

# Incap

## Company report

07/28/2022 8:27



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✓ Inderes corporate customer

This report is a summary translation of the report "Hillitöntä menoa" published on 07/28/2022 at 08:27 am.

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# Unleashed performance

Reflecting positive estimate revisions, we raise our target price for Incap to EUR 16.00 (was EUR 14.80) and raise our recommendation to Accumulate (was Reduce). In our view, the strong earnings growth that will continue well into next year still gives Incap a slightly higher expected return for the coming year than our required return, even though the valuation of the stock is quite reasonable in relation to its risks.

## Incap's Q2 figures were excellent

Incap's revenue grew by a massive 82% to EUR 61 million in Q2. The comparison period was not optimal for the company due to COVID lockdowns in India, but the growth was still well above our forecasts. We estimate that the company's large customers were the driving force behind the growth. However, the fact that the customer mix didn't concentrate more in H1 relative to H2'21 was a positive signal. Thanks to the jump in revenue, Incap's adjusted operating profit also almost doubled in Q2, reaching EUR 8.8 million, although the result was slightly weighed down by non-recurring items. The operating result clearly exceeded our estimates. In Q2, Incap's adjusted EBIT margin was 14.4% thanks to the company's very efficiently running production lines. In terms of growth and profitability, the company again performed excellently in an environment ridden with inflation and component shortages.

## We raised our estimates based on the report

Incap reconfirmed its guidance that was raised in July and now Incap estimates that its revenue, operating profit (EBIT) and adjusted operating profit (EBIT) for 2022 will be "clearly higher" (was higher) than in 2021. Last year, Incap made an adjusted operating profit of EUR 27 million with revenue of EUR 170 million. The guidance assumes that there will be no unforeseen changes in the operating environment, for example in the availability of components. The company's comments on the market, demand and visibility also remained very positive despite the prevailing economic uncertainty, but our confidence in the management is high given the track record of recent years. For the rest of the year and next year, Incap's growth will be supported by the completion of new capacity (especially in India) and we believe the company also has some level of secured demand for the new capacity from its existing customers. Following a strong report, we raised our adjusted EBIT estimates for the current year and the coming years by 7-9%. The estimate revisions were revenue-driven. We expect the company's earnings to remain at a slower average annual growth rate of around 10% in the coming years, after the skyrocketing in 2021 and 2022, as revenue continues its gradual upward climb thanks to new capacity and strong competitiveness. We expect profitability remains at Incap's base level of around 15% while the company's factory network maintains its high efficiency. The main risks to our earnings estimates are, in our view, individual large customers and the component shortage getting worse.

## If earnings growth is realized, the expected return is still sufficient

Incap's P/E ratios for 2022 and 2023 based on our estimates are 16x and 13x, while the corresponding EV/EBIT ratios are 12x and 10x. For current-year multiples, we believe the valuation is neutral, given that the concentrated customer base is holding back the company's acceptable valuation, even though Incap's track-record is already among the industry elite. However, for the next 12 months, our expectation of a healthy 20% earnings growth puts the expected return just above our required return, even if the multiples were slightly flexible (Q2 LTM P/E 17x). The positive view is also supported by our DCF model, which is in line with our target price, although we slightly increased our required return in the model due to the accumulation of economic risks during the spring and summer and rising interest rates.

## Recommendation

**Accumulate**

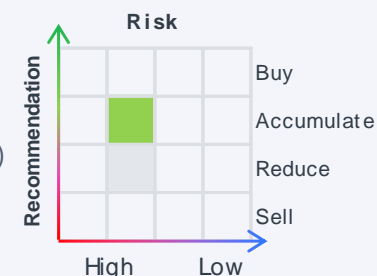
(previous Reduce)

**16.00 EUR**

(previous EUR 14.80)

**Share price:**

14.66 EUR



## Key figures

	2021	2022e	2023e	2024e
<b>Revenue</b>	169.8	244.8	266.8	285.5
<b>growth-%</b>	59%	44%	9%	7%
<b>EBIT adj.</b>	26.8	36.1	40.4	43.1
<b>EBIT-% adj.</b>	15.8 %	14.7 %	15.1 %	15.1 %
<b>Net Income</b>	21.1	27.0	31.7	34.1
<b>EPS (adj.)</b>	0.74	0.94	1.09	1.16
<b>P/E (adj.)</b>	21.2	15.7	13.4	12.6
<b>P/B</b>	7.3	5.0	3.8	3.1
<b>Dividend yield-%</b>	1.0 %	1.2 %	1.4 %	1.5 %
<b>EV/EBIT (adj.)</b>	17.2	12.1	10.3	9.1
<b>EV/EBITDA</b>	15.8	11.1	9.4	8.3
<b>EV/S</b>	2.7	1.8	1.6	1.4

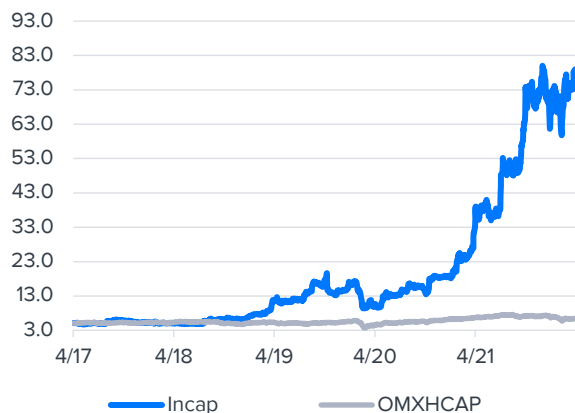
Source: Inderes

## Guidance

(Raised 7/22/2022)

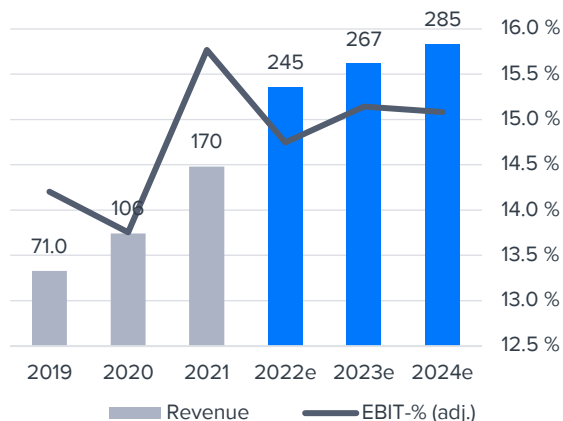
Incap estimates that its revenue, operating profit (EBIT) and adjusted operating profit (EBIT) for 2022 will be clearly higher than in 2021.

## Share price



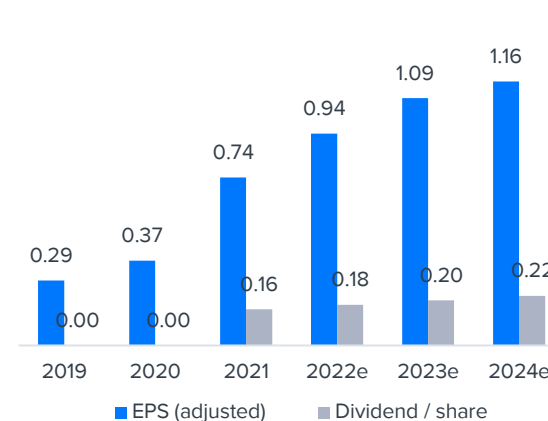
Source: Millstream Market

## Revenue and EBIT %



Source: Inderes

## EPS and dividend



Source: Inderes



## Value drivers

- Organic growth in the electronics market, supported by global megatrends and increased outsourcing rate
- Light organization and cost structure enable a high profitability level
- Quick decision-making supports new customer procurement
- Accelerating growth with acquisitions



## Risk factors

- Mutually challenging value chain position upholds a brutal competitive situation
- Cyclical nature of customer industries
- Tightening competitive situation
- Company's cost efficiency deteriorating
- Disruptions in the supply chain
- A very large single customer and an otherwise concentrated customer structure

Valuation	2022e	2023e	2024e
Share price	14.66	14.66	14.66
Number of shares, millions	29.3	29.3	29.3
Market cap	429	429	429
EV	437	416	390
P/E (adj.)	15.7	13.4	12.6
P/E	15.9	13.5	12.6
P/FCF	neg.	16.3	13.3
P/B	5.0	3.8	3.1
P/S	1.8	1.6	1.5
EV/Sales	1.8	1.6	1.4
EV/EBITDA	11.1	9.4	8.3
EV/EBIT (adj.)	12.1	10.3	9.1
Payout ratio (%)	19.5 %	18.5 %	18.9 %
Dividend yield-%	1.2 %	1.4 %	1.5 %

Source: Inderes

# Estimates and estimate revisions

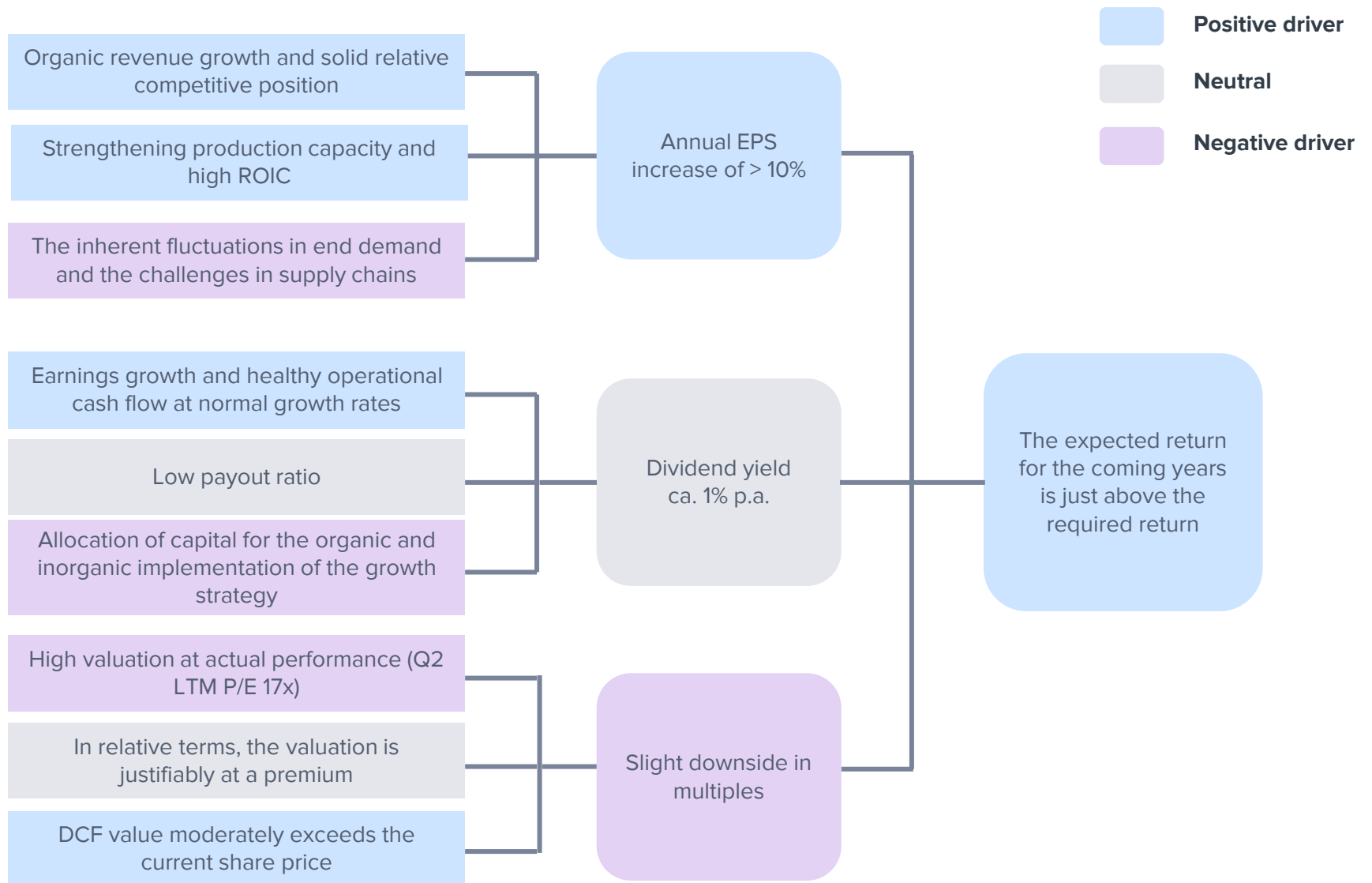
Estimates MEUR / EUR	Q2'21	Q2'22	Q2'22e	Q2'22e	Consensus		Difference (%)	2022e
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	33.6	61.2	48.7				26%	245
EBIT (adj.)	4.5	8.8	6.8				30%	36.1
EBIT	4.3	8.6	6.7				29%	35.7
EPS (reported)	0.11	0.19	0.18				4%	0.92
Revenue growth-%	49.0 %	82.1 %	45.0 %				37.1 pp	44.2 %
EBIT-% (adj.)	13.3 %	14.4 %	13.9 %				0.4 pp	14.7 %

Source: Inderes

Estimate revisions MEUR / EUR	2022e			2023e			2024e		
	Old	New	Change %	Old	New	Change %	Old	New	Change %
Revenue	223	245	10 %	246	267	9 %	265	285	8 %
EBITDA	35,9	39,5	10 %	40,9	44,2	8 %	44,4	47,0	6 %
EBIT	32,4	35,7	10 %	37,3	40,1	8 %	40,8	42,9	5 %
PTP	32,0	34,1	7 %	36,9	39,6	7 %	40,5	42,6	5 %
EPS (raportoitu)	0,88	0,94	6 %	1,01	1,08	7 %	1,11	1,16	5 %
DPS	0,18	0,18	0 %	0,20	0,20	0 %	0,22	0,22	0 %

Source: Inderes

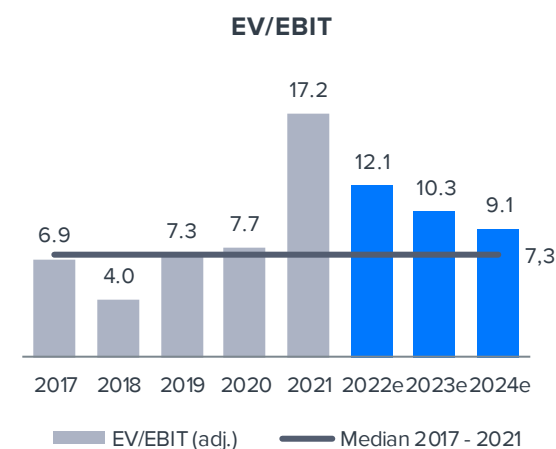
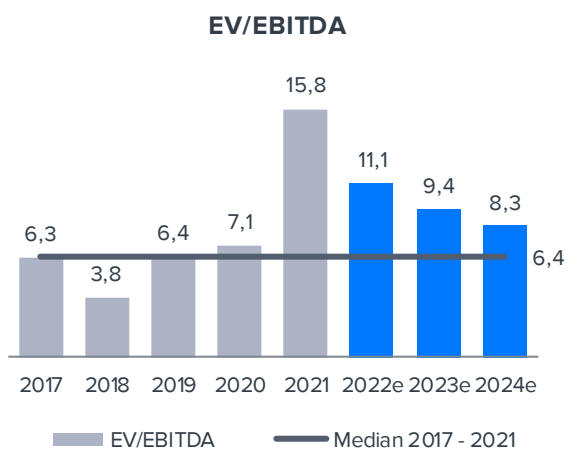
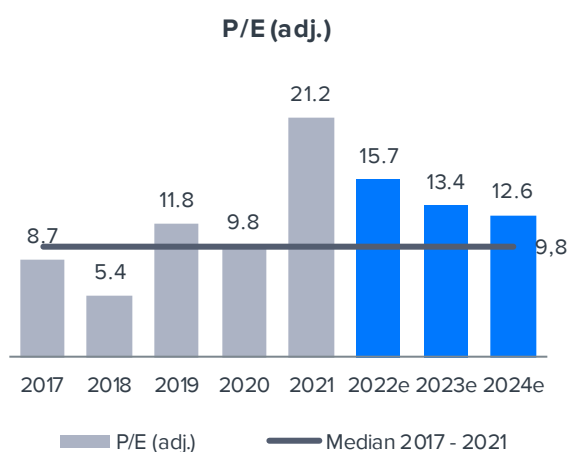
# TSR drivers 2022e-2024e



# Valuation table

Valuation	2017	2018	2019	2020	2021	2022e	2023e	2024e	2025e
Share price	1,24	1,45	3,38	3,69	15,70	<b>14,66</b>	<b>14,66</b>	<b>14,66</b>	<b>14,66</b>
Number of shares, millions	21,9	21,9	21,9	29,1	29,2	<b>29,3</b>	<b>29,3</b>	<b>29,3</b>	<b>29,3</b>
Market cap	27	32	74	107	459	<b>429</b>	<b>429</b>	<b>429</b>	<b>429</b>
EV	31	35	73	113	461	<b>437</b>	<b>416</b>	<b>390</b>	<b>362</b>
P/E (adj.)	8,7	5,4	11,8	9,8	21,2	<b>15,7</b>	<b>13,4</b>	<b>12,6</b>	<b>11,5</b>
P/E	8,7	5,4	11,8	11,6	21,8	<b>15,9</b>	<b>13,5</b>	<b>12,6</b>	<b>11,6</b>
P/FCF	11,7	13,7	11,4	neg.	>100	<b>neg.</b>	<b>16,3</b>	<b>13,3</b>	<b>12,3</b>
P/B	2,6	2,0	3,4	2,8	7,3	<b>5,0</b>	<b>3,8</b>	<b>3,1</b>	<b>2,5</b>
P/S	0,6	0,5	1,0	1,0	2,7	<b>1,8</b>	<b>1,6</b>	<b>1,5</b>	<b>1,4</b>
EV/Sales	0,6	0,6	1,0	1,1	2,7	<b>1,8</b>	<b>1,6</b>	<b>1,4</b>	<b>1,2</b>
EV/EBITDA	6,3	3,8	6,4	7,1	15,8	<b>11,1</b>	<b>9,4</b>	<b>8,3</b>	<b>7,1</b>
EV/EBIT (adj.)	6,9	4,0	7,3	7,7	17,2	<b>12,1</b>	<b>10,3</b>	<b>9,1</b>	<b>7,7</b>
Payout ratio (%)	0,0 %	0,0 %	0,0 %	0,0 %	22,2 %	<b>19,5 %</b>	<b>18,5 %</b>	<b>18,9 %</b>	<b>19,0 %</b>
Dividend yield-%	0,0 %	0,0 %	0,0 %	0,0 %	1,0 %	<b>1,2 %</b>	<b>1,4 %</b>	<b>1,5 %</b>	<b>1,6 %</b>

Source: Inderes



# Peer group valuation

Peer group valuation Company	Share price	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B 2022e
				2022e	2023e	2022e	2023e	2022e	2023e	2022e	2023e	2022e	2023e	
Integrated Micro-Electronics Inc	7.34	293	524	51.8	24.2	8.7	7.2	0.4	0.4		35.1			
Data Modul AG	58.00	206	211	13.3	12.3	9.5	8.9	0.9	0.9	21.6	20.3	0.2	0.2	1.7
Hanza Holding AB	42.00	137	192	6.5	5.3	5.8	4.9	0.6	0.6	10.8	9.7	1.6	1.9	2.2
Kitron ASA	18.90	402	460	12.6	9.0	5.0	4.3	0.4	0.4	13.9	11.2	3.5	4.7	1.1
Lacroix Group SA	38.70	188	330	12.1	9.4	7.0	5.8	0.5	0.4	11.4	9.2	2.6	3.2	1.1
Jabil Inc	56.91	7520	9202	6.2	6.0	3.8	3.7	0.3	0.3	7.8	7.3	0.6	0.6	3.4
Scanfil Oyj	6.62	434	513	10.7	8.7	7.9	6.5	0.6	0.6	12.4	11.1	3.1	3.3	1.8
Fabrinet	96.45	3364	2907	14.9	13.3	12.7	11.6	1.5	1.3	16.0	14.6			2.7
Hana Microelectronics PCL	44.50	982	818	14.5	12.9	8.8	7.9	1.3	1.2	14.4	12.6	4.4	4.8	1.5
TT electronics PLC	189.80	412	530	10.4	8.9	7.6	6.7	0.8	0.8	10.9	9.1	3.4	3.9	1.0
Katek Se	18.65	251	297	15.5	43.6	8.6	11.2	0.5	0.5	20.4	69.2			1.4
Nolato AB	68.25	1594	1589	16.8	13.3	12.2	10.0	1.7	1.5	18.8	15.1	2.9	3.4	3.5
Celestica Inc	13.63	1247	1624	5.5	4.6	4.0	3.3	0.2	0.2	6.7	6.1			
<b>Incap (Inderes)</b>	<b>14.66</b>	<b>429</b>	<b>437</b>	<b>12.1</b>	<b>10.3</b>	<b>11.1</b>	<b>9.4</b>	<b>1.8</b>	<b>1.6</b>	<b>15.7</b>	<b>13.4</b>	<b>1.2</b>	<b>1.4</b>	<b>5.0</b>
<b>Average</b>				<b>14.7</b>	<b>13.2</b>	<b>7.8</b>	<b>7.1</b>	<b>0.8</b>	<b>0.7</b>	<b>13.8</b>	<b>17.7</b>	<b>2.5</b>	<b>2.9</b>	<b>1.9</b>
<b>Median</b>				<b>12.6</b>	<b>9.4</b>	<b>7.9</b>	<b>7.1</b>	<b>0.6</b>	<b>0.6</b>	<b>13.1</b>	<b>11.2</b>	<b>2.9</b>	<b>3.3</b>	<b>1.7</b>
<b>Diff-% to median</b>				<b>-4%</b>	<b>9%</b>	<b>40%</b>	<b>33%</b>	<b>198%</b>	<b>179%</b>	<b>19%</b>	<b>20%</b>	<b>-58%</b>	<b>-58%</b>	<b>203%</b>

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

# Income statement

Income statement	2020	Q1'21	Q2'21	Q3'21	Q4'21	2021	Q1'22	Q2'22	Q3'22e	Q4'22e	2022e	2023e	2024e	2025e
Revenue	106	37,7	33,6	47,0	51,5	170	53,3	61,2	63,5	66,8	245	267	285	305
Incap	106	37,7	33,6	47,0	51,5	170	53,3	61,2	63,5	66,8	245	267	285	305
<b>EBITDA</b>	<b>15,9</b>	<b>6,3</b>	<b>5,1</b>	<b>8,6</b>	<b>9,3</b>	<b>29,3</b>	<b>7,6</b>	<b>9,7</b>	<b>10,8</b>	<b>11,5</b>	<b>39,5</b>	<b>44,2</b>	<b>47,0</b>	<b>50,8</b>
Depreciation	-3,3	-0,8	-0,8	-0,8	-0,9	-3,3	-0,9	-1,0	-1,0	-1,0	-3,8	-4,1	-4,2	-4,2
<b>EBIT (excl. NRI)</b>	<b>14,6</b>	<b>5,7</b>	<b>4,5</b>	<b>7,9</b>	<b>8,6</b>	<b>26,8</b>	<b>6,9</b>	<b>8,8</b>	<b>9,9</b>	<b>10,6</b>	<b>36,1</b>	<b>40,4</b>	<b>43,1</b>	<b>46,7</b>
<b>EBIT</b>	<b>12,6</b>	<b>5,5</b>	<b>4,3</b>	<b>7,8</b>	<b>8,4</b>	<b>26,0</b>	<b>6,8</b>	<b>8,6</b>	<b>9,8</b>	<b>10,5</b>	<b>35,7</b>	<b>40,1</b>	<b>42,9</b>	<b>46,6</b>
Net financial items	-1,1	-0,1	-0,2	-0,2	0,2	-0,3	0,0	-0,8	-0,4	-0,4	-1,6	-0,5	-0,3	-0,3
<b>PTP</b>	<b>11,5</b>	<b>5,4</b>	<b>4,1</b>	<b>7,7</b>	<b>8,6</b>	<b>25,7</b>	<b>6,8</b>	<b>7,8</b>	<b>9,4</b>	<b>10,1</b>	<b>34,1</b>	<b>39,6</b>	<b>42,6</b>	<b>46,3</b>
Taxes	-2,3	-0,8	-0,9	-1,3	-1,7	-4,7	-1,3	-2,1	-1,8	-1,9	-7,1	-7,9	-8,5	-9,3
Minority interest	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
<b>Net earnings</b>	<b>9,2</b>	<b>4,6</b>	<b>3,2</b>	<b>6,4</b>	<b>6,9</b>	<b>21,1</b>	<b>5,5</b>	<b>5,7</b>	<b>7,6</b>	<b>8,2</b>	<b>27,0</b>	<b>31,7</b>	<b>34,0</b>	<b>37,0</b>
<b>EPS (adj.)</b>	<b>0,37</b>	<b>0,16</b>	<b>0,11</b>	<b>0,22</b>	<b>0,24</b>	<b>0,74</b>	<b>0,19</b>	<b>0,20</b>	<b>0,26</b>	<b>0,28</b>	<b>0,94</b>	<b>1,09</b>	<b>1,17</b>	<b>1,27</b>
<b>EPS (rep.)</b>	<b>0,32</b>	<b>0,16</b>	<b>0,11</b>	<b>0,22</b>	<b>0,25</b>	<b>0,72</b>	<b>0,19</b>	<b>0,19</b>	<b>0,26</b>	<b>0,28</b>	<b>0,92</b>	<b>1,08</b>	<b>1,16</b>	<b>1,27</b>

Key figures	2020	Q1'21	Q2'21	Q3'21	Q4'21	2021	Q1'22	Q2'22	Q3'22e	Q4'22e	2022e	2023e	2024e	2025e
Revenue growth-%	49,9 %	55,1 %	49,0 %	67,3 %	63,2 %	59,4 %	41,4 %	82,2 %	35,0 %	29,8 %	44,2 %	9,0 %	7,0 %	7,0 %
Adjusted EBIT growth-%	45,2 %	112,2 %	56,3 %	123,3 %	56,0 %	82,8 %	19,5 %	97,4 %	24,9 %	22,9 %	34,8 %	11,9 %	6,6 %	8,5 %
EBITDA-%	15,0 %	16,6 %	15,1 %	18,4 %	18,1 %	17,2 %	14,3 %	15,8 %	17,0 %	17,2 %	16,1 %	16,6 %	16,5 %	16,6 %
Adjusted EBIT-%	13,8 %	15,2 %	13,3 %	16,9 %	16,8 %	15,8 %	12,9 %	14,4 %	15,6 %	15,9 %	14,7 %	15,1 %	15,1 %	15,3 %
Net earnings-%	8,7 %	12,2 %	9,5 %	13,5 %	13,4 %	12,4 %	10,2 %	9,4 %	12,0 %	12,3 %	11,0 %	11,9 %	11,9 %	12,1 %

Lähde: Inderes



# Balance sheet

Assets	2020	2021	2022e	2023e	2024e
<b>Non-current assets</b>	<b>19.4</b>	<b>27.1</b>	<b>28.0</b>	<b>27.9</b>	<b>27.7</b>
Goodwill	7.1	7.5	7.5	7.5	7.5
Intangible assets	0.0	4.5	4.3	4.1	3.9
Tangible assets	11.4	13.9	14.9	15.0	15.0
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	0.2	0.4	0.4	0.4	0.4
Deferred tax assets	0.7	0.9	0.9	0.9	0.9
<b>Current assets</b>	<b>52.3</b>	<b>102.4</b>	<b>151.8</b>	<b>162.6</b>	<b>193.1</b>
Inventories	24.2	59.5	85.7	90.7	91.4
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	24.2	33.7	49.0	53.4	57.1
Cash and equivalents	3.9	9.2	17.1	18.7	44.5
<b>Balance sheet total</b>	<b>76.4</b>	<b>129.5</b>	<b>179.8</b>	<b>190.7</b>	<b>221</b>

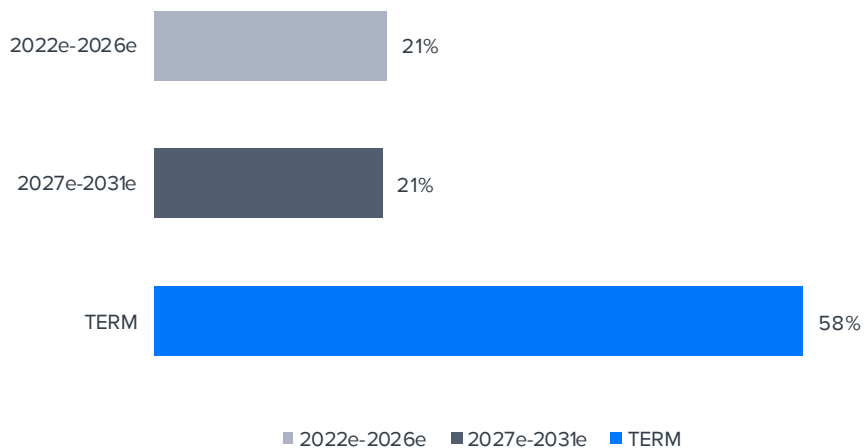
Source: Inderes

Liabilities & equity	2020	2021	2022e	2023e	2024e
<b>Equity</b>	<b>38.5</b>	<b>62.9</b>	<b>85.2</b>	<b>112</b>	<b>140</b>
Share capital	1.0	1.0	1.0	1.0	1.0
Retained earnings	20.7	41.9	64.2	90.6	119
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	-4.6	-2.2	-2.2	-2.2	-2.2
Other equity	21.4	22.2	22.1	22.1	22.1
Minorities	0.0	0.0	0.0	0.0	0.0
<b>Non-current liabilities</b>	<b>8.6</b>	<b>6.5</b>	<b>18.3</b>	<b>4.9</b>	<b>4.7</b>
Deferred tax liabilities	0.9	0.9	0.9	0.9	0.9
Provisions	0.0	0.0	0.0	0.0	0.0
Long term debt	6.1	4.0	17.4	4.1	3.8
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	1.6	1.6	0.0	0.0	0.0
<b>Current liabilities</b>	<b>29.2</b>	<b>60.1</b>	<b>76.4</b>	<b>74.1</b>	<b>76.2</b>
Short term debt	3.7	7.3	7.8	2.1	2.0
Payables	25.6	52.9	68.5	72.0	74.2
Other current liabilities	0.0	0.0	0.0	0.0	0.0
<b>Balance sheet total</b>	<b>76.4</b>	<b>129.5</b>	<b>179.8</b>	<b>190.7</b>	<b>220.7</b>

# DCF calculation

DCF model	2021	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	TERM
<b>EBIT (operating profit)</b>	<b>26.0</b>	<b>35.7</b>	<b>40.1</b>	<b>42.9</b>	<b>46.6</b>	<b>46.9</b>	<b>48.8</b>	<b>50.5</b>	<b>52.1</b>	<b>51.8</b>	<b>52.8</b>	
+ Depreciation	3.3	3.8	4.1	4.2	4.4	4.0	4.0	4.1	4.1	4.3	4.5	
- Paid taxes	-4.8	-7.1	-7.9	-8.5	-9.3	-9.8	-10.2	-10.6	-10.9	-10.8	-11.0	
- Tax, financial expenses	0.0	-0.3	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	
+ 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	-17.4	-25.8	-5.9	-2.2	-2.1	-1.3	-3.1	-6.3	-2.6	-2.7	-1.8	
<b>Operating cash flow</b>	<b>7.0</b>	<b>6.3</b>	<b>30.3</b>	<b>36.3</b>	<b>39.5</b>	<b>39.8</b>	<b>39.5</b>	<b>37.7</b>	<b>42.6</b>	<b>42.5</b>	<b>44.3</b>	
+ Change in other long-term liabilities	0.0	-1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-6.2	-4.7	-4.0	-4.0	-4.5	-4.5	-5.0	-5.0	-5.0	-5.0	-4.6	
<b>Free operating cash flow</b>	<b>0.8</b>	<b>-0.1</b>	<b>26.3</b>	<b>32.3</b>	<b>35.0</b>	<b>35.3</b>	<b>34.4</b>	<b>32.7</b>	<b>37.6</b>	<b>37.5</b>	<b>39.7</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	0.8	-0.1	26.3	32.3	35.0	35.3	34.4	32.7	37.6	37.5	39.7	610
<b>Discounted FCFF</b>		<b>-0.1</b>	<b>23.3</b>	<b>26.4</b>	<b>26.3</b>	<b>24.4</b>	<b>22.0</b>	<b>19.2</b>	<b>20.3</b>	<b>18.7</b>	<b>18.2</b>	<b>279</b>
Sum of FCFF present value		478	478	455	428	402	378	356	336	316	297	279
<b>Enterprise value DCF</b>		<b>478</b>										
- Interesting bearing debt		-11.3										
+ Cash and cash equivalents		9.2										
-Minorities		0.0										
-Dividend/capital return		-4.7										
<b>Equity value DCF</b>		<b>471</b>										
<b>Equity value DCF per share</b>		<b>16.1</b>										

Cash flow distribution



Wacc	
Tax-% (WACC)	25.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	5.0 %
Equity Beta	1.25
Market risk premium	4.75%
Liquidity premium	1.25%
Risk free interest rate	2.0 %
<b>Cost of equity</b>	<b>9.2 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>8.6 %</b>

Source: Inderes

# Summary

Income statement	2019	2020	2021	2022e	2023e	Per share data	2019	2020	2021	2022e	2023e
Revenue	71.0	106.5	169.8	<b>244.8</b>	<b>266.8</b>	EPS (reported)	0.29	0.32	0.72	<b>0.92</b>	<b>1.08</b>
EBITDA	11.5	15.9	29.3	<b>39.5</b>	<b>44.2</b>	EPS (adj.)	0.29	0.37	0.74	<b>0.94</b>	<b>1.09</b>
EBIT	10.1	12.6	26.0	<b>35.7</b>	<b>40.1</b>	OCF / share	0.35	0.12	0.24	<b>0.21</b>	<b>1.04</b>
PTP	9.7	11.5	25.7	<b>34.1</b>	<b>39.6</b>	FCF / share	0.30	-0.44	0.03	<b>0.00</b>	<b>0.90</b>
Net Income	6.3	9.2	21.1	<b>27.0</b>	<b>31.7</b>	Book value / share	1.00	1.32	2.15	<b>2.91</b>	<b>3.81</b>
Extraordinary items	0.0	-2.1	-0.8	<b>-0.4</b>	<b>-0.3</b>	Dividend / share	0.00	0.00	0.16	<b>0.18</b>	<b>0.20</b>
Balance sheet	2019	2020	2021	2022e	2023e	Growth and profitability	2019	2020	2021	2022e	2023e
Balance sheet total	36.5	76.4	129.5	<b>179.8</b>	<b>190.7</b>	Revenue growth-%	20%	50%	59%	<b>44%</b>	<b>9%</b>
Equity capital	21.9	38.5	62.9	<b>85.2</b>	<b>111.6</b>	EBITDA growth-%	25%	39%	84%	<b>35%</b>	<b>12%</b>
Goodwill	0.9	7.1	7.5	<b>7.5</b>	<b>7.5</b>	EBIT (adj.) growth-%	17%	45%	83%	<b>35%</b>	<b>12%</b>
Net debt	-0.5	5.9	2.0	<b>8.1</b>	<b>-12.5</b>	EPS (adj.) growth-%	7%	30%	98%	<b>26%</b>	<b>17%</b>
Cash flow	2019	2020	2021	2022e	2023e	EBITDA-%	16%	15%	17%	<b>16%</b>	<b>17%</b>
EBITDA	11.5	15.9	29.3	<b>39.5</b>	<b>44.2</b>	EBIT (adj.)-%	14%	14%	16%	<b>15%</b>	<b>15%</b>
Change in working capital	-1.3	-10.0	-17.4	<b>-25.8</b>	<b>-5.9</b>	EBIT-%	14%	12%	15%	<b>15%</b>	<b>15%</b>
Operating cash flow	7.6	3.6	7.0	<b>6.3</b>	<b>30.3</b>	ROE-%	33%	31%	42%	<b>37%</b>	<b>32%</b>
CAPEX	-1.1	-18.1	-6.2	<b>-4.7</b>	<b>-4.0</b>	ROI-%	41%	33%	42%	<b>39%</b>	<b>35%</b>
Free cash flow	6.5	-12.9	0.8	<b>-0.1</b>	<b>26.3</b>	Equity ratio	60%	50%	52%	<b>47%</b>	<b>59%</b>
						Gearing	-2%	15%	3%	<b>10%</b>	<b>-11%</b>
Valuation multiples	2019	2020	2021	2022e	2023e						
EV/S	1.0	1.1	2.7	<b>1.8</b>	<b>1.6</b>						
EV/EBITDA (adj.)	6.4	7.1	15.8	<b>11.1</b>	<b>9.4</b>						
EV/EBIT (adj.)	7.3	7.7	17.2	<b>12.1</b>	<b>10.3</b>						
P/E (adj.)	11.8	9.8	21.2	<b>15.7</b>	<b>13.4</b>						
P/B	3.4	2.8	7.3	<b>5.0</b>	<b>3.8</b>						
Dividend-%	0.0 %	0.0 %	1.0 %	<b>1.2 %</b>	<b>1.4 %</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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Date	Recommendation	Target price	Share price
5/12/2020	Accumulate	2.60 €	2.40 €
5/25/2020	Accumulate	2.80 €	2.57 €
8/27/2020	Accumulate	4.00 €	3.71 €
9/17/2020	Accumulate	4.00 €	3.60 €
10/27/2020	Accumulate	3.50 €	3.02 €
11/12/2020	Accumulate	3.80 €	3.40 €
11/26/2020	Accumulate	4.00 €	3.60 €
2/25/2021	Accumulate	5.40 €	4.88 €
4/28/2021	Accumulate	7.60 €	7.05 €
7/29/2021	Accumulate	9.20 €	8.58 €
9/16/2021	Accumulate	11.00 €	10.12 €
10/28/2021	Reduce	14.00 €	14.78 €
2/25/2022	Accumulate	14.40 €	13.42 €
3/23/2022	Reduce	14.80 €	15.08 €
4/27/2022	Reduce	14.80 €	14.00 €
	<i>Change of analyst</i>		
7/28/2022	Accumulate	16.00 €	14.66 €



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