

Growth in place, profitability up next

Administer reports its H2/2022 results on March 30th. Earnings figures are of lesser interest, the outlook more so with the leap in size and earnings given the acquisition of Econia.

H2 earnings report interest lies on 2023 outlook

Administer reports its H2/2022 results on March 30th. The earnings figures are of lesser interest, with the fiscal year guidance range (revenue EUR 50-52m, EBITDA-% 5.5-7.5%) implying improved relative profitability from the more challenging H1 but still clearly sub-par compared with long-term targets. Of more interest is the outlook for 2023 following the sizeable acquisition of Econia at the end of 2022 and expected ramp-up of the company's profitability scaling. Technically Administer should on our estimates be able to pay a dividend for FY 2022 but we assume no payout given the focus on growth.

Big leap in size and earnings in 2023

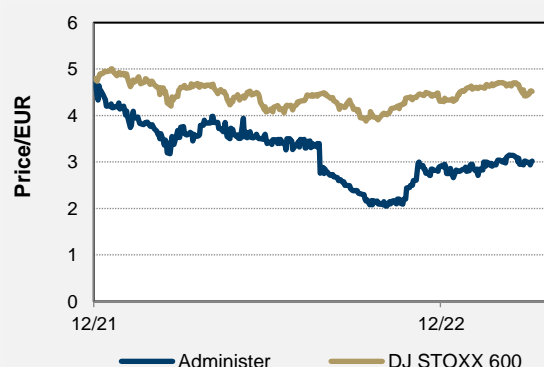
With the acquisition of Econia, Administer is set to take a significant growth leap in 2023. To our understanding the prevailing market conditions have been a lesser nuisance than expected and organic growth initiatives progressed quite well, due to which we raise our 2023 revenue estimate close to the 2024 target of EUR 84m. We have not included further M&A in our estimates, but with continued acquisitions very likely, the target should reasonably be achievable in 2023. We also expect EBITDA to over double compared with 2022, largely due to the in relative terms notably more profitable Econia. The 2024 EBITDA-% target of 24%, however, still appears distant. Synergies from acquisitions provide margin upside, while inorganic growth and operational efficiency should kick in to provide larger potential.

BUY with a target price of EUR 4.0 (3.6)

Valuation compared with peers on our 2023-2024 estimates continues to remain favourable. A discount remains warranted given the yet limited proof of profitability improvement but the current valuation in our view does not reflect the company's potential. On our adjusted estimates we raise our target price to EUR 4.0 (3.6), BUY-rating intact.

Rating

BUY



Share price, EUR (Last trading day's closing price) 3.02

Target price, EUR 4.0

Latest change in recommendation 04-Mar-22

Latest report on company 15-Nov-22

Research paid by issuer: YES

No. of shares outstanding, '000's 14,329

No. of shares fully diluted, '000's 14,329

Market cap, EURm 43

Free float, % -

Exchange rate 0.000

Reuters code ADMIN.HE

Bloomberg code ADMIN FH

Average daily volume, EURm -

Next interim report 30-Mar-23

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BUY HOLD SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR		
2020	43.7	2.9	6.6%	2.2	0.20	0.0	0.1	1.9	0.0	0.00		
2021	41.9	0.1	0.1%	-10.1	-0.13	-33.2	1.2	959.9	-16.9	0.00		
2022E	51.3	0.3	0.5%	-21.4	-0.01	-476.6	1.1	217.1	-49.5	0.00		
2023E	82.4	4.0	4.9%	5.6	0.12	25.3	0.6	12.6	12.8	0.11		
2024E	87.8	6.5	7.4%	7.3	0.26	11.5	0.5	6.9	16.9	0.15		
Market cap, EURm	43			Gearing 2022E, %			39.3			CAGR EPS 2021-24, %		0.0
Net debt 2022E, EURm	13			Price/book 2022E			1.3			CAGR sales 2021-24, %		28.0
Enterprise value, EURm	56			Dividend yield 2022E, %			0.0			ROE 2022E, %		-0.3
Total assets 2022E, EURm	67			Tax rate 2022E, %			6.2			ROCE 2022E, %		0.6
Goodwill 2022E, EURm	44			Equity ratio 2022E, %			48.1			PEG, P/E 22/CAGR		0.0

All the important disclosures can be found on the last pages of this report.

Administer	2020	H1/21	H2/21	2021	H1/22	H2/22E	2022E	2023E	2024E
Net sales	43.7	19.8	22.1	41.9	23.9	27.4	51.3	82.4	87.8
<i>sales growth %</i>	-3.5%	-11.2%	3.5%	-4.0%	20.4%	24.2%	22.4%	60.6%	6.6%
Other operating income	0.1	0.0	0.1	0.2	0.0	0.1	0.1	0.1	0.1
Materials and services	-5.4	-2.3	-3.3	-5.6	-3.5	-3.8	-7.3	-11.4	-11.4
Personnel expenses	-27.9	-14.1	-14.1	-28.2	-15.9	-18.2	-34.1	-53.6	-55.8
Other expenses	-6.1	-2.8	-3.2	-6.0	-3.6	-3.0	-6.6	-9.1	-9.7
Results of affiliates	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.1
EBITDA	4.4	0.6	1.7	2.3	1.0	2.4	3.4	8.6	11.2
<i>EBITDA-margin</i>	<i>10.2%</i>	<i>3.0%</i>	<i>7.5%</i>	<i>5.4%</i>	<i>4.2%</i>	<i>8.9%</i>	<i>6.7%</i>	<i>10.4%</i>	<i>12.7%</i>
Depreciation	-0.6	-0.4	-0.4	-0.7	-0.5	-0.5	-0.9	-1.1	-1.2
EBITA	3.9	0.2	1.3	1.5	0.5	2.0	2.5	7.5	10.0
<i>EBITA-margin</i>	<i>8.8%</i>	<i>1.2%</i>	<i>5.7%</i>	<i>3.6%</i>	<i>2.2%</i>	<i>7.2%</i>	<i>4.9%</i>	<i>9.1%</i>	<i>11.4%</i>
Goodwill amortization	-1.0	-0.5	-1.0	-1.5	-1.0	-1.2	-2.2	-3.5	-3.5
EBIT	2.9	-0.3	0.3	0.1	-0.5	0.8	0.3	4.0	6.5
<i>EBIT-margin</i>	<i>6.6%</i>	<i>-1.3%</i>	<i>1.4%</i>	<i>0.1%</i>	<i>-2.1%</i>	<i>2.8%</i>	<i>0.5%</i>	<i>4.9%</i>	<i>7.4%</i>

Source: Administer, Evli Research estimates.

	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E		
		22	23	24	22	23	24	22	23	24
Talenom	345	14.2x	10.8x	9.6x	30.0x	24.2x	20.3x	28.3x	29.8x	24.9x
Aallon Group	41	11.3x	9.5x	9.0x	11.6x	10.5x	10.2x	14.5x	13.5x	13.0x
Enento Group	415	11.0x	9.2x	8.7x	18.4x	13.9x	12.4x	17.8x	16.5x	14.0x
Admicom	207	16.3x	15.3x	14.0x	18.9x	17.6x	15.9x	20.4x	21.6x	19.5x
Heeros	30	17.3x	12.7x	10.9x	115.4x	40.1x	26.8x	188.7x	44.1x	30.1x
Zalaris	68							295.8x		23.2x
Fortnox	3517	48.3x	48.3x	35.6x	61.4x	59.5x	42.6x	111.2x	77.0x	54.9x
Peer Group Average	660	14.0x	11.5x	10.4x	38.8x	21.3x	17.1x	53.9x	25.1x	20.3x
Peer Group Median	207	14.2x	10.8x	9.6x	18.9x	17.6x	15.9x	20.4x	21.6x	19.5x

Source FactSet, Evli Research

	Sales 21	Sales			Sales gr.			EV/Sales		
		22	23	24	22	23	24	22	23	24
Talenom	83	102	122	144	23.2%	20.0%	17.3%	3.9x	3.3x	2.8x
Aallon Group	29	32	33	33		9.2%	2.5%	1.4x	1.2x	1.1x
Enento Group	164	168	168	175	2.4%	0.0%	4.2%	3.3x	3.2x	3.0x
Admicom	25	32	35	38	26.9%	10.3%	8.8%	6.5x	5.8x	5.1x
Heeros	9	11	12	13	20.5%	4.6%	9.3%	2.9x	2.7x	
Zalaris	76	81	89	95	7.1%	8.8%	7.3%	1.3x	1.1x	1.0x
Fortnox	88	115	149	194	30.3%	29.4%	30.4%	30.7x	23.4x	17.7x
Peer Group Average	70	68	74	80	18.2%	8.8%	8.4%	3.6x	3.2x	3.0x
Peer Group Median	54	32	35	38	21.8%	9.2%	8.8%	3.3x	3.2x	2.9x

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	3.02 PV of Free Cash Flow	83 Long-term growth, %	1.5 Risk-free interest rate, %	2.50
DCF share value	27.25 PV of Horizon value	299 WACC, %	5.8 Market risk premium, %	4.8
Share price potential, %	802.5 Unconsolidated equity	0 Spread, %	0.5 Debt risk premium, %	2.5
Maximum value	31.2 Marketable securities	9 Minimum WACC, %	5.3 Equity beta coefficient	1.00
Minimum value	24.2 Debt - dividend	-22 Maximum WACC, %	6.3 Target debt ratio, %	40
Horizon value, %	78.3 Value of stock	391 Nr of shares, Mn	14.3 Effective tax rate, %	26

DCF valuation, EURm	2021	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	Horizon
Net sales	42	51	82	88	97	106	112	117	123	129	131	133
<i>Sales growth, %</i>	-4.0	22.4	60.6	6.6	10.0	10.0	5.0	5.0	5.0	5.0	1.5	1.5
Operating income (EBIT)	0	0	4	6	12	17	18	19	20	21	21	21
<i>Operating income margin, %</i>	0.1	0.5	4.9	7.4	12.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0
+ Depreciation+amort.	2	3	5	5	5	6	6	7	7	7	7	8
EBITDA	2	3	9	11	17	23	24	25	27	28	29	
- Paid taxes	0	0	-2	-2	-3	-4	-4	-5	-5	-5	-5	
- Change in NWC	2	1	3	0	1	1	0	1	1	1	0	
<i>NWC / Sales, %</i>	-9.2	-9.2	-9.2	-9.2	-9.2	-9.2	-9.2	-9.2	-9.2	-9.2	-9.2	
+ Change in other liabs	0	0	0	0	0	0	0	0	0	0	0	
- Operative CAPEX	-12	-2	-4	-2	-2	-3	-2	-2	-3	-3	-2	
<i>opCAPEX / Sales, %</i>	29.3	4.7	4.4	1.9	2.4	2.4	2.1	2.1	2.1	2.1	1.9	
- Acquisitions	0	-23	0	0	0	0	0	0	0	0	0	
+ Divestments	0	0	0	0	0	0	0	0	0	0	0	
- Other items	0	0	0	0	0	0	0	0	0	0	0	
= FCFF	-8	-21	6	8	13	17	18	19	20	21	21	491
= Discounted FCFF		-22	6	7	11	14	14	14	13	13	13	299
= DFCF min WACC		-21	6	7	11	14	14	14	14	14	13	352
= DFCF max WACC		-22	6	7	11	14	13	13	13	13	12	257

INTERIM FIGURES

EVLI ESTIMATES, EURm	2021Q1	2021Q2	2021Q3	2021Q4	2021	2022Q1	2022Q2	2022Q3E	2022Q4E	2022E	2023E	2024E
Net sales	0.0	19.8	0.0	22.1	41.9	0.0	23.9	0.0	27.4	51.3	82.4	87.8
EBITDA	0.0	0.6	0.0	1.6	2.3	0.0	1.0	0.0	2.4	3.4	8.6	11.2
<i>EBITDA margin (%)</i>	<i>0.0</i>	<i>3.0</i>	<i>0.0</i>	<i>7.3</i>	<i>5.4</i>	<i>0.0</i>	<i>4.2</i>	<i>0.0</i>	<i>8.9</i>	<i>6.7</i>	<i>10.4</i>	<i>12.7</i>
EBIT	0.0	-0.3	0.0	0.3	0.1	0.0	-0.5	0.0	0.8	0.3	4.0	6.5
<i>EBIT margin (%)</i>	<i>0.0</i>	<i>-1.3</i>	<i>0.0</i>	<i>1.4</i>	<i>0.1</i>	<i>0.0</i>	<i>-2.1</i>	<i>0.0</i>	<i>2.8</i>	<i>0.5</i>	<i>4.9</i>	<i>7.4</i>
Net financial items	0.0	-0.1	0.0	-1.7	-1.8	0.0	0.0	0.0	-0.1	-0.2	-1.0	-0.9
Pre-tax profit	0.0	-0.4	0.0	-1.4	-1.7	0.0	-0.6	0.0	0.6	0.1	3.0	5.6
Tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1	-1.3	-1.8
<i>Tax rate (%)</i>	<i>0.0</i>	<i>32.5</i>	<i>0.0</i>	<i>2.9</i>	<i>-9.6</i>	<i>0.0</i>	<i>3.9</i>	<i>0.0</i>	<i>6.8</i>	<i>6.2</i>	<i>20.0</i>	<i>20.0</i>
Net profit	0.0	-0.5	0.0	-1.3	-1.8	0.0	-0.6	0.0	0.5	-0.1	1.7	3.8
EPS	0.00	-0.04	0.00	-0.09	-0.13	0.00	-0.04	0.00	0.03	-0.01	0.12	0.26
EPS adjusted (diluted no. of shares)	0.00	-0.04	0.00	-0.09	-0.13	0.00	-0.04	0.00	0.03	-0.01	0.12	0.26
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.11	0.15
SALES, EURm												
Administer	0.0	19.8	0.0	22.1	41.9	0.0	23.9	0.0	27.4	51.3	82.4	87.8
Total	0.0	19.8	0.0	22.1	41.9	0.0	23.9	0.0	27.4	51.3	82.4	87.8
SALES GROWTH, Y/Y %												
Administer	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>-49.4</i>	<i>-4.0</i>	<i>0.0</i>	<i>20.7</i>	<i>0.0</i>	<i>23.9</i>	<i>22.4</i>	<i>60.6</i>	<i>6.6</i>
Total	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>-49.4</i>	<i>-4.0</i>	<i>0.0</i>	<i>20.7</i>	<i>0.0</i>	<i>23.9</i>	<i>22.4</i>	<i>60.6</i>	<i>6.6</i>
EBIT, EURm												
Administer	0.0	-0.3	0.0	0.3	0.1	0.0	-0.5	0.0	0.8	0.3	4.0	6.5
Total	0.0	-0.3	0.0	0.3	0.1	0.0	-0.5	0.0	0.8	0.3	4.0	6.5
EBIT margin, %												
Administer	<i>0.0</i>	<i>-1.3</i>	<i>0.0</i>	<i>1.4</i>	<i>0.1</i>	<i>0.0</i>	<i>-2.1</i>	<i>0.0</i>	<i>2.8</i>	<i>0.5</i>	<i>4.9</i>	<i>7.4</i>
Total	<i>0.0</i>	<i>-1.3</i>	<i>0.0</i>	<i>1.4</i>	<i>0.1</i>	<i>0.0</i>	<i>-2.1</i>	<i>0.0</i>	<i>2.8</i>	<i>0.5</i>	<i>4.9</i>	<i>7.4</i>

INCOME STATEMENT, EURm	2017	2018	2019	2020	2021	2022E	2023E	2024E
Sales	20.2	37.0	45.3	43.7	41.9	51.3	82.4	87.8
<i>Sales growth (%)</i>	<i>0.0</i>	<i>82.7</i>	<i>22.5</i>	<i>-3.5</i>	<i>-4.0</i>	<i>22.4</i>	<i>60.6</i>	<i>6.6</i>
EBITDA	1.4	1.9	3.0	4.4	2.3	3.4	8.6	11.2
<i>EBITDA margin (%)</i>	<i>6.8</i>	<i>5.1</i>	<i>6.5</i>	<i>10.2</i>	<i>5.4</i>	<i>6.7</i>	<i>10.4</i>	<i>12.7</i>
Depreciation	-0.3	-1.1	-1.1	-0.6	-0.7	-0.9	-1.1	-1.2
EBITA	1.0	0.8	1.9	3.8	1.5	2.5	7.5	10.0
Goodwill amortization / writedown	-0.2	-0.3	-1.0	-1.0	-1.5	-2.2	-3.5	-3.5
EBIT	0.8	0.5	0.9	2.9	0.1	0.3	4.0	6.5
<i>EBIT margin (%)</i>	<i>3.9</i>	<i>1.3</i>	<i>1.9</i>	<i>6.6</i>	<i>0.1</i>	<i>0.5</i>	<i>4.9</i>	<i>7.4</i>
Reported EBIT	0.8	0.5	0.9	2.9	0.1	0.3	4.0	6.5
<i>EBIT margin (reported) (%)</i>	<i>3.9</i>	<i>1.3</i>	<i>1.9</i>	<i>6.6</i>	<i>0.1</i>	<i>0.5</i>	<i>4.9</i>	<i>7.4</i>
Net financials	0.0	-0.2	-0.3	-0.3	-1.8	-0.2	-1.0	-0.9
Pre-tax profit	0.8	0.2	0.6	2.6	-1.7	0.1	3.0	5.6
Taxes	-0.2	-0.2	-0.1	-0.6	0.0	-0.1	-1.3	-1.8
Minority shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	0.5	0.0	0.4	2.0	-1.8	-0.1	1.7	3.8
Cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BALANCE SHEET, EURm								
Assets								
Fixed assets	2	3	3	3	4	6	8	9
Goodwill	2	13	15	14	23	44	41	37
Right of use assets	0	0	0	0	0	0	0	0
Inventory	0	0	0	0	0	0	0	0
Receivables	3	8	8	7	7	8	13	14
Liquid funds	3	1	1	1	13	9	15	16
Total assets	10	25	26	25	47	67	77	75
Liabilities								
Shareholder's equity	2	7	7	9	32	32	34	36
Minority interest	0	0	0	0	0	0	0	0
Convertibles	0	0	0	0	0	0	0	0
Lease liabilities	0	0	0	0	0	0	0	0
Deferred taxes	0	0	0	0	0	0	0	0
Interest bearing debt	2	10	8	6	4	22	22	17
Non-interest bearing current liabilities	5	9	10	9	11	13	21	22
Other interest-free debt	0	0	0	0	0	0	0	0
Total liabilities	10	25	26	25	47	67	77	75
CASH FLOW, EURm								
+ EBITDA	1	2	3	4	2	3	9	11
- Net financial items	0	0	0	0	-2	0	-1	-1
- Taxes	0	0	0	-1	0	0	-1	-2
- Increase in Net Working Capital	2	-2	1	0	2	1	3	0
+/- Other	0	0	0	0	0	0	0	0
= Cash flow from operations	3	0	4	4	2	4	9	9
- Capex	-5	-13	-4	-1	-12	-2	-4	-2
- Acquisitions	0	0	0	0	0	-23	0	0
+ Divestments	0	0	0	0	0	0	0	0
= Free cash flow	-1	-13	0	2	-10	-21	6	7
+/- New issues/buybacks	1	5	0	0	25	0	0	0
- Paid dividend	0	0	0	0	0	0	0	-2
+/- Other	3	7	-1	-2	-2	18	0	-5
Change in cash	3	-1	-1	0	12	-4	6	1

KEY FIGURES	2018	2019	2020	2021	2022E	2023E	2024E
M-cap	0	0	0	60	43	43	43
Net debt (excl. convertibles)	8	8	6	-9	13	7	1
Enterprise value	8	8	6	51	56	50	45
Sales	37	45	44	42	51	82	88
EBITDA	2	3	4	2	3	9	11
EBIT	0	1	3	0	0	4	6
Pre-tax	0	1	3	-2	0	3	6
Earnings	0	0	2	-2	0	2	4
Equity book value (excl. minorities)	7	7	9	32	32	34	36
Valuation multiples							
EV/sales	0.2	0.2	0.1	1.2	1.1	0.6	0.5
EV/EBITDA	4.4	2.6	1.2	22.6	16.3	5.9	4.0
EV/EBITA	10.5	4.1	1.4	33.8	22.4	6.7	4.5
EV/EBIT	17.5	8.7	1.9	959.9	217.1	12.6	6.9
EV/OCF	-84.9	1.9	1.6	23.3	14.2	5.5	5.0
EV/FCFF	-0.6	11.2	2.2	-6.1	-2.6	7.9	5.6
P/FCFE	0.0	0.0	0.0	-5.9	-2.0	7.8	5.9
P/E	0.0	0.0	0.0	-33.2	-476.6	25.3	11.5
P/B	0.0	0.0	0.0	1.8	1.3	1.3	1.2
Target EV/EBITDA	0.0	0.0	0.0	0.0	20.4	7.5	5.3
Target EV/EBIT	0.0	0.0	0.0	0.0	271.5	16.1	9.1
Target EV/FCF	0.0	0.0	0.0	0.0	-3.3	11.6	8.0
Target P/B	0.0	0.0	0.0	0.0	1.8	1.7	1.6
Target P/E	0.0	0.0	0.0	0.0	-631.3	33.4	15.2
Per share measures							
Number of shares	9,480	9,620	9,620	14,194	14,329	14,329	14,329
Number of shares (diluted)	9,480	9,620	9,620	14,194	14,329	14,329	14,329
EPS	0.00	0.04	0.20	-0.13	-0.01	0.12	0.26
Operating cash flow per share	-0.01	0.42	0.37	0.15	0.28	0.64	0.63
Free cash flow per share	-1.40	0.05	0.23	-0.71	-1.50	0.39	0.51
Book value per share	0.71	0.78	0.99	2.28	2.25	2.37	2.52
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.11	0.15
Dividend payout ratio, %	0.0	0.0	0.0	0.0	0.0	91.3	57.8
Dividend yield, %	0.0	0.0	0.0	0.0	0.0	3.6	5.0
FCF yield, %	0.0	0.0	0.0	-16.9	-49.5	12.8	16.9
Efficiency measures							
ROE	-0.1	6.1	23.1	-8.6	-0.3	5.2	10.8
ROCE	4.6	5.4	18.2	0.2	0.6	7.3	11.8
Financial ratios							
Inventories as % of sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Receivables as % of sales	21.6	17.0	15.3	15.9	15.9	15.9	15.9
Non-interest bearing liabilities as % of sales	23.0	21.5	20.0	25.1	25.1	25.1	25.1
NWC/sales, %	-1.5	-4.5	-4.8	-9.2	-9.2	-9.2	-9.2
Operative CAPEX/sales, %	35.7	7.8	3.1	29.3	4.7	4.4	1.9
CAPEX/sales (incl. acquisitions), %	35.7	7.8	3.1	29.3	-40.2	4.4	1.9
FCFF/EBITDA	-7.1	0.2	0.6	-3.7	-6.2	0.7	0.7
Net debt/EBITDA, book-weighted	4.4	2.6	1.2	-3.9	3.7	0.8	0.1
Debt/equity, market-weighted	0.0	0.0	0.0	0.1	0.5	0.5	0.4
Equity ratio, book-weighted	26.9	29.2	38.4	68.5	48.1	44.3	48.0
Gearing, %	121.9	101.8	58.3	-27.2	39.3	21.0	3.9

COMPANY DESCRIPTION: Administer is one of the leading providers of financial management and HR & payroll services in Finland. Founded in 1985, the company has grown rapidly in recent years through acquisitions and today employs around 600 employees. In-house developed technology has played an important role and the company is looking to further leverage its know-how to develop the industry. The company completed its IPO in December 2021.

INVESTMENT CASE: Administer has set out rather ambitious targets, seeking to achieve revenue of EUR 84m and an EBITDA-margin of 24% in 2024. The company has yet to show the required growth and profitability figures to achieve the targets, but consolidation in the fragmented and non-cyclical industry provides ample opportunities for growth. Profitability improvement relies upon synergies from acquisitions as well as internal operational efficiency, further to be improved by pick-up in growth.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Aho Peter	6,880,980	20.781	48.0%
Ilmarinen Mutual Pension Insurance Company	1,250,000	3.775	8.7%
Sijoitus Oy MC Invest Ab	1,205,508	3.641	8.4%
Oy Fincorp Ab	384,392	1.161	2.7%
Salmivala Maria-Elina	337,807	1.020	2.4%
Varma Mutual Pension Insurance Company	337,093	1.018	2.4%
Elo Mutual Pension Insurance Company	308,642	0.932	2.2%
Herranen Kimmo	231,700	0.700	1.6%
Oy Talcom Ab	133,000	0.402	0.9%
Husu Päivi Marianna	117,756	0.356	0.8%
Ten largest	11,186,878	33.784	78%
Residual	3,142,536	9.490	22%
Total	14,329,414	43.275	100%

EARNINGS CALENDAR

March 30, 2023

FY 2022 Results

August 31, 2023

Q2 report

OTHER EVENTS**COMPANY MISCELLANEOUS**

CEO: Peter Aho

Itämerenkatu 5, FIN-00180 Helsinki

CFO: Johan Idman

Tel:

IR:

DEFINITIONS

P/E	$\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS	$\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/BV	$\frac{\text{Price per share}}{\text{Shareholders' equity} + \text{taxed provisions per share}}$	DPS	Dividend for the financial period per share
Market cap	Price per share * Number of shares	OCF (Operating cash flow)	EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
EV (Enterprise value)	Market cap + net debt + minority interest at market value – share of associated companies at market value	FCF (Free cash flow)	Operating cash flow – operative CAPEX – acquisitions + divestments
EV/Sales	$\frac{\text{Enterprise value}}{\text{Sales}}$	FCF yield, %	$\frac{\text{Free cash flow}}{\text{Market cap}}$
EV/EBITDA	$\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	Operative CAPEX/sales	$\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
EV/EBIT	$\frac{\text{Enterprise value}}{\text{Operating profit}}$	Net working capital	Current assets – current liabilities
Net debt	Interest bearing debt – financial assets	Capital employed/Share	$\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets	Balance sheet total	Gearing	$\frac{\text{Net debt}}{\text{Equity}}$
Div yield, %	$\frac{\text{Dividend per share}}{\text{Price per share}}$	Debt/Equity, %	$\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
Payout ratio, %	$\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Equity ratio, %	$\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROCE, %	$\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	CAGR, %	Cumulative annual growth rate = Average growth per year
ROE, %	$\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholder's equity} + \text{minority interest} + \text{taxed provisions (average)}}$		

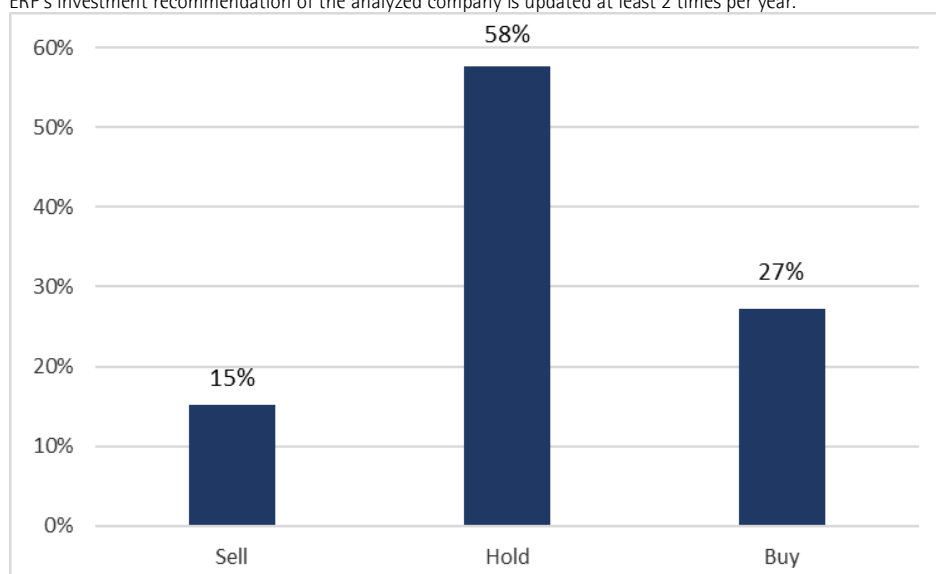
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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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Name(s) of the analyst(s): Salokivi

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