

Good operative performance

Etteplan's net sales in Q1 amounted to EUR 95.0m, slightly above our and consensus estimates (EUR 92.0m/91.7m Evli/cons.). EBIT amounted to EUR 6.3m, below our estimates and below consensus (EUR 7.4m/7.0m Evli/cons.), but excluding EUR 2.0m in NRI's, the profitability exceeded our expectations.

- Net sales in Q1 were EUR 95.0m (EUR 89.6m in Q1/22), slightly above our estimates and consensus estimates (EUR 92.0m/91.7m Evli/Cons.). Growth in Q1 amounted to 6% y/y, of which 4.9% organic growth (8% and 6.9% at comparable FX respectively).
- EBIT in Q1 amounted to EUR 6.3m (EUR 7.6m in Q1/22), below our estimates and consensus estimates (EUR 7.4m/7.0m Evli/cons.), at a margin of 6.6%. EBIT was affected by NRI's and one-time salary payments in accordance with the collective labour agreement in Finland, amounting to EUR -2.0m.
- EPS in Q1 amounted to EUR 0.17 (EUR 0.23 in Q1/22), below our estimates and consensus estimates (EUR 0.22/0.20 Evli/cons.).
- Net sales in Engineering Solutions in Q1 were EUR 51.7m vs. EUR 49.0m Evli. EBITA in Q1 amounted to EUR 4.9m vs. EUR 5.0m Evli.
- Net sales in Software and Embedded Solutions in Q1 were EUR 23.9m vs. EUR 24.8m Evli. EBITA in Q1 amounted to EUR 1.6m vs. EUR 2.4m Evli.
- Net sales in Technical Communication Solutions in Q1 were EUR 19.2m vs. EUR 18.0m Evli. EBITA in Q1 amounted to EUR 1.2m vs. EUR 1.4m Evli.
- Guidance for 2023: Revenue is estimated to be EUR 360-390m and the operating profit is estimated to be EUR 28-33m.

Rating 🟡 HOLD

Q1/23	Actual	Evli	Cons.	Q1/22
Net sales	95.0	92.0	91.7	89.6
EBIT	6.3	7.4	7.0	7.6
EPS	0.17	0.22	0.20	0.23
Deviation	Actual	Evli	Cons.	Q1/22
Net sales		3 %	4 %	6 %
EBIT		-15 %	-10 %	-18 %
EPS		-21 %	-16 %	-26 %

*Consensus by Bloomberg

 Share price, EUR (Last trading day's closing price) 16.05

 Target price, EUR 16.0

 Latest change in recommendation 01-Nov-22

 Latest report on company 20-Feb-23

 Research paid by issuer: YES

 No. of shares outstanding, '000's 25,042

 No. of shares fully diluted, '000's 25,042

 Market cap, EURm 402

 Free float, % 16.0

 Exchange rate 0.000

 Reuters code ETTE.HE

 Bloomberg code ETTE FH

 Average daily volume, EURm 0.07

 Next interim report 11-May-23

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+ BUY + HOLD - SELL

PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2021	300.1	25.8	8.6%	8.1	0.80	21.1	1.6	18.3	1.9	0.40
2022	350.2	28.6	8.2%	-4.5	0.73	20.7	1.2	15.2	-1.2	0.36
2023E	375.3	31.5	8.4%	26.4	0.93	17.3	1.2	14.5	6.6	0.46
2024E	396.7	34.7	8.8%	29.4	1.05	15.3	1.1	12.6	7.3	0.52
2025E	414.5	38.2	9.2%	32.6	1.18	13.7	1.0	10.9	8.1	0.59

Market cap, EURm	402	BV per share 2023E, EUR	44.4	CAGR EPS 2022-25, %	18.6
Net debt 2023E, EURm	54	Price/book 2023E	3.3	CAGR sales 2022-25, %	5.8
Enterprise value, EURm	456	Dividend yield 2023E, %	2.9	ROE 2023E, %	20.5
Total assets 2023E, EURm	284	Tax rate 2023E, %	20.0	ROCE 2023E, %	16.1
Goodwill 2023E, EURm	105	Equity ratio 2023E, %	42.4	PEG, P/E 23/CAGR	1.8

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

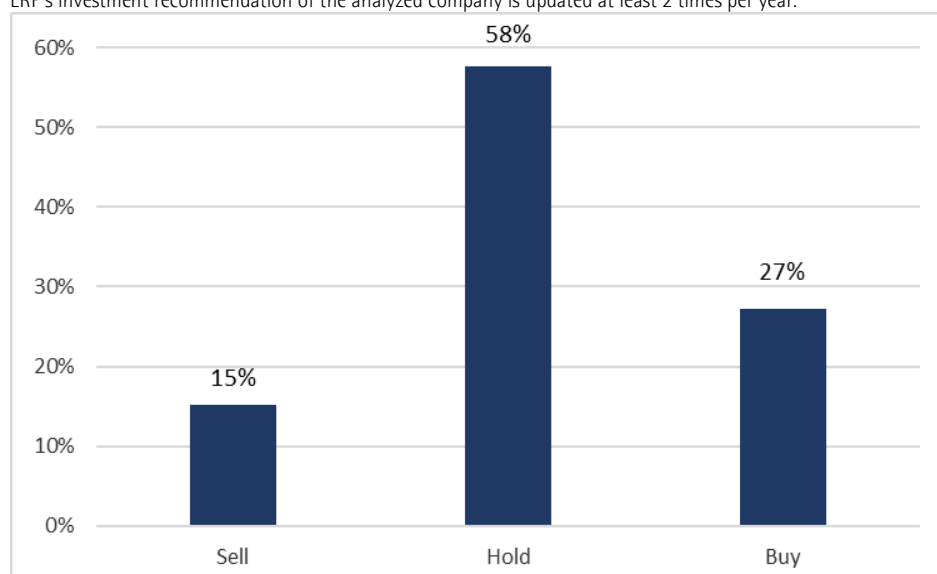
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Investment recommendations are defined as follows:

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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