

MANDATUM

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INDERES CORPORATE CUSTOMER
COMPANY REPORT



Performance is fierce, but so is the price

Mandatum's Q3 result was significantly better than we expected due to income from the balance sheet investment portfolio. The figures for wealth management, the group's primary growth engine, also showed strong development, leading to a slight increase in our earnings estimates as well. Despite the strong growth outlook, we still consider the stock highly priced, so we reiterate the Reduce recommendation. We revise our target price to EUR 6.0 per share (was EUR 5.6) in line with our dividend model.

Asset management continued its clear earnings growth

Mandatum's most important figures, i.e., Institutional and wealth management new sales and cost efficiency, continued their strong development in Q3. Net subscriptions were 160 MEUR (1.1% of AUM), which can be considered an excellent performance, even compared to the figures reported by well-performing peers. In addition, the net finance result exceeded our expectations due to share returns, resulting in Mandatum's earnings clearly surpassing our estimates. Q3 profit before taxes was 55.7 MEUR (44.0 MEUR forecast), and EPS was EUR 0.09.

Strong profitability development also raised our earnings forecasts

Our earnings forecasts for the coming years rose slightly as we raised our fee income growth estimates following continued cost efficiency improvements in Q3 that exceeded our expectations. Additionally, our earnings forecast for the current year increased by about 10%, primarily due to earnings exceeding our expectations in Q3. Our sales forecasts for wealth and asset management remain unchanged following the Q3 report, and we expect new sales to remain very strong.

Overall, we expect Mandatum's group-level pre-tax profit to bottom out in 2026 and then grow gradually. While we anticipate a significant increase in Mandatum's wealth and asset management earnings, the decline in the investment portfolio will impede earnings growth, maintaining a moderate earnings growth rate for

the group. However, the earnings mix is continuously improving as the share of wealth and asset management increases.

The flip side of the reduction in the investment portfolio is that profit distribution will remain generous, as Mandatum will return the funds released from this to its shareholders. In addition, we expect the company to distribute the capital released from the sale of Saxo Bank and Enento shares to its owners next spring, at which point solvency will also fall within the company's target range. In the coming years, the focus of dividend distribution will be strongly on returning excess capital, with accumulated earnings playing a smaller role. Consequently, our estimates indicate that the dividend per share will exceed earnings per share by a clear margin.

Expectations on the stock are too ambitious

We have gauged the value of Mandatum first and foremost by using the dividend discount model as it best reflects the company's high payout ratio and the unwinding of its overcapitalized balance sheet. Our DDM model indicates a value of some EUR 6.0 for Mandatum (was EUR 5.6). The increase from our previous update is explained by a rise in asset management profitability estimates. The value according to our dividend model is below the share price, so we consider the share to be fully priced.

Our sum-of-the-parts calculation also supports this view, as according to our calculations, capital-light businesses are already priced at a P/E ratio of around 30x at the current share price. While the higher valuation compared to peers is justified by the good growth outlook for returns and the clear, ongoing improvement in cost efficiency, this level leaves no room for missteps in the growth outlook. In our view, the current price tag for wealth and asset management would require the company to achieve even significantly stronger growth than its ambitious financial targets. However, the high dividend yield also limits the share's downside, and, with excellent operational performance continuing, there are no downward drivers for the share.

Recommendation

Reduce
(was Reduce)

Target price:
EUR 6.00
(was EUR 5.60)

Share price:
EUR 6.41

Business risk



Valuation risk



	2024	2025e	2026e	2027e
PTP	202.9	189.6	183.0	188.1
Net income	155.4	146.4	154.2	156.1
EPS (adj.)	0.33	0.31	0.29	0.31
DPS	0.66	1.00	0.71	0.57
Payout ratio	201%	324%	244%	186%
ROE-%	10.3%	10.3%	11.7%	16.0%

P/E (adj.)	16.5	20.7	22.0	20.9
P/B	1.7	2.3	3.0	3.7
Dividend yield-%	12.2 %	15.6 %	11.1 %	8.9 %

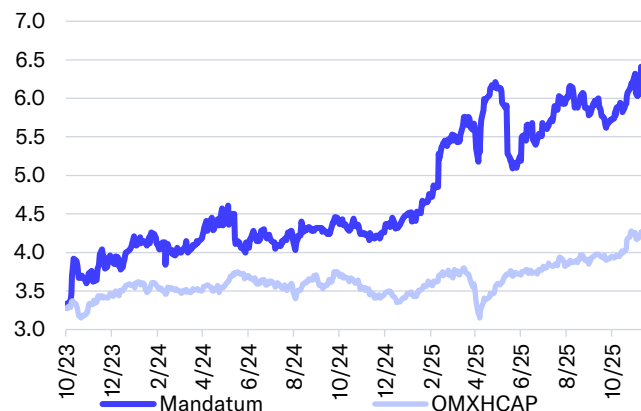
Source: Inderes

Guidance

(Unchanged)

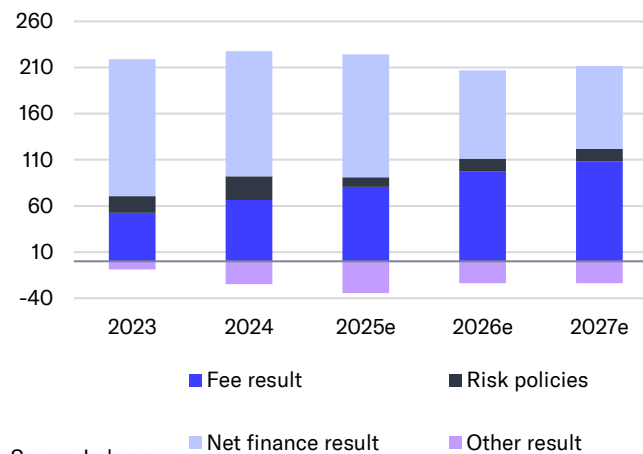
The fee result is expected to increase from 2024, assuming stable market conditions. The with-profit portfolio is expected to decline further.

Share price



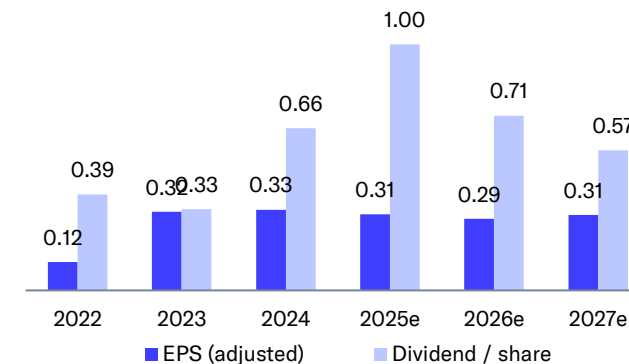
Source: Millistream Market Data AB

Mandatum's PTP breakdown (MEUR)



Source: Inderes

EPS and dividend



* Under IFRS17 since 2022

Source: Inderes

Value drivers

- Growth in capital-light wealth and asset management
- Relative profitability has improvement potential with revenue growth
- With the rise in interest rates, the with-profit business has become clearly more attractive than before
- Release of capital from the with-profit portfolio and from PE investments
- Value creating acquisitions in the asset management sector

Risk factors

- The company's earnings are highly dependent on investment returns
- Life insurance risks (especially biometric risks)
- Maintaining good return levels for funds
- Adverse changes in the tax legislation on investment insurance

Valuation	2025e	2026e	2027e
Share price	6.41	6.41	6.41
Number of shares, millions	502.7	503.2	503.7
Market cap	3222	3225	3229
P/E (adj.)	20.7	22.0	20.9
P/E	20.7	22.0	20.9
P/B	2.3	3.0	3.7
Payout ratio (%)	323.6 %	244.0 %	186.1 %
Dividend yield-%	15.6 %	11.1 %	8.9 %

Source: Inderes

Q3 earnings beat was mainly due to investment portfolio share returns

Improved cost efficiency boosted earnings growth

Development in capital-light businesses remained robust, with fee result growing 20% year-on-year to 21.7 MEUR. The better-than-expected profitability development was driven by continued significant improvements in cost efficiency. Part of this was due to seasonally lower costs in Q3.

Sales also remained strong in the typically slower Q3, with Mandatum's net subscriptions amounting to 160 MEUR (Q3'24: +114 MEUR). While peer reports have generally been strong, Mandatum's performance has been excellent, even compared to them. Favorable capital market movements during the quarter supported growth in assets under management and fee income. Assets under management at the end of Q3 totaled 14.9 BNEUR (forecast 14.8 BNEUR).

Share portfolio returns increased net finance result

The result of risk life insurance was somewhat weaker than our expectations (2.6 MEUR vs. 3.7 MEUR forecast). While this item fluctuates quarterly, especially with insurance claims, the decline in this year's earnings level raises some concerns about the profitability development of the business.

The net finance result, on the other hand, was clearly higher than anticipated. This was mainly due to equity investments in the investment portfolio, which generated significantly higher returns than we had forecasted for Q3. Meanwhile, interest income and imputed interest expenses were in line with market movements during the quarter. Thanks to higher investment returns, the net finance result rose to 39.4 MEUR. However, this item's significance is minor on a quarterly basis, and market interest rate developments, which affect the expected return on the portfolio, are more relevant to the net finance result.

With the help of the net finance result and the development of earnings in asset management, Mandatum's profit before taxes also clearly surpassed our forecast. Q3 profit before taxes was 55.7 MEUR (forecast 44.0 MEUR), and EPS was EUR 0.09. Organic capital generation exceeded this clearly, amounting to EUR 0.14. Organic capital generation is a key figure issued by the company that reflects growth in distributable profit.

Estimates	Q3'24	Q3'25	Q3'25e	Q3'25e	Konsensus	Erotus (%)	2025e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low High	Act. vs. Inderes	Actualized
Fee result	18.1	21.7	20.1	20.3	19.0 - 21.5	8%	80.8
Result related to risk policies	9.1	2.6	3.7	3.6	2.0 - 4.6	-30%	10.4
Net finance result	27.0	39.4	25.4	30.5	24.7 - 36.0	55%	132.9
Other result	-9.0	-8.0	-5.2	-6.0	-8.0 - -4.0	-54%	-34.6
PTP	45.2	55.7	44.0	48.5	43.8 - 53.5	27%	189.5
EPS	0.07	0.09	0.07	0.07	0.07 - 0.08	29%	0.31

Source: Inderes, Vara Research (consensus)

Strong balance sheet

No surprises in outlook or solvency

There was no significant change in Mandatum's solvency in Q3 compared to the previous quarter, with a Solvency II ratio of 191% (Q2'25: 193%). The company still has excess capital on its balance sheet relative to its target level (160–180 %), and furthermore, its overcapitalization will increase in connection with the sale of Saxo shares (Solvency II ratio +35%). Regarding the sale of Saxo, the company commented that, due to the approval process, the transaction may only be completed early next year. Previously, the sale of shares and the resulting significant increase in solvency were expected to occur already in Q4. We do not expect this to affect the profit distribution outlook, and the company itself commented that it is merely a liquidity issue. Most of the approvals required for the transaction have already been obtained, so there is no significant uncertainty associated with its completion either.

Meanwhile, the outlook for the current year is fully in line with expectations, as Mandatum estimates that its fee result will increase from the previous year and that its with-profit portfolio will continue to decrease further.

Estimates	Q3'24	Q3'25	Q3'25e	Q3'25e	Konsensus	Erotus (%)	2025e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low High	Act. vs. Inderes	Actualized
Fee result	18.1	21.7	20.1	20.3	19.0 - 21.5	8%	80.8
Result related to risk policies	9.1	2.6	3.7	3.6	2.0 - 4.6	-30%	10.4
Net finance result	27.0	39.4	25.4	30.5	24.7 - 36.0	55%	132.9
Other result	-9.0	-8.0	-5.2	-6.0	-8.0 - -4.0	-54%	-34.6
PTP	45.2	55.7	44.0	48.5	43.8 - 53.5	27%	189.5
EPS	0.07	0.09	0.07	0.07	0.07 - 0.08	29%	0.31

Source: Inderes, Vara Research (consensus)

Asset management profitability development also moderately raised our earnings forecasts

Estimate revisions

- We have increased our forecast for Mandatum's fee income because cost efficiency continued to improve in Q3, surpassing our expectations. Our estimates for new sales in asset management, on the other hand, remain unchanged.
- We raised our net finance result estimates for the current year due to higher-than-expected performance in Q3. Additionally, we revised our estimates for the investment portfolio's return level slightly upward in the coming years.
- Our forecasts for risk life insurance, by contrast, declined. Following the company's commentary, we expect the segment's normal earnings level to be 13-14 MEUR.
- All in all, our forecasts for the pre-tax profit over the next few years have increased by 5-7%. However, our forecast for the current year rose more sharply, by around 10%, largely due to the earnings beat in Q3.
- We pushed back our projection for the completion of the sale of Saxo to next year. Nevertheless, we expect Mandatum to distribute the released funds as dividends already for the 2025 financial year, so our dividend estimates remain unchanged. Consequently, profit distribution in the coming years will clearly exceed the company's earnings accrual, as the main focus will be on divesting balance sheet investment assets.

Operational earnings drivers

- Investment income still plays the key role in Mandatum's earnings development, but ramping down the with-profit portfolio will gradually reduce the weight of balance sheet investments. However, this will also slow down the group's earnings development.
- Wealth management, on the other hand, continues to grow strongly according to our estimates, thanks to both asset growth and new sales. We expect growth to come primarily from institutional asset management of international clients, as a reasonably strong market position limits domestic growth potential somewhat. We also expect growth in investment solutions for corporate customers (unit-linked pension and insurance products). In the case of private customers, our expectations are modest. In addition, the fee result will receive clear support from the scaling of the cost level.
- The development of term life insurance is expected to continue as stable, as market growth is modest and the market shares of key players are quite stable. Risk life insurance also plays a limited role in the group's current structure, with asset management's fee income and investment activities accounting for the majority of revenue.
- In our forecasts, Mandatum's group-level profit before taxes will bottom out in 2026, after which we expect the profit to turn to moderate growth. Under our forecasts, growth in wealth and asset management already offsets the earnings impact of the shrinking guaranteed-rate portfolio, but declining investment returns hinder the group's earnings performance. Payout remains generous as Mandatum distributes dividends significantly exceeding annual earnings, supported by capital released from investment asset sales.

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Fee result	78.1	80.8	3%	90.1	97.7	8%	101	108	8%
Result related to risk policies	12.5	10.4	-16%	14.5	13.5	-7%	14.5	13.5	-7%
Net finance result	111.3	132.9	19%	94.2	95.7	2%	84.0	89.8	7%
Other result	-29.6	-34.6	-17%	-24.2	-23.8	1%	-23.7	-23.6	0%
PTP	172.3	189.5	10%	174.7	183.0	5%	175.4	188.1	7%
EPS	0.28	0.31	11%	0.28	0.29	3%	0.28	0.31	8%
DPS	1.00	1.00	0%	0.70	0.71	1%	0.57	0.57	0%

Source: Inderes

Mandatum Oyj, Audiocast, Q3'25



Valuation 1/ 2

We have gauged Mandatum using the dividend model as it best reflects the company's high payout ratio and the ongoing unwinding of its overcapitalized balance sheet. Mandatum's expected return relies heavily on a high dividend yield, as the company is unwinding its overly strong balance sheet. However, the earnings distribution should improve clearly as the focus shifts from the structurally declining with-profit business to the growing capital-light business. While we anticipate a significant increase in Mandatum's wealth and asset management earnings, the decline in the investment portfolio will impede earnings growth, maintaining a moderate earnings growth rate for the group.

Our dividend model indicates that the stock is already fully priced, so the investor's expected return at current levels remains insufficient. A higher value would require earnings growth stronger than our current forecasts in asset management or alternatively an even more generous dividend outlook

Cash flows do not justify current valuation

We believe that the discounted dividend model (DDM) works very well for Mandatum due to the company's modest investment needs (and thus high payout ratio) and the overly strong balance sheet that the company unwinds as the with-profit portfolio gradually decreases and when it exits from PE investments. Our dividend model takes into account not only the result generated by the operating business, but also the excess capital resulting from the liquidation of the balance sheet, so we believe that the method gives a fairly good picture of Mandatum's fair value. We therefore consider the DDM to be preferred method in Mandatum valuation.

In our dividend model, we have also outlined the development of Mandatum's earnings in the longer term. As

a result of our assumptions, the group's net profit will be fairly stable in the coming years, after which the growth in wealth and asset management should already compensate for the contraction of the declining with-profit portfolio. The company's balance sheet is strong and solvency is above the target level, so we expect Mandatum to distribute a clearly higher dividend than reported profit in the coming years. In addition, we have incorporated the additional funds that the exit from PE investments will generate in addition to the current overcapitalization. We expect Mandatum to lower its solvency target range (160–180%) by 2027.

For the terminal period, we have used a growth assumption of 1.5%, as the with-profit portfolio is still present in our forecasts at this point, whereby the reduction of the portfolio will still for some time soften the impact of wealth and asset management growth on the group's earnings growth figures. However, in our calculations, we have accounted for the assets from the calculation basis that are released only during the terminal period (after 2033) as additional capital, which support the dividend distribution potential.

Our DDM model indicates a value of some EUR 6.0 per share for Mandatum (was EUR 5.6). The increase from our previous update is explained by a rise in asset management profitability estimates. Our ROE requirement is 8.5%, which is the lowest in the peer group of asset managers. Our estimates do not include possible acquisitions, which we consider quite possible in the coming years. While we believe the conditions for value-creating corporate transactions are better than average, we have assumed their impact to be neutral in our valuation. The biggest forecast risks, on the other hand, relate to the return on the investment portfolio and the growth of asset management.

Valuation	2025e	2026e	2027e
Share price	6.41	6.41	6.41
Number of shares, millions	502.7	503.2	503.7
Market cap	3222	3225	3229
P/E (adj.)	20.7	22.0	20.9
P/E	20.7	22.0	20.9
P/B	2.3	3.0	3.7
Payout ratio (%)	323.6 %	244.0 %	186.1 %
Dividend yield-%	15.6 %	11.1 %	8.9 %

Source: Inderes

Valuation 2/ 2

Asset management carries a hefty price tag

The asset management value based on Mandatum's current share price (EUR 6.4) can be estimated using the sum-of-the-parts method. After deducting the net assets of the with-profit portfolio (~1.5 BNEUR), Saxo's shareholding (~320 MEUR), the group's net debt (~400 MEUR, including our estimate of the group's cash reserves) and the present value of group expenses (~250 MEUR) from the company's current market value, the price tag for the capital-light businesses is approximately 2.0 BNEUR. Based on our earnings forecast for the current year, this corresponds to a P/E ratio of approximately 30x.

While the high valuation is justified by the good growth outlook for returns and the clear, ongoing improvement in cost efficiency, we believe that the level is too high, leaving no room for missteps in the growth outlook. In our view, the current price tag for wealth and asset management would require the company to achieve even significantly stronger growth than its ambitious financial targets. This could be achieved through international sales and continuously improving cost efficiency, but, in practice, it would require complete success in all key areas (portfolio management, sales, etc.).

The premium is also significant compared to peers: the P/E ratios of Evli and eQ, which are among the best comparables, are 17x and 21x for the current year. For Evli in particular, it is difficult for us to justify Mandatum's asset management having almost double the earnings multiple.

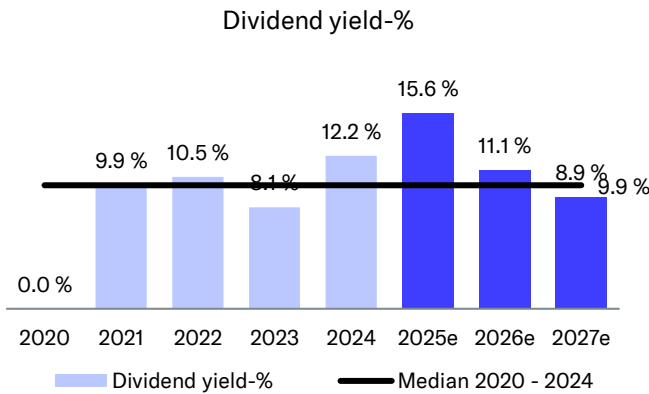
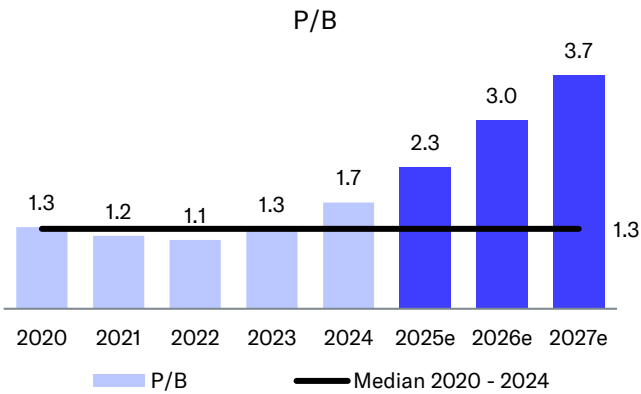
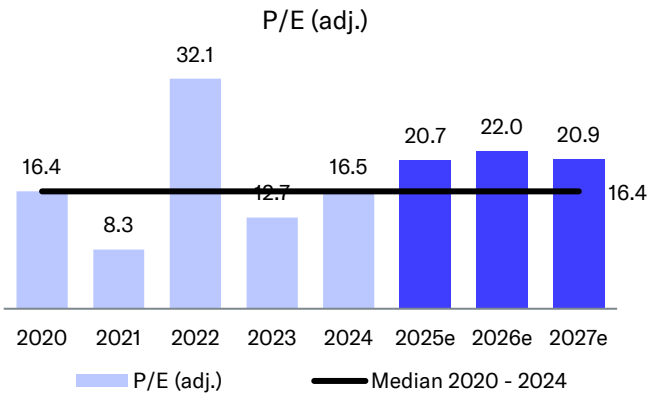
Also, in relation to the assets under management, Mandatum's asset management price tag is really high, at almost 13%. By comparison, the corresponding figure for

Evli and eQ is only around 3%. Mandatum's relative fee level earned from its AUM is clearly higher than Evli's or eQ's, so it is justified to price it at a significantly higher level in relation to its AUM. However, we still find it difficult to accept the current huge difference in valuation compared to the closest peers.

Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	3.70	3.70	3.70	4.07	5.40	6.41	6.41	6.41	6.41
Number of shares, millions	556.6	548.0	501.8	501.8	502.7	502.7	503.2	503.7	504.2
Market cap	2059	2028	1857	2042	2715	3222	3225	3229	3232
P/E (adj.)	16.4	8.3	32.1	12.7	16.5	20.7	22.0	20.9	20.7
P/E	16.4	8.3	32.1	12.7	16.5	20.7	22.0	20.9	20.7
P/B	1.3	1.2	1.1	1.3	1.7	2.3	3.0	3.7	4.4
Payout ratio (%)	0.0 %	81.7 %	338.6 %	103.4 %	201.2 %	323.6 %	244.0 %	186.1 %	161.5 %
Dividend yield-%	0.0 %	9.9 %	10.5 %	8.1 %	12.2 %	15.6 %	11.1 %	8.9 %	7.8 %

Source: Inderes Note! Historical share price used is the closing price on the first trading day.



Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e
Alexandria	104	100	9.2	7.5	7.5	6.5	1.9	1.8	13.2	10.6	8.2	9.1	3.2
Aktia	804								9.4	9.7	7.6	8.6	1.1
CapMan	336	352	12.1	9.3	11.9	9.1	5.7	5.0	17.9	12.5	7.9	8.5	1.8
Evli	590	587	11.7	10.9	10.9	10.2	4.9	4.8	17.5	15.4	5.4	5.9	3.8
eQ	458	447	16.2	11.2	15.6	10.8	7.5	5.9	21.1	15.5	4.8	6.5	6.1
Taaleri	209	211	8.4	4.1	8.1	4.1	3.5	2.4	12.1	7.8	5.0	7.7	0.9
Titanium	65	53	8.4	8.8	7.6	8.1	2.7	2.7	13.0	13.3	7.3	7.4	4.1
United Bankers	203	185	10.4	9.5	9.1	8.6	3.2	3.0	14.9	14.2	6.2	6.5	3.2
Mandatum (Inderes)	3222	2805	14.8	17.8	14.8	17.8	17.1	17.4	20.7	22.7	15.6	10.9	2.3
Average			10.9	8.8	10.1	8.2	4.2	3.6	14.9	12.4	6.5	7.5	3.0
Median			10.4	9.3	9.1	8.6	3.5	3.0	14.1	12.9	6.8	7.5	3.2
Diff-% to median			42%	91%	62%	108%	388%	485%	47%	76%	130%	45%	-28%

Source: Refinitiv / Inderes

Income statement

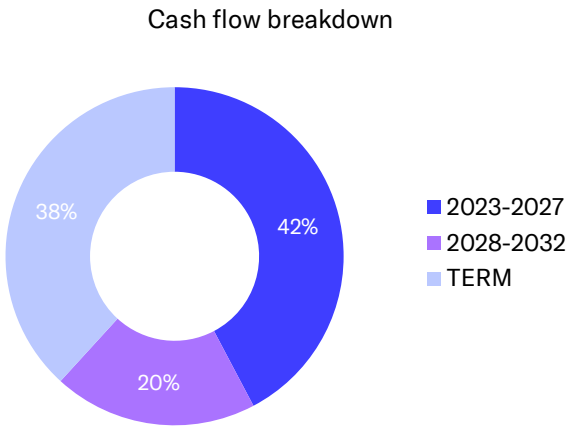
Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Fee result	52.5	15.2	14.7	18.1	18.6	66.6	18.8	18.5	21.7	21.8	80.8	97.7	108.4	118.3
Result related to risk policies	18.0	2.2	11.9	9.1	2.2	25.4	2.3	2.0	2.6	3.5	10.4	13.5	13.5	13.5
Net finance result	148.6	29.9	55.1	27.0	23.7	135.7	51.8	21.7	39.4	20.0	132.9	95.7	89.8	79.1
Other result	-8.8	-0.6	-5.8	-9.0	-9.4	-24.8	-10.9	-8.0	-8.0	-7.7	-34.6	-23.8	-23.6	-20.5
PTP	210.4	46.7	75.8	45.2	35.1	202.9	61.9	34.2	55.7	37.7	189.5	183.0	188.1	190.4
Taxes	-50.0	-9.1	-18.1	-8.7	-2.2	-38.0	-12.4	-4.9	-9.0	-7.9	-34.2	-36.6	-33.9	-34.3
Net profit	160.4	37.9	57.8	36.4	32.9	164.9	49.6	29.2	46.8	29.8	155.4	146.4	154.2	156.1
Earnings per share (EPS)	0.32	0.08	0.12	0.07	0.07	0.33	0.10	0.06	0.09	0.06	0.31	0.29	0.31	0.31
Organic capital creation per share	0.54	0.14	0.09	0.11	0.10	0.44	0.17	0.17	0.14	0.12	0.60	0.55	0.50	0.48
Dividend per share	0.33	-	-	-	-	0.66	-	-	-	-	1.00	0.71	0.57	0.50
Equity (IFRS)	1599	-	-	-	-	1601	-	-	-	-	1425	1068	865	734
ROE	10.0 %	-	-	-	-	10.3 %	-	-	-	-	10.9 %	13.7 %	17.8 %	21.3 %
AUM	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Group AUM (BNEUR)	11.9	12.5	13.0	13.3	14.0	14.0	14.0	14.4	14.9	15.3	15.3	16.9	18.5	20.1
Institutional and wealth management clients	6.4	6.7	7.0	7.2	7.8	7.8	8.0	8.1	8.4	8.7	8.7	9.8	11.0	12.2
Corporate clients	2.3	2.4	2.5	2.5	2.6	2.6	2.7	2.8	2.8	2.9	2.9	3.2	3.5	3.8
Retail clients	3.2	3.4	3.5	3.5	3.5	3.5	3.4	3.5	3.6	3.7	3.7	3.8	4.0	4.2
Group's fee result (MEUR)	135	36.6	39.2	37.9	39.3	153.0	40.4	38.4	41.8	43.1	163.7	181.7	196.0	210.4
Solvency	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Solvency 2 ratio	221%	216%	224%	224%	210%	210%	207%	209%	206%	178%	178%	196%	187%	184%
Solvency 2 own funds (MEUR)	2140	2158	2173	2198	2048	2048	2041	2012	1996	1712	1712	1501	1368	1272
Solvency capital requirement (SCR)	966	997	970	980	973	973	984	965	968	963	963	766	732	693

Dividend model (DDM)

DDM valuation (MEUR)	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	TERM
Mandatum's net profit	155	146	154	156	158	161	165	167	171	
Dividend paid by Mandatum	503	357	287	252	222	187	192	187	152	2209
Payout ratio	324%	244%	186%	162%	141%	116%	117%	112%	89%	
Dividend growth-%	51.5 %	-28.9 %	-19.6 %	-12.2 %	-11.9 %	-15.8 %	2.8 %	-2.5 %	-18.8 %	1.5 %
Discounted dividend	482	316	234	189	154	119	113	102	76	1105
Discounted cumulative dividend	2891	2408	2092	1858	1669	1515	1396	1282	1181	1105
Excess capital	130									
Equity value, DDM	3021									
Per share EUR	6.0									

Cost of capital

Risk-free interest	2.5%
Market risk premium	4.8%
Beta	1.3
Liquidity premium	0.0%
Cost of equity	8.5%



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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.

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
10/12/2023	Buy	4.20 €	3.70 €
11/8/2023	Buy	4.20 €	3.62 €
2/14/2024	Buy	4.40 €	3.84 €
5/10/2024	Accumulate	4.50 €	4.36 €
8/14/2024	Reduce	4.50 €	4.38 €
11/13/2024	Accumulate	4.50 €	4.16 €
2/14/2025	Reduce	4.80 €	5.28 €
4/11/2025	Reduce	5.40 €	5.61 €
5/9/2025	Reduce	5.60 €	6.09 €
5/19/2025	Reduce	4.90 €	5.28 €
6/10/2025	Reduce	5.30 €	5.51 €
8/15/2025	Reduce	5.60 €	5.88 €
11/12/2025	Reduce	6.00 €	6.41 €



CONNECTING INVESTORS AND COMPANIES.

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