

Incap

Company report

07/04/2023 07:46



Antti Viljakainen
+358 44 591 2216
antti.viljakainen@inderes.fi

✓ Inderes corporate customer

This report is a summary translation of the report "Tasetta töihin suunnitelman mukaisella ostoksella" published on 7/4/2023 at 7:46 am

inde
res.

Balance sheet put to work with a planned acquisition

We reiterate our EUR 12.00 target price and Accumulate recommendation for Incap that yesterday announced it has acquired the US EMS company Pennatronics. We find the acquisition strategically good and also believe the acquisition price is quite reasonable. We included the immediate acquisition in our estimates for Incap and the changes at EPS level were slightly positive for the next few years. Despite the slight decreasing effect of the acquisition, Incap's risk profile remains highish, but we believe that the share valuation is low (2024e: P/E 11x, EV/EBIT 7x). Thus, looking beyond the challenges of this year the share's risk adjusted expected return is sufficient in our opinion. The extensive report we published on Incap in June is available [here](#).

Incap acquires Pennatronics, a US based single production facility EMS company, for USD 19 million

Incap announced yesterday that it acquires the US based EMS company Pennatronics for a debt-free purchase price of USD 18.6 million (possible additional purchase price 3 MUSD). Last year, Pennatronics' revenue was USD 30 million and EBIT USD 2.4 million. Pennatronics has one production facility in the US, near Pittsburgh, from where it has provided extensive contract manufacturing services to its customers in various industries. To finance the transaction, Incap will raise a loan of EUR 19.5 million and pay an additional USD 1.6 million of the debt-free purchase price with its shares. In addition, Incap explores the option of equity financing to optimize its capital structure at a later stage. The company's rationale for the transaction is expansion in the US market, broadening its customer base, and long-term cross-selling opportunities and synergy benefits. Incap's release on the subject can be found [here](#).

The acquisition seems good from Incap's point of view, both strategically and in terms of price

We do not find the acquisition surprising at all, because Incap has openly stated that it is seeking inorganic growth and especially the large US market has been of interest to Incap. In Incap's size class, we find the transaction to be of moderate size, since the arrangement allows Incap's annual revenue to grow by some 10%. However, the size of the acquired business is sufficient to keep one plant running profitably and the companies have hardly any overlap. In addition, the transaction slightly decentralizes Incap's concentrated customer structure, which is a step in the right direction. Incap has not yet opened the synergies or integration costs of the transaction, but considering the business logic we estimate that cost synergies and integration costs will be small. On the other hand, we see clearer synergy potential in cross-selling as Incap can offer products manufactured in the US to its global customers and, on the other hand, European and Indian production to Pennatronics' customers. Calculated on Pennatronics' latest actual result, the purchase price corresponds to the industry-typical 0.6x-0.7x EV/S ratio and 8x-9x EV/EBIT ratio. Therefore, we consider the price to be reasonable with the achieved result and the transaction has good preconditions to create value even without significant synergies.

Risk profile is still highish but low price compensates

The transaction is in practice implemented immediately, so we included Pennatronics in our estimates from the beginning of H2. Estimate changes were small or slightly positive on EPS level. Incap's P/E ratios for 2023 and 2024 based on our estimates are 14x and 11x, while the corresponding EV/EBIT ratios are 10x and 7x. Absolute multiples are justifiably higher than historical levels for this year but they are also at the lower end of the acceptable range next year. Thus, we consider the valuation of Incap that has strong competitiveness attractive and the expected return good, as long as the inventory adjustment of the largest customer is not significantly prolonged.

Recommendation

Accumulate

(previous Accumulate)

EUR 12.00

(previous EUR 12.00)

Share price:

EUR 10.76



Key figures

	2022	2023e	2024e	2025e
Revenue	263.8	250.8	294.4	321.6
growth-%	55%	-5%	17%	9%
EBIT adj.	40.0	32.1	39.8	44.4
EBIT-% adj.	15.2 %	12.8 %	13.5 %	13.8 %
Net Income	27.6	22.7	28.9	32.7
EPS (adj.)	0.98	0.80	0.99	1.13

P/E (adj.)	17.5	13.5	10.8	9.5
P/B	5.7	2.9	2.3	1.9
Dividend yield-%	0.0 %	0.0 %	0.9 %	1.9 %
EV/EBIT (adj.)	12.8	9.5	7.1	5.8
EV/EBITDA	12.0	8.4	6.3	5.2
EV/S	1.9	1.2	1.0	0.8

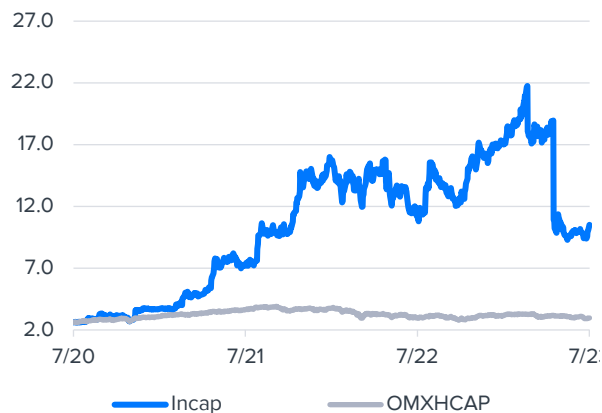
Source: Inderes

Guidance

(Unchanged)

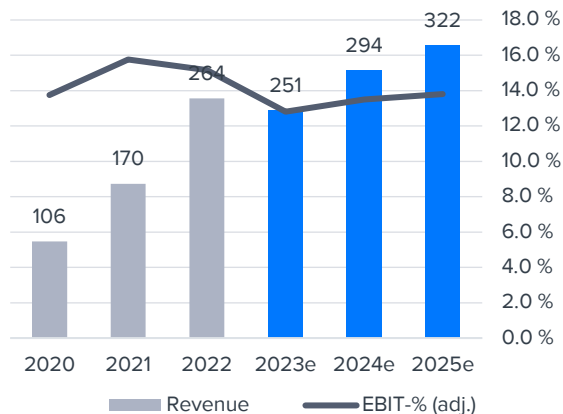
Incap estimates that its revenue and operating profit (EBIT) for 2023 will be lower than in 2022.

Share price



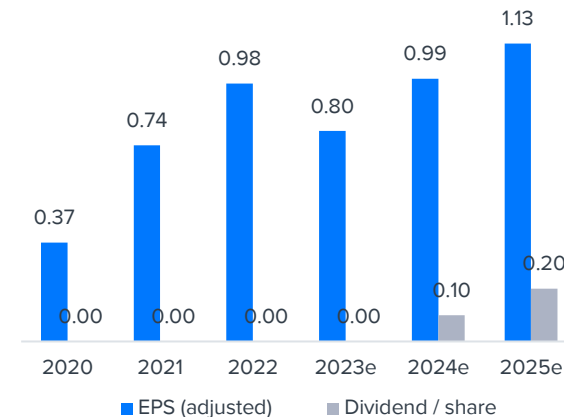
Source: Millstream Market Data AB

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
- Cross-selling potential created by the Pennatronics acquisition



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	2023e	2024e	2025e
Share price	10.76	10.76	10.76
Number of shares, millions	29.3	29.4	29.4
Market cap	316	316	316
EV	306	284	258
P/E (adj.)	13.5	10.8	9.5
P/E	13.9	10.9	9.7
P/FCF	12.5	14.0	10.6
P/B	2.9	2.3	1.9
P/S	1.3	1.1	1.0
EV/Sales	1.2	1.0	0.8
EV/EBITDA	8.4	6.3	5.2
EV/EBIT (adj.)	9.5	7.1	5.8
Payout ratio (%)	0.0 %	10.2 %	18.0 %
Dividend yield-%	0.0 %	0.9 %	1.9 %

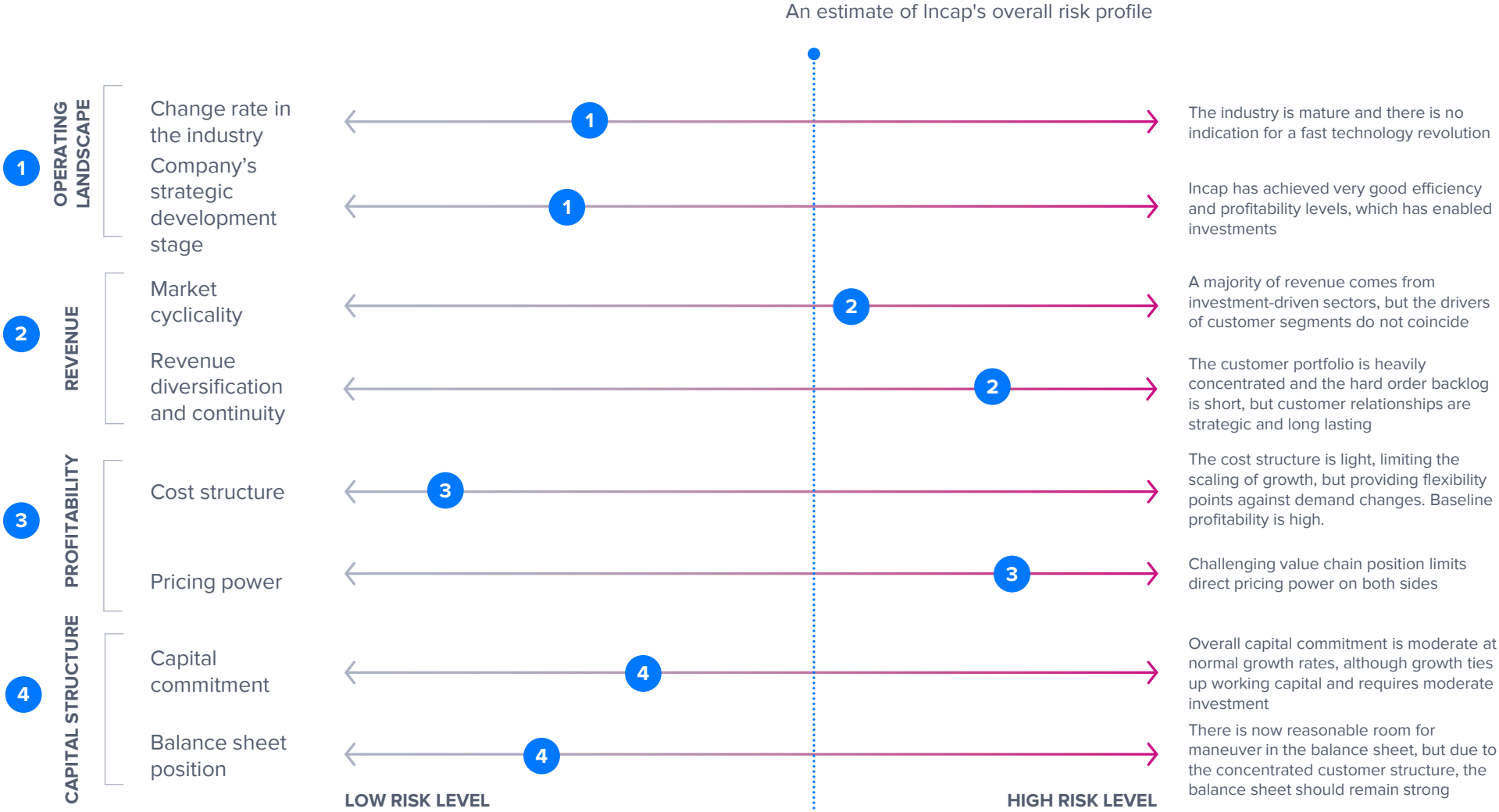
Source: Inderes

Estimates

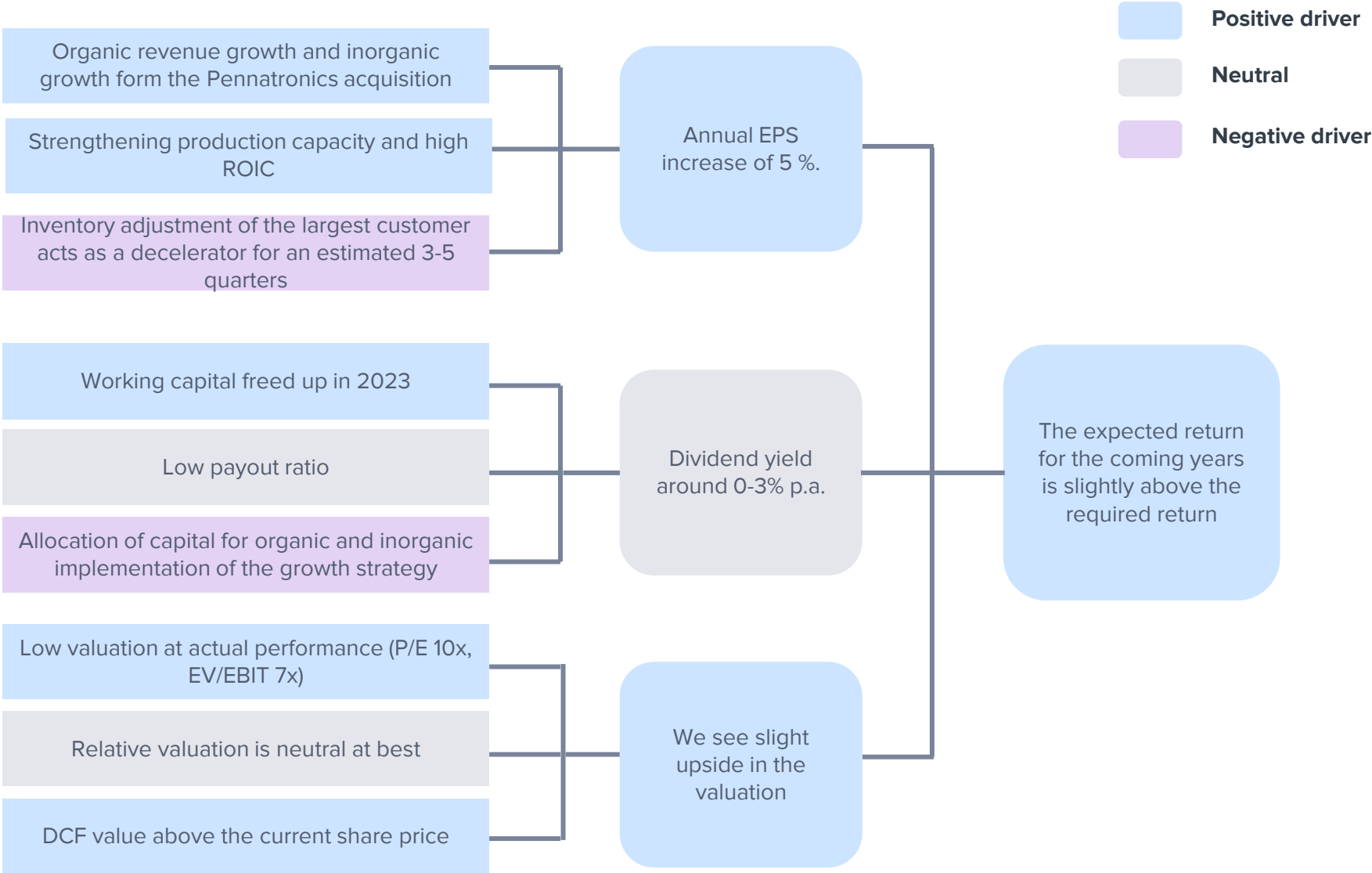
Estimate revisions	2023e	2023e	Change	2024e	2024e	Change	2025e	2025e	Change
MEUR / EUR	Old	New	%	Vanha	Uusi	%	Vanha	Uusi	%
Revenue	236	251	6%	265	294	11%	292	322	10%
EBITDA	35.5	36.3	2%	41.8	44.7	7%	46.1	49.2	7%
EBIT	30.9	31.3	1%	37.2	39.3	6%	41.6	43.9	6%
PTP	30.0	29.8	-1%	37.2	38.1	2%	41.9	43.1	3%
EPS (excl. NRIs)	0.79	0.80	1%	0.97	1.00	2%	1.10	1.13	3%
DPS	0.15	0.00	-100%	0.20	0.10	-50%	0.25	0.20	-20%

Source: Inderes

Risk profile of the business model



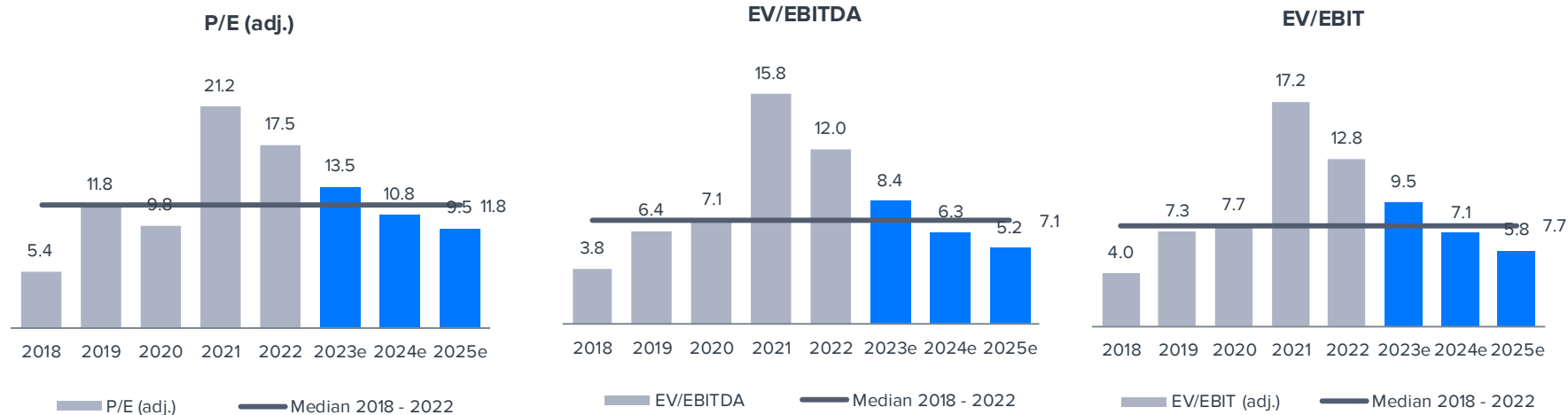
EPS drivers 2022-2026e



Valuation table

Valuation	2018	2019	2020	2021	2022	2023e	2024e	2025e	2026e
Share price	1.45	3.38	3.69	15.70	17.10	10.76	10.76	10.76	10.76
Number of shares, millions	21.9	21.9	29.1	29.2	29.3	29.3	29.4	29.4	29.4
Market cap	32	74	107	459	500	316	316	316	316
EV	35	73	113	461	514	306	284	258	235
P/E (adj.)	5.4	11.8	9.8	21.2	17.5	13.5	10.8	9.5	8.6
P/E	5.4	11.8	11.6	21.8	18.1	13.9	10.9	9.7	8.7
P/FCF	13.7	11.4	neg.	>100	neg.	12.5	14.0	10.6	10.9
P/B	2.0	3.4	2.8	7.3	5.7	2.9	2.3	1.9	1.6
P/S	0.5	1.0	1.0	2.7	1.9	1.3	1.1	1.0	0.9
EV/Sales	0.6	1.0	1.1	2.7	1.9	1.2	1.0	0.8	0.7
EV/EBITDA	3.8	6.4	7.1	15.8	12.0	8.4	6.3	5.2	4.4
EV/EBIT (adj.)	4.0	7.3	7.7	17.2	12.8	9.5	7.1	5.8	4.8
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	10.2 %	18.0 %	24.3 %
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.9 %	1.9 %	2.8 %

Source: Inderes



Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	MEUR	2023e	2024e	2023e	2024e	2023e	2024e	2023e	2024e	2023e	2024e	2023e
Cicor Technologies	150	256	13.8	12.1	6.5	5.9	0.7	0.6	23.4	16.2			1.2
Integrated Micro-Electronics	182	444	29.7	17.6	10.7	6.8	0.3	0.3		11.2			0.5
Data Modul	208	226	6.5	5.3	5.8	4.9	0.6	0.6	10.8	9.7	0.2	0.2	1.4
Hanza	317	363	12.6	9.0	5.0	4.3	0.4	0.4	16.9	14.8	1.3	1.5	1.1
Kitron	739	875	12.9	11.7	10.5	9.6	1.1	1.0	14.0	13.5	2.0	2.5	4.7
Lacroix Group SA	179	348	12.2	10.0	6.8	6.0	0.5	0.4	10.5	8.2	2.8	3.7	1.0
Jabil	13126	14680	9.4	9.0	6.1	5.8	0.5	0.5	12.7	11.6	0.3	0.3	4.7
Scanfil	659	751	12.3	11.9	9.4	9.2	0.8	0.8	14.0	13.6	2.3	2.5	2.5
Fabrinet	4321	3835	14.6	14.3	12.7	12.4	1.6	1.5	17.1	16.7			3.2
Hana Microelectronics	983	904	18.2	14.2	9.4	8.1	1.3	1.1	18.7	15.0	2.4	3.4	1.5
SVI	462	540	12.3	10.8	10.5	9.4	0.7	0.7	12.0	10.5	2.7	3.1	2.3
TT Electronics	324	490	8.4	7.6	6.3	5.7	0.7	0.7	8.5	7.6	4.3	4.7	0.9
Katek Se	209	245	13.6	8.1	6.1	4.6	0.3	0.3	24.0	12.1			1.3
Nolato AB	1159	1251	17.4	13.4	10.5	8.8	1.4	1.3	20.7	15.8	4.1	4.0	2.5
Celestica	1589	2150	6.0	5.7	4.7	4.4	0.3	0.3	7.1	6.6			1.1
Incap (Inderes)	316	306	9.5	7.1	8.4	6.3	1.2	1.0	13.5	10.8	0.0	0.9	2.9
Average			13.3	10.7	8.0	7.1	0.7	0.7	15.0	12.2	2.2	2.6	2.0
Median			12.6	10.8	6.8	6.3	0.7	0.6	14.0	12.1	2.3	2.8	1.4
Diff-% to median			-24%	-34%	25%	1%	82%	53%	-3%	-11%	-100%	-67%	105%

Source: Refinitiv / Inderes

Income statement

Income statement	H1'21	H2'21	2021	H1'22	H2'22	2022	H1'23e	H2'23e	2023e	2024e	2025e	2026e
Revenue	71.3	98.5	170	115	149	264	129	122	251	294	322	346
Incap	71.3	98.5	170	115	149	264	129	122	251	294	322	346
EBITDA	11.3	17.9	29.3	17.2	25.6	42.8	20.9	15.4	36.3	44.7	49.2	53.5
Depreciation	-1.6	-1.7	-3.3	-1.8	-2.0	-3.8	-2.2	-2.8	-4.9	-5.5	-5.3	-5.4
EBIT (excl. NRI)	10.2	16.6	26.8	15.6	24.4	40.0	18.8	13.3	32.1	39.8	44.4	48.6
EBIT	9.8	16.2	26.0	15.4	23.6	39.0	18.7	12.7	31.3	39.3	43.9	48.1
Net financial items	-0.3	0.1	-0.3	-0.8	-1.5	-2.3	-0.7	-0.9	-1.6	-1.2	-0.8	-0.3
PTP	9.4	16.3	25.7	14.6	22.1	36.7	18.0	11.8	29.8	38.1	43.1	47.7
Taxes	-1.6	-3.0	-4.7	-3.4	-5.7	-9.0	-4.3	-2.8	-7.1	-9.1	-10.3	-11.5
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	7.8	13.3	21.1	11.2	16.4	27.6	13.7	8.9	22.7	28.9	32.7	36.3
EPS (adj.)	0.28	0.46	0.74	0.39	0.59	0.98	0.47	0.32	0.80	1.00	1.13	1.25
EPS (rep.)	0.27	0.45	0.72	0.38	0.57	0.94	0.47	0.30	0.77	0.98	1.11	1.23
Key figures	H1'21	H2'21	2021	H1'22	H2'22	2022	H1'23e	H2'23e	2023e	2024e	2025e	2026e
Revenue growth-%	52.2 %	65.1 %	59.4 %	60.6 %	51.6 %	55.4 %	12.9 %	-18.6 %	-4.9 %	17.4 %	9.2 %	7.7 %
Adjusted EBIT growth-%	83.5 %	82.3 %	82.8 %	53.1 %	47.1 %	49.4 %	20.9 %	-45.5 %	-19.6 %	23.7 %	11.6 %	9.4 %
EBITDA-%	15.9 %	18.2 %	17.2 %	15.0 %	17.2 %	16.2 %	16.1 %	12.7 %	14.5 %	15.2 %	15.3 %	15.4 %
Adjusted EBIT-%	14.3 %	16.8 %	15.8 %	13.6 %	16.4 %	15.2 %	14.6 %	10.9 %	12.8 %	13.5 %	13.8 %	14.0 %
Net earnings-%	10.9 %	13.5 %	12.4 %	9.8 %	11.0 %	10.5 %	10.6 %	7.4 %	9.0 %	9.8 %	10.2 %	10.5 %

Source: Inderes

Balance sheet

Assets	2021	2022	2023e	2024e	2025e
Non-current assets	23	33	38	36	36
Goodwill	8	7	7	7	7
Intangible assets	0	4	6	5	4
Tangible assets	14	20	24	23	24
Associated companies	0	0	0	0	0
Other investments	0	0	0	0	0
Other non-current assets	0	1	1	1	1
Deferred tax assets	1	0	0	0	0
Current assets	102	136	161	199	236
Inventories	59	92	75	85	92
Other current assets	0	0	0	0	0
Receivables	34	36	55	62	66
Cash and equivalents	9	8	30	52	79
Balance sheet total	130	168	199	236	272

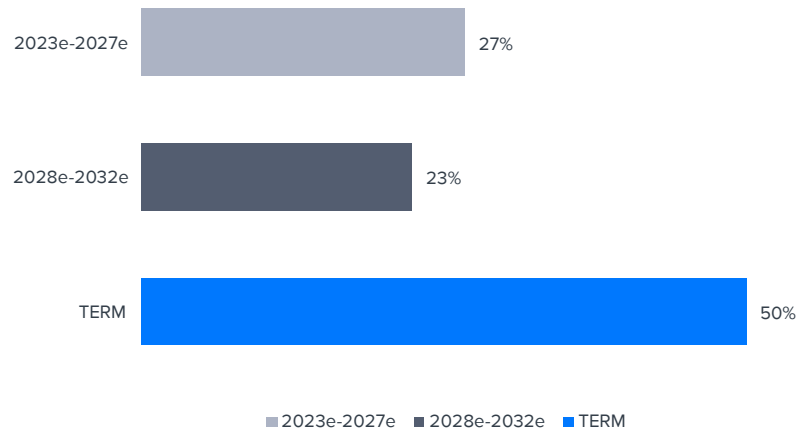
Source: Inderes

Liabilities & equity	2021	2022	2023e	2024e	2025e
Equity	63	87	110	139	169
Share capital	1	1	1	1	1
Retained earnings	42	70	92	121	151
Hybrid bonds	0	0	0	0	0
Revaluation reserve	-2	-5	-5	-5	-5
Other equity	22	22	22	22	22
Minorities	0	0	0	0	0
Non-current liabilities	6	13	20	18	18
Deferred tax liabilities	1	1	1	1	1
Provisions	2	2	2	2	2
Long term debt	4	11	15	15	15
Convertibles	0	0	0	0	0
Other long term liabilities	0	0	3	0	0
Current liabilities	60	68	68	79	86
Short term debt	7	11	5	5	5
Payables	53	57	63	74	80
Other current liabilities	0	1	1	1	1
Balance sheet total	130	168	199	236	272

DCF calculation

DCF model	2022	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	TERM
Revenue growth-%	55.4 %	-4.9 %	17.4 %	9.2 %	7.7 %	5.0 %	4.0 %	3.5 %	3.0 %	3.0 %	2.0 %	2.0 %
EBIT-% (adj.)	14.8 %	12.5 %	13.3 %	13.6 %	13.9 %	14.0 %	13.7 %	13.5 %	13.0 %	12.5 %	12.5 %	12.5 %
EBIT (operating profit)	39.0	31.3	39.3	43.9	48.1	50.9	51.8	52.9	52.4	51.9	53.0	
+ Depreciation	3.8	4.9	5.9	5.7	5.7	5.8	5.8	5.9	5.9	5.9	5.8	
- Paid taxes	-8.8	-7.1	-9.1	-10.3	-11.5	-12.4	-12.7	-13.0	-13.0	-13.0	-13.3	
- Tax, financial expenses	-0.6	-0.4	-0.4	-0.4	-0.4	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	
+ Tax, financial income	0.0	0.0	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.7	0.8	
- Change in working capital	-30.7	3.7	-5.8	-3.6	-7.7	-4.2	-3.6	-3.2	-2.9	-3.0	-2.0	
Operating cash flow	2.8	32.5	29.9	35.5	34.6	40.3	41.6	42.8	42.9	42.4	44.0	
+ Change in other long-term liabilities	0.3	2.7	-2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-9.7	-10.0	-4.5	-5.5	-5.5	-5.5	-5.5	-5.5	-5.5	-5.5	-5.8	
Free operating cash flow	-6.7	25.2	22.6	30.0	29.1	34.8	36.1	37.3	37.4	36.9	38.2	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-6.7	25.2	22.6	30.0	29.1	34.8	36.1	37.3	37.4	36.9	38.2	504
Discounted FCFF		24.1	19.7	23.8	21.0	22.9	21.7	20.4	18.6	16.7	15.8	209
Sum of FCFF present value		413	389	370	346	325	302	280	260	241	224	209
Enterprise value DCF		413										
- Interest bearing debt		-21.2										
+ Cash and cash equivalents		7.6										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		400										
Equity value DCF per share		13.6										

Cash flow distribution



WACC

Tax-% (WACC)	25.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	5.0 %
Equity Beta	1.40
Market risk premium	4.75%
Liquidity premium	1.25%
Risk free interest rate	2.5 %
Cost of equity	10.4 %
Weighted average cost of capital (WACC)	9.7 %

Source: Inderes

Summary

Income statement	2020	2021	2022	2023e	2024e	Per share data	2020	2021	2022	2023e	2024e
Revenue	106.5	169.8	263.8	250.8	294.4	EPS (reported)	0.32	0.72	0.94	0.77	0.98
EBITDA	15.9	29.3	42.8	36.3	45.1	EPS (adj.)	0.37	0.74	0.98	0.80	0.99
EBIT	12.6	26.0	39.0	31.3	39.3	OCF / share	0.12	0.24	0.09	1.11	1.02
PTP	11.5	25.7	36.7	29.8	38.1	FCF / share	-0.44	0.03	-0.23	0.86	0.77
Net Income	9.2	21.1	27.6	22.7	28.9	Book value / share	1.32	2.15	2.99	3.75	4.73
Extraordinary items	-2.1	-0.8	-1.0	-0.8	-0.5	Dividend / share	0.00	0.00	0.00	0.00	0.10
Balance sheet	2020	2021	2022	2023e	2024e	Growth and profitability	2020	2021	2022	2023e	2024e
Balance sheet total	76.4	129.5	168.4	198.5	235.7	Revenue growth-%	50%	59%	55%	-5%	17%
Equity capital	38.5	62.9	87.4	110.1	139.0	EBITDA growth-%	39%	84%	46%	-15%	24%
Goodwill	7.1	7.5	7.2	7.2	7.2	EBIT (adj.) growth-%	45%	83%	49%	-20%	24%
Net debt	5.9	2.0	13.6	-10.4	-32.2	EPS (adj.) growth-%	30%	98%	31%	-18%	25%
Cash flow	2020	2021	2022	2023e	2024e	EBITDA-%	15%	17%	16%	14%	15%
EBITDA	15.9	29.3	42.8	36.3	45.1	EBIT (adj.)-%	14%	16%	15%	13%	14%
Change in working capital	-10.0	-17.4	-30.7	3.7	-5.8	EBIT-%	12%	15%	15%	12%	13%
Operating cash flow	3.6	7.0	2.8	32.5	29.9	ROE-%	31%	42%	37%	23%	23%
CAPEX	-18.1	-6.2	-9.7	-10.0	-4.5	ROI-%	33%	42%	43%	26%	28%
Free cash flow	-12.9	0.8	-6.7	25.2	22.6	Equity ratio	50%	52%	52%	55%	59%
						Gearing	15%	3%	16%	-9%	-23%
Valuation multiples	2020	2021	2022	2023e	2024e						
EV/S	1.1	2.7	1.9	1.2	1.0						
EV/EBITDA (adj.)	7.1	15.8	12.0	8.4	6.3						
EV/EBIT (adj.)	7.7	17.2	12.8	9.5	7.1						
P/E (adj.)	9.8	21.2	17.5	13.5	10.8						
P/B	2.8	7.3	5.7	2.9	2.3						
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.9 %						

Source: Inderes

Disclaimer and recommendation history

The information presented in Inderes reports is obtained from several different public sources that Inderes considers to be reliable. Inderes aims to use reliable and comprehensive information, but Inderes does not guarantee the accuracy of the presented information. Any opinions, estimates and forecasts represent the views of the authors. Inderes is not responsible for the content or accuracy of the presented information. Inderes and its employees are also not responsible for the financial outcomes of investment decisions made based on the reports or any direct or indirect damage caused by the use of the information. The information used in producing the reports may change quickly. Inderes makes no commitment to announcing any potential changes to the presented information and opinions.

The reports produced by Inderes are intended for informational use only. The reports should not be construed as offers or advice to buy, sell or subscribe investment products. Customers should also understand that past performance is not a guarantee of future results. When making investment decisions, customers must base their decisions on their own research and their estimates of the factors that influence the value of the investment and take into account their objectives and financial position and use advisors as necessary. Customers are responsible for their investment decisions and their financial outcomes.

Reports produced by Inderes may not be edited, copied or made available to others in their entirety, or in part, without Inderes' written consent. No part of this report, or the report as a whole, shall be transferred or shared in any form to the United States, Canada or Japan or the citizens of the aforementioned countries. The legislation of other countries may also lay down restrictions pertaining to the distribution of the information contained in this report. Any individuals who may be subject to such restrictions must take said restrictions into account.

Inderes issues target prices for the shares it follows. The recommendation methodology used by Inderes is based on the share's 12-month expected total shareholder return (including the share price and dividends) and takes into account Inderes' view of the risk associated with the expected returns. The recommendation policy consists of four tiers: Sell, Reduce, Accumulate and Buy. As a rule, Inderes' investment recommendations and target prices are reviewed at least 2–4 times per year in connection with the companies' interim reports, but the recommendations and target prices may also be changed at other times depending on the market conditions. The issued recommendations and target prices do not guarantee that the share price will develop in line with the estimate. Inderes primarily uses the following valuation methods in determining target prices and recommendations: Cash flow analysis (DCF), valuation multiples, peer group analysis and sum of parts analysis. The valuation methods and target price criteria used are always company-specific and they may vary significantly depending on the company and (or) industry.

Inderes' recommendation policy is based on the following distribution relative to the 12-month risk-adjusted expected total shareholder return.

Buy The 12-month risk-adjusted expected shareholder return of the share is very attractive

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

The assessment of the 12-month risk-adjusted expected total shareholder return based on the above-mentioned definitions is company-specific and subjective. Consequently, similar 12-month expected total shareholder returns between different shares may result in different recommendations, and the recommendations and 12-month expected total shareholder returns between different shares should not be compared with each other. The counterpart of the expected total shareholder return is Inderes' view of the risk taken by the investor, which varies considerably between companies and scenarios. Thus, a high expected total shareholder return does not necessarily lead to positive performance when the risks are exceptionally high and, correspondingly, a low expected total shareholder return does not necessarily lead to a negative recommendation if Inderes considers the risks to be moderate.

The analysts who produce Inderes' research and Inderes employees cannot have 1) shareholdings that exceed the threshold of significant financial gain or 2) shareholdings exceeding 1% in any company subject to Inderes' research activities. Inderes Oyj can only own shares in the target companies it follows to the extent shown in the company's model portfolio investing real funds. All of Inderes Oyj's shareholdings are presented in itemised form in the model portfolio. Inderes Oyj does not have other shareholdings in the target companies analysed. The remuneration of the analysts who produce the analysis are not directly or indirectly linked to the issued recommendation or views. Inderes Oyj does not have investment bank operations.

Inderes or its partners whose customer relationships may have a financial impact on Inderes may, in their business operations, seek assignments with various issuers with respect to services provided by Inderes or its partners. Thus, Inderes may be in a direct or indirect contractual relationship with an issuer that is the subject of research activities. Inderes and its partners may provide investor relations services to issuers. The aim of such services is to improve communication between the company and the capital markets. These services include the organisation of investor events, advisory services related to investor relations and the production of investor research reports.

More information about research disclaimers can be found at www.inderes.fi/research-disclaimer.

Inderes has made an agreement with the issuer and target of this report, which entails compiling a research report.

Recommendation history (>12 mo)

Date	Recommendation	Target	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 €
----- An analyst changed -----			
7/28/2022	Accumulate	16.00 €	14.66 €
10/19/2022	Accumulate	17.00 €	15.08 €
10/28/2022	Reduce	17.00 €	16.06 €
11/18/2022	Reduce	17.00 €	16.18 €
2/23/2023	Reduce	17.00 €	18.04 €
4/19/2023	Accumulate	12.00 €	10.92 €
4/27/2023	Accumulate	12.00 €	10.36 €
6/15/2023	Accumulate	12.00 €	9.96 €
7/4/2023	Accumulate	12.00 €	10.76 €



Inderes connects investors and listed companies. We help over 400 listed companies to better serve their investors. Our community is home to over 70 000 active investors.

Our social objective is to democratize information in the financial markets.

We build solutions for listed companies that enable seamless and effective investor relations. Majority of our revenue comes from services to listed companies, including Commissioned Research, Virtual Events, AGM services, and IR technology and consultation.

Inderes is listed on Nasdaq First North growth market and operates in Finland, Sweden, Norway and Denmark.

Inderes Oyj

Itämerentori 2

FI-00180 Helsinki, Finland

+358 10 219 4690

Award-winning research at [inderes.fi](https://www.inderes.fi)



STARMINE
ANALYST AWARDS
FROM REFINITIV



THOMSON REUTERS
ANALYST AWARDS



Juha Kinnunen
2012, 2016, 2017, 2018, 2019, 2020



Mikael Rautanen
2014, 2016, 2017, 2019



Sauli Vilén
2012, 2016, 2018, 2019, 2020



Antti Viljakainen
2014, 2015, 2016, 2018, 2019, 2020



Olli Koponen
2020



Joni Grönqvist
2019, 2020



Erkki Vesola
2018, 2020



Petri Gostowski
2020



Atte Riikola
2020

**Research belongs
to everyone.**