

NIBE INDUSTRIER B

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COMPANY REPORT



Recovery stuck on low heat

We have made slight downwards revisions to our short-and medium-term forecasts for NIBE, in light of a slower-than-expected recovery. In our view, short-term drivers remain weak, and the stock is already sufficiently priced in for high earnings growth (2025e P/E: 33x). As a result, we believe that the risk/reward is weak. Consequently, we turn to a Sell recommendation (prev. Reduce) and reiterate our target price of SEK 40.0 per share.

We expect a continued slow recovery in Q2

NIBE will publish its Q2 results on Friday, August 22, at 8.00 am CEST. With our updated estimates, we expect NIBE's Q2 revenue was 10,128 MSEK, roughly in line with consensus, reflecting a slight organic growth of some 1% (y/y). While we expect around 3% organic growth in Climate Solutions business area, supported by normalized inventory levels in Europe, we anticipate that the Group's Q2 revenue will be partly offset by softer performance in Element and Stoves business areas. This is mainly due to a weak new property construction market and still elevated component inventories, as well as sluggish consumer demand. In addition, we see currency headwinds from a strengthening SEK affecting reported revenue growth negatively. We estimate absolute EBIT to increase from 669 MSEK in Q2'24 to 936 MSEK in Q2'25, roughly in line with consensus, supported by increased revenue and improved capacity utilization. Additionally, the cost-savings program, reflected in lower SG&A expenses, should support EBIT, although this will be partly offset by increased depreciation due to recent capacity expansions.

In the company's upcoming report, we will watch closely for any comments regarding tariffs, the inventory situation, and the pricing landscape, where excess inventory at the manufacturing level could lead to downward pressure on prices.

We have adjusted our estimates, reflecting a slower recovery

In our view, it is increasingly evident that the market has bottomed out. Subsidy applications in Germany and the UK continue to trend positively, and Q2 heat pump sales show positive development in countries such as Sweden (Q2'25: +23% y/y) and Germany (Q2'25: 75% y/y). While normalized inventory levels across most European distribution channels support this view, the pace of recovery has been slower than our expectations. Near-term challenges remain, including a weak economic environment, a prolonged recovery in the new-build market, currency headwinds from a stronger SEK, and subsidy uncertainty in some European markets.

In light of these factors, we have revised down our revenue and earnings estimates by some 1-3% and 2-5%, respectively, for 2025-2027. We now expect NIBE to grow its revenue by some 3% for the current year and around 6-7% for the coming years, driven by a gradual recovery in consumer demand. However, downside risks to estimates persist given uncertainty around subsidies in, i.e., Germany and France, as well as the prevailing geopolitical uncertainties. While we expect increased revenue to provide some operating leverage, we still believe it will be very challenging for the company to return to historical operating margin levels already in 2025.

Risk/reward remains weak

In our view, the valuation multiples are high in absolute terms (2025e P/E: 33x and EV/EBIT: 24x), and the DCF and relative valuation paints a similar picture. NIBE's long-term track record of profitable growth is convincing, but the earnings outlook is slower, and we believe that in the current uncertain macroeconomic situation, overstretched multiples are unwarranted. Hence, we continue on the sidelines and wait for a better risk/reward ratio.

Recommendation

Sell

(prev. Reduce)

Target price:

40.0 SEK

(prev. 40.0 SEK)

Share price:

44.0 SEK

Business risk



Valuation risk



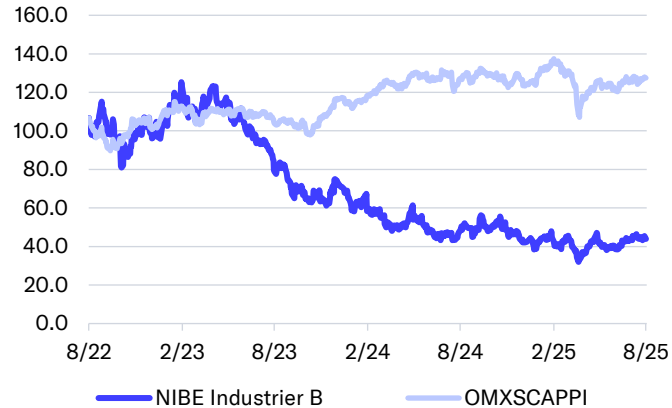
	2024	2025e	2026e	2027e
Revenue	40,521	41,557	43,914	47,008
growth-%	-13%	3%	6%	7%
EBIT adj.	3,226	4,336	4,978	5,389
EBIT-% adj.	8.0 %	10.4 %	11.3 %	11.5 %
Net Income	1,164	2,692	3,333	3,697
EPS (adj.)	0.80	1.34	1.65	1.83
P/E (adj.)	54.3	32.9	26.6	24.0
P/B	2.7	2.6	2.4	2.3
Dividend yield-%	0.7 %	1.0 %	1.5 %	1.5 %
EV/EBIT (adj.)	33.0	24.4	20.7	18.7
EV/EBITDA	21.6	15.8	13.8	12.9
EV/S	2.6	2.5	2.4	2.1

Source: Inderes

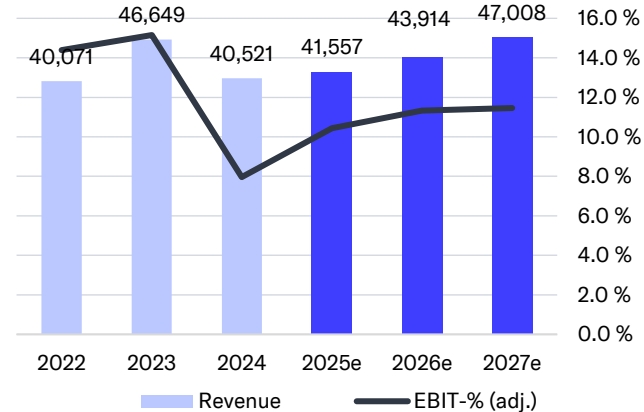
Guidance

(Unchanged)

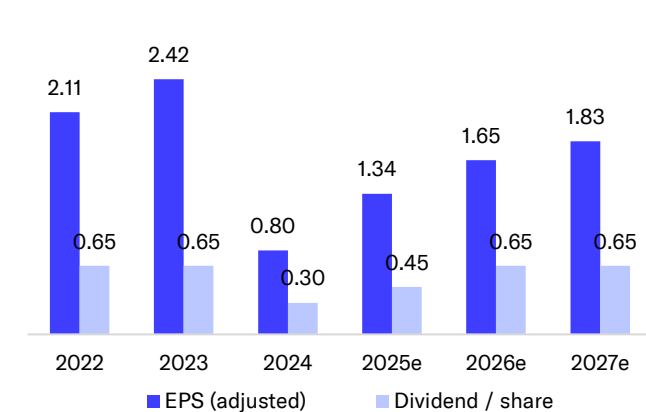
Share price



Revenue and EBIT-%



EPS and dividend



Value drivers

- Strong market position and globally well-known brands
- Good long-term prospects for renewable energy-based systems
- Energy efficiency investments support growth
- Vertical and horizontal synergies create efficiency and reduce costs

Risk factors

- Weak new construction market and uncertainty regarding future heat pump subsidies
- Somewhat cyclical demand
- Persistently unfavorable gas-to-electricity price ratios
- Risks generated by acquisitions and/or expansion investments

Valuation	2025e	2026e	2027e
Share price	44.0	44.0	44.0
Number of shares, millions	2,016	2,016	2,016
Market cap	88,707	88,707	88,707
EV	105,858	103,206	100,785
P/E (adj.)	32.9	26.6	24.0
P/E	32.9	26.6	24.0
P/B	2.6	2.4	2.3
P/S	2.1	2.0	1.9
EV/Sales	2.5	2.4	2.1
EV/EBITDA	15.8	13.8	12.9
EV/EBIT (adj.)	24.4	20.7	18.7
Payout ratio (%)	33.7 %	39.3 %	35.4 %
Dividend yield-%	1.0 %	1.5 %	1.5 %

Source: Inderes

We expect a recovery, but pace remains slow

We expect revenue to continue to recover gradually

Over the past ~18 months, the market has been characterized by an economic slowdown and excess capacity, which has driven inventory reductions across distribution channels and, in turn, weak order intake at the manufacturing level. However, based on Q1 results and H1 market data, showing solid heat pump sales in key markets such as Germany and Sweden, we still believe the market has reached a trough. That said, the recovery is likely to remain slow, constrained by an uncertain global economy, a persistently weak construction sector, and subdued consumer confidence.

We expect around 3% organic growth in the company's largest business area, Climate Solutions, supported by normalized inventory levels in Europe. However, we anticipate that the Group's Q2 revenue will be partly offset by softer performance in Element, weighed down by a weak new property construction market and still elevated

component inventories, as well as in Stoves, where demand in Europe remains subdued. In addition, we see currency headwinds from a strengthening SEK. Overall, we estimate NIBE's Q2 revenue at 10,128 MSEK, broadly in line with consensus, reflecting modest organic growth of around 1% year-on-year.

We expect higher revenue and savings to support EBIT

We estimate Q2 EBIT at 936 MSEK, roughly in line with consensus, representing a 40% increase year-on-year, supported by improved capacity utilization and price increases. Additionally, the cost-savings program, reflected in lower SG&A expenses, should support EBIT, although this will be partly offset by increased depreciation due to recent capacity expansions. Looking at the lower lines, we expect lower financial costs year-on-year due to falling interest rates, and lower relative tax rate. As a result, we estimate adjusted EPS at SEK 0.26, slightly below consensus. Cash flow is expected to benefit from efforts to

reduce elevated inventory levels.

We remain alert for any signs of a deteriorating outlook

While NIBE does not provide financial guidance, it has stated a goal of reaching historical margin levels by 2025: 13-15% in Climate Solutions, 8-11% in Element, and 10-13% in Stoves. In our view, it remains unclear whether these targets apply to the full year 2025 (which seems very optimistic) or to year-end 2025, which is more plausible. Our estimates are below these levels for FY25 and at the lower end of these ranges at the end of 2025. We would not be surprised to hear more cautious commentary on these targets or clarification that the company is aiming for end of 2025. In the upcoming Q2 report, we will be watching closely for updates on the destocking situation in Europe and insights into pricing dynamics.

Estimates	Q2'24	Q2'25	Q2'25e	Q2'25e	Consensus	2025e
MSEK / SEK	Comparison	Actualized	Inderes	Consensus	Low High	Inderes
Revenue	10,035		10,128	10,072	9,837 - 10,401	41,557
EBIT (adj.)	669		936	949	875 - 988	4,336
EBIT	669		936	949	875 - 988	4,336
PTP	396		686	752	680 - 868	3,483
EPS (adj.)	0.11		0.26	0.29	0.26 - 0.33	1.34
Revenue growth-%	-15.2 %		0.9 %	0.4 %	-2.0 % - 3.6 %	2.6 %
EBIT-%	6.7 %		9.2 %	9.4 %	8.9 % - 9.5 %	10.4 %

Source: Inderes & Bloomberg
(18.08.25, 11 analysts) (consensus)

Estimate revisions 2025-2027

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MSEK / SEK	Old	New	%	Old	New	%	Old	New	%
Revenue	41,903	41,557	-1%	44,893	43,914	-2%	48,567	47,008	-3%
EBITDA	6,919	6,713	-3%	7,573	7,466	-1%	8,000	7,822	-2%
EBIT (excl. NRIs)	4,532	4,336	-4%	5,086	4,978	-2%	5,568	5,389	-3%
EBIT	4,532	4,336	-4%	5,086	4,978	-2%	5,568	5,389	-3%
PTP	3,679	3,483	-5%	4,486	4,378	-2%	4,968	4,789	-4%
EPS (excl. NRIs)	1.41	1.34	-5%	1.69	1.65	-2%	1.90	1.83	-4%
DPS	0.45	0.45	0%	0.65	0.65	0%	0.65	0.65	0%

Source: Inderes

Valuation

Valuation multiples are still high for the coming years

The past 18 months have been challenging, with earnings falling significantly short of their potential due to challenging market conditions. Looking ahead, if the market environment improves and our forecast of an earnings recovery materializes, the estimated 2025 valuation multiples (P/E: 33x and EV/EBIT: 24x) are above our acceptable range and exceed the company's historical long-term medians. In our view, the stock already reflects high expectations for earnings growth, yet there are several risks associated with the anticipated recovery. These include a weak economic development, a slow construction market, subsidy uncertainty in some European markets and heightened geopolitical tensions. In addition, intensifying market competition could put pressure on pricing power over time. In our view, the market is currently relying heavily on interest rate cuts to revive consumer purchasing power. However, we believe that this will likely not be visible in the economy until at least the end of this year or even 2026. As a result, we consider the 2025 valuation to be on the high side. From our perspective, more attractive valuation levels may only emerge when looking at 2026 multiples (2026e: P/E: 27x and EV/EBIT: 21x), even though these estimates hinge on substantial and still uncertain improvements in earnings.

Priced to a premium compared to peers

On a relative basis, NIBE is trading at a premium of around 20-30% compared to its peers, based on earnings multiples for 2025-26. We believe that this premium is high, despite the company's good long-term track record of profitable growth and returns on capital. Also, compared to its

international heat pump peers (such as Carrier, Trane, Lennox, and BeijerRef), NIBE is trading above them based on 2025-26 earnings multiples. We believe this valuation spread is unjustified, given similar growth expectations and margin potential.

DCF value also below the current share price

We also believe that the DCF model is a relevant valuation method for NIBE, given the availability of sufficient historical financial information, the stability of the industry, consistent growth and a relatively predictable business. Overall, the model expects NIBE to grow at a high single-digit rate in the medium term and at a mid-single-digit rate in the long term. From a DCF-based valuation perspective, therefore, one year of challenging figures does not affect the valuation too much. However, the value of our DCF model (SEK 40.0 per share) is below the current share price. Therefore, even in a DCF context, the current valuation is not attractive.

Thin expected returns at current valuations

We expect investors to receive an annual dividend yield of 1-2% over the next few years at the current share price, which leaves a thin dividend yield base. The earnings growth driver is currently turning in the right direction, but the starting level is low, and the growth rate is unclear. The share is expensive on an actual earnings basis and, in our view, NIBE's expected return is significantly lower than the required return. As a result, we turn to a Sell recommendation (prev. Reduce) and reiterate our target price of SEK 40.0 per share.

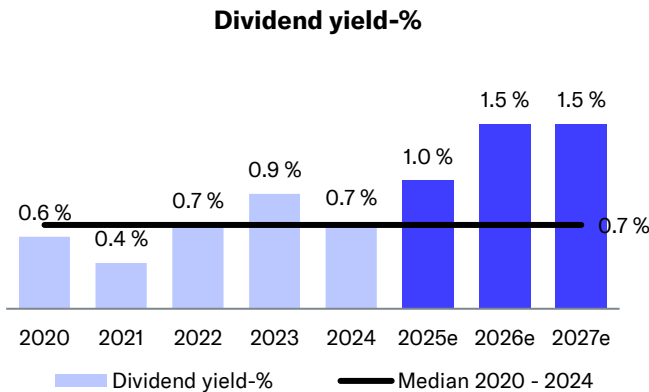
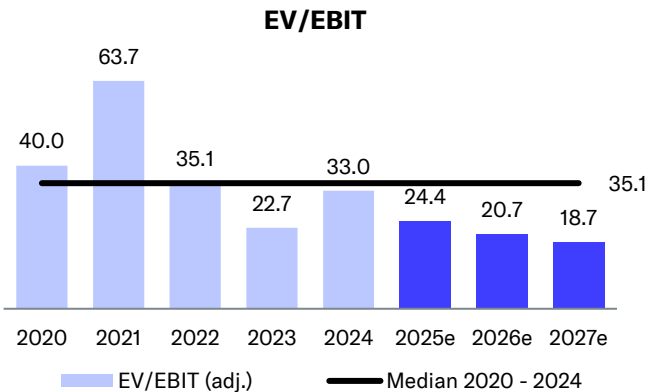
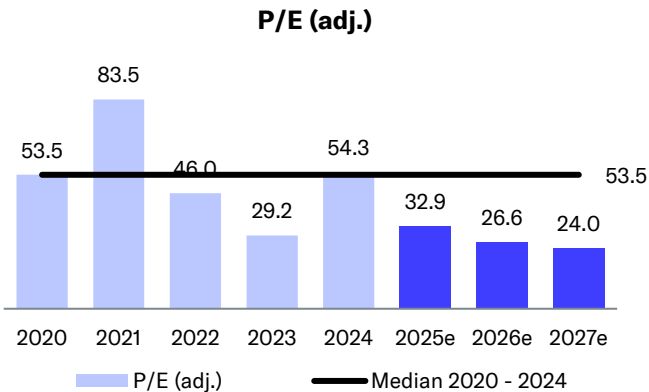
Valuation	2025e	2026e	2027e
Share price	44.0	44.0	44.0
Number of shares, millions	2,016	2,016	2,016
Market cap	88,707	88,707	88,707
EV	105,858	103,206	100,785
P/E (adj.)	32.9	26.6	24.0
P/E	32.9	26.6	24.0
P/B	2.6	2.4	2.3
P/S	2.1	2.0	1.9
EV/Sales	2.5	2.4	2.1
EV/EBITDA	15.8	13.8	12.9
EV/EBIT (adj.)	24.4	20.7	18.7
Payout ratio (%)	33.7 %	39.3 %	35.4 %
Dividend yield-%	1.0 %	1.5 %	1.5 %

Source: Inderes

Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	67.4	136.8	97.1	70.8	43.2	44.0	44.0	44.0	44.0
Number of shares, millions	2,016	2,016	2,016	2,016	2,016	2,016	2,016	2,016	2,016
Market cap	135,933	275,697	195,760	142,738	87,175	88,707	88,707	88,707	88,707
EV	142,293	283,549	202,352	160,174	106,382	105,858	103,206	100,785	97,916
P/E (adj.)	53.5	83.5	46.0	29.2	54.3	32.9	26.6	24.0	20.6
P/E	47.4	83.0	45.0	29.8	74.9	32.9	26.6	24.0	20.6
P/B	7.7	12.9	7.0	5.2	2.7	2.6	2.4	2.3	2.1
P/S	5.0	8.9	4.9	3.1	2.2	2.1	2.0	1.9	1.7
EV/Sales	5.2	9.2	5.0	3.4	2.6	2.5	2.4	2.1	1.9
EV/EBITDA	27.8	49.2	27.1	18.2	21.6	15.8	13.8	12.9	11.6
EV/EBIT (adj.)	40.0	63.7	35.1	22.7	33.0	24.4	20.7	18.7	16.1
Payout ratio (%)	27.3 %	30.4 %	30.1 %	27.4 %	52.0 %	33.7 %	39.3 %	35.4 %	30.0 %
Dividend yield-%	0.6 %	0.4 %	0.7 %	0.9 %	0.7 %	1.0 %	1.5 %	1.5 %	1.5 %

Source: Inderes



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
Kone	27,793	27,390	20.1	18.2	16.2	14.9	2.4	2.3	25.7	23.4	3.6	3.8	9.2
Assa Abloy	33,060	39,414	18.2	16.3	14.7	13.5	2.9	2.8	23.6	20.5	1.9	2.1	3.3
Hexagon	26,036	29,884	21.6	19.1	15.5	14.0	5.5	5.2	23.8	21.3	1.4	1.5	2.3
Beijer Ref	7,787	8,694	25.0	23.1	19.9	18.5	2.5	2.4	34.6	30.6	0.9	1.0	3.5
Tomra Systems	3,837	4,360	24.6	17.9	16.0	12.3	3.0	2.6	33.8	22.9	1.6	2.3	5.9
Thule Group	2,614	2,977	18.4	15.8	15.5	13.5	3.1	3.0	23.4	19.6	3.3	3.9	3.8
Munters Group	2,302	2,888	18.5	15.0	13.2	11.2	2.2	2.0	26.2	18.8	1.2	1.5	4.4
Trane Technologies	80,445	83,731	24.7	22.3	22.5	20.5	4.5	4.2	32.3	28.8	0.9	0.9	11.2
Carrier	47,520	56,057	17.0	15.5	14.2	13.1	2.9	2.7	21.6	18.9	1.4	1.6	4.0
Lennox International Inc	17,743	18,705	20.0	18.2	18.3	16.8	4.0	3.8	24.6	22.5	0.8	0.9	17.6
NIBE Industrier B (Inderes)	8,138	9,712	24.4	20.7	15.8	13.8	2.5	2.4	32.9	26.6	1.0	1.5	2.6
Average			20.8	18.1	16.6	14.8	3.3	3.1	27.0	22.7	1.7	1.9	6.5
Median			20.0	18.0	15.8	13.8	3.0	2.7	25.2	21.9	1.4	1.6	4.2
Diff-% to median			22%	15%	0%	0%	-14%	-14%	31%	22%	-27%	-5%	-38%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	46,649	9,494	10,035	9,967	11,025	40,521	9,673	10,128	10,238	11,518	41,557	43,914	47,008	50,855
Climate Solutions	31,373	5,834	6,516	6,502	7,185	26,037	6,022	6,711	6,762	7,544	27,040	28,392	30,237	32,656
Element	11,898	2,711	2,819	2,711	2,851	11,092	2,888	2,791	2,765	2,937	11,381	12,177	13,151	14,269
Stoves	4,758	1,052	802	847	1,163	3,864	926	778	864	1,210	3,777	4,004	4,324	4,692
Eliminations	-1,380	-103	-102	-93	-174	-472	-163	-152	-154	-173	-641	-659	-705	-763
EBITDA	8,797	-76	1,210	1,383	2,399	4,916	1,309	1,496	1,727	2,180	6,713	7,466	7,822	8,450
Depreciation	-1,824	-503	-541	-471	-730	-2,245	-527	-560	-540	-750	-2,377	-2,488	-2,433	-2,386
EBIT (excl. NRI)	7,069	516	669	912	1,129	3,226	782	936	1,187	1,430	4,336	4,978	5,389	6,063
EBIT	6,973	-579	669	912	1,669	2,671	782	936	1,187	1,430	4,336	4,978	5,389	6,063
Climate Solutions	5,596	-462	506	726	830	1,600	555	738	913	1,056	3,262	3,549	3,780	4,245
Element	942	-126	142	160	186	362	179	167	221	264	832	1,096	1,249	1,427
Stoves	533	27	-3	24	95	143	61	51	73	133	318	420	454	493
Eliminations	-98	-18	24	2	558	566	-13	-20	-20	-23	-77	-88	-94	-102
Share of profits in assoc. compan.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net financial items	-642	-332	-273	-286	-244	-1,135	-268	-250	-175	-160	-853	-600	-600	-500
PTP	6,331	-911	396	626	1,425	1,536	514	686	1,012	1,270	3,483	4,378	4,789	5,563
Taxes	-1,535	50	-180	-193	-51	-374	-123	-151	-223	-280	-776	-1,007	-1,054	-1,224
Minority interest	-11	4	3	0	-5	2	1	-5	-5	-5	-14	-38	-38	-38
Net earnings	4,785	-857	219	433	1,369	1,164	392	530	784	986	2,692	3,333	3,697	4,301
EPS (adj.)	2.42	0.02	0.11	0.21	0.45	0.80	0.19	0.26	0.39	0.49	1.34	1.65	1.83	2.13
EPS (rep.)	2.37	-0.43	0.11	0.21	0.68	0.58	0.19	0.26	0.39	0.49	1.34	1.65	1.83	2.13

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	16.4 %	-18.5 %	-15.2 %	-13.4 %	-5.4 %	-13.1 %	1.9 %	0.9 %	2.7 %	4.5 %	2.6 %	5.7 %	7.0 %	8.2 %
Adjusted EBIT growth-%	22.6 %	-71.1 %	-63.4 %	-51.0 %	-29.3 %	-54.4 %	51.6 %	39.9 %	30.2 %	26.7 %	34.4 %	14.8 %	8.3 %	12.5 %
EBITDA-%	18.9 %	-0.8 %	12.1 %	13.9 %	21.8 %	12.1 %	13.5 %	14.8 %	16.9 %	18.9 %	16.2 %	17.0 %	16.6 %	16.6 %
Adjusted EBIT-%	15.2 %	5.4 %	6.7 %	9.2 %	10.2 %	8.0 %	8.1 %	9.2 %	11.6 %	12.4 %	10.4 %	11.3 %	11.5 %	11.9 %
Net earnings-%	10.3 %	-9.0 %	2.2 %	4.3 %	12.4 %	2.9 %	4.1 %	5.2 %	7.7 %	8.6 %	6.5 %	7.6 %	7.9 %	8.5 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	43,906	46,979	46,712	46,389	46,151
Goodwill	26,076	26,076	26,076	26,076	26,076
Intangible assets	4,938	6,165	5,758	5,791	5,856
Tangible assets	11,568	13,214	13,354	12,997	12,695
Associated companies	753	953	953	953	953
Other investments	31	31	31	31	31
Other non-current assets	192	192	192	192	192
Deferred tax assets	348	348	348	348	348
Current assets	24,198	23,427	22,441	23,714	24,914
Inventories	13,227	10,644	9,974	9,661	9,872
Other current assets	0	0	0	0	0
Receivables	6,688	7,176	7,065	7,465	7,991
Cash and equivalents	4,283	5,607	5,402	6,587	7,051
Balance sheet total	68,104	70,406	69,153	70,102	71,065

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	27,420	32,140	34,228	36,653	39,040
Share capital	79	79	79	79	79
Retained earnings	22,760	27,480	29,568	31,993	34,380
Hybrid bonds	0	0	0	0	0
Revaluation reserve	0	0	0	0	0
Other equity	4,543	4,543	4,543	4,543	4,543
Minorities	38	38	38	38	38
Non-current liabilities	25,119	22,615	19,904	19,028	17,858
Deferred tax liabilities	0	0	0	0	0
Provisions	2,787	2,787	2,787	2,787	2,787
Interest bearing debt	16,922	17,625	14,914	14,038	12,868
Convertibles	0	0	0	0	0
Other long term liabilities	5,410	2,203	2,203	2,203	2,203
Current liabilities	15,565	15,651	15,020	14,421	14,167
Interest bearing debt	4,599	7,086	7,540	6,956	6,176
Payables	10,966	8,565	7,480	7,465	7,991
Other current liabilities	0	0	0	0	0
Balance sheet total	68,104	70,406	69,153	70,102	71,065

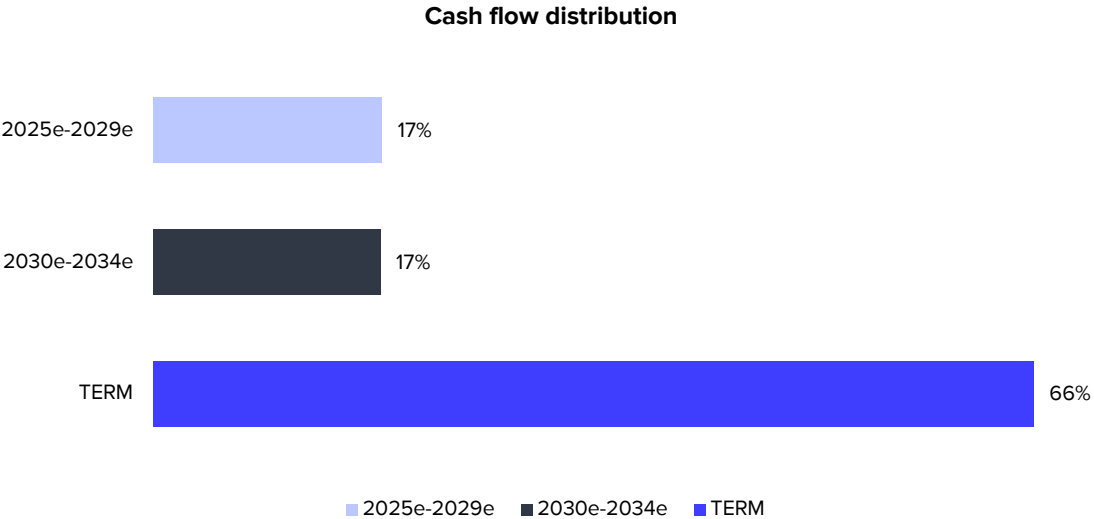
DCF-calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-13.1 %	2.6 %	5.7 %	7.0 %	8.2 %	8.0 %	7.7 %	7.0 %	7.0 %	5.5 %	2.5 %	2.5 %
EBIT-%	6.6 %	10.4 %	11.3 %	11.5 %	11.9 %	12.2 %	12.5 %	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %
EBIT (operating profit)	2,671	4,336	4,978	5,389	6,063	6,701	7,394	8,228	8,804	9,288	9,553	
+ Depreciation	2,245	2,377	2,488	2,433	2,386	2,346	2,341	2,308	2,288	2,271	2,124	
- Paid taxes	-374	-776	-1,007	-1,054	-1,224	-1,386	-1,561	-1,766	-1,893	-1,999	-2,089	
- Tax, financial expenses	-276	-190	-138	-132	-110	-88	-66	-44	-44	-44	-13	
+ Tax, financial income	0	0	0	0	0	0	0	0	0	0	0	
- Change in working capital	-306	-303	-103	-211	-299	-814	-846	-828	-886	-745	-363	
Operating cash flow	3,960	5,443	6,218	6,426	6,816	6,758	7,262	7,898	8,269	8,771	9,213	
+ Change in other long-term liabilities	-3,207	0	0	0	0	0	0	0	0	0	0	
- Gross CAPEX	-5,118	-2,110	-2,165	-2,195	-2,215	-2,240	-2,260	-2,280	-2,280	-2,280	-2,045	
Free operating cash flow	-4,365	3,333	4,053	4,231	4,601	4,518	5,002	5,618	5,989	6,491	7,168	
+/- Other	0	0	0	0	0	0	0	0	0	0	0	
FCFF	-4,365	3,333	4,053	4,231	4,601	4,518	5,002	5,618	5,989	6,491	7,168	135,636
Discounted FCFF		3,240	3,649	3,529	3,555	3,234	3,316	3,450	3,406	3,419	3,498	66,187
Sum of FCFF present value		100,484	97,243	93,594	90,065	86,510	83,276	79,960	76,511	73,105	69,685	66,187
Enterprise value DCF		100,484										
- Interest bearing debt		-24,711										
+ Cash and cash equivalents		5,607										
-Minorities		-99										
-Dividend/capital return		-605										
Equity value DCF		80,676										
Equity value DCF per share		40										

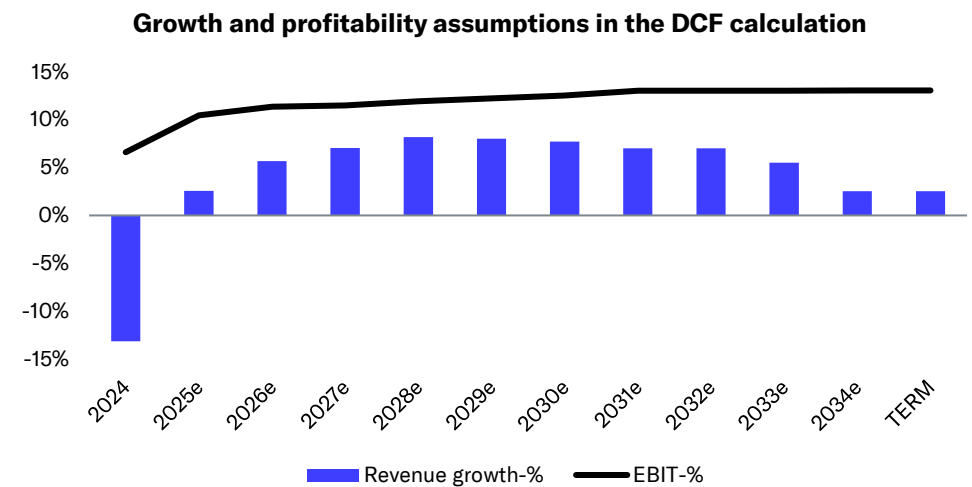
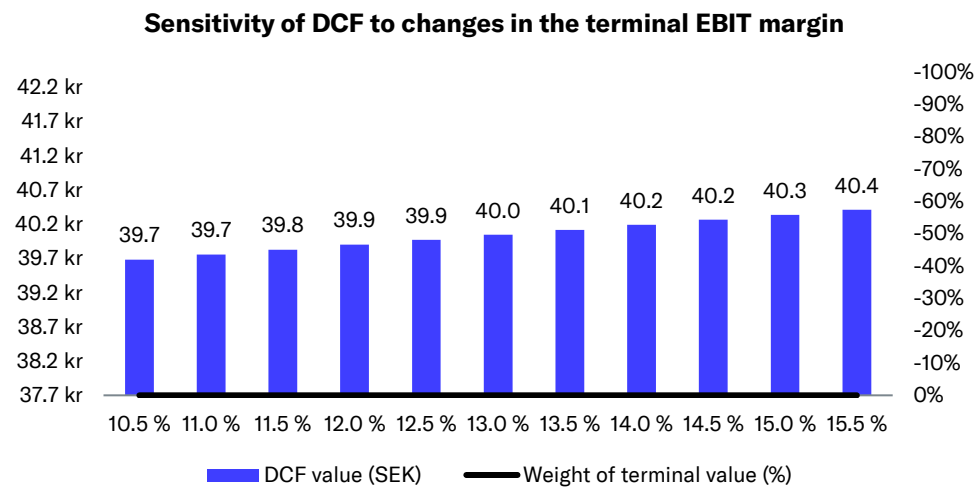
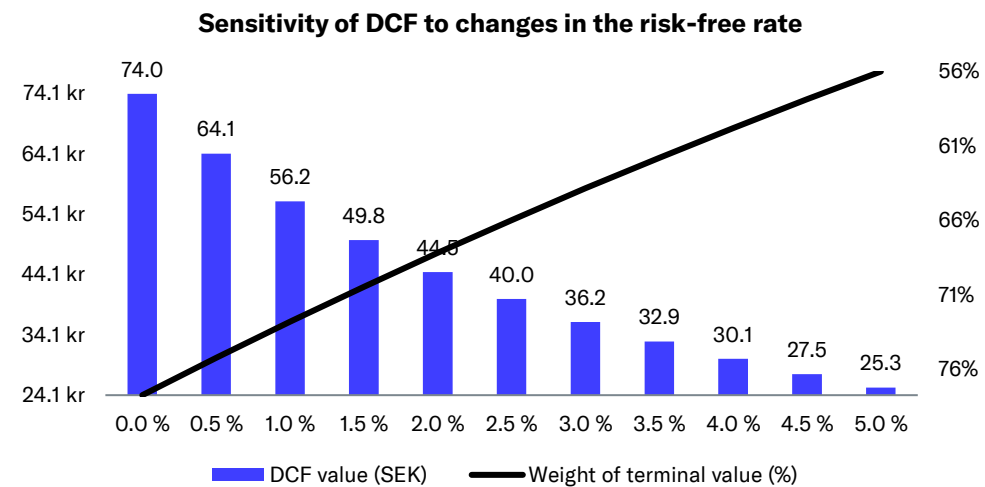
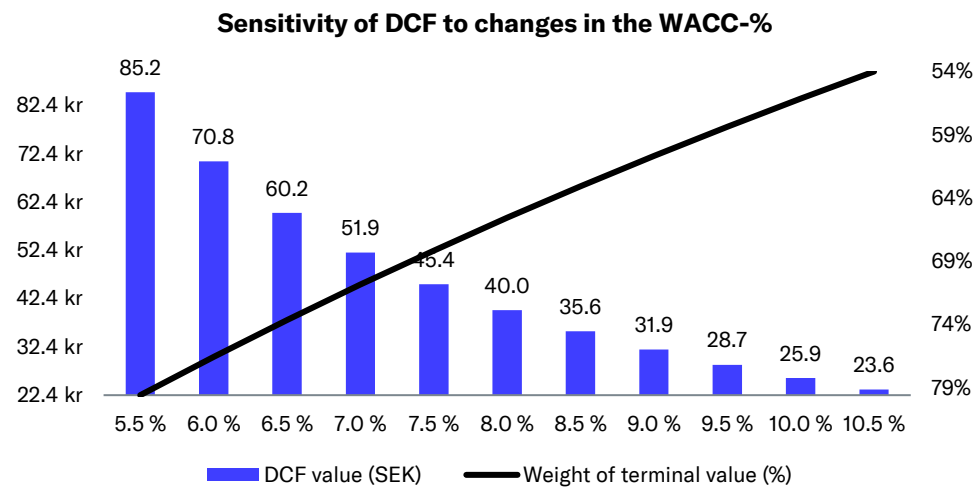
WACC

Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	15.0 %
Cost of debt	5.0 %
Equity Beta	1.30
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	8.7 %
Weighted average cost of capital (WACC)	8.0 %

Source: Inderes



DCF sensitivity calculations and key assumptions in graphs



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

Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	40,071	46,649	40,521	41,557	43,914	EPS (reported)	2.16	2.37	0.58	1.34	1.65
EBITDA	7,460	8,797	4,916	6,713	7,466	EPS (adj.)	2.11	2.42	0.80	1.34	1.65
EBIT	5,863	6,973	2,671	4,336	4,978	OCF / share	1.48	3.32	1.96	2.70	3.08
PTP	5,675	6,331	1,536	3,483	4,378	OFCF / share	-1.34	-2.36	-2.17	1.65	2.01
Net Income	4,351	4,785	1,164	2,692	3,333	Book value / share	13.86	13.58	15.92	16.96	18.16
Extraordinary items	99	-96	-555	0	0	Dividend / share	0.65	0.65	0.30	0.45	0.65
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	53,994	68,104	70,406	69,153	70,102	Revenue growth-%	30%	16%	-13%	3%	6%
Equity capital	27,973	27,420	32,140	34,228	36,653	EBITDA growth-%	29%	18%	-44%	37%	11%
Goodwill	17,630	26,076	26,076	26,076	26,076	EBIT (adj.) growth-%	29%	23%	-54%	34%	15%
Net debt	6,326	17,238	19,104	17,052	14,407	EPS (adj.) growth-%	29%	15%	-67%	68%	24%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	18.6 %	18.9 %	12.1 %	16.2 %	17.0 %
EBITDA	7,460	8,797	4,916	6,713	7,466	EBIT (adj.)-%	14.4 %	15.2 %	8.0 %	10.4 %	11.3 %
Change in working capital	-3,180	-409	-306	-303	-103	EBIT-%	14.6 %	14.9 %	6.6 %	10.4 %	11.3 %
Operating cash flow	2,994	6,697	3,960	5,443	6,218	ROE-%	17.6 %	17.3 %	3.9 %	8.1 %	9.4 %
CAPEX	-5,983	-13,565	-5,118	-2,110	-2,165	ROI-%	16.7 %	15.8 %	5.0 %	7.6 %	8.7 %
Free cash flow	-2,696	-4,754	-4,365	3,333	4,053	Equity ratio	51.8 %	40.3 %	45.6 %	49.5 %	52.3 %
						Gearing	22.6 %	62.9 %	59.4 %	49.8 %	39.3 %
Valuation multiples	2022	2023	2024	2025e	2026e						
EV/S	5.0	3.4	2.6	2.5	2.4						
EV/EBITDA	27.1	18.2	21.6	15.8	13.8						
EV/EBIT (adj.)	35.1	22.7	33.0	24.4	20.7						
P/E (adj.)	46.0	29.2	54.3	32.9	26.6						
P/B	7.0	5.2	2.7	2.6	2.4						
Dividend-%	0.7 %	0.9 %	0.7 %	1.0 %	1.5 %						

Source: Inderes

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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

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2023-09-20	Reduce	74.1 kr	70.5 kr
2023-11-16	Reduce	62.0 kr	67.5 kr
2023-02-13	Reduce	59.0 kr	66.5 kr
2023-02-19	Reduce	56.0 kr	59.0 kr
2024-05-17	Reduce	55.0 kr	61.3 kr
2024-08-19	Accumulate	53.0 kr	47.8 kr
2024-11-18	Reduce	52.0 kr	50.1 kr
2025-02-04	Reduce	42.0 kr	43.5 kr
2025-02-17	Reduce	44.0 kr	44.7 kr
2025-05-04	Reduce	40.0 kr	42.7 kr
2025-05-16	Reduce	40.0 kr	44.0 kr
2025-08-19	Sell	40.0 kr	44.0 kr



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