

## Figures remained weak

Exel's Q4 results continued to be very low mostly across the board. Cash flow, however, remained on the positive side and Exel can expect improving results this year, although last year sets the comparison figures low.

- Exel Q4 revenue declined by 28.8% y/y to EUR 22.1m, compared to our EUR 26.8m estimate. All the major geographic regions declined. Top line grew 7.5% from the previous quarter. Customers in main markets continued their careful management of inventories and new orders.
- Wind power amounted to EUR 1.7m vs our EUR 4.8m estimate, while Buildings and infrastructure was EUR 6.1m vs our EUR 7.0m estimate. Machinery and electrical landed at EUR 3.8m, compared to our EUR 4.6m estimate. Transportation was the only customer industry to see growth as it increased by 40.3% y/y to EUR 4.7m vs our EUR 2.9m estimate.
- Adjusted EBIT came in at EUR -1.3m vs our EUR 0.7m estimate. Quarterly cash flow from operating activities was EUR 0.8m as Exel continued to manage working capital and costs.
- Order intake amounted to EUR 23.6m in Q4 as it decreased by 8.0% y/y. Opening backlog for the year is higher than it was a year ago.
- Exel guides revenue to increase and adjusted EBIT to increase significantly in FY '24 compared to the previous year.
- The BoD proposes no dividend per share to be distributed for FY '23, compared to the EUR 0.00/0.00 Evli/consensus estimates.

### Rating 🟡 HOLD

Q4'23	Actual	Evli	Year ago	Q3'23
Revenue	22.1	26.8	31.0	20.5
Adj. EBIT	-1.3	0.7	0.9	-1.2
Adj. EBIT margin	-5.9 %	2.6 %	3.0 %	-5.9 %

Deviation	Actual	Evli	Year ago	Q3'23
Revenue		-18 %	-29 %	8 %
Adj. EBIT		-286 %	-244 %	8 %
Adj. EBIT margin		-325 %	-296 %	0 %

Share price, EUR (Last trading day's closing price) 2.35

Target price, EUR 2.7

Latest change in 03-May-23

Latest report on company 14-Nov-23

Research paid by issuer: YES

No. of shares outstanding, '000's 11,897

No. of shares fully diluted, '000's 11,897

Market cap, EURm 28

Free float, % 100.0

Exchange rate EUR/USD 1.08

Reuters code EXLIV.HE

Bloomberg code EXLIV FH

Average daily volume, EURm 0.1

Next interim report 16-Feb-24

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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	134.4	3.7	2.8%	-6.2	0.14	57.0	1.0	34.9	-6.5	0.20
2022	137.0	3.0	2.2%	7.9	0.18	30.1	0.7	31.4	12.2	0.20
2023E	101.6	-4.8	-4.7%	-0.7	-0.68	-3.5	0.6	-12.7	-2.5	0.00
2024E	113.8	6.8	6.0%	1.7	0.27	8.7	0.5	8.7	6.0	0.15
2025E	121.7	8.5	7.0%	4.3	0.44	5.3	0.5	6.6	15.2	0.20

Market cap, EURm	28	BV per share 2023E, EUR	164.6	CAGR EPS 2022-25, %	35.0
Net debt 2023E, EURm	33	Price/book 2023E	1.4	CAGR sales 2022-25, %	-3.9
Enterprise value, EURm	61	Dividend yield 2023E, %	0.0	ROE 2023E, %	-32.1
Total assets 2023E, EURm	94	Tax rate 2023E, %	-24.7	ROCE 2023E, %	-8.4
Goodwill 2023E, EURm	13	Equity ratio 2023E, %	21.1	PEG, P/E 23/CAGR	0.0

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

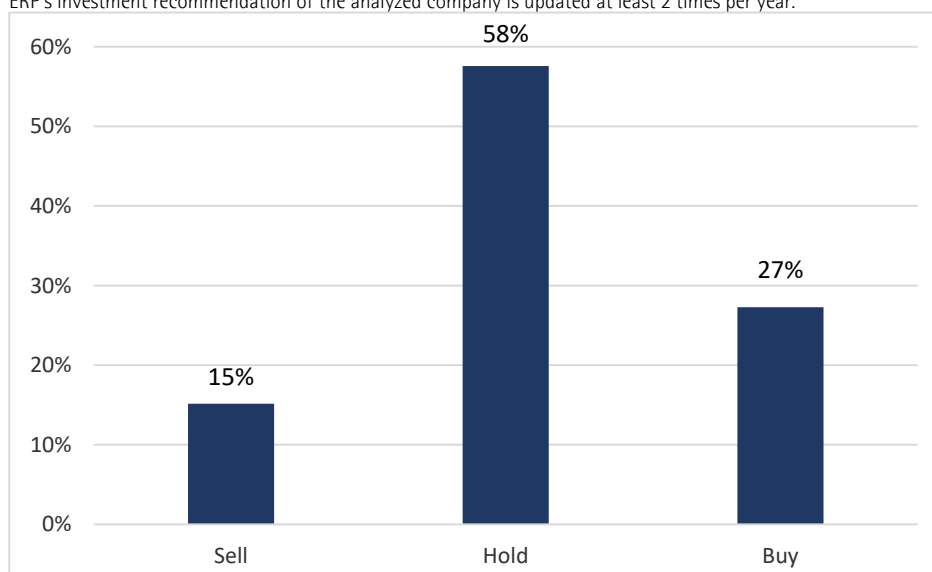
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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