HOMEMAID

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COMPANY REPORT

The valuation remains polished

The acquisition of Rimab Facility Service ("Rimab"), announced a couple of weeks ago, aligns well with HomeMaid's strategy to strengthen its presence in the B2B segment and unlock potential synergies. That said, we are somewhat surprised that HomeMaid went for such a large acquisition (+100 MSEK in revenue). However, the acquisition price seems fair, considering Rimab remains in a turnaround phase with a lower share of recurring revenue and weaker margins compared to HomeMaid. These factors introduce small operational risks to what otherwise is a very stable, higher-margin business. However, if HomeMaid succeeds in unlocking the expected revenue synergies and improves Rimab's profitability, there is clear potential for value creation, given the acquisition multiple. Even so, at the current valuation, we see the risk/reward profile as insufficient. We increase the target price to SEK 35 (was SEK 29) following the acquisition and reiterate our Reduce recommendation.

Adding scale and depth within the B2B segment

Following the acquisition, HomeMaid's B2B segment expands by over 60%, though B2C remains the largest share of revenue (2025e pro forma: ~60%). Key synergies are expected to stem from cross-selling through leveraging overlapping geographic footprints, as well as operational know-how. Rimab stands to benefit from HomeMaid's strong focus on margin optimization and larger resources, while HomeMaid can gain from Rimab's expertise with tenders. While tenders provide access to larger contracts and higher volumes per customer, they also bring risks of revenue volatility and margin compression, particularly in the highly competitive public sector. Rimab's revenue exposure to public contracts appears rather balanced but still represents a large portion of its topline, which presents negotiations risks. Moreover, Rimab's smaller customer base increases revenue concentration risks compared to HomeMaid's existing B2B segment, which relies on smaller contracts to a greater extent. On a positive note, a large share of Rimab's customers have been with the company for a long time, suggesting a high level of satisfaction with its services.

Incorporating the Rimab acquisition into our estimates

The total consideration includes a fixed upfront payment of 15 MSEK and a variable earn-out linked to Rimab's 2025 performance, resulting in an implied purchase price of 5x EBIT. While this multiple is low both in absolute terms and relative to HomeMaid's LTM adjusted EV/EBITA of 16x, it is broadly in line with historical acquisitions (~3-5x EV/EBIT). However, prior acquisitions have typically featured stronger margins, whereas Rimab remains in a turnaround phase with lower underlying profitability due to its exposure to the public sector. Although cost-cutting and margin-enhancing initiatives have started to show positive effects, the outlook remains harder to gauge given Rimab's volatile recent performance. We therefore view the acquisition price as fair, neither a bargain or expensive. Meanwhile, the Swedish home cleaning market (RUT) showed signs of stabilization in June after a strong spring. Market growth reached 11% y/y in Q2 (Q1'25: 10%), but the broader economic recovery remains slow, limiting momentum in the B2C segment. Against this backdrop, we maintain our pre-acquisition estimates for HomeMaid intact. However, incorporating Rimab into our forecasts lifts our 2025e revenue and EBITA by 9% and 4%, respectively, and our 2026e revenue and EBITA by 18% and 9%.

Valuation remains quite stretched, even after estimate changes

Since our initiation of coverage report (5/23/2025), the share price has increased by ~11%. Based on updated 2025–2026e forecasts, HomeMaid trades at forward 25-26e adjusted EV/EBITA and P/E multiples of 14-12x and 18-16x, respectively. These remain above our acceptable valuation ranges (EV/EBITA: 9-12x; P/E: 11-14x). While expected earnings growth partially offsets anticipated multiple compression, the expected return relies largely on a ~4% dividend yield, which we consider insufficient. We therefore await a more attractive entry point at this time.

Recommendation
Reduce
(prev. Reduce)

Target price:
SEK 35
(prev. 29 SEK)

Share price:
SEK 39

Business risk
●●●○○

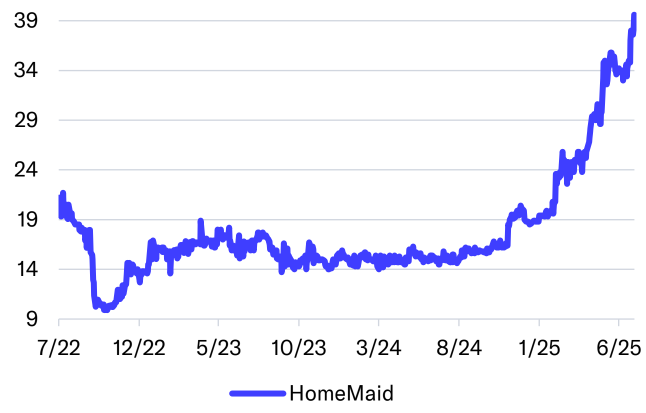
Valuation risk
●●●○○

	2024	2025e	2026e	2027e
Revenue	501	605	679	722
growth-%	14%	21%	12%	6%
EBIT adj.	40	54	60	61
EBIT-% adj.	8.0 %	9.0 %	8.8 %	8.5 %
Net Income	26	37	41	43
EPS (adj.)	1.58	2.20	2.40	2.49
P/E (adj.)	11.7	17.7	16.2	15.7
P/B	6.5	11.0	9.0	7.7
Dividend yield-%	6.8 %	3.5 %	3.8 %	4.1 %
EV/EBIT (adj.)	9.9	14.1	12.6	12.1
EV/EBITDA	7.1	10.7	9.8	9.2
EV/S	0.8	1.3	1.1	1.0

Source: Inderes

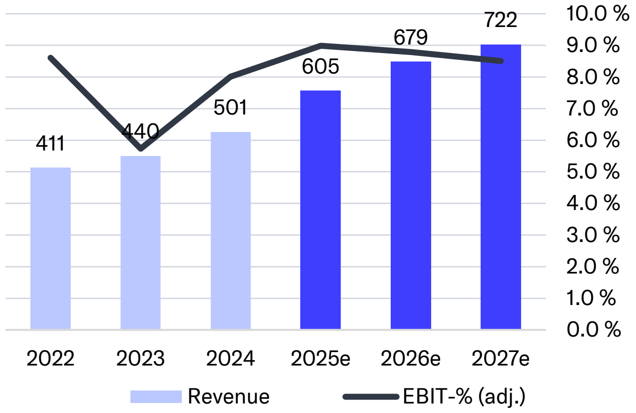
Guidance (HomeMaid provides no guidance)

Share price



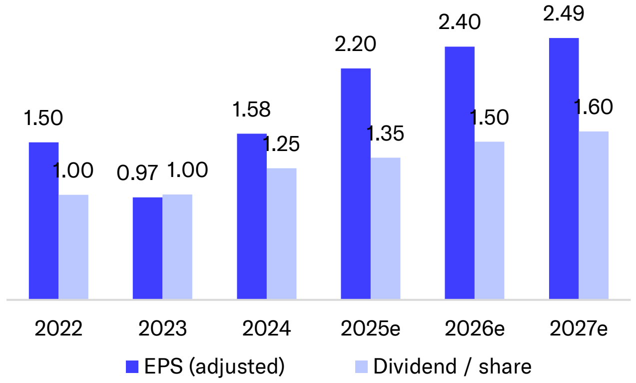
Source: Millistream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and DPS



Source: Inderes

Value drivers

- Low market share in the home cleaning industry leaves plenty of room for expansion
- Steadily growing and resilient end market provides a strong foundation for long-term growth
- Recurring revenue model, with the vast majority of sales subscription-based, ensures predictable cash flows
- Fragmented industry offers compelling value-creation potential through consolidation.

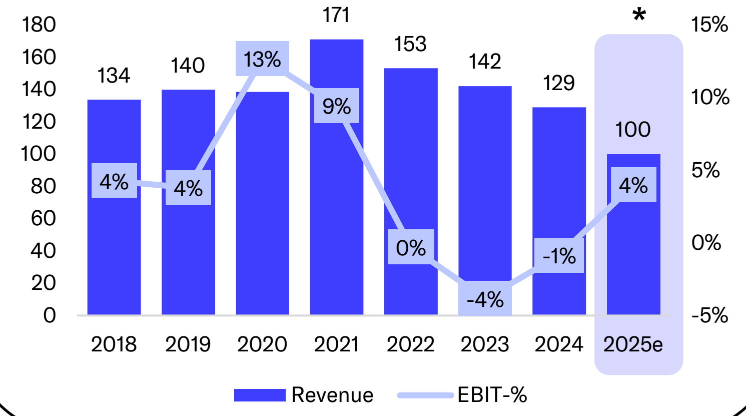
Risk factors

- Lack of strong competitive advantages could hinder growth and put pressure on margins
- Labor market challenges, including hiring constraints and high employee turnover, remain persistent industry-wide issues
- Potential cuts to current subsidy schemes (e.g., RUT) could significantly impact market size and sector stability
- Execution risk in M&A

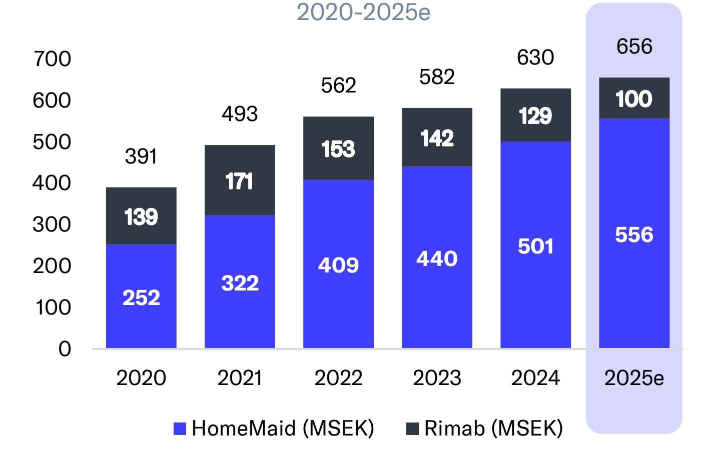
Valuation	2025e	2026e	2027e
Share price	39.0	39.0	39.0
Number of shares, millions	19.0	19.0	19.0
Market cap	739	739	739
EV	769	754	741
P/E (adj.)	17.7	16.2	15.7
P/E	19.9	18.2	17.4
P/FCF	27.4	19.3	16.5
P/B	11.0	9.0	7.7
P/S	1.2	1.1	1.0
EV/Sales	1.3	1.1	1.0
EV/EBITDA	10.7	9.8	9.2
EV/EBIT (adj.)	14.1	12.6	12.1
Payout ratio (%)	68.7 %	70.1 %	71.2 %
Dividend yield-%	3.5 %	3.8 %	4.1 %

Rimab acquisition: Overview of financial impact and deal structure

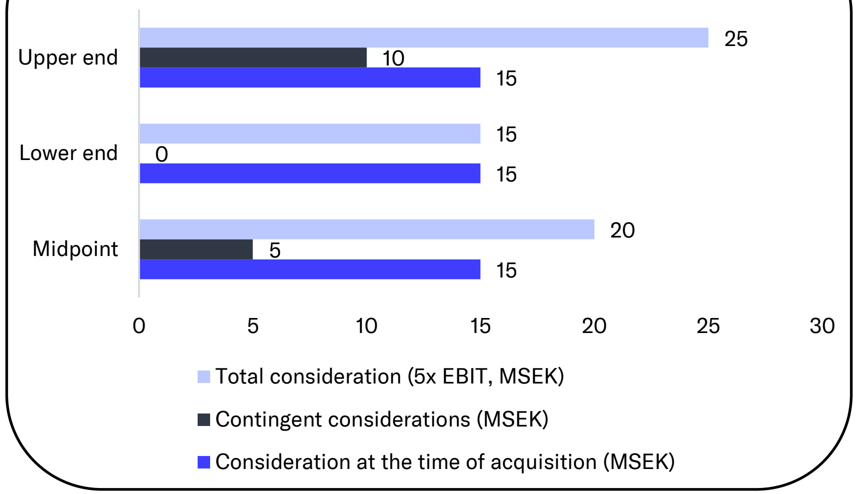
Financial development, Rimab Facility Service
2018-2025e, in MSEK



Revenue (proforma), MSEK
2020-2025e



Transaction in details (MSEK)



Overview of services

- **Property services**
- **Office services**
- **Industrial cleaning**
- **Facility cleaning**

~230 FTE

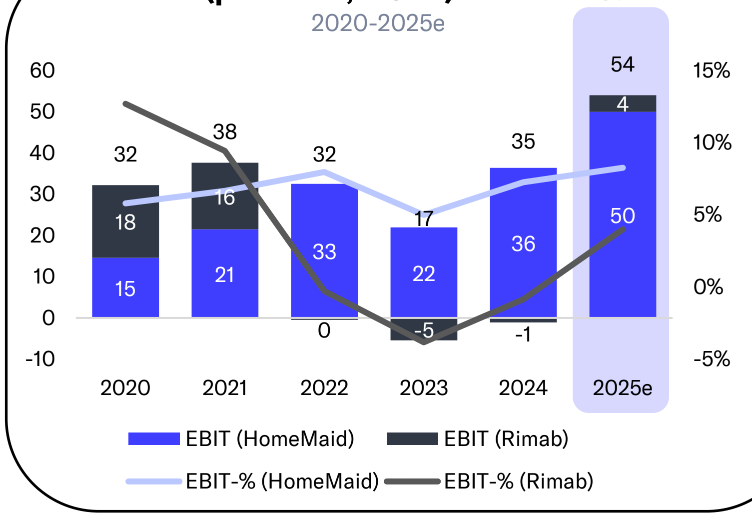
Overview of customers

VOLVO
Volvo Group

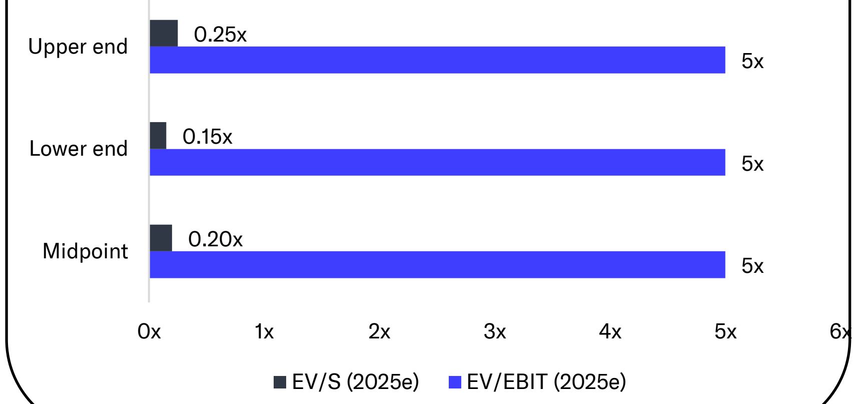
JÖNKÖPING UNIVERSITY

Falkenbergs kommun

EBIT (proforma, MSEK) and EBIT-%
2020-2025e



Valuation multiples, 2025e
Based on guided EBIT-% range (3-5% 2025e)



*This represents the midpoint of managements guidance for 2025 of 100 MSEK in revenue and an EBIT margin of 3-5%. Source: Rimab, HomeMaid, Inderes

Adding Rimab into the equation

Estimate revisions

- Following the acquisition of Rimab, we raise our 2025 revenue estimate by 9% and 18% for 2026. However, we are a bit cautious with revenue synergies in the short-term and await clearer evidence of execution before factoring in any additional upside.
- The consolidation of Rimab will initially weigh on Group profitability. For 2025, we lower our previous EBITA margin estimate from 9.4% to 9.0%. On a pro forma basis, the margin stands at 8.5%. Looking ahead to 2026, we expect the EBITA margin to recover, relative to pro forma figures, to 8.8% (previously 9.5%), supported by margin optimization initiatives at Rimab (primarily on gross margin) and stronger growth in the B2B segment as market conditions improve, supported by the stronger projected GDP growth relative to 2025.
- While the Group's estimated profitability is now slightly lower, we believe HomeMaid continues to justify a modest valuation premium versus peers. In our view, the company is well positioned to narrow the margin gap over time, which underpins our unchanged outlook for the terminal EBIT margin.
- Given Rimab's more capital-intensive operations, driven by the need for heavier machinery in industrial cleaning, we have raised our CapEx estimates by around 3-4 MSEK annually.
- The impact from these revisions had a positive effect on our fair value.

Estimate revisions MEUR / EUR	2025 Old	2025e New	Change %	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %
Revenue	556	605	9%	577	679	18%	614	722	18%
EBITDA	69	72	4%	71	77	9%	73	81	10%
EBIT (exc. NRIs)	52	54	4%	55	60	9%	55	61	11%
EBIT	48	50	3%	51	55	7%	51	57	11%
PTP	45	47	3%	48	51	6%	48	54	11%
EPS (excl. NRIs)	2.10	2.20	5%	2.22	2.40	8%	2.23	2.49	11%
DPS	1.35	1.35	0%	1.50	1.50	0%	1.60	1.60	0%

Source: Inderes

CEO interview about the Rimab acquisition (SWE)

Valuation is still not intriguing

The logic for M&A is clear, but valuation remains polished

Based on our updated estimates, HomeMaid trades at an adjusted EV/EBITA of 14-12x and P/E ratio of 18-16x for 2025-2026e. Thus, looking at both this and next year, we believe the current earnings-based valuation levels are on the high side relative to our acceptable valuation range (adjusted EV/EBITA: 9x-12x, adjusted P/E: 11x-14x). Widening the time lens, the valuation remain on the higher side, with HomeMaid trading at adjusted EV/EBITA multiple of 12x for 2027, and a P/E ratio of 16x during the same period. Therefore, if HomeMaid develops as we expect going forward, we believe the stock will continue trading at rather high earnings multiples.

However, it is worth noting that we believe the company has the potential to accelerate its growth through acquisitions over time, supported by its solid balance sheet, as demonstrated with the Rimab acquisition. We believe there is clear strategic logic in acquiring companies at lower multiples in a very fragmented market and benefit from multiple arbitrage. As HomeMaid primarily funds acquisitions through cash and, to a lesser extent, debt, any value uplift accrues entirely to existing shareholders without dilution.

With Rimab, we see potential for long-term value creation if HomeMaid can strengthen margins, stabilize profitability, and being successful in tenders and manage to cross-sell between its B2B subsidiaries. Several cost-cutting measures and the phasing out of lower-margin contracts are already underway, with early signs of a return toward Rimab's historical margin levels (~3-5%). However, we believe it is premature to count on significant synergies in the near term, given the challenges in Rimab's recent performance.

Expected return for the coming years is just not good enough

We have also looked at an investor's expected return over the next few years by simplifying the acceptable valuation and our 2027 earnings estimates. In our view, HomeMaid's business could currently be valued at 10x-12x adjusted EV/EBITA and around 12x-14x adjusted P/E at the end of 2027 based on our current estimates. The multiples would represent a premium to current peer group medians, and pricing would therefore naturally require the company to maintain growth and profitability levels slightly above the peer average, with no major changes in the company's growth outlook.

Based on this and our current estimates, we believe that HomeMaid could be valued at roughly SEK 32-38 per share at the end of 2027. At the current share price of SEK 39, the expected average annual return would be around -5%. In addition, we expect investors to receive an annual dividend yield of around 4%. Hence, the average annual expected total return would be below the 9.2% cost of equity we use (WACC: 8.9%).

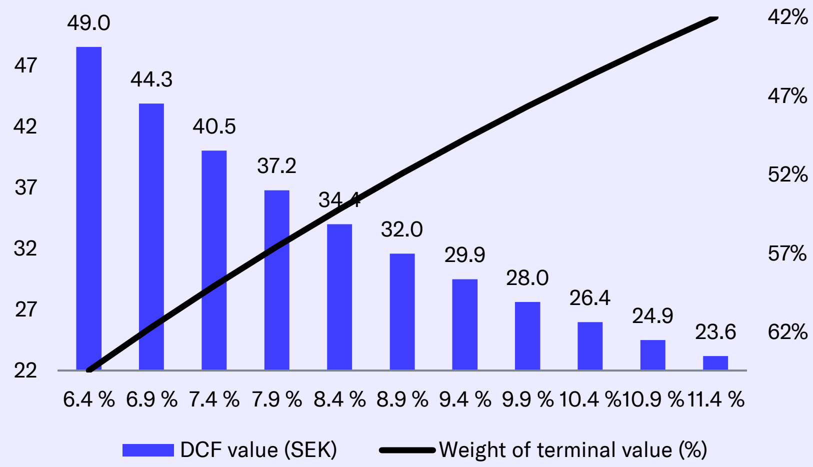
DCF support our view, yet it does not capture the potential of M&A

Our DCF model indicates a value of SEK 32 per share (SEK 26.9). However, the DCF model ignores the value creation potential of inorganic growth and therefore primarily serves as a valuation benchmark for the current business structure. As such, we place a higher emphasis on the earnings multiples. In our model, the weight of the terminal period is at a reasonable 52%. We note that the DCF model is quite sensitive to the required rate of return used, as illustrated by the figure to the right. For more details on our DCF assumptions, we refer to the Initiation of Coverage report.

Valuation	2025e	2026e	2027e
Share price	39.0	39.0	39.0
Number of shares, millions	19.0	19.0	19.0
Market cap	739	739	739
EV	769	754	741
P/E (adj.)	17.7	16.2	15.7
P/E	19.9	18.2	17.4
P/FCF	27.4	19.3	16.5
P/B	11.0	9.0	7.7
P/S	1.2	1.1	1.0
EV/Sales	1.3	1.1	1.0
EV/EBITDA	10.7	9.8	9.2
EV/EBIT (adj.)	14.1	12.6	12.1
Payout ratio (%)	68.7 %	70.1 %	71.2 %
Dividend yield-%	3.5 %	3.8 %	4.1 %

Source: Inderes

Sensitivity of DCF to changes in the WACC-%



Source: Inderes

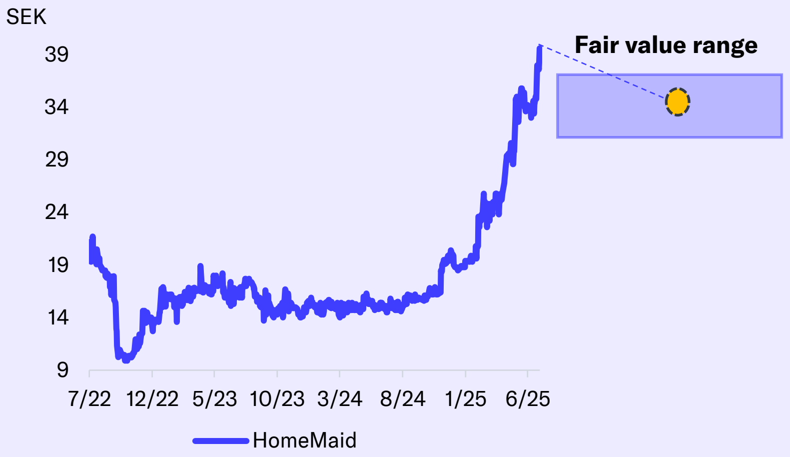
Valuation is still not intriguing

Target price and investment view

We believe the fair value of the share is currently in the range of SEK 30-36, supported by a combination of earnings multiples (adjusted EV/EBITA 10-12x, adjusted P/E 12-14x on 2026e*) as well as our DCF value. Given that our DCF does not capture the value creation from HomeMaid's M&A strategy, where they reallocate cash flows to roll-up acquisitions at low multiples, we place more emphasis on earnings multiples to better reflect this upside. Combined with solid business momentum and favorable B2C market conditions, this leads us to lean toward the upper end of our acceptable valuation range. As such, we increase our target price to SEK 35 (was SEK 29) while reiterating our Reduce recommendation. In our view, the share valuation is on the high side, and while earnings growth somewhat compensates for expected multiple contraction, we assess the expected return leans on the ~4 % dividend yield and looks insufficient.

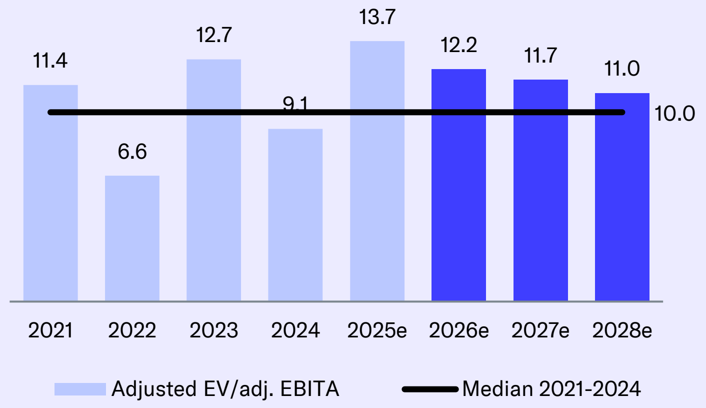
*2026 is used as reference period to capture the full effect of Rimab consolidation

Share price vs Fair value range



Source: Millistream Market Data AB, Inderes

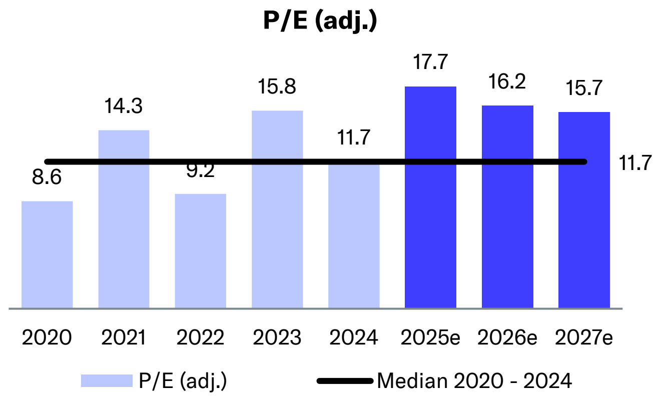
EV/EBITA (adj.)

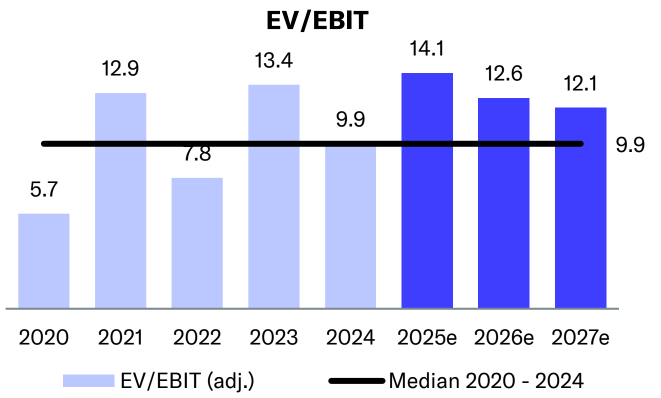


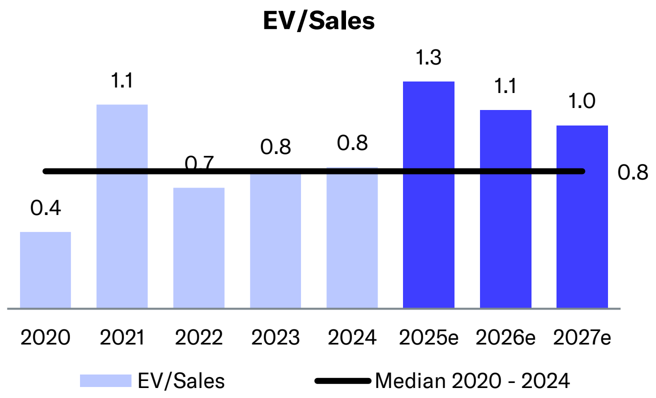
Source: Inderes

Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	7.38	18.0	13.7	15.4	18.5	**39.0**	**39.0**	**39.0**	**39.0**
Number of shares, millions	18.2	18.2	18.2	19.0	19.0	**19.0**	**19.0**	**19.0**	**19.0**
Market cap	135	328	250	292	351	**739**	**739**	**739**	**739**
EV	108	367	277	338	397	**769**	**754**	**741**	**726**
P/E (adj.)	8.6	14.3	9.2	15.8	11.7	**17.7**	**16.2**	**15.7**	**14.9**
P/E	11.9	20.4	10.2	19.3	13.4	**19.9**	**18.2**	**17.4**	**16.4**
P/FCF	5.9	neg.	13.1	neg.	15.3	**27.4**	**19.3**	**16.5**	**15.5**
P/B	5.5	10.5	5.4	6.2	6.5	**11.0**	**9.0**	**7.7**	**6.7**
P/S	0.5	1.0	0.6	0.7	0.7	**1.2**	**1.1**	**1.0**	**1.0**
EV/Sales	0.4	1.1	0.7	0.8	0.8	**1.3**	**1.1**	**1.0**	**0.9**
EV/EBITDA	5.1	11.7	6.0	8.5	7.1	**10.7**	**9.8**	**9.2**	**8.6**
EV/EBIT (adj.)	5.7	12.9	7.8	13.4	9.9	**14.1**	**12.6**	**12.1**	**11.3**
EV/FCFF	4.8	20.4	12.9	11.7	8.3	**12.2**	**11.7**	**11.1**	**10.3**
Payout ratio (%)	80.7 %	56.8 %	74.5 %	125.1 %	90.6 %	**68.7 %**	**70.1 %**	**71.2 %**	**71.4 %**
Dividend yield-%	6.8 %	2.8 %	7.3 %	6.5 %	6.8 %	**3.5 %**	**3.8 %**	**4.1 %**	**4.4 %**







The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	**MEUR**	**MEUR**	**2025e**	**2026e**	**2025e**	**2026e**	**2025e**	**2026e**	**2025e**	**2026e**	**2025e**	**2026e**	**2025e**
Coor Service Management Holding	387	600	13.5	11.3	7.8	6.9	0.6	0.5	13.9	10.5	4.7	5.6	2.9
ISS A/S	4,274	5,920	10.2	9.6	7.5	7.1	0.5	0.5	10.9	9.8	2.1	2.4	2.7
Compass Group PLC	48,918	54,754	19.5	17.8	14.1	13.0	1.4	1.3	25.2	22.7	2.0	2.2	7.4
Sodexo SA	7,469	11,613	10.3	9.8	7.3	6.9	0.5	0.5	9.4	9.2	5.3	5.4	1.8
Derichebourg S.A.	915	1,622	8.3	7.9	4.6	4.5	0.5	0.4	7.0	6.0	3.6	4.3	0.8
Mitie Group PLC	1,986	2,232	8.4	7.9	6.4	5.9	0.4	0.4	11.9	11.1	3.0	3.3	4.7
Securitas	7,270	10,635	11.1	10.3	8.1	7.7	0.8	0.7	12.1	10.9	3.5	3.9	1.8
Ogunsen	21	19	7.5	5.1	5.6	4.1	0.5	0.5	11.5	7.9	8.2	12.7	3.6
PION Group	23	24	9.2	5.5	3.9	3.0	0.1	0.1	11.0	5.5	7.6	9.4	1.4
Dedicare	37	26	1.9	1.8	1.6	1.6	0.1	0.1	3.9	3.7	15.9	17.1	1.1
Green Landscaping	316	505	12.8	11.3	6.7	6.2	0.9	0.8	15.1	10.9			1.9
Ambea	895	1,883	15.4	13.9	8.8	8.1	1.3	1.3	14.2	12.4	2.1	2.4	1.9
Attendo	895	2,326	16.4	15.2	8.0	7.6	1.4	1.3	14.0	12.4	2.0	2.3	1.9
HomeMaid (Inderes)	**65**	**68**	**14.1**	**12.6**	**10.7**	**9.8**	**1.3**	**1.1**	**17.7**	**16.2**	**3.5**	**3.8**	**11.0**
Average			**11.1**	**9.8**	**7.0**	**6.3**	**0.7**	**0.7**	**12.3**	**10.2**	**5.0**	**5.9**	**2.6**
Median			**10.3**	**9.8**	**7.3**	**6.9**	**0.5**	**0.5**	**11.9**	**10.5**	**3.5**	**4.1**	**1.9**
Diff-% to median			***37%***	***29%***	***47%***	***41%***	***149%***	***127%***	***49%***	***54%***	***-2%***	***-6%***	***486%***

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	**440**	**118**	**126**	**121**	**135**	**501**	**129**	**140**	**160**	**176**	**605**	**679**	**722**	**768**
Home cleaning	333	83.4	91.3	86.1	97.5	358	92	103	98	110	404	415	440	466
Commercial cleaning	107	34.5	35.1	35.1	37.7	142	37	37	62	66	202	264	282	302
EBITDA	**39.6**	**10.5**	**12.0**	**18.1**	**15.5**	**56**	**15**	**15**	**21**	**21**	**72**	**77**	**81**	**85**
Depreciation	-17.7	-4.9	-5.2	-5.0	-4.7	-20	-5	-5	-6	-6	-22	-23	-24	-25
EBIT (excl. NRI)	**25.2**	**6.5**	**8.0**	**14.1**	**11.5**	**40**	**11**	**11**	**17**	**17**	**54**	**60**	**61**	**64**
EBIT	**21.9**	**5.6**	**6.9**	**13.1**	**10.8**	**36**	**10**	**10**	**15**	**15**	**50**	**55**	**57**	**60**
Share of profits in assoc. compan.	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
Net financial items	-2.7	-0.9	-0.9	-0.8	-0.5	-3	-1	-1	-1	-1	-3	-4	-3	-3
PTP	**19.2**	**4.8**	**6.0**	**12.3**	**10.3**	**33**	**9**	**9**	**15**	**15**	**47**	**51**	**54**	**57**
Taxes	-4.0	-1.1	-1.4	-2.6	-2.2	-7	-2	-2	-3	-3	-10	-11	-11	-12
Minority interest	0.0	0.0	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
Net earnings	**15.1**	**3.7**	**4.6**	**9.7**	**8.2**	**26**	**7**	**7**	**12**	**12**	**37**	**41**	**43**	**45**
EPS (adj.)	**0.97**	**0.24**	**0.30**	**0.57**	**0.47**	**1.58**	**0.42**	**0.42**	**0.68**	**0.67**	**2.20**	**2.40**	**2.49**	**2.62**
EPS (rep.)	**0.80**	**0.19**	**0.24**	**0.51**	**0.43**	**1.38**	**0.37**	**0.37**	**0.62**	**0.61**	**1.96**	**2.14**	**2.25**	**2.38**

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-%	7.2 %	16.5 %	19.4 %	11.9 %	8.2 %	13.7 %	9.7 %	11.1 %	31.9 %	30.0 %	20.9 %	12.2 %	6.4 %	6.4 %
Adjusted EBIT growth-%	-28.7 %	1.4 %	88.8 %	79.3 %	71.6 %	59.0 %	62.3 %	32.7 %	18.6 %	43.3 %	35.6 %	9.7 %	3.0 %	4.5 %
EBITDA-%	9.0 %	8.9 %	9.5 %	15.0 %	11.5 %	11.2 %	11.7 %	10.4 %	13.2 %	11.9 %	11.9 %	11.4 %	11.2 %	11.0 %
Adjusted EBIT-%	5.7 %	5.5 %	6.3 %	11.6 %	8.5 %	8.0 %	8.2 %	7.6 %	10.4 %	9.4 %	9.0 %	8.8 %	8.5 %	8.4 %
Net earnings-%	3.4 %	3.1 %	3.6 %	8.0 %	6.0 %	5.2 %	5.4 %	5.0 %	7.3 %	6.6 %	6.2 %	6.0 %	5.9 %	5.9 %

Source: Inderes

Full-year earnings per share are calculated using the number of shares at year-end.

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	**129**	**140**	**144**	**148**	**151**
Goodwill	70	73	73	73	73
Intangible assets	18	14	11	7	6
Tangible assets	40	52	59	67	71
Associated companies	0	0	0	0	0
Other investments	0	0	0	0	0
Other non-current assets	0	0	0	0	0
Deferred tax assets	0	1	1	1	1
Current assets	**100**	**107**	**139**	**159**	**173**
Inventories	0	0	0	0	0
Other current assets	44	46	54	61	64
Receivables	37	39	46	51	53
Cash and equivalents	20	22	39	48	56
Balance sheet total	**229**	**247**	**283**	**307**	**324**

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	**47**	**54**	**67**	**82**	**96**
Share capital	1	1	1	1	1
Retained earnings	17	26	40	55	69
Hybrid bonds	0	0	0	0	0
Revaluation reserve	0	0	0	0	0
Other equity	29	27	27	27	27
Minorities	0	0	0	0	0
Non-current liabilities	**49**	**50**	**51**	**48**	**45**
Deferred tax liabilities	3	4	4	4	4
Provisions	4	4	4	4	4
Interest bearing debt	42	41	42	39	36
Convertibles	0	0	0	0	0
Other long term liabilities	0	0	0	0	0
Current liabilities	**133**	**144**	**165**	**177**	**183**
Interest bearing debt	25	27	27	24	21
Payables	92	103	125	140	149
Other current liabilities	16	14	14	14	14
Balance sheet total	**229**	**247**	**283**	**307**	**324**

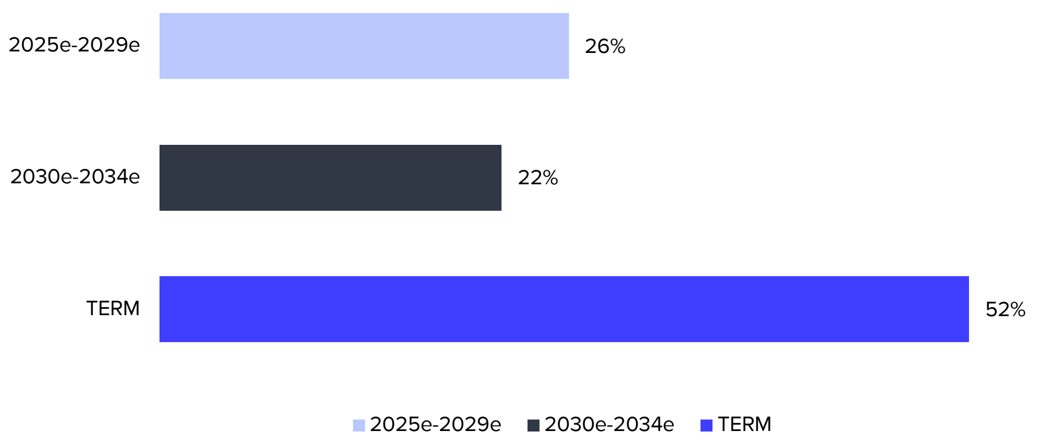
DCF-calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	13.8 %	20.8 %	12.2 %	6.4 %	6.4 %	5.4 %	4.4 %	4.2 %	4.1 %	3.2 %	1.5 %	1.5 %
EBIT-%	7.3 %	8.3 %	8.1 %	7.9 %	7.8 %	7.6 %	7.4 %	7.2 %	7.0 %	7.0 %	7.0 %	7.0 %
EBIT (operating profit)	**36**	**50**	**55**	**57**	**60**	**62**	**63**	**63**	**64**	**66**	**67**	
+ Depreciation	20	22	23	24	25	26	27	27	27	28	28	
- Paid taxes	-6	-10	-11	-11	-12	-12	-12	-13	-13	-13	-13	
- Tax, financial expenses	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	
+ Tax, financial income	0	0	0	0	0	0	0	0	0	0	0	
- Change in working capital	4	7	4	3	3	2	2	2	2	1	1	
Operating cash flow	**53**	**68**	**70**	**72**	**75**	**77**	**78**	**79**	**80**	**82**	**82**	
+ Change in other long-term liabilities	0	0	0	0	0	0	0	0	0	0	0	
- Gross CAPEX	-30	-26	-26	-27	-28	-28	-28	-28	-29	-28	-28	
Free operating cash flow	**23**	**42**	**43**	**45**	**48**	**49**	**50**	**51**	**51**	**54**	**54**	
+/- Other	0	-15	-5	0	0	0	0	0	0	0	0	
FCFF	23	27	38	45	48	49	50	51	51	54	54	732
Discounted FCFF		**26**	**34**	**36**	**35**	**33**	**31**	**29**	**27**	**26**	**24**	**326**
Sum of FCFF present value		628	602	568	532	497	463	432	403	376	350	326

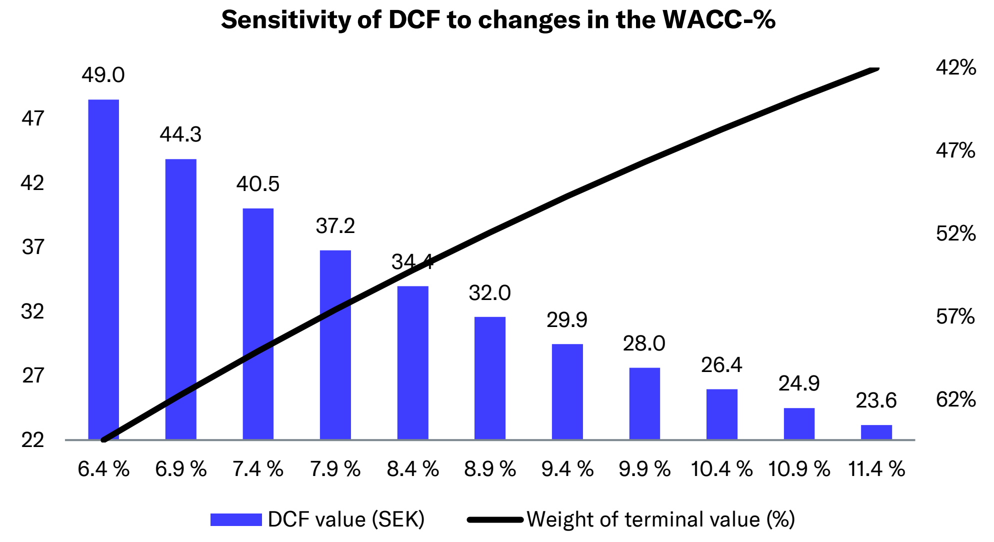
Enterprise value DCF	**628**
- Interest bearing debt	-20
+ Cash and cash equivalents	22
-Minorities	0
-Dividend/capital return	-24
Equity value DCF	**607**
Equity value DCF per share	**32.0**

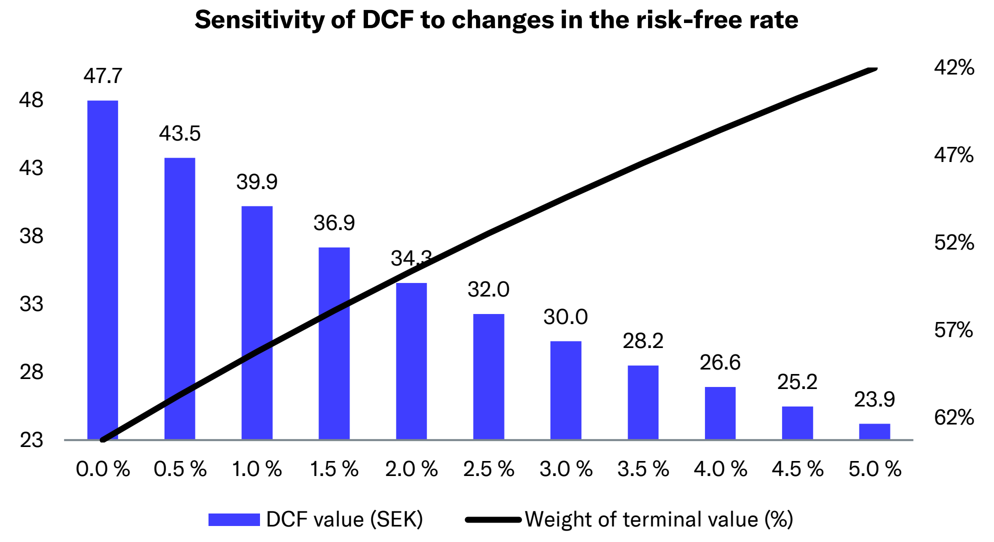
WACC	
Tax-% (WACC)	20.6 %
Target debt ratio (D/(D+E)	5.0 %
Cost of debt	6.0 %
Equity Beta	1.13
Market risk premium	4.75%
Liquidity premium	1.29%
Risk free interest rate	2.5 %
Cost of equity	**9.2 %**
Weighted average cost of capital (WACC)	**8.9 %**

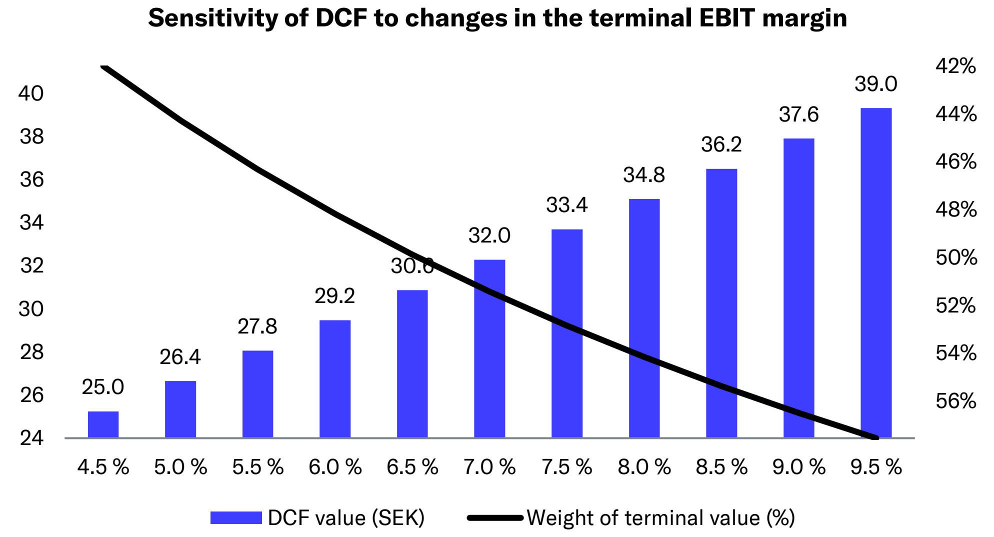
Cash flow distribution

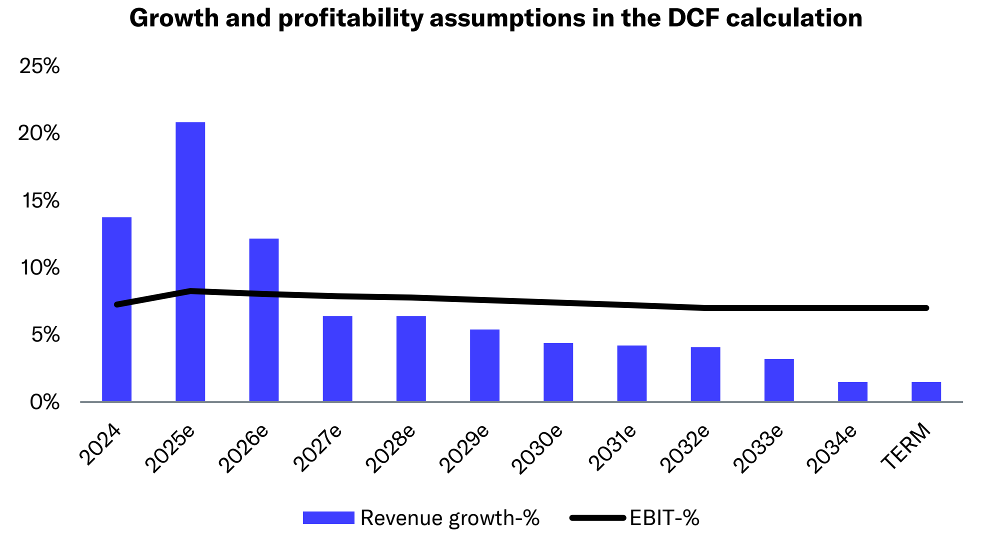


DCF sensitivity calculations and key assumptions in graphs









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
Revenue	411	440	501	**605**	**679**
EBITDA	46	40	56	**72**	**77**
EBIT	33	22	36	**50**	**55**
PTP	31	19	33	**47**	**51**
Net Income	24	15	26	**37**	**41**
Extraordinary items	-2.9	-3.3	-3.7	**-4.4**	**-5.0**

Balance sheet	2022	2023	2024	2025e	2026e
Balance sheet total	189	229	247	**283**	**307**
Equity capital	49	47	54	**67**	**82**
Goodwill	49	70	73	**73**	**73**
Net debt	16	47	46	**30**	**15**

Cash flow	2022	2023	2024	2025e	2026e
EBITDA	46	40	56	**72**	**77**
Change in working capital	-1	1	4	**7**	**4**
Operating cash flow	38	37	53	**68**	**70**
CAPEX	-19	-53	-30	**-26**	**-26**
Free cash flow	19	-12	23	**27**	**38**

Valuation multiples	2022	2023	2024	2025e	2026e
EV/S	0.7	0.8	0.8	**1.3**	**1.1**
EV/EBITDA	6.0	8.5	7.1	**10.7**	**9.8**
EV/EBIT (adj.)	7.8	13.4	9.9	**14.1**	**12.6**
P/E (adj.)	9.2	15.8	11.7	**17.7**	**16.2**
P/B	5.4	6.2	6.5	**11.0**	**9.0**
Dividend-%	7.3 %	6.5 %	6.8 %	**3.5 %**	**3.8 %**

Source: Inderes

Per share data	2022	2023	2024	2025e	2026e
EPS (reported)	1.34	0.80	1.38	**1.96**	**2.14**
EPS (adj.)	1.50	0.97	1.58	**2.20**	**2.40**
OCF / share	2.08	1.94	2.80	**3.58**	**3.68**
OFCF / share	1.05	-0.63	1.21	**1.42**	**2.02**
Book value / share	2.56	2.50	2.83	**3.54**	**4.33**
Dividend / share	1.00	1.00	1.25	**1.35**	**1.50**

Growth and profitability	2022	2023	2024	2025e	2026e
Revenue growth-%	28%	7%	14%	**21%**	**12%**
EBITDA growth-%	47%	-14%	42%	**28%**	**8%**
EBIT (adj.) growth-%	24%	-29%	59%	**36%**	**10%**
EPS (adj.) growth-%	18%	-35%	62%	**39%**	**9%**
EBITDA-%	11.2 %	9.0 %	11.2 %	**11.9 %**	**11.4 %**
EBIT (adj.)-%	8.6 %	5.7 %	8.0 %	**9.0 %**	**8.8 %**
EBIT-%	7.9 %	5.0 %	7.3 %	**8.3 %**	**8.1 %**
ROE-%	62.7 %	32.2 %	51.8 %	**61.7 %**	**54.3 %**
ROI-%	36.1 %	20.7 %	30.8 %	**39.1 %**	**39.3 %**
Equity ratio	25.8 %	20.7 %	21.7 %	**23.7 %**	**26.7 %**
Gearing	32.5 %	98.4 %	85.6 %	**44.7 %**	**18.4 %**

The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years. Per-share figures are calculated using the number of shares at year-end.

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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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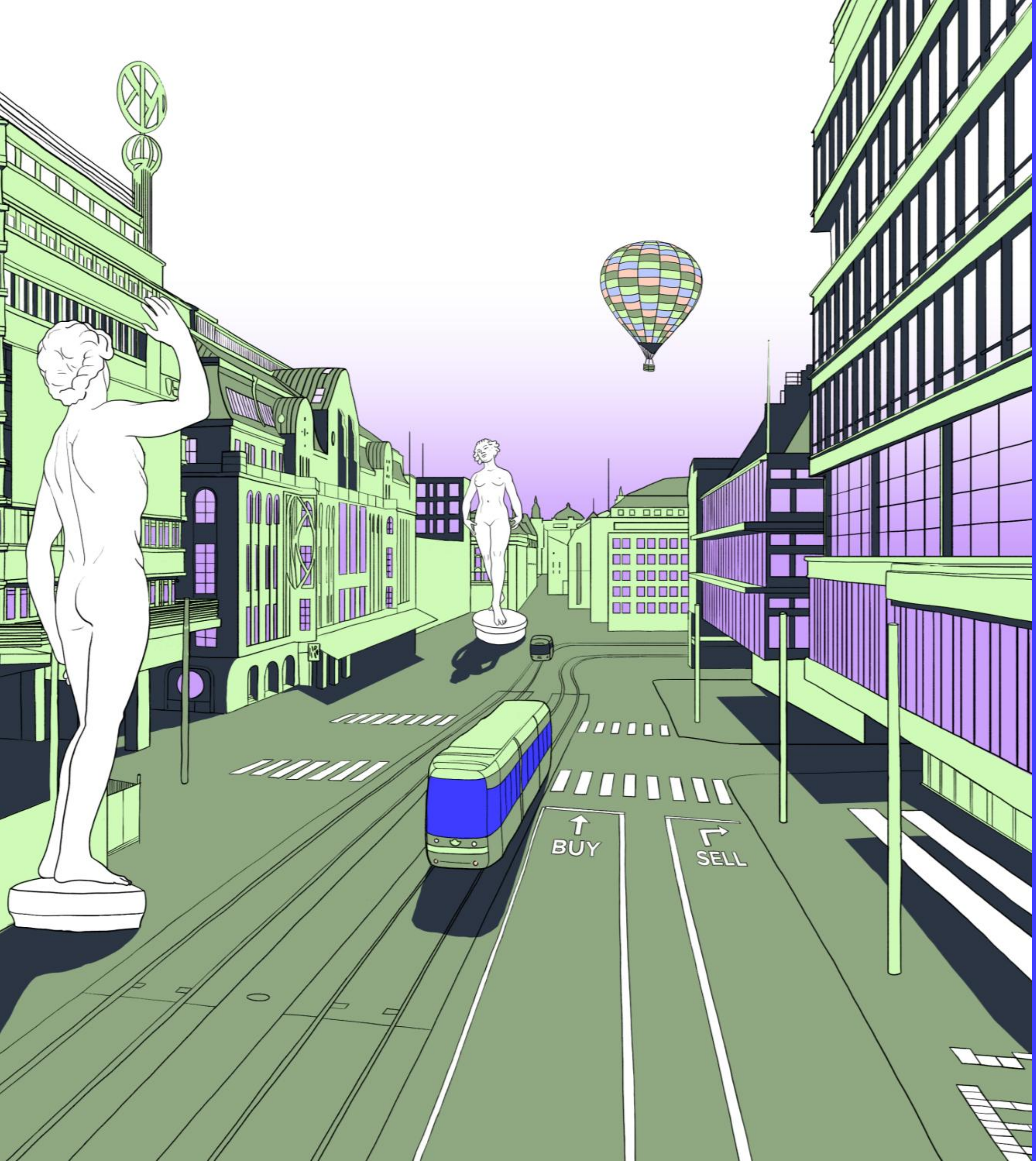
Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2024-05-23	Reduce	29.0 kr	35.0 kr
2024-07-18	Reduce	35.0 kr	39.0 kr



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