

OmaSp

Company report

8/02/2021 22:10



Sauli Vilén
+358 44 025 8908
sauli.vilen@inderes.fi



Matias Arola
+358 40 935 3632
matias.arola@inderes.fi

✓ Inderes corporate customer

This report is a summary translation of the report “Vakuuttavaa tekemistä” published on 08/02/2021 at 10:10 pm

**inde
res.**

Convincing performance

We revise our target price for OmaSp to EUR 18.5 (previously EUR 11.0) and reiterate our Buy recommendation. The Q2 result exceeded our expectations clearly and the report again strengthened our confidence in the company's earnings growth outlook in the next few years. We have revised our estimates upwards after the Q2 result and see that the strong earnings growth still offers investors a very attractive return expectation.

Q2 result wiped the floor with our estimates

OmaSp's comparable income grew by 24% to EUR 29.4 million in Q2 exceeding our EUR 27.7 million estimate. The better-than-expected income development was based on net interest income that grew by 24% in Q2 to EUR 19.7 million, which was above our EUR 18.8 million expectation. OmaSp's fee and commission income and the comparable cost level of Q2 were well in line with our expectations but the clear positive surprise in the report came from the Q2 credit loss level that was clearly below our estimates (EUR 0.8 million vs. EUR 3.7 million). Due to faster growth than expected and better credit loss development, OmaSp's result rows exceeded our estimates by a glaring margin (adjusted EPS EUR 0.40 vs. EUR 0.28).

Guidance revised upwards, merger of Eurajoen Savings Bank to be completed in December

OmaSp also issued a positive earnings revision on Monday and now expects that the profit before taxes and comparable profit before taxes will increase significantly compared to the previous financial year. (Previously: profit before taxes will increase significantly from the comparison period). The positive earnings revision was no surprise considering the strong H1 development and raising of the guidance during H2 was a given to us. The company also provided additional information concerning the merger of Eurajoen Savings Bank and OmaSp said that the business transfer is expected to take place in December. We consider the merger practically a sure thing and included it in our estimates. The bank's current income level is around EUR 2 million and we expect OmaSp to be able to raise its income level with its own measures (e.g. combining background functions and lowering financing costs) by some EUR 1-2 million in the next few years. We expect OmaSp to make a write-up of some EUR 8 million in connection with the arrangement as we expect the deal to take place clearly below book value.

Our 2021-2023 earnings estimates for adjusted EPS have risen by 7-15%

We revised our estimates upwards after the strong Q2 report and as a whole our 2021-2023 earnings estimates have risen by 7-15% in terms of adjusted EPS. The key factors behind the raised earnings estimates are 1) clearly stronger Q2 result than anticipated, 2) result contribution from Eurajoen Savings Bank and synergies of the arrangement, and 3) partial dissolution of credit loss reserves of around EUR 3 million we expect in late 2021.

Keep riding the strong earnings growth train

OmaSp's P/E multiple is around 14x calculated based on the rolling 12 month adjusted result. We do not feel there is considerable upside in the earnings multiples but the strong earnings growth we estimate (2020-24e CAGR ~25%) still offers a very good return expectation for investors. We would like to point out that the return expectations lean heavily on earnings growth and if the earnings growth for some reason would be clearly weaker than we expect it would be difficult to find sustainable growth drivers for the share.

Recommendation

Buy

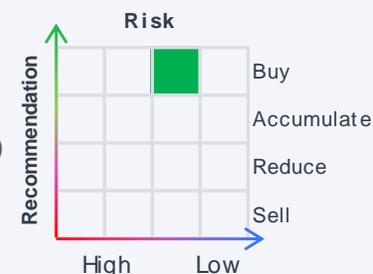
(previous Buy)

EUR 18.50

(previous EUR 15.50)

Share price:

15.80



Key indicators

	2020	2021e	2022e	2023e
Operating income	111.1	154.7	136.0	148.8
growth %	20%	39%	-12%	9%
PTP	37.7	88.2	55.8	62.2
Net profit	30.7	70.4	44.7	49.9
EPS (adjusted)	0.73	1.43	1.45	1.62
Dividend	0.30	0.35	0.40	0.45
P/E (adjusted)	14.5	11.0	10.8	9.7
P/B	0.9	1.1	1.0	0.9
Dividend yield %	2.8%	2.2%	2.6%	3.0%

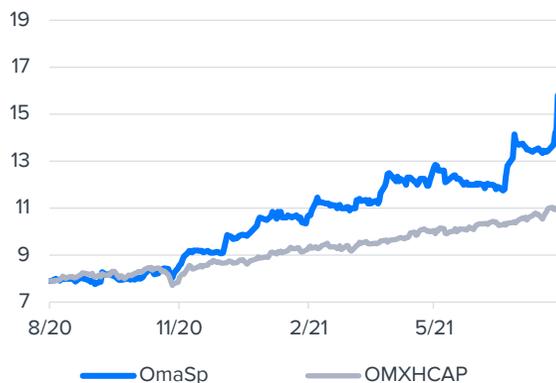
Source: Inderes

Guidance

(Improved)

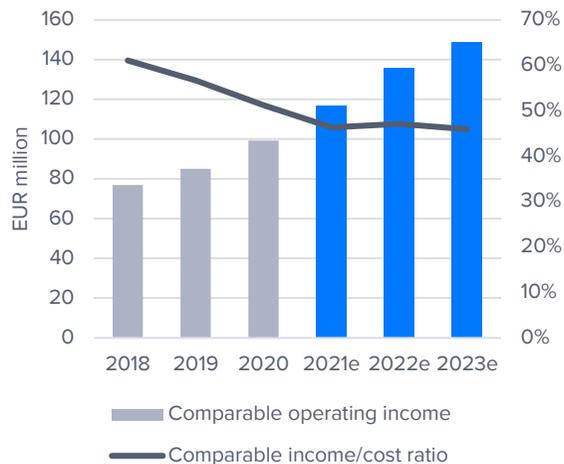
The Group's 2021 profit before taxes and comparable profit before taxes will increase significantly compared to the previous financial year.

Share price

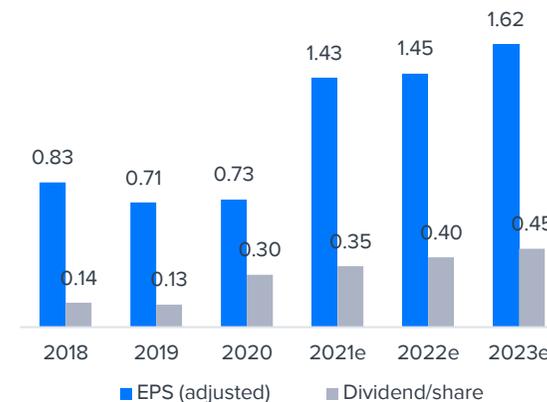


Source: Thomson Reuters

Operating income and income/cost ratio



EPS and dividend



Source: Inderes



Value drivers

- Continued organic growth
- Improved cost efficiency
- Corporate restructuring
- Moving to IRBA model
- Improving ROE through the increased share of capital light operations



Risk factors

- Sustainability of exceptional margin level
- Credit loss development
- Rapid revolution continuing in the industry
- Share of net emigration municipalities higher in loan portfolio than among peers

Valuation	2021e	2022e	2023e
Share price	15.8	15.8	15.8
Market cap	466	466	466
P/E (adj.)	11.0	10.8	9.7
P/E	6.6	10.8	9.7
P/B	1.1	1.0	0.9
Payout ratio (%)	14.7 %	27.5 %	27.8 %
Dividend yield-%	2.2 %	2.6 %	3.0 %

Source: Inderes

Convincing Q2 report

Net interest income grew more strongly than expected in Q2

OmaSp's comparable income grew by 24% to EUR 29.4 million in Q2 exceeding our EUR 27.7 million estimate. The better-than-expected income development was based on net interest income that grew by 24% in Q2 to EUR 19.7 million, which was above our EUR 18.8 million expectation. Loan portfolio growth continued as strong in Q2 (+20% y-o-y) and exceeded our 18% growth estimate. OmaSp's fee and commission income developed nearly in line with our expectations in Q2 and amounted to EUR 8.6 million (Q2'21e: EUR 8.2 million).

Cost level in line with expectations, credit losses offered a positive surprise again

OmaSp's Q2 cost level was largely in line with our expectations and comparable operating expenses stood at EUR 13.8 million adjusted for the write down from the core banking platform (EUR 4.6 million) and

was fully in line with our EUR 13.9 million estimate. In addition to the strong income development, the clear positive surprise in the Q2 report came from OmaSp's credit loss level that was clearly lower than we expected (Q2'21: EUR 0.8 million vs. Q2'21e: EUR 3.7 million). Credit loss reservations based on management's judgment (EUR 5.9 million) were not dissolved in Q2 and the lower-than-expected credit loss level was based on changes in ECL reservations (EUR +0.8 million). EUR 1.6 million was recorded in final credit losses in Q2, which was clearly lower than we anticipated.

Due to faster growth than expected and better credit loss development, OmaSp's result rows exceeded our estimates by a glaring margin (adjusted EPS EUR 0.40 vs. EUR 0.28). The reported result was as expected supported by the considerable one-off item related to the core banking project (net effect EUR 22 million) and reported EPS rose to EUR 1.03.

The company also raised its guidance on Monday

OmaSp also issued a positive earnings revision on Monday before publishing the Q2 report. The company now expects both the profit before taxes and comparable profit before taxes to increase considerably compared to 2020. (Previously: profit before taxes will increase significantly from the comparison period). The positive earnings revision was no surprise considering the strong development in H1 and we took it as a given that the guidance would be raised in H2'21.

As expected OmaSp also reported it will pay the delayed EUR 0.30 when the profit-sharing restrictions end. In terms of the Eurajoen Savings Bank merger, the company specified that the business transfer is expected to take place in December 2021. We believe the merger is practically a sure thing and we have included it in our estimates.

Estimates MEUR / EUR	Q2'20	Q2'21	Q2'21e	Q2'21e	Consensus		Difference (%)	2021e
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Operating income	23.6	57.6	49.7				16%	155
Operating income (adj.)	23.6	29.4	27.7				6%	117
PTP (adj.)	7.3	14.6	10.2				43%	54.9
PTP	6.5	38.3	32.2				19%	88.2
EPS (adj.)	0.20	0.40	0.28				45%	1.43
EPS (reported)	0.18	1.03	0.87				18%	2.38

Source: Inderes

Estimate changes

Estimate changes 2021e-2023e

- Growth estimates for H2 revised upwards in terms of net interest income and loan portfolio.
- The H2'21 credit loss level was revised downwards, we expect the company to dissolve around one-half of reservations based on management's judgment (EUR 5.9 million) in H2.
- Our estimate concerning credit loss reservations in cautious and in our view the company should have the preconditions to dissolve reservations in full.
- Eurajoen Savings Bank is included in the estimates starting from 2021 as we believe the arrangement is practically a given.
- We expect OmaSp to make a write-up of some EUR 8 million in connection with the arrangement.
- Eurajoen Savings Bank's current income level is around EUR 2 million p.a., and we expect OmaSp to be able to raise the bank's income level with its own measures by some EUR 1-2 million in the next few years.
- The key synergies in the arrangement are related to combining background functions and decreasing financing costs.
- We expect OmaSp to finance the merger in full with a share exchange and we have included a dilution of around 4% in our estimates.

Operational result drivers 2021-2023e:

- Winning market shares and continued strong growth of loan portfolio
- Maintaining an excellent lending margin
- Growing fee and commission income with customer volumes
- Cost structure scaling with growth
- Income contribution of Eurajoen Savings Bank and the synergies from the arrangement (our estimate around EUR 1-2 million p.a.)

Estimate revisions MEUR / EUR	2021e	2021e	Change	2022e	2022e	Change	2023e	2023e	Change
	Old	New	%	Old	New	%	Old	New	%
Operating profit	137	155	13%	124	136	10%	136	149	10%
Operating expenses	-54	-59	9%	-58	-64	9%	-63	-68	8%
Profit before taxes	69.7	88.2	27%	50.3	55.8	11%	55.5	62.2	12%
EPS (excl. non-recurring items)	1.24	1.43	15%	1.36	1.45	7%	1.50	1.62	8%
Dividend per share	0.35	0.35	0%	0.40	0.40	0%	0.45	0.45	0%

Source: Inderes

Earnings growth maintains attractive return expectation

Strong earnings growth maintains attractive return expectation

OmaSp's P/E multiple is around 14x calculated based on the rolling 12-month comparable result. We do not feel there is considerable upside in the earnings multiples but the strong earnings growth we estimate for the next few years (2020-2024e CAGR ~25%) still offers a very good return expectation for investors. We would like to point out that the return expectations for the next couple of years leans heavily on earnings growth and if the earnings growth for some reason would be clearly weaker than we expect it would be difficult to find sustainable growth drivers for the share.

OmaSp's dividend yield is relatively low for the financial sector (+2%) as the company invests a majority of its retained earnings in growth and thus dividend plays a relatively small role in contrast to the banking sector in general.

Earnings- and balance sheet-based valuation quite well in line with peer group

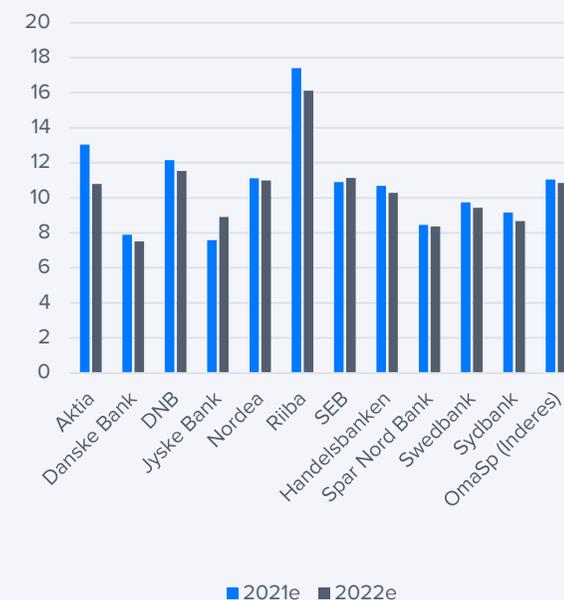
With our 2021-2022e estimates OmaSp is priced at P/E multiples of around 11x and earnings-based valuation is quite well in line with the Nordic peer group (2021-2022e premium 4-6%). We find the valuation that is in line with the sector to be justified as even though OmaSp's earnings growth outlooks are clearly stronger than for the peer group, certain factors also depress the acceptable valuation compared to peers (e.g. clearly smaller size than the peers and weaker dispersion of business operations and income flows).

OmaSp's balance sheet-based valuation (2021e: P/B 1.1x) is also well in line with the peer group. We find it likely that OmaSp's balance sheet-based valuation will also in future follow the general pricing in the sector and in our view a clearly higher balance sheet-based valuation than currently would require a sustainable clearly above double-digit ROE. This would in our view require more capital light business operations (in practice expansion into asset management) and moving to an IRBA model in calculating the credit risk.

Valuation	2021e	2022e	2023e
Share price	15.8	15.8	15.8
Market cap	466	466	466
P/E (adj.)	11.0	10.8	9.7
P/E	6.6	10.8	9.7
P/B	1.1	1.0	0.9
Payout ratio (%)	14.7 %	27.5 %	27.8 %
Dividend yield-%	2.2 %	2.6 %	3.0 %

Source: Inderes

Nordic banking sector's fwd P/E



Valuation table

Valuation	2016	2017	2018	2019	2020	2021e	2022e	2023e	2024e
Share price			7.00	8.88	10.6	15.8	15.8	15.8	15.8
Market cap			207	263	314	466	466		466
P/E (adj.)	0.0	0.0	8.4	12.4	14.5	1101	10.8	9.7	9.0
P/E	0.0	0.0	8.9	9.5	10.2	6.6	10.8	9.7	9.0
P/B	0.0	0.0	0.7	0.8	0.9	1.1	1.0	0.9	0.9
Payout ratio (%)	9.2 %	8.2 %	20.5 %	13.9 %	29.0 %	14.7 %	27.5 %	27.8 %	28.5 %
Dividend yield-%			2.0 %	1.5 %	2.8 %	2.2 %	2.6 %	3.0 %	3.3 %

Source: Inderes



Peer group valuation

Peer Group valuation Company	Share price	Market cap MEUR	P/E		Dividend yield %		P/B 2021e	ROE-% 2021e
			2021e	2022e	2021e	2022e		
Aktia	11,98	837	13.0	10.8	4.9	5.9	1.2	9.2
Danske Bank	110.35	12,773	7.9	7.5	6.1	7.0	0.6	7.1
DNB	181.70	27,080	12.1	11.5	5.3	5.5	1.2	9.9
Jyske Bank	309.70	2,977	7.6	8.9			0.6	7.6
Nordea	9.93	40,329	11.1	11.0	6.5	6.2	1.1	10.3
Riiba	713.00	2,787	17.4	16.1	2.7	2.5	2.3	14.1
SEB	116.85	25,239	10.9	11.1	5.9	5.3	1.3	12.8
Handelsbanken	97.46	18,997	10.7	10.3	6.6	6.8	1.0	10.1
Spar Nord Bank	75.60	1,249	8.5	8.4	7.7	6.1	0.8	11.0
Swedbank	167.54	18,636	9.7	9.4	7.5	5.3	1.1	12.2
Sydbank	193.80	1,544	9.2	8.7	5.0	5.2	0.9	9.7
OmaSp (Inderes)	15.80	467	11.1	10.9	2.2	2.6	1.1	18.1
Average			10.7	10.3	5.8	5.6	1.1	10.4
Median			10.7	10.3	6.0	5.7	1.1	10.1
Diff-% to median			4 %	6 %	-63 %	-54 %	-3 %	

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

Income statement

Income statement	2019	Q1'20	Q2'20	Q3'20	Q4'20	2020	Q1'21	Q2'21	Q3'21e	Q4'21e	2021e	2022e	2023e	2024e
Net interest income	57.5	15.5	15.9	17.5	18.9	67.8	18.0	19.7	19.9	21.0	78.6	90.7	99.8	108
Fee and commission income net	25.4	6.7	7.3	6.9	8.3	29.3	7.9	8.6	8.7	9.1	34.3	41.5	45.2	48.6
Net income on financial assets and liabilities	7.5	5.5	0.0	1.7	3.6	10.9	1.6	1.3	0.5	0.5	4.0	2.4	2.4	2.4
Other income	2.1	2.2	0.4	0.2	0.2	3.1	1.6	28.0	0.2	8.0	37.8	1.4	1.4	1.4
Operating income	92.6	30.0	23.6	26.4	31.1	111	29.1	57.6	29.3	38.7	155	136	149	160
Personnel expenses	-17.1	-3.9	-4.7	-4.1	-4.2	-16.9	-4.5	-5.3	-4.4	-4.8	-19.0	-22.2	-23.4	-25.6
Other operating expenses	-28.2	-9.3	-7.1	-5.9	-7.3	-29.6	-8.7	-7.3	-6.5	-7.4	-29.9	-35.8	-36.8	-37.8
Depreciation	-5.0	-1.1	-1.5	-1.4	-1.3	-5.2	-1.2	-5.9	-1.3	-1.3	-9.7	-6.0	-8.2	-8.9
Other operating expenses, total	-50.3	-14.2	-13.3	-11.4	-12.8	-51.7	-14.4	-18.4	-12.2	-13.5	-58.6	-64.0	-68.4	-72.2
Impairment losses on financial assets	-9.6	-8.5	-3.9	-1.5	-7.6	-21.6	-2.8	-0.8	-2.4	-1.5	-7.6	-16.2	-18.3	-20.3
Share of profits in assoc. companies	0.0	0.0	0.0	0.0	-0.2	-0.1	-0.3	-0.1	0.0	0.0	-0.4	0.0	0.0	0.0
Profit before taxes	32.7	7.2	6.5	13.5	10.5	37.7	11.7	38.3	14.6	23.6	88.2	55.8	62.2	67.5
Total non-recurring items	6.5	5.5	-0.8	2.6	3.6	11.0	1.6	23.6	0.0	8.0	33.3	0.0	0.0	0.0
Profit before taxes (adj.)	26.2	1.7	7.3	10.9	6.9	26.7	10.0	14.6	14.6	15.6	54.9	55.8	62.2	67.5
Income taxes	-5.2	-1.4	-1.2	-3.0	-1.5	-7.1	-2.4	-7.8	-2.9	-4.7	-17.8	-11.2	-12.4	-13.5
Minority interest	0.1	0.0	0.0	0.0	0.1	0.2	0.1	-0.1	0.0	0.0	0.0	0.1	0.1	0.1
Net earnings	27.6	5.9	5.3	10.5	9.1	30.8	9.4	30.4	11.7	18.9	70.4	44.7	49.9	54.1
EPS (adj.)	0.71	0.05	0.20	0.28	0.20	0.73	0.26	0.40	0.40	0.37	1.43	1.45	1.62	1.76
EPS (rep.)	0.93	0.20	0.18	0.36	0.30	1.04	0.32	1.03	0.40	0.64	2.38	1.45	1.62	1.76
Dividend per share	0.13					0.30					0.35	0.40	0.45	0.50

Balance sheet

Assets	2019	2020	2021e	2022e	2023e
Cash	7	262	263	301	337
Loans and claims on credit institutions	60	74	82	94	105
Loans and claims on the public and public sector entities	2,960	3,434	4,305	4,929	5,521
Derivatives	6	1	2	2	3
Investment assets	330	529	589	640	728
Associated companies	6	24	23	23	23
Intangible assets	9	11	9	15	22
Tangible assets	25	30	38	42	48
Other assets	14	17	20	20	20
Total assets	3,417	4,382	5,331	6,066	6,807

Source: Inderes

Liabilities & equity	2019	2020	2021e	2022e	2023e
Total liabilities	3,097	4,029	4,903	5,604	6,307
Liabilities to credit institutions	88	224	267	301	372
Liabilities to the public and public sector entities	2,006	2,377	2,928	3,352	3,754
Debt securities issued to the public	938	1,347	1,624	1,860	2,083
Subordinated liabilities	16	16	17	19	21
Other liabilities	49	66	68	73	77
Equity, total	320	353	428	462	500
Share capital	24	24	24	24	24
Reserves	146	148	161	161	161
Retained earnings	149	181	242	277	314
Non-controlling interest	1	0	0	0	0
Total liabilities and equity	3,417	4,382	5,331	6,066	6,807

Summary

Income statement	2018	2019	2020	2021e	2022e	Per share data	2018	2019	2020	2021e	2022e
Operating income	76.0	92.6	111.1	154.7	136.0	EPS (reported)	0.78	0.93	1.04	2.38	1.45
Operating expenses	-47.2	-50.3	-51.7	-58.6	-64.0	EPS (adj.)	0.83	0.71	0.73	1.43	1.45
Credit losses	-3.7	-9.6	-21.6	-7.6	-16.2	Dividend / share	0.14	0.13	0.30	0.35	0.40
PTP	25.0	32.7	37.7	88.2	55.8	Book value / share	11.23	10.79	11.93	14.44	15.00
Net Income	20.2	27.6	30.7	70.4	44.7						
Extraordinary items	-1.2	6.5	11.0	33.3	0.0						
Balance sheet	2018	2019	2020	2021e	2022e	Avainluvut	2018	2019	2020	2021e	2022e
Loans and advances to the public and public sector entities	2,527	2,960	3,434	4,305	4,929	Growth of comparable income	22%	11%	17%	18%	16%
Investment assets	272	330	529	589	640	Comparable income/cost ratio	61%	57%	51%	46%	47%
Riskipainoteut saamisest	1,499	1,784	2,037	2,506	2,851	Growth in loan portfolio	18%	17%	16%	25%	15%
Liabilities to the public and public sector entities	1,758	2,006	2,377	2,928	3,352	EPS (adj.) growth-%	54%	-14%	2%	95%	2%
Debt securities issued to the public	715	938	1,347	1,624	1,860	Impairment % on loans	0.16%	0.35%	0.68%	0.20%	0.35%
Equity capital	291	320	353	428	462	ROE-%	7.6 %	9.1 %	9.1 %	18.1 %	10.1 %
						Common Equity Tier 1 (CET1) capital ratio	18.4 %	16.8 %	15.9 %	15.8 %	14.9 %
						Equity ratio	10.0 %	9.4 %	8.1 %	8.0 %	7.6 %
Valuation multiples	2018	2019	2020	2021e	2022e						
P/E (adj.)	8.4	12.4	14.5	11.1	10.9						
P/B	0.7	0.8	0.9	1.1	1.0						
Dividend-%	2.0 %	1.5 %	2.8 %	2.2 %	2.6 %						

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 price	Share price
07-12-20	Buy	11.00 €	9.10 €
30-12-20	Accumulate	11.00 €	10.45 €
09-02-21	Buy	13.00 €	11.25 €
30-04-21	Buy	14.00 €	11.95 €
04-05-21	Buy	15.00 €	12.75 €
29-06-21	Buy	15.50 €	13.15 €
03-08-21	Buy	18.50 €	15.80 €



Inderes' mission is to connect listed companies and investors. We produce high-quality research and content for the needs of our extensive investor community.

At Inderes we believe that open data is every investor's fundamental right. We guarantee investors' access to award-winning research, insightful video content and an active investor community.

For listed companies we ensure that there is always high-quality information available on the company for investors and shareholders for decision making, and that data collected from investors can be utilized by the companies.

Over 100 Finnish listed companies want to serve their shareholders and investors through us by utilizing our company research services, data driven IR services, content creation and consulting.

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



Petri Kajaani
2017, 2019, 2020



Joni Grönqvist
2019, 2020



Erkki Vesola
2018, 2020



Petri Gostowski
2020



Atte Riikola
2020



Olli Koponen
2020

**Research belongs
to everyone.**