC-%



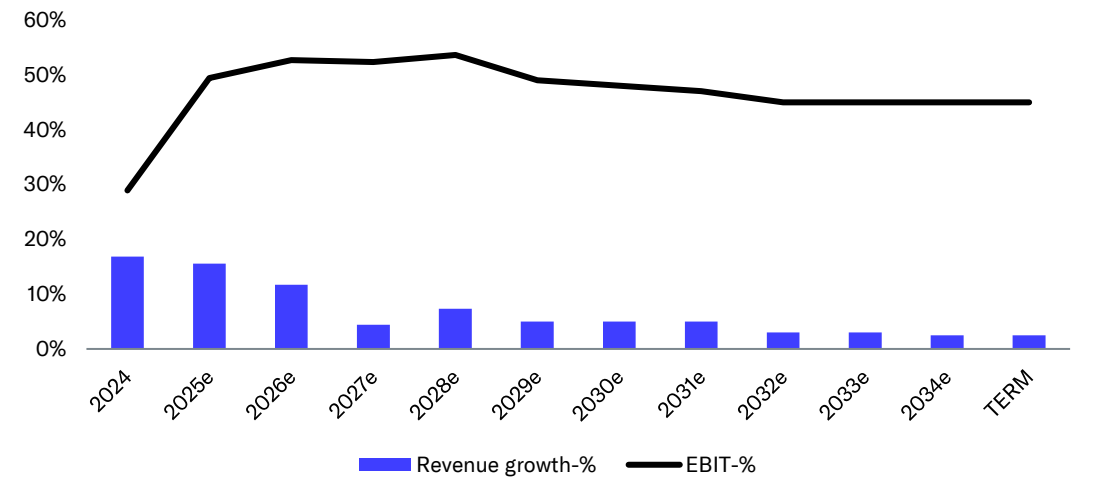
Sensitivity of DCF to changes in the risk-free rate



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	67.5	49.3	57.6	<b>66.6</b>	<b>74.4</b>	EPS (reported)	0.25	0.01	0.39	<b>0.13</b>	<b>0.14</b>
EBITDA	57.3	0.2	19.1	<b>35.5</b>	<b>42.1</b>	EPS (adj.)	0.25	0.02	0.03	<b>0.14</b>	<b>0.15</b>
EBIT	53.1	-1.3	16.7	<b>32.9</b>	<b>39.2</b>	OCF / share	0.31	0.06	0.08	<b>0.20</b>	<b>0.19</b>
PTP	47.6	2.7	76.4	<b>28.9</b>	<b>35.2</b>	FCF / share	0.07	0.07	0.30	<b>0.22</b>	<b>0.14</b>
Net Income	39.6	1.3	68.6	<b>23.3</b>	<b>25.8</b>	Book value / share	0.89	0.71	1.12	<b>1.11</b>	<b>1.11</b>
Extraordinary items	0.0	-2.0	-0.3	<b>-1.4</b>	<b>-1.4</b>	Dividend / share	0.17	0.10	0.14	<b>0.15</b>	<b>0.16</b>
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	270.5	241.4	343.3	<b>328.3</b>	<b>330.2</b>	Revenue growth-%	28%	-27%	17%	<b>16%</b>	<b>12%</b>
Equity capital	142.1	115.1	202.7	<b>201.2</b>	<b>200.4</b>	EBITDA growth-%	24%	-100%	7943%	<b>86%</b>	<b>19%</b>
Goodwill	7.9	7.9	30.1	<b>30.1</b>	<b>30.1</b>	EBIT (adj.) growth-%	19%	-99%	2080%	<b>102%</b>	<b>18%</b>
Net debt	37.4	52.8	7.3	<b>1.6</b>	<b>6.7</b>	EPS (adj.) growth-%	14%	-92%	48%	<b>346%</b>	<b>10%</b>
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	84.9 %	0.5 %	33.1 %	<b>53.3 %</b>	<b>56.6 %</b>
EBITDA	57.3	0.2	19.1	<b>35.5</b>	<b>42.1</b>	EBIT (adj.)-%	78.6 %	1.6 %	29.5 %	<b>51.5 %</b>	<b>54.5 %</b>
Change in working capital	-1.9	11.5	-3.1	<b>3.4</b>	<b>-0.4</b>	EBIT-%	78.6 %	-2.6 %	28.9 %	<b>49.4 %</b>	<b>52.7 %</b>
Operating cash flow	49.1	9.6	14.7	<b>35.0</b>	<b>33.9</b>	ROE-%	29.8 %	1.0 %	43.9 %	<b>11.8 %</b>	<b>13.1 %</b>
CAPEX	-37.3	8.1	-44.2	<b>1.1</b>	<b>-6.8</b>	ROI-%	23.8 %	1.5 %	31.5 %	<b>11.2 %</b>	<b>13.7 %</b>
Free cash flow	11.5	10.9	53.6	<b>39.1</b>	<b>24.1</b>	Equity ratio	52.6 %	47.7 %	59.0 %	<b>61.3 %</b>	<b>60.7 %</b>
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	26.3 %	45.9 %	3.6 %	<b>0.8 %</b>	<b>3.3 %</b>
EV/S	7.5	8.6	5.0	<b>4.5</b>	<b>4.1</b>						
EV/EBITDA	8.8	>100	15.1	<b>8.5</b>	<b>7.3</b>						
EV/EBIT (adj.)	9.5	>100	16.9	<b>8.8</b>	<b>7.5</b>						
P/E (adj.)	11.6	>100	56.8	<b>13.5</b>	<b>12.3</b>						
P/B	3.3	3.2	1.6	<b>1.7</b>	<b>1.7</b>						
Dividend-%	5.9 %	4.4 %	7.9 %	<b>8.0 %</b>	<b>8.6 %</b>						

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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Date	Recommendation	Target	Share price
8/9/2019	Buy	2.00 €	1.75 €
9/26/2019	Accumulate	2.00 €	1.87 €
11/1/2019	Reduce	2.10 €	2.06 €
1/31/2020	Buy	2.75 €	2.48 €
3/20/2020	Buy	2.00 €	1.52 €
4/7/2020	Accumulate	1.90 €	1.70 €
4/24/2020	Accumulate	1.90 €	1.76 €
8/7/2020	Accumulate	2.10 €	1.96 €
10/30/2020	Accumulate	2.10 €	1.93 €
2/5/2021	Accumulate	2.80 €	2.63 €
2/22/2021	Accumulate	2.80 €	2.68 €
4/30/2021	Accumulate	3.00 €	2.78 €
8/6/2021	Accumulate	3.30 €	3.04 €
10/28/2021	Accumulate	3.30 €	2.98 €
1/5/2022	Accumulate	3.30 €	3.10 €
2/4/2022	Accumulate	3.30 €	3.00 €
3/21/2022	Accumulate	3.10 €	2.81 €
4/29/2022	Buy	3.10 €	2.62 €
8/5/2022	Accumulate	3.30 €	3.09 €
10/28/2022	Accumulate	3.00 €	2.60 €
11/14/2022	Accumulate	3.00 €	2.58 €
2/3/2022	Accumulate	3.10 €	2.89 €
5/2/2023	Accumulate	2.90 €	2.59 €
8/4/2023	Accumulate	2.70 €	2.57 €
10/27/2023	Accumulate	2.40 €	2.06 €
2/8/2024	Accumulate	2.20 €	1.96 €
3/6/2024	Accumulate	2.20 €	1.94 €
5/6/2024	Reduce	2.20 €	2.10 €
6/3/2024	Accumulate	2.20 €	1.91 €
8/8/2024	Accumulate	2.10 €	1.78 €
10/7/2024	Accumulate	2.10 €	1.92 €
10/14/2024	Accumulate	2.10 €	1.89 €
11/8/2024	Accumulate	2.10 €	1.77 €
2/14/2025	Accumulate	2.10 €	1.87 €



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