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Company Comment	Industrial Sales	Finland	22 November 2022
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## Finland's fledgling serial acquirer (slides)

The attached slides summarise our Boreo initiation of coverage report from last week with a fair value range of EUR 38-45. Finland's Boreo acquires and owns asset-light companies and invests the cash flows internally or externally at attractive profitability. We note that Boreo has made acquisitions at attractive returns and believe the acquisitions should enable an improvement in the group's margin and ROCE profile.

### Valuation:

Key figures				
(EURm)	2021	2022E	2023E	2024E
Revenues (m)	124	162	169	170
Adj. EBIT	7	10	11	11
PTP (m)	5	7	7	7
EPS	1.39	1.53	1.60	1.64
EPS (adjusted)	1.86	2.21	2.20	2.24
DPS	0.42	0.44	0.48	0.49
Revenue growth (%)	25.1	32.3	4.7	0.7
EPS growth (%)	21.0	19.1	(0.8)	2.0
Operating margin (%)	4.8	4.5	5.1	5.4
ROCE (%)	12.6	10.8	9.7	9.7
Net Debt/EBITDA (x)	4.8	4.3	3.3	2.7
PER (adjusted)	31.7	18.1	18.3	17.9
Dividend yield (%)	0.7	1.1	1.2	1.2
Free Cash Flow Yield (%)	(7.9)	(4.8)	8.1	6.9
P/BV (x)	7.2	2.6	2.3	2.1
EV/EBIT (x)	27.6	16.6	14.3	13.1
EV/Sales (x)	1.63	0.99	0.90	0.86

Source: SEB

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