

# Purmo Group

## Company report

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This report is a summary translation of the report "Korkeampi kilpaileva tarjous" published on 7/15/2024 at 8:19 pm EEST

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# A higher competing bid for Purmo

The Chinese Haier made a competing bid for Purmo at a price of EUR 13.68 per share, i.e. over 20% higher than the previous offer of EUR 11.15. The consortium that submitted the previous offer has until the middle of next week to react to the new offer. We consider the offered price good. We raise our target price to EUR 13.5 and reiterate our Reduce recommendation.

## Chinese Haier offers EUR 13.68 per share for Purmo

On Monday morning, a subsidiary of the Chinese company Haier Smart Home announced that it would make a cash bid for Purmo for EUR 13.68 per share. Haier's interest [was announced as early as May](#), although the purchase price at that time was quoted as EUR 11. After this, Project Grand Bidco, the consortium of the private equity investor Apollo and Purmo's current main owner Rettig that had made a bid earlier raised its offer to EUR 11.15 and over 80% of the shareholders committed to the higher offer unless someone else would pay over EUR 13.5 per share. We considered this unlikely, but Haier obviously estimated that Purmo was worth at least this. We feel that with the bidding war, the price of Purmo has already risen to a very high level as, e.g., with the EV/EBITDA ratio the offer values Purmo at 9x and the offer is well above our DCF value of good EUR 9.00. The offer is also more than 20% better than the previous offer and nearly double Purmo's share price levels in early 2024.

However, the valuation is still well below the approximately 12x EV/EBITDA valuation of Purmo's peer Arbonia's business acquisition (which we commented on [here](#)). Despite (and partly because of) the recent strong margin improvement, we believe Purmo's earnings growth prospects over the next few years are quite moderate, which would likely keep the stock's valuation level low. In terms of timing, Haier expects the offer period to last until the beginning of October and the offer to be completed in Q4'24 or Q1'25, i.e. a couple of quarters later than the consortium's offer. This also means that Purmo will have time to distribute one or two dividends of EUR 0.09 before the offer is completed, which means the final offer price would be set at EUR 13.5. We do not believe Haier has any competing activities with Purmo, which could constitute a barrier to the approval of the transaction from the competition authorities' point of view. The offer came at the last minute, as Grand Bidco's offer was due to expire yesterday. However, we suspect Grand Bidco did not yet have all required regulatory approvals, and with the new offer, the consortium announced that it would extend its offer period.

## Project Grand Bidco has until the middle of next week to react to the new offer

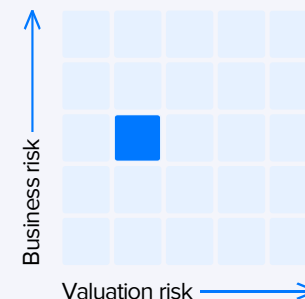
Under the agreement between Purmo and Project Grand Bidco, Grand Bidco has seven business days to respond to a new offer before Purmo's Board of Directors can publicly evaluate the new offer and possibly change its recommendation concerning the offer. With the longer schedule of Haier's offer, it would in practice be sufficient for Grand Bidco to raise its offer to roughly the same level as Haier's. However, Haier's offer is already clearly higher than either of Grand Bidco's offers, and we find it likely that the consortium will step out of the race and the main owner Rettig ends up selling all of his shares to Haier. Although Haier did not officially announce its original intentions, both bidders have in practice already raised their offers once. We consider it likely that the final offer price will not increase significantly above the price currently offered by Haier, as it already values Purmo relatively high, and therefore value creation for the buyer becomes difficult if the price increases further.

## Recommendation

**Reduce**  
(previous Reduce)

**EUR 13.50**  
(previous EUR 11.15)

**Share price:**  
12.75



## Key figures

	2023	2024e	2025e	2026e
<b>Revenue</b>	743.2	720.0	743.0	763.8
<b>growth-%</b>	-18%	-3%	3%	3%
<b>EBIT adj.</b>	55.4	71.8	74.6	75.2
<b>EBIT-% adj.</b>	7.5 %	10.0 %	10.0 %	9.8 %
<b>Net Income</b>	-13.2	23.0	32.6	44.4
<b>EPS (adj.)</b>	0.68	0.88	1.00	1.04

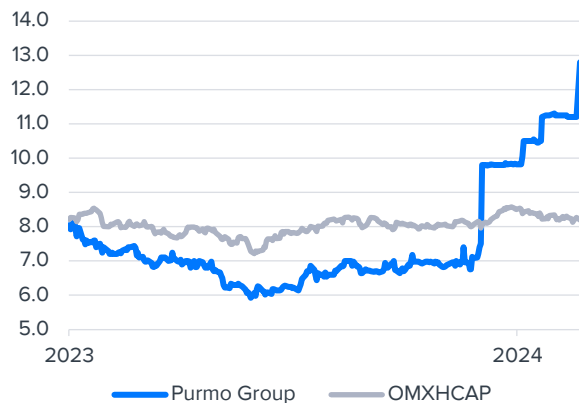
<b>P/E (adj.)</b>	9.1	14.6	12.8	12.2
<b>P/B</b>	0.6	1.2	1.2	1.3
<b>Dividend yield-%</b>	5.7 %	2.7 %	2.9 %	3.1 %
<b>EV/EBIT (adj.)</b>	8.7	10.0	9.4	9.8
<b>EV/EBITDA</b>	5.2	7.5	7.5	7.0
<b>EV/S</b>	0.6	1.0	0.9	1.0

Source: Inderes

## Guidance (Unchanged)

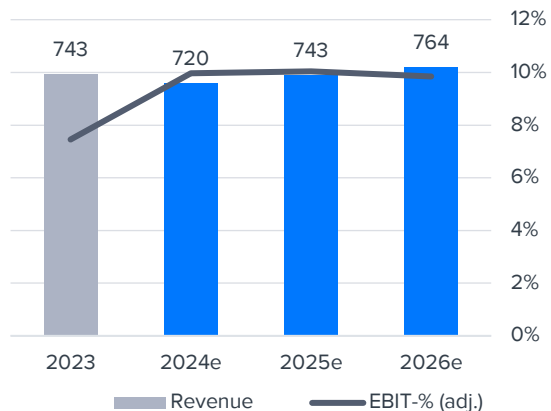
Adjusted EBITDA in 2024 is expected to be on a similar or higher level than in 2023 (92.3 MEUR).

## Share price



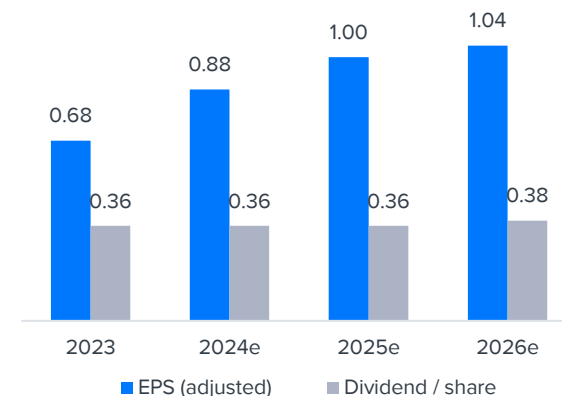
Source: Millstream Market Data AB

## Revenue and EBIT-%



Source: Inderes

## EPS and dividend



Source: Inderes



## Value drivers

- One of the largest product portfolios on the market
- Strong brands and market positions in Europe's radiator business
- Sustainable development, renovation debt, digitalization support the growth outlook of the market



## Risk factors

- Dependency on construction cycles, especially in housing construction
- Distribution is dependent on large wholesale customers
- Capacity management and successful growth investment

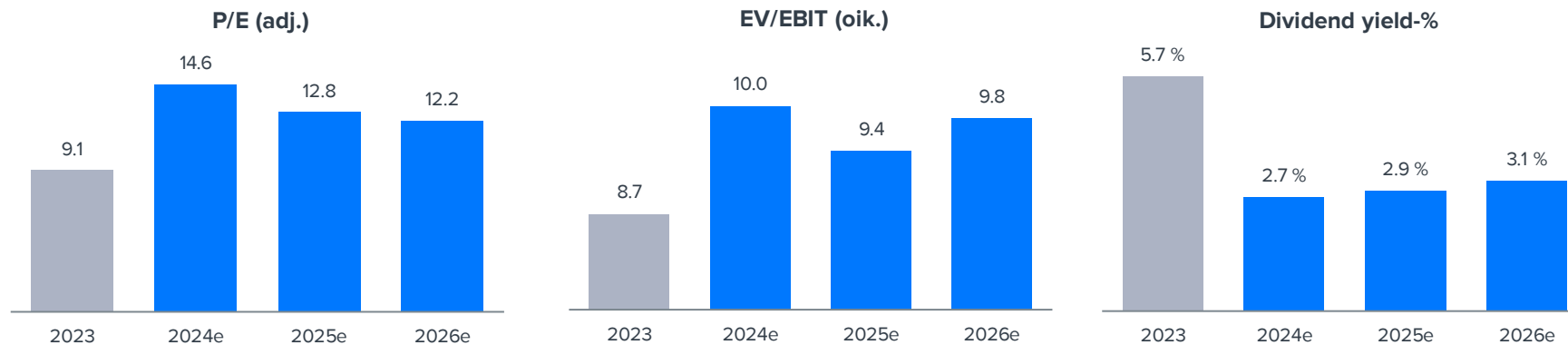
Valuation	2024e	2025e	2026e
Share price	12.8	12.8	12.8
Number of shares, millions	42.7	42.7	42.6
Market cap	544	544	544
EV	775	762	738
P/E (adj.)	14.6	12.8	12.2
P/B	1.2	1.2	1.3
P/S	0.8	0.7	0.7
EV/Sales	1.0	0.9	1.0
EV/EBITDA	7.5	7.5	7.0
EV/EBIT (adj.)	10.0	9.4	9.8
Payout ratio (%)	65%	48%	38%
Dividend yield-%	2.7 %	2.9 %	3.1 %

Source: Inderes

# Valuation table

Valuation	2019	2020	2021	2022	2023	2024e	2025e	2026e	2027e
Share price				8.22	6.18	12.8	12.8	12.8	12.8
Number of shares, millions				41.2	42.7	42.7	42.7	42.6	42.6
Market cap				351	264	544	544	544	544
EV				627	479	775	762	738	713
P/E (adj.)				9.7	9.1	14.6	12.8	12.2	11.7
P/B				0.9	0.6	1.2	1.2	1.3	1.2
P/S				0.4	0.4	0.8	0.7	0.7	0.7
EV/Sales				0.7	0.6	1.0	0.9	1.0	0.9
EV/EBITDA				6.8	5.2	7.5	7.5	7.0	6.7
EV/EBIT (adj.)				10.3	8.7	10.0	9.4	9.8	9.4
Payout ratio (%)				112.9 %	neg.	64.9 %	48.3 %	38.4 %	40.0 %
Dividend yield-%				4.3 %	5.7 %	2.7 %	2.9 %	3.1 %	3.4 %

Source: Inderes



# Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/Liikevaihto		P/E		Dividend yield-%		P/B
Company	MEUR	MEUR	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e	2025e	2024e
Nibe Industrier AB	8246	9947	36.8	20.4	22.7	15.0	2.7	2.5	52.6	25.8	0.9	1.2	3.1
Lindab International AB	1684	2054	18.8	14.7	12.7	10.7	1.7	1.6	23.0	16.2	2.0	2.3	2.5
Systemair AB	1531	1579	17.8	15.4	12.6	10.9	1.5	1.4	25.6	20.9	1.5	1.7	3.0
Arbonia AG	909	1114	180.0	49.1	21.2	16.5	2.0	1.8	150.1	61.4	1.7	1.9	1.1
Volution Group PLC	1177	1289	15.2	14.6	12.5	12.1	3.1	3.0	18.5	17.7	1.7	1.8	3.8
Zehnder Group AG	1157	1105	24.5	18.1	15.8	12.8	1.6	1.5	20.3	14.6	1.8	2.4	2.0
Stelrad Group PLC	183	265	7.3	6.5	5.2	4.8	0.7	0.7	9.5	7.9	6.3	6.4	
Ecoclimate Group AB	7	7	4.5	2.1	2.3	1.4	0.2	0.2	4.5	2.5			0.4
<b>Purmo Group (Inderes)</b>	<b>544</b>	<b>715</b>	<b>10.0</b>	<b>9.4</b>	<b>7.5</b>	<b>7.5</b>	<b>1.0</b>	<b>0.9</b>	<b>14.6</b>	<b>12.8</b>	<b>2.7</b>	<b>2.9</b>	<b>1.2</b>
<b>Average</b>			<b>38.1</b>	<b>17.6</b>	<b>13.1</b>	<b>10.5</b>	<b>1.7</b>	<b>1.6</b>	<b>38.0</b>	<b>20.9</b>	<b>2.3</b>	<b>2.6</b>	<b>2.3</b>
<b>Median</b>			<b>18.3</b>	<b>15.1</b>	<b>12.6</b>	<b>11.5</b>	<b>1.6</b>	<b>1.6</b>	<b>21.7</b>	<b>16.9</b>	<b>1.7</b>	<b>1.9</b>	<b>2.5</b>
<b>Diff-% to median</b>			<b>-46%</b>	<b>-38%</b>	<b>-41%</b>	<b>-35%</b>	<b>-39%</b>	<b>-40%</b>	<b>-33%</b>	<b>-25%</b>	<b>60%</b>	<b>49%</b>	<b>-50%</b>

Source: Refinitiv / Inderes

# Income statement

Income statement	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24	Q2'24e	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
<b>Revenue</b>	<b>212</b>	<b>180</b>	<b>176</b>	<b>175</b>	<b>743</b>	<b>188</b>	<b>176</b>	<b>174</b>	<b>182</b>	<b>720</b>	<b>743</b>	<b>764</b>	<b>785</b>
Climate Products & Systems	169	145	143	135	592	153	140	140	145	578	593	605	617
Climate Solutions	43	36	33	40	152	35	36	34	37	142	150	159	169
<b>EBITDA</b>	<b>23.1</b>	<b>16.9</b>	<b>17.3</b>	<b>-10.8</b>	<b>46.6</b>	<b>25.3</b>	<b>18.5</b>	<b>19.5</b>	<b>22.5</b>	<b>85.8</b>	<b>93.6</b>	<b>104.9</b>	<b>106.2</b>
<b>EBITDA (adj.)</b>	<b>29.2</b>	<b>27.8</b>	<b>19.6</b>	<b>16.3</b>	<b>92.9</b>	<b>26.6</b>	<b>23.5</b>	<b>24.5</b>	<b>25.5</b>	<b>100.1</b>	<b>103.6</b>	<b>104.9</b>	<b>106.2</b>
Depreciation	-8.0	-8.0	-6.1	-14.8	-36.9	-7.4	-7.0	-7.0	-7.0	-28.4	-29.0	-29.6	-30.2
<b>EBIT (excl. NRI)</b>	<b>18.5</b>	<b>13.1</b>	<b>17.4</b>	<b>6.4</b>	<b>55.4</b>	<b>19.3</b>	<b>16.5</b>	<b>17.5</b>	<b>18.5</b>	<b>71.8</b>	<b>74.6</b>	<b>75.2</b>	<b>76.0</b>
<b>EBIT</b>	<b>15.1</b>	<b>8.9</b>	<b>11.2</b>	<b>-25.5</b>	<b>9.7</b>	<b>17.9</b>	<b>11.5</b>	<b>12.5</b>	<b>15.5</b>	<b>57.4</b>	<b>64.6</b>	<b>75.2</b>	<b>76.0</b>
Climate Products & Systems (adj. EBITDA)	22.7	17.3	22.2	16.3	78.5	23.7	20.0	21.5	22.0	87.2	90.0	90.0	90.0
Climate Solutions (adj. EBITDA)	6.2	6.6	3.6	7.3	23.7	5.6	6.0	5.5	6.0	23.1	24.0	25.5	27.0
Other	-2.5	-2.7	-2.3	-2.4	-9.9	-2.7	-2.5	-2.5	-2.5	-10.2	-10.4	-10.6	-10.8
Share of profits in assoc. compan.	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 financial items	-5.6	-4.8	-4.0	-4.9	-19.3	-5.5	-5.0	-5.0	-5.0	-20.5	-16.0	-16.5	-15.6
<b>PTP</b>	<b>9.5</b>	<b>4.1</b>	<b>7.2</b>	<b>-30.4</b>	<b>-9.6</b>	<b>12.4</b>	<b>6.5</b>	<b>7.5</b>	<b>10.5</b>	<b>36.9</b>	<b>48.6</b>	<b>58.7</b>	<b>60.4</b>
Taxes	-2.7	-1.3	-2.7	7.0	0.3	-3.0	-1.6	-1.9	-2.6	-9.1	-11.2	-13.5	-13.9
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
<b>Net earnings</b>	<b>6.5</b>	<b>1.9</b>	<b>4.5</b>	<b>-26.1</b>	<b>-13.2</b>	<b>8.2</b>	<b>3.7</b>	<b>4.4</b>	<b>6.7</b>	<b>23.0</b>	<b>32.6</b>	<b>44.4</b>	<b>46.5</b>
<b>EPS (adj.)</b>	<b>0.23</b>	<b>0.12</b>	<b>0.23</b>	<b>0.10</b>	<b>0.68</b>	<b>0.23</b>	<b>0.20</b>	<b>0.22</b>	<b>0.23</b>	<b>0.88</b>	<b>1.00</b>	<b>1.04</b>	<b>1.09</b>
<b>EPS (rep.)</b>	<b>0.15</b>	<b>0.04</b>	<b>0.11</b>	<b>-0.61</b>	<b>-0.31</b>	<b>0.19</b>	<b>0.09</b>	<b>0.10</b>	<b>0.16</b>	<b>0.54</b>	<b>0.76</b>	<b>1.04</b>	<b>1.09</b>

Key figures	Q1'23	Q2'23	Q3'23	Q4'23	2023	Q1'24	Q2'24e	Q3'24e	Q4'24e	2024e	2025e	2026e	2027e
<b>Revenue growth-%</b>	-10.4 %	-26.3 %	-18.6 %	-15.3 %	-17.8 %	-11.2 %	-2.4 %	-1.2 %	4.0 %	-3.1 %	3.2 %	2.8 %	2.8 %
<b>Adj. EBITDA growth-%</b>	0.3 %	3.8 %	-22.8 %	-27.9 %	-10.6 %	-8.9 %	-15.5 %	25.0 %	56.4 %	7.7 %	3.5 %	1.2 %	1.3 %
<b>EBITDA-%</b>	10.9 %	9.4 %	9.8 %	-6.1 %	6.3 %	13.5 %	10.5 %	11.2 %	12.4 %	11.9 %	12.6 %	13.7 %	13.5 %
<b>EBITDA-% (adj.)</b>	13.8 %	15.4 %	11.1 %	3.7 %	12.5 %	14.1 %	13.4 %	14.1 %	14.0 %	13.9 %	13.9 %	13.7 %	13.5 %
<b>Net earnings-%</b>	3.1 %	1.1 %	2.6 %	-14.9 %	-1.8 %	4.4 %	2.1 %	2.5 %	3.7 %	3.2 %	4.4 %	5.8 %	5.9 %

Source: Inderes

# Balance sheet

Assets	2022	2023	2024e	2025e	2026e
<b>Non-current assets</b>	<b>619</b>	<b>628</b>	<b>615</b>	<b>618</b>	<b>622</b>
Goodwill	371	371	371	371	371
Intangible assets	47.0	45.9	45.7	45.5	45.4
Tangible assets	167	163	168	172	176
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	5.6	5.5	5.5	5.5	5.5
Deferred tax assets	29.2	42.8	25.0	25.0	25.0
<b>Current assets</b>	<b>365</b>	<b>370</b>	<b>353</b>	<b>371</b>	<b>311</b>
Inventories	174	144	122	126	130
Other current assets	45.4	38.9	38.9	38.9	38.9
Receivables	89.1	75.2	72.0	74.3	76.4
Cash and equivalents	56.3	112	119	132	66.1
<b>Balance sheet total</b>	<b>984</b>	<b>998</b>	<b>967</b>	<b>990</b>	<b>933</b>

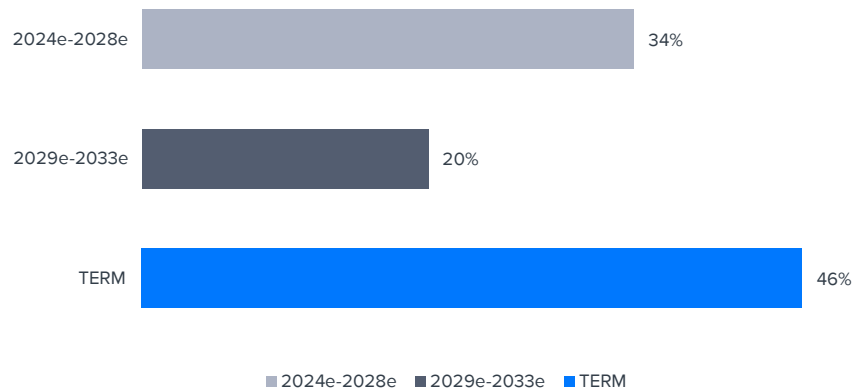
Source: Inderes

Liabilities & equity	2022	2023	2024e	2025e	2026e
<b>Equity</b>	<b>403</b>	<b>436</b>	<b>445</b>	<b>462</b>	<b>431</b>
Share capital	3.1	3.1	3.1	3.1	3.1
Retained earnings	24.4	22.8	30.9	48.6	77.3
Hybrid bonds	0.0	59.3	60.0	60.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	376	351	351	351	351
Minorities	0.0	0.0	0.0	0.0	0.0
<b>Non-current liabilities</b>	<b>346</b>	<b>344</b>	<b>294</b>	<b>284</b>	<b>254</b>
Deferred tax liabilities	5.4	6.4	6.4	6.4	6.4
Provisions	7.8	8.1	8.1	8.1	8.1
Interest bearing debt	312	310	260	250	220
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	20.1	19.6	19.6	19.6	19.6
<b>Current liabilities</b>	<b>235</b>	<b>218</b>	<b>228</b>	<b>243</b>	<b>248</b>
Interest bearing debt	20.7	17.7	30.0	40.0	40.0
Payables	193	161	158	163	168
Other current liabilities	20.7	40.0	40.0	40.0	40.0
<b>Balance sheet total</b>	<b>984</b>	<b>998</b>	<b>967</b>	<b>990</b>	<b>933</b>

# DCF calculation

DCF model	2023	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	TERM
Revenue growth-%	-17.8 %	-3.1 %	3.2 %	2.8 %	2.8 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.0 %	2.0 %
EBIT-%	1.3 %	8.0 %	8.7 %	9.8 %	9.7 %	9.0 %	9.0 %	9.0 %	9.0 %	7.0 %	7.0 %	7.0 %
<b>EBIT (operating profit)</b>	<b>9.7</b>	<b>57.4</b>	<b>64.6</b>	<b>75.2</b>	<b>76.0</b>	<b>72.5</b>	<b>74.3</b>	<b>76.1</b>	<b>78.0</b>	<b>62.2</b>	<b>63.5</b>	
+ Depreciation	36.9	28.4	29.0	29.6	30.2	30.7	31.1	31.6	32.0	33.0	33.1	
- Paid taxes	-12.3	8.7	-11.2	-13.5	-13.9	-13.1	-13.5	-13.9	-14.4	-10.7	-11.0	
- Tax, financial expenses	-0.6	-5.1	-3.7	-3.8	-3.6	-3.6	-3.6	-3.6	-3.6	-3.6	-3.6	
+ 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	37.2	22.4	-1.1	-1.0	-1.1	-1.0	-1.0	-1.0	-1.1	-1.1	-0.9	
<b>Operating cash flow</b>	<b>70.9</b>	<b>112</b>	<b>77.6</b>	<b>86.5</b>	<b>87.6</b>	<b>85.5</b>	<b>87.3</b>	<b>89.2</b>	<b>91.0</b>	<b>79.8</b>	<b>81.1</b>	
+ 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	-32.5	-32.6	-32.9	-33.2	-33.5	-33.8	-34.1	-34.4	-38.8	-33.4	-34.1	
<b>Free operating cash flow</b>	<b>38.2</b>	<b>79.2</b>	<b>44.7</b>	<b>53.3</b>	<b>54.1</b>	<b>51.7</b>	<b>53.3</b>	<b>54.8</b>	<b>52.3</b>	<b>46.5</b>	<b>47.0</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	38.2	79.2	44.7	53.3	54.1	51.7	53.3	54.8	52.3	46.5	47.0	702
<b>Discounted FCFF</b>		<b>76.2</b>	<b>39.5</b>	<b>43.3</b>	<b>40.4</b>	<b>35.4</b>	<b>33.5</b>	<b>31.7</b>	<b>27.8</b>	<b>22.7</b>	<b>21.1</b>	<b>315</b>
Sum of FCFF present value		687	611	571	528	487	452	418	387	359	336	315
<b>Enterprise value DCF</b>		<b>687</b>										
- Interest bearing debt		-387										
+ Cash and cash equivalents		112										
-Minorities		0.0										
-Dividend/capital return		-14.9										
<b>Equity value DCF</b>		<b>397</b>										
<b>Equity value DCF per share</b>		<b>9.3</b>										

Cash flow distribution

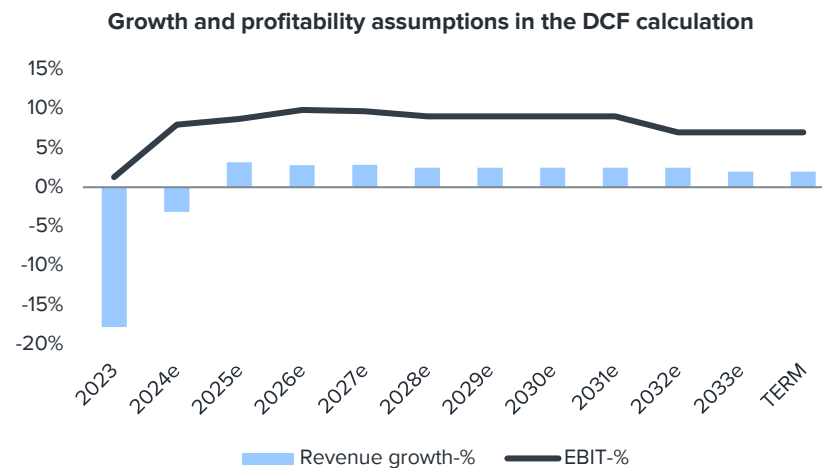
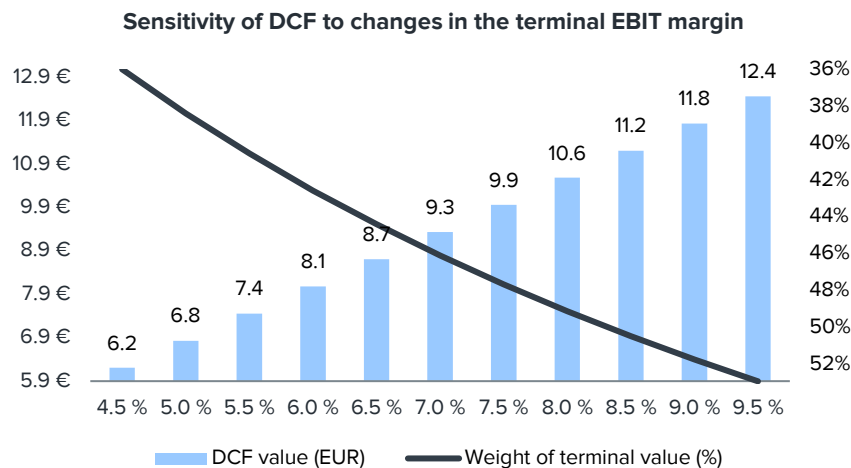
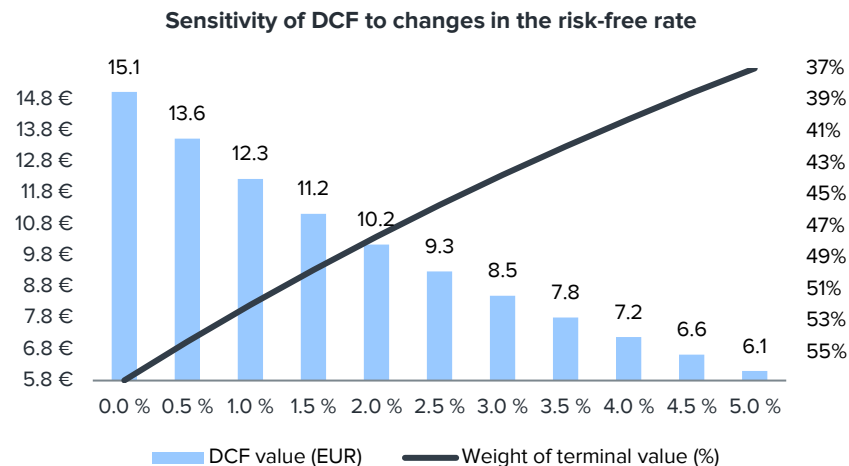
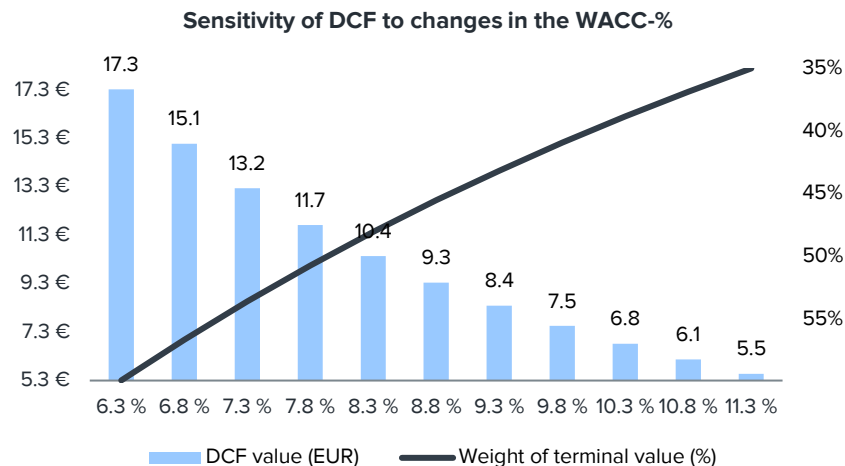


WACC	
Tax-% (WACC)	23.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	5.0 %
Equity Beta	1.30
Market risk premium	4.75%
Liquidity premium	1.40%
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>10.1 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>8.8 %</b>

Source: Inderes



# DCF sensitivity calculations and key assumptions in graphs



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

# Summary

Income statement	2022	2023	2024e	2025e	Per share data	2022	2023	2024e	2025e
Revenue	904.1	743.2	<b>720.0</b>	<b>743.0</b>	EPS (reported)	0.32	-0.31	<b>0.54</b>	<b>0.76</b>
EBITDA	78.4	46.6	<b>85.8</b>	<b>93.6</b>	EPS (adj.)	0.85	0.68	<b>0.88</b>	<b>1.00</b>
EBIT	39.0	9.7	<b>57.4</b>	<b>64.6</b>	OCF / share	0.80	1.66	<b>2.62</b>	<b>1.82</b>
PTP	21.6	-9.6	<b>36.9</b>	<b>48.6</b>	FCF / share	-0.60	0.90	<b>1.86</b>	<b>1.05</b>
Net Income	13.2	-13.2	<b>23.0</b>	<b>32.6</b>	Book value / share	9.79	10.22	<b>10.42</b>	<b>10.84</b>
Extraordinary items	-21.7	-45.7	<b>-14.4</b>	<b>-10.0</b>	Dividend / share	0.36	0.36	<b>0.36</b>	<b>0.38</b>
Balance sheet	2022	2023	2024e	2025e	Growth and profitability	2022	2023	2024e	2025e
Balance sheet total	983.9	997.7	<b>967.2</b>	<b>989.9</b>	Revenue growth-%	7%	-18%	<b>-3%</b>	<b>3%</b>
Equity capital	403.3	435.9	<b>444.7</b>	<b>462.4</b>	EBITDA growth-%	133%	-41%	<b>84%</b>	<b>9%</b>
Goodwill	370.6	370.6	<b>370.6</b>	<b>370.6</b>	EBIT (adj.) growth-%	-18%	-9%	<b>30%</b>	<b>4%</b>
Net debt	276.8	215.6	<b>170.7</b>	<b>158.0</b>	EPS (adj.) growth-%	-53%	-19%	<b>28%</b>	<b>14%</b>
Cash flow	2022	2023	2024e	2025e	EBITDA-%	8.7 %	6.3 %	<b>11.9 %</b>	<b>12.6 %</b>
EBITDA	78.4	46.6	<b>85.8</b>	<b>93.6</b>	EBIT (adj.)-%	6.7 %	7.5 %	<b>10.0 %</b>	<b>10.0 %</b>
Change in working capital	-32.0	37.2	<b>22.4</b>	<b>-1.1</b>	EBIT-%	4.3 %	1.3 %	<b>8.0 %</b>	<b>8.7 %</b>
Operating cash flow	33.1	70.9	<b>111.8</b>	<b>77.6</b>	ROE-%	3.3 %	-3.1 %	<b>5.2 %</b>	<b>7.2 %</b>
CAPEX	-53.3	-32.5	<b>-32.6</b>	<b>-32.9</b>	ROI-%	5.1 %	1.3 %	<b>7.7 %</b>	<b>8.7 %</b>
Free cash flow	-24.6	38.2	<b>79.2</b>	<b>44.7</b>	Equity ratio	41.0 %	43.7 %	<b>46.0 %</b>	<b>46.7 %</b>
					Gearing	68.6 %	49.5 %	<b>38.4 %</b>	<b>34.2 %</b>
Valuation multiples	2022	2023	2024e	2025e					
EV/S	0.7	0.6	<b>1.0</b>	<b>0.9</b>					
EV/EBITDA	6.8	5.2	<b>7.5</b>	<b>7.5</b>					
EV/EBIT (adj.)	10.3	8.7	<b>10.0</b>	<b>9.4</b>					
P/E (adj.)	9.7	9.1	<b>14.6</b>	<b>12.8</b>					
P/B	0.9	0.6	<b>1.2</b>	<b>1.2</b>					
Dividend-%	4.3 %	5.7 %	<b>2.7 %</b>	<b>2.9 %</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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Date	Recommendation	Target	Share price
1/5/2022	Accumulate	16.00 €	14.80 €
3/4/2022	Accumulate	12.50 €	10.90 €
4/13/2022	Accumulate	13.00 €	12.00 €
5/13/2022	Buy	13.00 €	10.35 €
8/12/2022	Buy	13.00 €	11.00 €
11/9/2022	Buy	12.00 €	10.00 €
11/11/2022	Buy	12.00 €	9.00 €
12/9/2022	Accumulate	10.00 €	9.20 €
2/10/2023	Accumulate	9.50 €	8.38 €
4/5/2023	Accumulate	9.50 €	8.32 €
4/27/2023	Accumulate	9.50 €	8.68 €
7/20/2023	Accumulate	8.50 €	7.20 €
10/26/2023	Buy	8.00 €	6.18 €
2/14/2024	Buy	8.00 €	6.90 €
4/25/2024	Buy	8.50 €	7.40 €
4/29/2024	Reduce	9.90 €	9.80 €
6/17/2024	Reduce	11.15 €	11.20 €
7/16/2024	Reduce	13.50 €	12.75 €



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