

KREATE

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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Growth path opened

Kreate's Q4 result was strong overall, with continued profitable growth. The growth spurt we expected is materializing stronger than anticipated this year, leading to positive changes in our estimates. Our estimates indicate that the large, multi-year projects to be recorded in the order book from the development phase over the next six months will provide visibility further into the future. Additionally, the market outlook for infrastructure construction is positive in both Finland and Sweden, and we believe the competitiveness of the company is good. Therefore, we are now relying on a slightly longer-term outlook in our valuation. Thanks to the estimated earnings growth, valuation multiples will fall to an attractive level already next year. We raise our target price to EUR 15.0 (was EUR 12.5) and our recommendation to Accumulate (was Reduce).

Strong end to the year

Kreate's Q4 continued the strong development seen in the previous quarter, with revenue growing by 25% to 94.6 MEUR (estimate 89.1 MEUR). For the full year, revenue surpassed the guidance range, reaching 315.2 MEUR. Revenue was further supported by a robust order book, which grew to approximately 400 MEUR during the quarter. Profitability also increased from the comparison period, both in absolute and relative terms, with Q4 EBITA at 3.9 MEUR (forecast 3.8 MEUR). Profitability was weighed down by the SRV Infra (now Kreate Rock) transaction carried out during the quarter, which had a negative impact on earnings of approximately 1 MEUR. For the full year, EBITA settled at 10.2 MEUR, but considering the transaction's negative impact on earnings, profitability also settled at roughly the upper end of the guidance range. There were no particular surprises in the income statement's bottom lines, and net profit for the quarter was 2.6 MEUR, roughly in line with our forecast of 2.5 MEUR. The company's board of directors proposes to the AGM that a dividend of EUR 0.60 be paid. We predicted a dividend payment of EUR 0.51, and the level now proposed illustrates the

company's strong balance sheet position despite the completed acquisition.

Growth is materializing stronger than our previous estimates

Kreate's guidance for the current year is for revenue to grow to 430-470 MEUR and EBITA to 15-18 MEUR. Although the estimated growth is driven by familiar factors, profitable growth will materialize significantly stronger than our previous estimate. We have raised our estimates for the current year significantly. We now expect revenue to grow to 445 MEUR (was 392 MEUR) and EBITA to reach 16.3 MEUR (was 15.1 MEUR). Our updated estimate is especially supported by the company's strong order book at the beginning of the year. Additionally, we continue to expect significant order intake during the first half of the year from the company's projects in the development phase. Last year, Kreate Rock's EBITA climbed to a strong 7.8 MEUR. Last year's earnings were likely bolstered by several large projects, which helped strengthen the EBITA margin to nearly 9%. In our view, it is unlikely that this level will be repeated in the current year. However, Kreate Rock's order book remains strong at around 80 MEUR.

Expected return becomes sufficient again

Kreate's share is valued at 10x EV/EBIT and 12x P/E multiples based on our revised current-year estimates. Relative to our acceptable valuation (EV/EBIT & P/E: 10-12x), the valuation seems neutral. On the other hand, by 2027, the multiples in our estimates will fall below 10x. Considering the company's order book, the volume of projects in the development phase, and the positive market outlook for various types of infrastructure construction, we also use our 2027 forecasts to support our valuation. In addition to a strong earnings growth outlook, the company's share offers a dividend yield of around 5% in the coming years, according to our estimates, which further supports the expected return.

Recommendation

Accumulate

(was Reduce)

Target price:

EUR 15.00

(was EUR 12.50)

Share price:

EUR 14.00

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	315.2	445.0	490.9	521.2
growth-%	14%	41%	10%	6%
EBITA	10.2	16.3	19.7	22.3
EBITA-%	3.2 %	3.7 %	4.0 %	4.3 %
Net Income	6.3	10.4	12.7	14.8
EPS (adj.)	0.71	1.17	1.42	1.67
P/E (adj.)	17.6	12.0	9.8	8.4
P/B	2.5	2.5	2.2	1.9
Dividend yield-%	4.8 %	4.6 %	5.0 %	5.7 %
EV/EBIT (adj.)	14.9	10.3	8.4	7.2
EV/EBITDA	8.3	6.6	5.8	5.2
EV/S	0.5	0.4	0.3	0.3

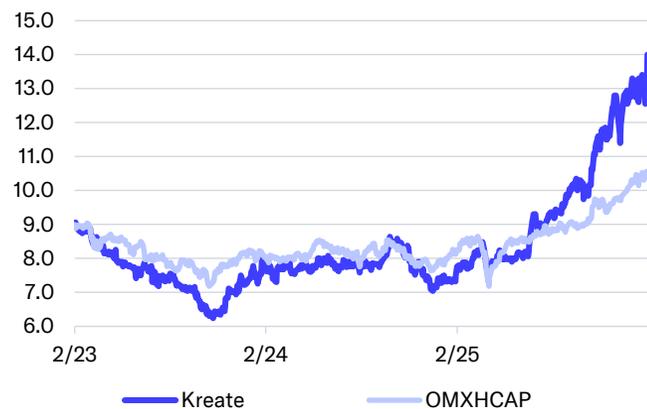
Source: Inderes

Guidance

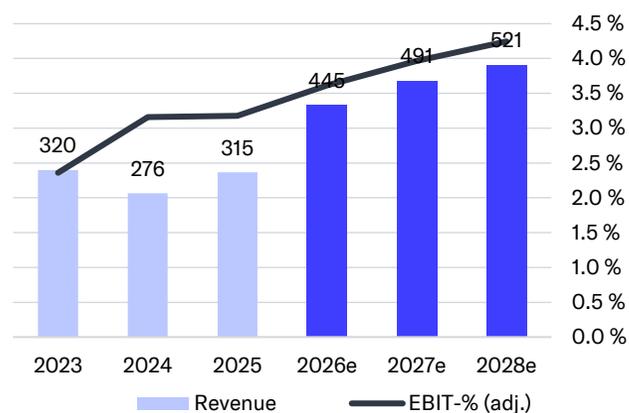
(New guidance)

Kreate estimates that its revenue in 2026 will increase and be in the range of 430-470 MEUR (2025: 315 MEUR) and EBITA will increase and be in the range of 15-18 MEUR (2025: 10.2 MEUR).

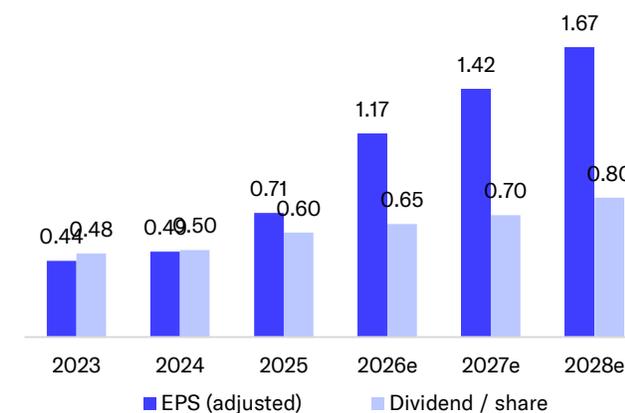
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

- Stronger growth than the market in the medium term
- Clear room for improvement in profitability
- Strong return on capital potential
- Competitive advantage through specialized expertise in demanding projects
- Growth potential of the Swedish business

Risk factors

- The industry is partly dependent on economic cycles, especially in the private sector
- Drying up of public investments
- Managing growth, especially in Sweden
- Successful acquisitions

Valuation	2026e	2027e	2028e
Share price	14.0	14.0	14.0
Market cap	125	125	125
EV	165	164	160
P/E (adj.)	12.0	9.8	8.4
P/B	2.5	2.2	1.9
EV/Sales	0.4	0.3	0.3
EV/EBITDA	6.6	5.8	5.2
EV/EBIT (adj.)	10.3	8.4	7.2
Payout ratio (%)	55.7 %	49.2 %	48.0 %
Dividend yield-%	4.6 %	5.0 %	5.7 %

Source: Inderes

A strong finish to the year overall

Revenue grew above our expectations

Kreate's revenue grew by 25.3% in the last quarter of the year, totaling 94.6 MEUR (Q4/2024: 75.5 MEUR). The growth was very strong and slightly exceeded our expectations. The Swedish business supported this growth, increasing by as much as 77% year-on-year. By business line, revenue in Structural engineering grew particularly strongly by around 43% to 66.1 MEUR, while revenue in Transport infrastructure construction decreased slightly to 26.6 MEUR (around -5%). Since Swedish revenue is included in Structural engineering, it supported the clear increase in revenue. For the full year, the company's revenue climbed to 315.2 MEUR, surpassing the revenue guidance range set by the company for the year. The company's order book reached a record high of 400.8 MEUR at the end of the year (2024: 176.6 MEUR). The order book's substantial 127% growth is explained by significant contract wins at the end of the year and the SRV Infra acquisition, which added around 80 MEUR to the order book. According to our calculations, the company has won

additional projects not reflected in published orders, which are recorded directly in the order book. These include data center and defense-related projects, for example.

Growth supported profitability

EBITA for the quarter was 3.9 MEUR (Q4/2024: 2.8 MEUR), which corresponds with an EBITA margin of 4.1%. While profitability remained strong even with the reported result, the outcome was weighed down by one-time costs of 1.0 MEUR related to the SRV Infra acquisition, finalized at the end of the year. Excluding these costs, profitability would have been even stronger, slightly exceeding the upper end of the full-year guidance range.

Cash flow also very strong

Kreate's operating free cash flow increased notably to 21.9 MEUR in Q4'25 from 3.9 MEUR in the comparison period. This improvement was mainly due to the release of working capital during the quarter. Although the growth is significant, in our view it is purely a timing issue. Kreate's

project-driven business model typically involves cash flow volatility between quarters, and the current level of working capital should not be considered sustainable in the long term for the company.

Kreate Rock very profitable in the financial year 2025

Kreate published figures for SRV Infra (now Kreate Rock), which it acquired at the end of last year. The company's order book was strong at almost 80 MEUR at the end of the year. In 2025, the company achieved revenue of 88.5 MEUR and EBITA (FAS) of 7.8 MEUR. SRV Infra's revenue in 2024 was around 52 MEUR, thus accumulating growth of around 70%. Additionally, the company's EBITA margin of around 8.8% is at a very high level relative to the industry. Reflecting the enterprise value of the transaction against the 2025 earnings, the EV/EBITA multiple is set at around 4x. However, 2025 was an exceptionally strong year for the company, and achieving a similar level of relative profitability again is unlikely. Following the transaction, Kreate's pro forma indebtedness ratio (net debt/EBITDA) is 1.3.

Estimates MEUR / EUR	Q4'24	Q4'25	Q4'25e	Q4'25e	Consensus		2025
	Comparison	Actualized	Inderes	Consensus	Low	High	Toteutunut
Revenue	75.5	94.6	89.1				315
EBITA	2.8	3.9	3.8				10.2
EBIT	2.8	3.9	3.8				10.0
PTP	2.0	3.5	3.2				8.4
EPS (reported)	0.20	0.26	0.28				0.71
DPS	0.50	0.60	0.51				0.60
Revenue growth-%	-5.9 %		18.1 %				14.4 %
EBITA-%	3.7 %	4.1 %	4.3 %				3.2 %

Source: Inderes

We raised our estimates for the coming years

Estimate revisions

- Kreate estimates that its revenue in 2026 will increase and be in the range of 430-470 MEUR (2025: 315 MEUR) and EBITA will increase and be in the range of 15-18 MEUR (2025: 10.2 MEUR).
- Our estimate revisions for the current year are due to stronger-than-expected guidance for the year. Our updated revenue forecast is slightly below the midpoint of the forecast range at 445 MEUR.
- Our forecasts predict growth will be supported by a clearly higher order book than last year at the end of this year, as well as expected new orders. We estimate that a significant number of projects currently in the development phase will be transferred to the order book during the current year. Kreate anticipates that demand will remain strong or improve in several areas of infrastructure construction. We believe the company will continue winning significant projects from public and private customers this year.
- Along with revenue growth, we also predict an increase in relative profitability in 2026.
- We have raised our dividend forecasts in line with the strengthening earnings growth outlook.

Operational earnings drivers 2026-2028

- Large-scale and multi-year projects to be put into implementation over the next six months
- The infrastructure market continues to grow, and in the company's focus areas, extensive structural engineering projects are growing more strongly than the general market growth
- Moderation of personnel cost pressures
- Earnings leverage from increased volumes
- Realization of growth investments in Sweden
- Easing of competitive pressure as other new construction gradually recovers

Estimate revisions	2025	2025	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Inderes	Actualized	%	Old	New	%	Old	New	%
Revenue	310	315	2%	392	445	14%	432	491	14%
EBITA	10.1	10.2	1%	15.1	16.3	8%	17.9	19.7	10%
EBIT	10.0	10.0	0%	15.1	16.1	6%	17.9	19.5	9%
PTP	8.2	8.4	2%	11.5	13.0	13%	14.3	16.3	14%
EPS (excl. NRIs)	0.73	0.71	-3%	1.02	1.17	14%	1.28	1.42	11%
DPS	0.51	0.60	18%	0.52	0.65	25%	0.64	0.70	9%

Source: Inderes

Kreate, Q4'25



Expected return becomes sufficient

Valuation becomes attractive through earnings growth

In our forecasts, the company's profitability will clearly increase in the current year, both in absolute and relative terms. The estimated earnings growth lowers the valuation to a neutral level this year (26e: EV/EBIT: 10x, P/E: 12x) relative to our accepted valuation range (EV/EBIT: 10-12x, P/E: 10-13x). Looking to 2027, the multiples already fall to an attractive level (EV/EBIT 8x, P/E 9x).

The ca. 5% dividend yield, enabled by the business model's normally strong cash flow and low investment needs, also supports the stock's expected return in the coming years. Kreate has expressed its intention to pay an increasing dividend, and we believe the company has the potential to do so, even if the dividend/earnings-% rises above 50% in the near future. Additionally, the company has financing capacity for growth investments, though we don't expect it to make significant acquisitions in the near future.

Valued at a discount compared to peers

A peer group of Nordic listed companies in the industry is available for Kreate. The valuation level of these peers is high based on 2025 figures, and results will remain modest for many. For 2026, the valuation for the entire group will become more moderate (2026e median EV/EBIT: 11x, P/E: 13x) and will better reflect the sector's acceptable long-term valuation level. Compared to its peers, Kreate trades at a discount.

In our view, considering Kreate's return on capital and forecast earnings growth, the discount is not justified, and we currently accept a valuation for Kreate at the peer group level. However, due to clear differences in the companies'

business models, we do not give significant weight to relative valuation in the overall valuation.

The DCF model supports our target price

We also consider the discounted cash flow (DCF) model in our valuation. In our model, the company's revenue growth stabilizes at 1.5% in the terminal period after stronger medium-term growth, and the EBIT margin is 3.8% of revenue. This is below the company's target EBITA margin of over 5%. We do not consider it justified to raise the forecast level to the target level before there is concrete evidence of profitability that is higher than recently and in line with the targets. We have lowered the long-term investment needs, reflecting the company's capital-efficient business model.

The value of Kreate's share according to the DCF model is around EUR 16.2, supporting our positive recommendation. In the cash flow model, the cost of capital (WACC) we use is 9.5% and the cost of equity is 11.0%.

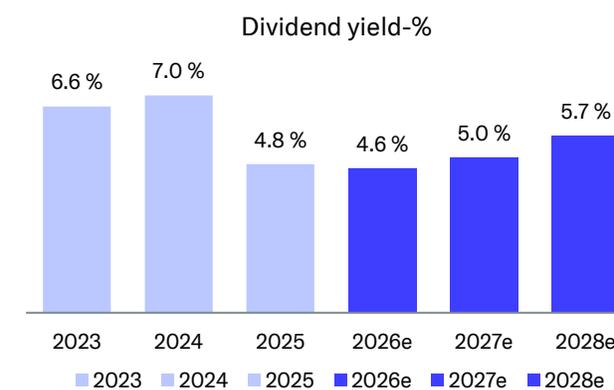
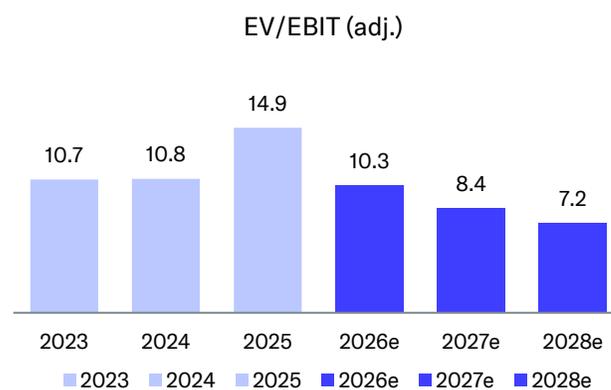
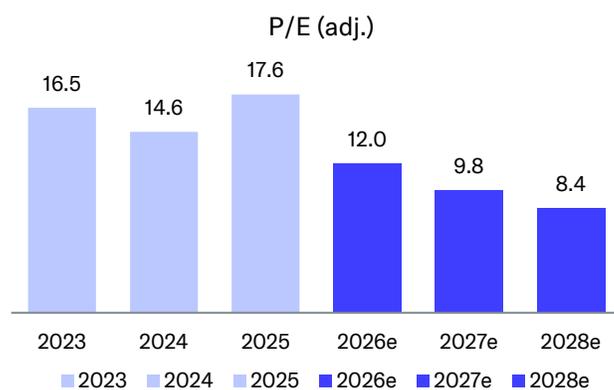
Valuation	2026e	2027e	2028e
Share price	14.0	14.0	14.0
Market cap	125	125	125
EV	165	164	160
P/E (adj.)	12.0	9.8	8.4
P/B	2.5	2.2	1.9
EV/Sales	0.4	0.3	0.3
EV/EBITDA	6.6	5.8	5.2
EV/EBIT (adj.)	10.3	8.4	7.2
Payout ratio (%)	55.7 %	49.2 %	48.0 %
Dividend yield-%	4.6 %	5.0 %	5.7 %

Source: Inderes

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	11.4	8.09	7.22	7.14	12.6	14.0	14.0	14.0	14.0
Market cap	99	73	64	64	112	125	125	125	125
EV	120	106	81	94	149	165	164	160	153
P/E (adj.)	12.6	12.7	16.5	14.6	17.6	12.0	9.8	8.4	7.7
P/B	2.4	1.7	1.5	1.5	2.5	2.5	2.2	1.9	1.7
EV/Sales	0.5	0.4	0.3	0.3	0.5	0.4	0.3	0.3	0.3
EV/EBITDA	8.4	7.8	5.8	6.1	8.3	6.6	5.8	5.2	4.7
EV/EBIT (adj.)	11.6	12.3	10.7	10.8	14.9	10.3	8.4	7.2	6.5
Payout ratio (%)	56.4 %	72.4 %	109.7 %	102.0 %	84.1 %	55.7 %	49.2 %	48.0 %	55.0 %
Dividend yield-%	4.0 %	5.7 %	6.6 %	7.0 %	4.8 %	4.6 %	5.0 %	5.7 %	7.2 %

Source: Inderes



Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/Liikevaihto		P/E		Dividend yield-%		P/B
			2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
YIT Oyj	692	1592	18.3	13.9	14.3	11.5	0.8	0.8	43.8	15.9	0.3		0.9
NRC Group ASA	132	215	10.3	11.7	5.6	5.1	0.3	0.3	13.0	9.5		4.7	0.8
Veidekke ASA	2126	1913	11.2	10.7	7.0	6.8	0.5	0.5	16.3	15.6	5.8	6.2	5.6
Sdipotech AB (publ)	615	615	7.2	6.6	5.2	4.8	1.2	1.2	12.6	11.2			1.4
Ncc AB	2142	2364	11.8	10.9	7.6	7.2	0.4	0.4	13.2	12.0	4.5	4.8	2.5
Peab AB	2835	3634	12.8	11.7	8.4	7.9	0.6	0.6	12.8	11.6	4.0	4.3	1.6
Skanska AB	10721	9860	11.8	11.0	9.3	8.8	0.6	0.5	15.0	14.1	3.6	4.0	1.7
SRV Yhtiot Oyj	89	215	22.6	12.3	16.5	9.8	0.3	0.3	9.0	7.1		2.5	0.8
GRK Infra	588	394	7.3	7.3	5.6	5.6	0.5	0.5	13.6	13.4	3.9	4.0	2.8
Consti Oyj	97	99	9.0	7.1	7.1	5.6	0.3	0.3	12.9	8.8	6.1	6.7	2.0
Kreate (Inderes)	125	165	10.3	8.4	6.6	5.8	0.4	0.3	12.0	9.8	4.6	5.0	2.5
Average			11.5	9.8	8.0	6.9	0.6	0.5	15.7	12.0	3.6	4.4	2.1
Median			10.8	10.2	7.0	6.2	0.5	0.5	13.4	11.8	3.9	4.2	1.7
Diff-% to median			-4%	-17%	-6%	-7%	-24%	-30%	-10%	-17%	20%	20%	43%

Income statement

Income statement	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	320.0	275.5	52.4	73.5	94.7	94.6	315.2	72.8	109	133	130	445.0	490.9	521.2	536.8
Finland	298	243	44.9	64.5	79.1	76.4	264.9	63.0	95.7	110	105	372.8	410.1	434.7	447.7
Sweden	22.5	32.9	7.5	9.0	15.6	18.2	50.3	9.8	13.6	23.4	25.5	72.2	80.8	86.5	89.1
EBITDA	14.0	15.3	1.7	4.0	6.0	6.3	17.9	1.8	6.0	8.2	9.0	24.9	28.4	31.1	32.6
Depreciation	-6.4	-6.6	-1.7	-1.8	-2.0	-2.4	-7.9	-1.6	-2.2	-2.7	-2.4	-8.9	-8.9	-8.9	-9.0
EBITA	8.8	7.8	0.1	2.2	4.0	3.9	10.2	0.3	3.8	5.6	6.6	16.3	19.7	22.3	23.8
EBIT (excl. NRI)	7.6	8.7	0.0	2.2	4.0	3.9	10.0	0.2	3.8	5.5	6.6	16.1	19.5	22.1	23.6
EBIT	7.6	8.7	0.0	2.2	4.0	3.9	10.0	0.2	3.8	5.5	6.6	16.1	19.5	22.1	23.6
Net financial items	-2.9	-2.8	0.0	-0.8	-0.4	-0.4	-1.6	-0.8	-0.7	-0.8	-0.8	-3.1	-3.2	-3.1	-2.9
PTP	4.7	5.9	0.0	1.4	3.5	3.5	8.4	-0.6	3.1	4.7	5.8	13.0	16.3	19.0	20.8
Taxes	-0.7	-1.3	0.2	-0.4	-0.6	-0.9	-1.7	0.1	-0.6	-0.9	-1.2	-2.6	-3.3	-3.8	-4.2
Minority interest	-0.2	-0.2	-0.1	0.2	-0.2	-0.2	-0.4	0.0	0.0	0.0	0.0	0.0	-0.4	-0.4	-0.4
Net earnings	3.8	4.4	0.1	1.2	2.7	2.4	6.3	-0.5	2.5	3.8	4.6	10.4	12.7	14.8	16.2
EPS (adj.)	0.44	0.49	0.01	0.14	0.30	0.26	0.71	-0.05	0.28	0.42	0.52	1.17	1.42	1.67	1.82
EPS (rep.)	0.44	0.49	0.01	0.14	0.30	0.26	0.71	-0.05	0.28	0.42	0.52	1.17	1.42	1.67	1.82
Key figures	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	16.8 %	-13.9 %	-3.7 %	8.1 %	22.0 %	25.3 %	14.4 %	38.8 %	48.7 %	40.3 %	37.5 %	41.2 %	10.3 %	6.2 %	3.0 %
Adjusted EBITA growth-%	-16.9 %	-10.5 %	-90.9 %	-7.6 %	35.0 %	69.6 %	30.4 %	153.7 %	74.8 %	38.9 %	69.4 %	59.4 %	20.9 %	13.5 %	6.7 %
Adjusted EBITA-%	2.7 %	2.8 %	0.2 %	3.0 %	4.2 %	4.1 %	3.2 %	0.3 %	3.5 %	4.2 %	5.1 %	3.7 %	4.0 %	4.3 %	4.4 %
Adjusted EBIT-%	2.4 %	3.2 %	0.0 %	3.0 %	4.2 %	4.1 %	3.2 %	0.3 %	3.5 %	4.2 %	5.0 %	3.6 %	4.0 %	4.2 %	4.4 %

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	75.8	110	110	110	110
Goodwill	40.4	63.3	63.3	63.3	63.3
Intangible assets	0.3	0.2	0.1	0.0	-0.1
Tangible assets	23.5	34.1	34.3	34.4	34.5
Associated companies	10.5	11.4	11.4	11.4	11.4
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.2	0.3	0.3	0.3	0.3
Deferred tax assets	0.9	0.9	0.9	0.9	0.9
Current assets	55.6	77.4	89.3	101	110
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	0.7	0.3	0.3	0.3	0.3
Receivables	44.1	58.4	71.2	81.0	88.6
Cash and equivalents	10.8	18.7	17.8	19.6	20.8
Balance sheet total	131	188	200	211	220

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	43.6	45.6	50.6	57.5	66.1
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	25.2	27.1	32.1	39.0	47.6
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	18.0	17.7	17.7	17.7	17.7
Minorities	0.3	0.7	0.7	0.7	0.7
Non-current liabilities	34.5	48.8	50.6	51.2	49.0
Deferred tax liabilities	1.4	1.6	1.6	1.6	1.6
Provisions	3.3	3.3	3.3	3.3	3.3
Interest bearing debt	29.8	43.9	45.7	46.3	44.1
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0	0.0
Current liabilities	53.3	93.3	98.3	103	105
Interest bearing debt	10.9	10.7	11.3	11.4	10.9
Payables	42.1	82.3	86.8	90.8	93.8
Other current liabilities	0.3	0.3	0.3	0.3	0.3
Balance sheet total	131	188	200	211	220

DCF-calculation

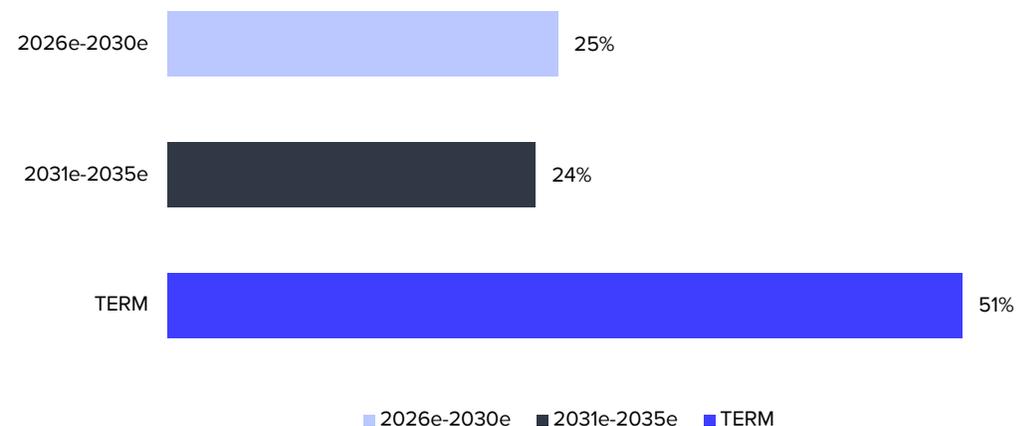
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	14.4 %	41.2 %	10.3 %	6.2 %	3.0 %	2.0 %	2.0 %	2.0 %	1.5 %	1.5 %	1.5 %	1.5 %
EBIT-%	3.2 %	3.6 %	4.0 %	4.2 %	4.4 %	4.2 %	4.0 %	4.0 %	3.8 %	3.8 %	3.8 %	3.8 %
EBIT (operating profit)	10.0	16.1	19.5	22.1	23.6	23.0	22.3	22.8	22.0	22.3	22.6	
+ Depreciation	7.9	8.9	8.9	8.9	9.0	9.0	9.0	9.2	9.4	9.5	9.7	
- Paid taxes	-1.5	-2.6	-3.3	-3.8	-4.2	-4.1	-4.0	-4.2	-4.1	-4.2	-4.3	
- Tax, financial expenses	-0.3	-0.6	-0.6	-0.6	-0.6	-0.5	-0.4	-0.4	-0.3	-0.3	-0.3	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	26.3	-8.3	-5.8	-4.6	-2.5	0.1	0.1	0.1	0.0	0.0	0.0	
Operating cash flow	42.4	13.4	18.7	22.0	25.3	27.5	27.0	27.5	27.0	27.4	27.8	
+ Change in other long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-41.4	-8.9	-8.9	-9.0	-9.0	-9.0	-9.6	-9.8	-9.8	-10.0	-9.7	
Free operating cash flow	1.0	4.5	9.8	13.1	16.3	18.4	17.3	17.7	17.2	17.4	18.1	
+/- Other	3.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	4.6	4.5	9.8	13.1	16.3	18.4	17.3	17.7	17.2	17.4	18.1	229
Discounted FCFF		4.1	8.3	10.0	11.5	11.8	10.1	9.4	8.4	7.8	7.4	93.0
Sum of FCFF present value		182	178	169	159	148	136	126	117	108	100	93.0
Enterprise value DCF		182										
- Interest bearing debt		-54.6										
+ Cash and cash equivalents		18.7										
-Minorities		-1.7										
-Dividend/capital return		0.0										
Equity value DCF		144										
Equity value DCF per share		16.2										

WACC

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	4.5 %
Equity Beta	1.50
Market risk premium	4.75%
Liquidity premium	1.40%
Risk free interest rate	2.5 %
Cost of equity	11.0 %
Weighted average cost of capital (WACC)	9.5 %

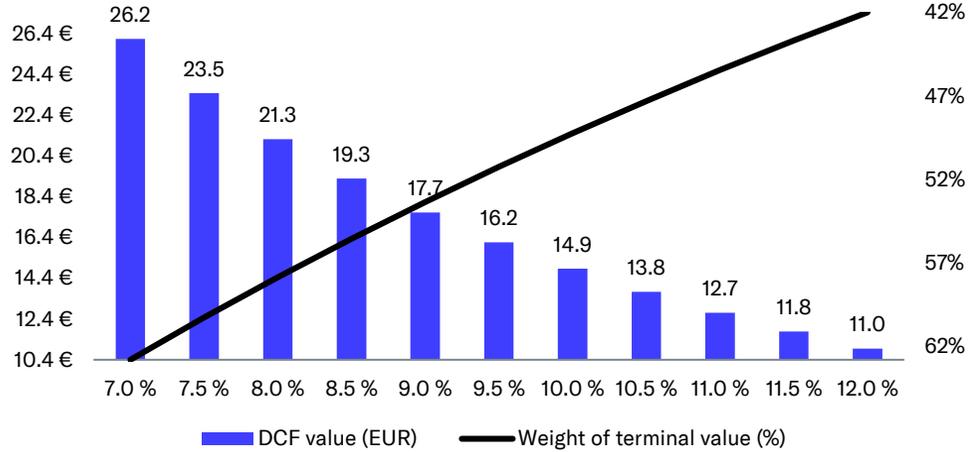
Source: Inderes

Cash flow distribution

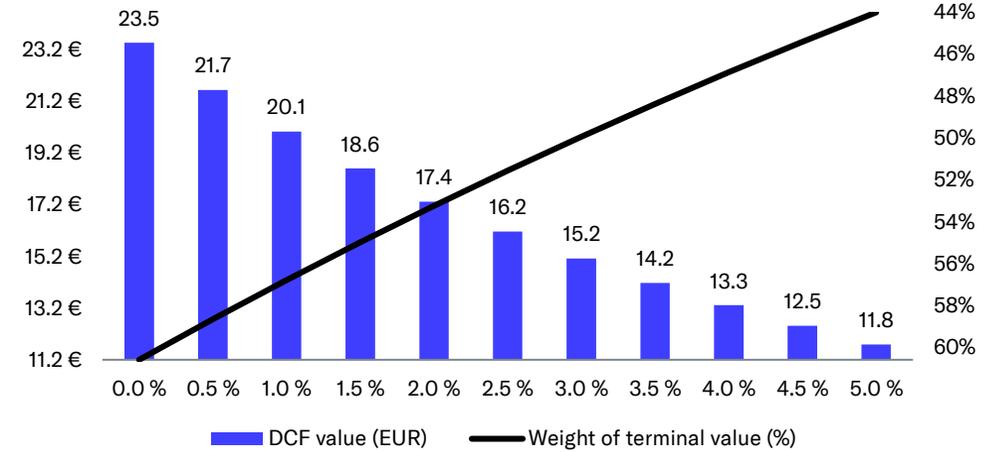


DCF sensitivity calculations and key assumptions in graphs

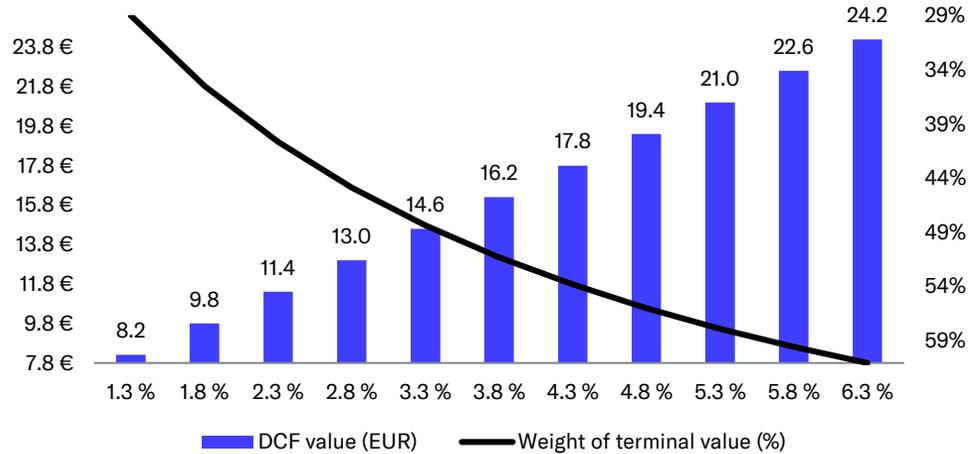
Sensitivity of DCF to changes in the WACC-%



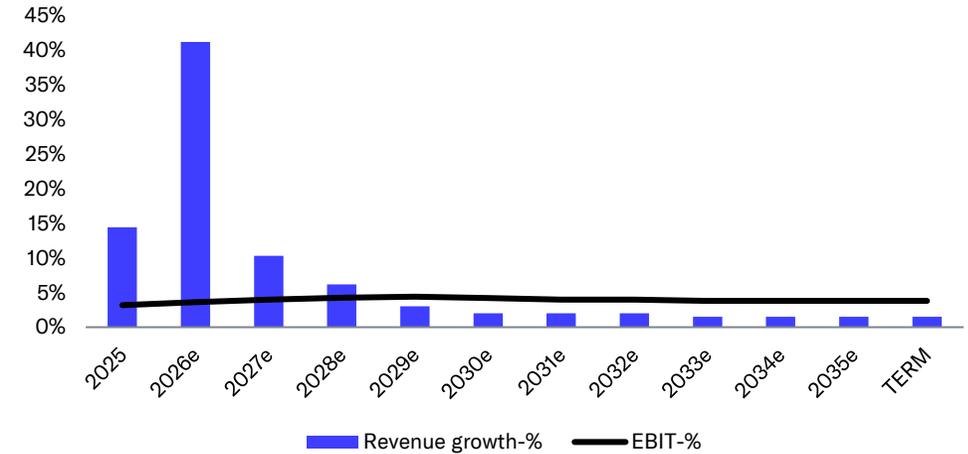
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2024	2025	2026e	2027e	Per share data	2024	2025	2026e	2027e
Revenue	275.5	315.2	445.0	490.9	EPS (reported)	0.49	0.71	1.17	1.42
EBITDA	15.3	17.9	24.9	28.4	EPS (adj.)	0.49	0.71	1.17	1.42
EBIT	8.7	10.0	16.1	19.5	OCF / share	-0.07	4.77	1.51	2.11
PTP	5.9	8.4	13.0	16.3	OFCF / share	-0.82	0.52	0.50	1.10
Net Income	4.4	6.3	10.4	12.7	Book value / share	4.87	5.05	5.61	6.39
Extraordinary items	0.0	0.0	0.0	0.0	Dividend / share	0.50	0.60	0.65	0.70
Balance sheet	2024	2025	2026e	2027e	Growth and profitability	2024	2025	2026e	2027e
Balance sheet total	131.4	187.6	199.6	211.2	Revenue growth-%	-14%	14%	41%	10%
Equity capital	43.6	45.6	50.6	57.5	EBITDA growth-%	9%	17%	39%	14%
Goodwill	40.4	63.3	63.3	63.3	EBIT (adj.) growth-%	15%	15%	60%	21%
Net debt	29.9	35.9	39.2	38.1	EPS (adj.) growth-%	12%	46%	64%	22%
Cash flow	2024	2025	2026e	2027e	EBITDA-%	5.5 %	5.7 %	5.6 %	5.8 %
EBITDA	15.3	17.9	24.9	28.4	EBIT (adj.)-%	3.2 %	3.2 %	3.6 %	4.0 %
Change in working capital	-13.9	26.3	-8.3	-5.8	EBIT-%	3.2 %	3.2 %	3.6 %	4.0 %
Operating cash flow	-0.6	42.4	13.4	18.7	ROE-%	10.1 %	14.4 %	21.9 %	23.7 %
CAPEX	-6.9	-41.4	-8.9	-8.9	ROI-%	10.4 %	10.9 %	15.5 %	17.5 %
Free cash flow	-7.3	4.6	4.5	9.8	Equity ratio	33.2 %	24.3 %	25.4 %	27.2 %
Valuation multiples	2024	2025	2026e	2027e	Gearing	68.6 %	78.8 %	77.5 %	66.3 %
EV/S	0.3	0.5	0.4	0.3					
EV/EBITDA	6.1	8.3	6.6	5.8					
EV/EBIT (adj.)	10.8	14.9	10.3	8.4					
P/E (adj.)	14.6	17.6	12.0	9.8					
P/B	1.5	2.5	2.5	2.2					
Dividend-%	7.0 %	4.8 %	4.6 %	5.0 %					

Source: Inderes

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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

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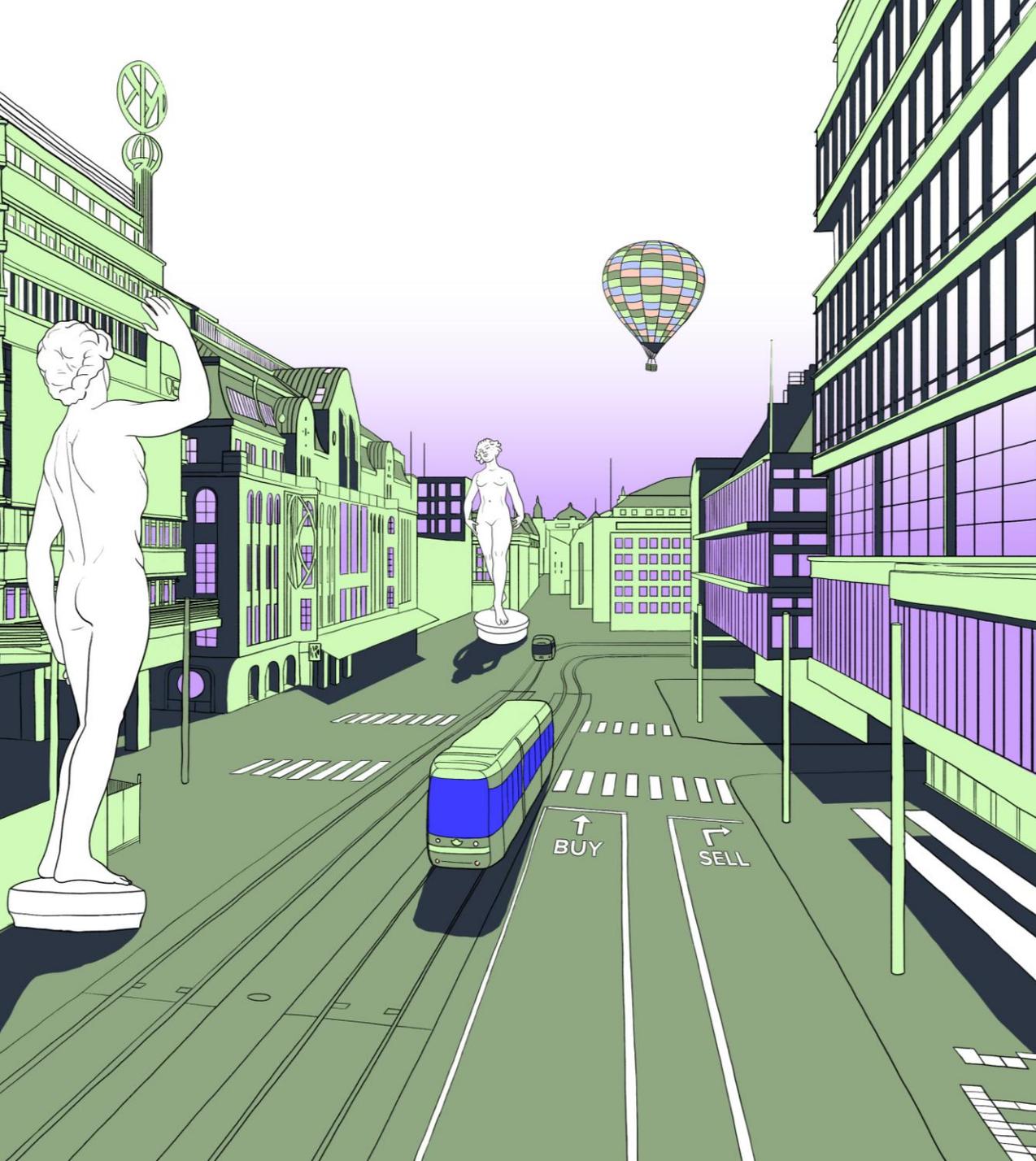
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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
11/22/2021	Buy	13.00 €	10.75 €
11/24/2021	Buy	13.00 €	11.45 €
1/27/2022	Accumulate	13.00 €	11.75 €
4/27/2022	Buy	12.00 €	9.00 €
7/28/2022	Buy	12.00 €	8.80 €
10/4/2022	Buy	11.00 €	8.02 €
10/27/2022	Buy	11.00 €	8.45 €
11/21/2022	Accumulate	10.50 €	8.92 €
1/12/2023	Accumulate	10.50 €	9.05 €
2/1/2023	Accumulate	10.50 €	9.30 €
5/2/2023	Accumulate	9.00 €	7.94 €
7/12/2023	Reduce	7.90 €	7.58 €
7/20/2023	Accumulate	7.90 €	7.44 €
10/26/2023	Accumulate	7.00 €	6.32 €
11/28/2023	Accumulate	7.30 €	6.84 €
2/1/2024	Accumulate	8.50 €	7.94 €
4/29/2024	Accumulate	8.50 €	7.80 €
7/17/2024	Accumulate	8.50 €	7.82 €
10/1/2024	Accumulate	9.00 €	8.36 €
10/28/2024	Reduce	8.80 €	8.36 €
1/13/2025	Accumulate	8.00 €	7.30 €
2/6/2025	Accumulate	8.00 €	7.50 €
4/25/2025	Accumulate	8.60 €	7.92 €
7/15/2025	Accumulate	9.20 €	8.78 €
10/6/2025	Reduce	9.40 €	10.20 €
Analyst changed			
10/23/2025	Reduce	10.50 €	10.65 €
10/29/2025	Reduce	11.00 €	11.05 €
1/9/2026	Reduce	12.50 €	13.30 €
2/8/2026	Accumulate	15.00 €	14.00 €



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