

ALMA MEDIA

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Petri Gostowski
+358 40 821 5982
petri.gostowski@inderes.fi



INDERES CORPORATE CUSTOMER
COMPANY REPORT

Earnings growth drives expected return

Alma Media's Q4 results were well in line with our expectations, and the guidance for the current year points to earnings growth, which fit well with the picture of earnings growth outlined by our estimates. We have made minor adjustments to our forecasts and are therefore revising our target price to EUR 15.0 (previously EUR 15.50) and raising our recommendation to Accumulate (previous Reduce). In our view, the share is attractively priced relative to our forecast of earnings growth outlook.

Q4 figures in line with our expectations

Alma Media's Q4 revenue grew by 5% to 84.9 MEUR, which was close to our forecast prediction of 6% growth. As expected, Marketplaces led the growth, supported by strong organic growth in addition to inorganic growth. Alma's adjusted EBIT was 21.1 MEUR, which was also in line with our forecast at 21 MEUR. This corresponds to a very good EBIT margin of 24.8%, which also increased year-on-year as a result of improved operational efficiency (Q4'24: 24%). Throughout 2025, Alma Media grew by 5%, mainly driven by acquisitions, and its adjusted EBIT rose by 7% as the company continued to streamline its operations and grow in higher-margin services. Thanks to its strong financial position, Alma Media is raising its dividend to EUR 0.48 per share.

Guidance in line with our forecast

Alma Media issued guidance for 2026, expecting its revenue to remain at the previous year's level and adjusted EBIT to grow. We see the stable revenue outlook as based on a somewhat conservative estimate of the development of the domestic economy. This is driven largely by consumer confidence, which remains low, indicating sluggish investment levels in durable goods as well as in the advertising market. The company is more optimistic about its

recruitment business, especially in its Central European markets. Meanwhile, the company expects earnings growth to come from improved efficiency in all segments and growth in high-margin services.

Forecast changes slightly negative

In our view, conservative growth expectations are justified, but we see room for positive growth surprises if the recent positive signals from the Finnish economy materialize. We have made relatively minor downward adjustments (1-3%) to our forecasts for the coming years, predicting 4% revenue growth this year and 8% increase in the result. These reflect, in particular, the growth we forecast for digital and classified income in Marketplaces but also a stronger recruitment market and, thus, growth in Career.

Earnings growth drives expected return

Based on the LTM results, the adjusted P/E and EV/EBIT multiples for the stock are just under 18x and 15x. In our view, considering Alma Media's high return on capital, good cash flow profile, and growth outlook, these valuation multiples are justified. Thus, the expected return is driven by our forecast of robust earnings growth in the coming years (2026-2028 EPS growth-% 10%). Together with our dividend yield forecast of nearly 4%, this brings the expected return into double digits for the coming years, surpassing our required return. The moderate valuation is also suggested by our DCF model, which stands at EUR 15.6 per share. Therefore, we consider the current valuation attractive and find the risk/reward ratio of the stock appealing at its current valuation.

Recommendation

Accumulate

(was Reduce)

Target price:

15.00 EUR

(was EUR 15.50)

Share price:

13.25 EUR

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	327	340	350	360
growth-%	5%	4%	3%	3%
EBIT adj.	82.1	88.2	95.8	102.4
EBIT-% adj.	25.1 %	25.9 %	27.3 %	28.4 %
Net Income	55.4	63.0	72.3	78.3
EPS (adj.)	0.72	0.77	0.88	0.96

P/E (adj.)	19.8	17.1	15.0	13.8
P/B	4.8	4.0	3.6	3.2
Dividend yield-%	3.3 %	3.8 %	3.9 %	4.1 %
EV/EBIT (adj.)	15.8	13.5	12.2	11.0
EV/EBITDA	13.4	11.4	10.4	9.6
EV/S	4.0	3.5	3.3	3.1

Source: Inderes

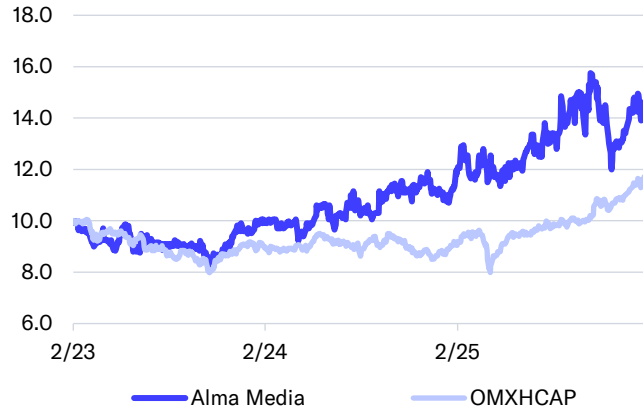
Guidance

(New guidance)

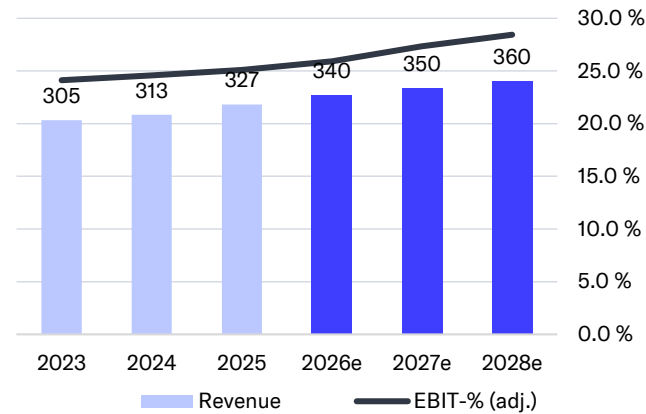
Alma Media expects its full-year revenue of 2026 to remain at the 2025 level and the adjusted operating profit to grow. The full-year revenue for 2025 was 327.1 MEUR and the adjusted operating profit

was 82.1 MEUR.

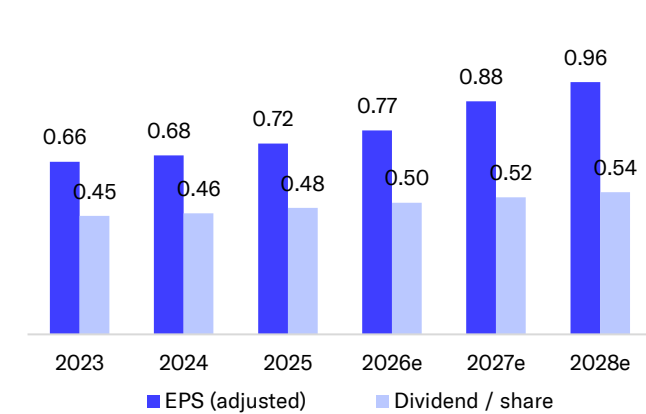
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

- Profitable growth in digital businesses
- Positive long-term market trends of marketplace businesses
- Stable profitability development and good cash flow in media businesses
- M&A option that is positive given track record

Risk factors

- Cyclicalitv especially in advertising and recruitment business
- Accelerated revolution in media and decrease in print media
- Competitive risks posed by new technologies
- Possible changes in competitive position and dynamics

Valuation	2026e	2027e	2028e
Share price	13.25	13.25	13.25
Number of shares, millions	82.4	82.4	82.4
Market cap	1092	1092	1092
EV	1195	1164	1130
P/E (adj.)	17.1	15.0	13.8
P/E	17.3	15.1	13.9
P/B	4.0	3.6	3.2
P/S	3.2	3.1	3.0
EV/Sales	3.5	3.3	3.1
EV/EBITDA	11.4	10.4	9.6
EV/EBIT (adj.)	13.5	12.2	11.0
Payout ratio (%)	65.4 %	59.3 %	56.8 %
Dividend yield-%	3.8 %	3.9 %	4.1 %

Source: Inderes

Q4 figures in line with our expectations

Growth especially in Marketplaces

Alma Media's 5% revenue growth in Q4 was driven largely by the Marketplaces segment, which grew by a robust 17% year-on-year. This growth was fueled especially by inorganic growth and the acquisitions of Edilex and Effortia. Organic growth also reached a solid 7%, as the favorable development of the Swedish business premises market supported the Real Estate business unit as before.

As expected, Career achieved slight growth (1%) as well, as classified advertisements continued their growth trend after the previous quarter's turnaround and its digital services also achieved slight growth.

Contrary to our expectations, News Media's revenue declined slightly in Q4, decreasing by 3% from the comparison period. This was particularly due to the contraction in print-driven advertising and content revenue, but the advertising market was generally sluggish in Q4. This was also reflected in the steadily developing digital

advertising. Growth in digital content, which remained at a good level indicating the competitiveness of content revenue, did not compensate for these negative drivers.

Profitability development has continued to be good

Alma Media's adjusted EBIT was 21.1 MEUR in Q4, which was well in line with our estimate. Overall, cost development in the segments was largely in line with our expectations, and the slight underperformance of News Media compared to our forecast was offset by the other segments' slightly better-than-expected efficiency. News Media's slight miss on forecasts came from the top line, and the segment has continued to reduce its cost structure successfully, which is positive considering the outlook for its revenue structure. The company recorded small one-off items from both restructuring and impairment on the lower lines, which meant that the reported result fell slightly short of our forecasts. However, this does not change the overall picture of the expected earnings development.

Cash flow and financial position at strong level

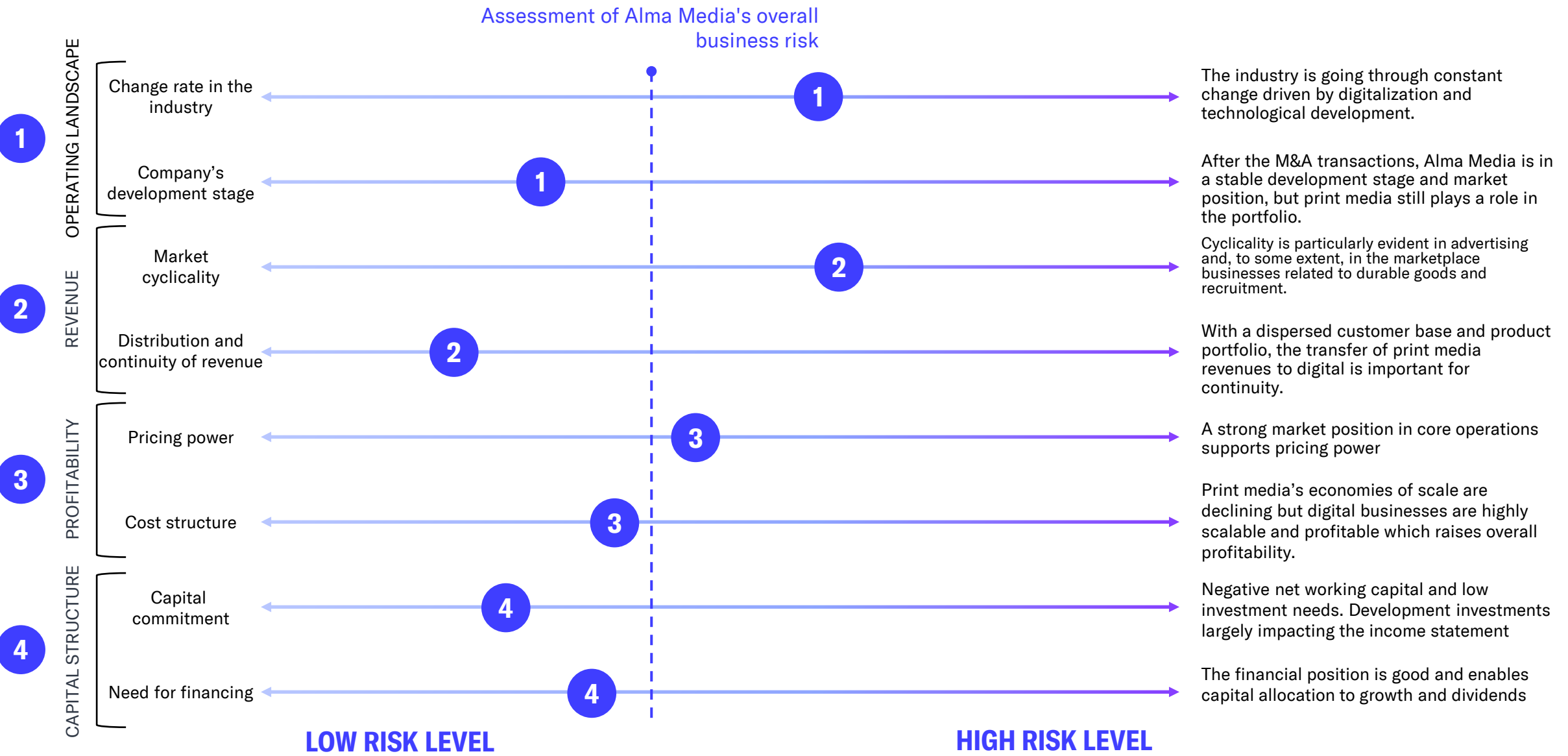
Alma Media's cash flow from operating activities climbed to over 81 MEUR in 2025 thanks to earnings growth (2024: 73.8 MEUR), while its organic investments remained at a moderate level of 3.8 MEUR. Thus, after paying its lease liabilities, the company generated free cash flow of just over 70 MEUR in 2025. Of course, the company used nearly 20 MEUR of this for inorganic growth, but overall, the business generated a very respectable cash flow.

Reflecting the positive cash flow development, the company's net debt at the end of 2025 was a moderate 126 MEUR, or 1.3x the previous year's EBITDA. Thus, in terms of its financial position, the company has considerable capacity (150-200 MEUR) to implement inorganic growth and pay increasing dividends. Consequently, the company's financial position and balance sheet ratios are at quite a strong level.

Estimates	Q4'24	Q4'25	Q4'25e	Q4'25e	Consensus	Difference (%)	2025
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low High	Act. vs. inderes	ACT.
Revenue	81.2	84.9	85.8	85.4	85.0 - 85.8	-1%	327
EBIT (adj.)	19.5	21.1	21.0	21.0	20.8 - 21.3	0%	82.1
EBIT	17.7	18.7	20.9	20.6	20.0 - 21.0	-10%	77.8
EPS (reported)	0.15	0.15	0.18	0.18	0.17 - 0.19	-17%	0.67
DPS	0.46	0.48	0.47	0.47	0.47 - 0.48	2%	0.48
Revenue growth-%	4.3 %	4.6 %	5.7 %	5.2 %	4.7 % - 5.7 %	-1.1 pp	4.7 %
EBIT-% (adj.)	24.0 %	24.8 %	24.5 %	24.6 %	24.5 % - 24.8 %	0.3 pp	25.1 %

Source: Inderes & Modular Finance
(consensus, 5 estimates)

Risk profile of the business model



Forecast changes slightly negative

Guidance met our expectations

Alma Media issued guidance for 2026, stating that its revenue will be at the previous year's level and adjusted EBIT will grow from the previous year. This guidance aligned well with the bar set by our forecasts, as outlined in our earnings preview. We do not know the limits of the verbal guidance (i.e., the difference between stable and growth), but in our assessment, an EBIT change of >5% corresponds to growth.

We made minor refinements to our operational estimates

Following the Q4 report, we have made small negative revisions to our revenue estimates, which also weighed on our operational earnings estimates. Our estimate revisions largely focused on the Marketplaces segment because consumer confidence in Finland is sluggish, which hinders investment levels in durable goods, i.e., homes and cars. Although recently, the news flow regarding Finland's

economic development has been positive, we estimate that investments in durable goods will remain subdued until there is a clear improvement in the employment situation.

Below our operational earnings estimates, we slightly raised our estimates for financing costs, which impacted our EPS estimates more than our operational earnings estimates.

Earnings growth in 2026

We estimate that Alma Media's revenue will grow in 2026, reflecting growth across all segments. A key driver in Career is the turnaround in the Central European recruitment market, as evidenced by the shift in invoicing to growth, which was also addressed in the Q4 earnings call. We also expect growth in the recruitment market to support advertising sales growth in the segment. In Marketplaces, we anticipate that the launch of the new Ovi Pro, together with the well-performing Insights and Real Estate functions, will drive growth. Similarly, in News Media, we expect digital

income to more than offset the decline in print. In line with this revenue development and Alma Media's ongoing operational efficiency improvements, we anticipate improved profitability across all segments as well. Thus, our estimate for adjusted EBIT growth in 2026 is 8%.

In 2027-2028, we expect earnings growth to continue as, in addition to revenue growth, Career's operations will become more efficient by eliminating certain overlapping costs. Based on these projections, we view Alma Media's medium-term earnings growth outlook positively, anticipating an average operational earnings growth of 8% for 2026-2028. Our adjusted EBIT estimate for 2028 is 28.4%, which is below Alma Media's long-term target (> 30%), as we believe that stronger growth than we have estimated is necessary to reach this target.

Estimate revisions	2025e	2025	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Inderes	Actualized	%	Old	New	%	Old	New	%
Revenue	328	327	0%	343	340	-1%	353	350	-1%
EBIT (exc. NRIs)	82.0	82.1	0%	90.9	88.2	-3%	97.7	95.8	-2%
EBIT	80.0	77.8	-3%	90.4	87.4	-3%	97.2	95.2	-2%
PTP	72.6	70.7	-3%	85.6	80.2	-6%	93.8	90.9	-3%
EPS (excl. NRIs)	0.73	0.72	-1%	0.84	0.77	-8%	0.92	0.88	-4%
DPS	0.47	0.48	2%	0.48	0.50	4%	0.50	0.52	4%

Source: Inderes

Alma Media, Webcast, Q4'25



Investment profile

- 1 Growth in digital businesses and excellent profitability
- 2 Stable and profitable media operations that generate cash flow
- 3 Economic growth is reflected in the business growth outlook
- 4 Balance sheet offers leeway for inorganic growth
- 5 Good track record of capital reallocation

Potential

- Organic growth potential in high profitability digital businesses
- The decrease in the company's development costs as large projects end improves the profitability potential
- Excellent cash flow and high ROIC
- M&A option that is positive given track record

Risks

- Cyclical sensitivity visible in some businesses
- Structural decrease in print media income and arising needs for adjustment
- Possible changes in competitive position
- Technology changes offer opportunities and risks

Earnings growth drives expected return

Valuation methods

In forming our view, we currently place most weight on the share's expected total return based on the forecasts for the next few years (earnings growth + dividends + changes in valuation multiples) and on the discounted cash flow (DCF) model.

For the earnings-based valuation, we favor the EV/EBIT ratio that reflects the balance sheet structure and the net profit-based P/E ratio. We do not give much weight to the relative valuation, because there are no obvious peers available for Alma Media's business structure that would provide a clear valuation benchmark.

Earnings growth and dividend yield create a nice expected return

We believe that the role of the dividend is crucial for the stock's expected return over the next few years. With our estimates and the current share price level, the dividend yield is good 4% in the next few years.

We expect operational earnings growth in the coming years to be at a fairly good level (2025-2027 average adjusted EBIT growth 8%) supported by gradual increases in revenue and profitability. In addition, the earnings pressure from net financial expenses will decrease due to falling interest rates and a shrinking debt level. Reflecting these factors, the projected EPS growth for the next few years is on average a good 10% p.a.

Alma Media's earnings-based valuation multiples for the last 12 months are an adjusted P/E of nearly 18x and an adjusted EV/EBIT of nearly 15x. In our view, these earnings-based valuation multiples are justified, given

Alma Media's rather good return on capital capacity and moderate organic growth outlook. In our view, a justified valuation level is, e.g., an EV/EBIT multiple of around 14-16x and a P/E multiple of around 16-20x. Against this backdrop, the total expected return, comprising earnings growth and dividend yield, is an attractive, low double-digit figure that exceeds our required return.

DCF

We feel that the applicability of the DCF calculation in Alma Media's valuation is reasonable, and it reflects the company's long-term ability to create value. In our opinion, the link between demand and economic cycles somewhat weakens its suitability, but on the other hand, Alma Media's track record over the past few years shows that it can defend its profitability quite convincingly even in a weak environment.

Our DCF model indicates a share value of EUR 15.6, suggesting that the stock is moderately priced. In the model, our long-term growth forecast is 2.5%, which reflects our estimate of organic growth potential (i.e., excluding acquisitions). Our profitability estimates, on the other hand, average 27% over the entire forecast period, and the terminal profitability estimate is 26%. Thus, the forecasted long-term operating result growth is just under 5% p.a., meaning that we expect growth to scale into earnings development also in the long run. These profitability levels are above the company's historical figures, so our model also includes expectations of future profitability improvement, which we consider warranted in light of the track record.

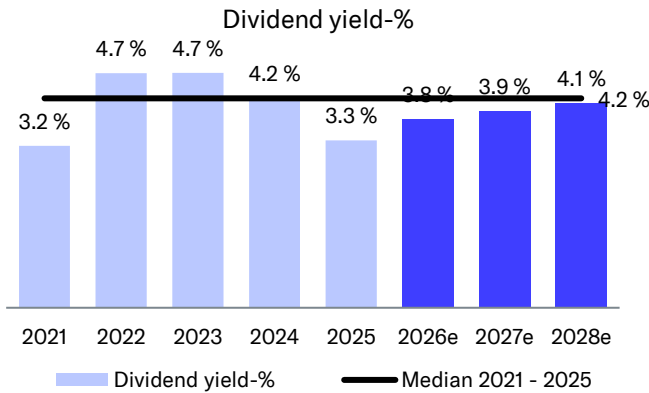
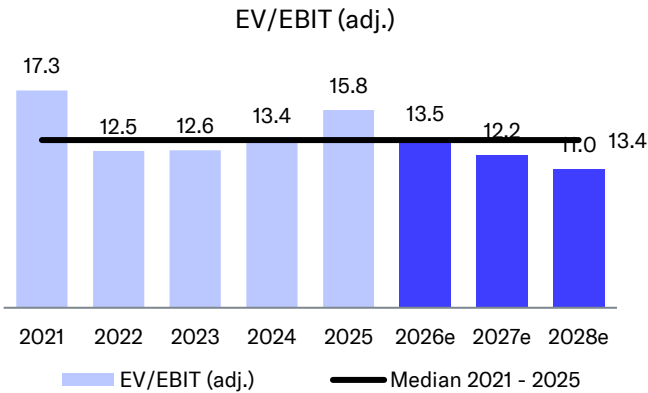
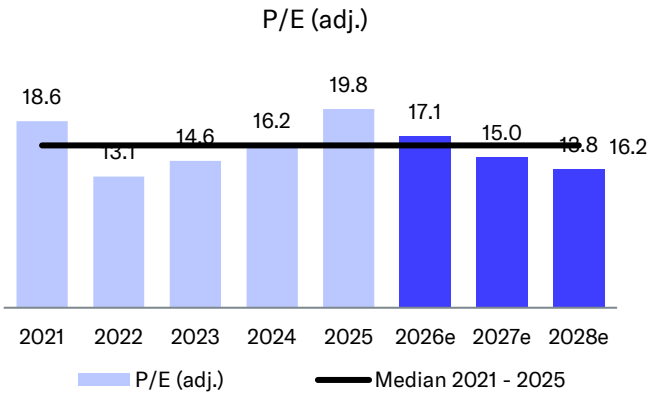
Valuation	2026e	2027e	2028e
Share price	13.25	13.25	13.25
Number of shares, millions	82.4	82.4	82.4
Market cap	1092	1092	1092
EV	1195	1164	1130
P/E (adj.)	17.1	15.0	13.8
P/E	17.3	15.1	13.9
P/B	4.0	3.6	3.2
P/S	3.2	3.1	3.0
EV/Sales	3.5	3.3	3.1
EV/EBITDA	11.4	10.4	9.6
EV/EBIT (adj.)	13.5	12.2	11.0
Payout ratio (%)	65.4 %	59.3 %	56.8 %
Dividend yield-%	3.8 %	3.9 %	4.1 %

Source: Inderes

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	10.8	9.40	9.60	11.0	14.4	13.25	13.25	13.25	13.25
Number of shares, millions	82.4	82.2	82.1	82.1	82.4	82.4	82.4	82.4	82.4
Market cap	891	773	788	903	1182	1092	1092	1092	1092
EV	1059	920	925	1029	1297	1195	1164	1130	1092
P/E (adj.)	18.6	13.1	14.6	16.2	19.8	17.1	15.0	13.8	13.0
P/E	20.4	10.7	14.0	17.3	21.4	17.3	15.1	13.9	13.1
P/B	5.4	3.8	3.6	3.9	4.8	4.0	3.6	3.2	2.9
P/S	3.2	2.5	2.6	2.9	3.6	3.2	3.1	3.0	3.0
EV/Sales	3.8	3.0	3.0	3.3	4.0	3.5	3.3	3.1	3.0
EV/EBITDA	14.4	9.5	10.2	11.3	13.4	11.4	10.4	9.6	8.8
EV/EBIT (adj.)	17.3	12.5	12.6	13.4	15.8	13.5	12.2	11.0	10.1
Payout ratio (%)	66.1 %	50.0 %	65.7 %	72.3 %	71.4 %	65.4 %	59.3 %	56.8 %	55.5 %
Dividend yield-%	3.2 %	4.7 %	4.7 %	4.2 %	3.3 %	3.8 %	3.9 %	4.1 %	4.2 %

Source: Inderes



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 Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
			2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
Alma Media													
Agora SA	381	299						2.2	1.5	39.7			0.7
Future PLC	560	918	3.9	3.8	3.6	3.5	1.1	1.1	3.8	3.6	0.8	0.8	0.7
Gannett Co Inc													
Lagardere SA	2633	7342	11.2	10.6	6.7	6.4	0.8	0.7	8.9	8.0	3.9	4.0	2.5
Arnoldo Mondadori Editore SpA	545	782	8.2	8.0	4.9	4.8	0.8	0.8	8.2	8.2	7.9	8.7	0.8
New York Times Co	9263	8740	18.8	16.8	16.4	15.0	3.4	3.2	25.0	22.0	1.2	1.3	4.7
Promotora de Informaciones SA	471	1143	9.9	9.0	6.1	5.7	1.2	1.2	34.9	20.5			
Vocento SA	81	127		24.9	6.2	4.5	0.4	0.4					0.8
Auto Trader Group PLC	4837	4882	10.3	9.6	9.9	9.3	6.7	6.3	14.1	12.8	2.3	2.6	7.6
Carsales.Com Ltd	5766	6471	18.6	16.4	15.3	13.6	8.5	7.7	23.4	20.9	3.4	3.8	3.2
Moneysupermarket.Com Group PLC	1027	1046	6.9	6.6	6.2	5.9	2.0	1.9	9.0	8.4	8.0	8.3	3.6
REA Group Ltd	13933	13734	25.4	22.0	21.8	19.1	12.8	11.5	36.0	30.8	1.7	2.0	10.6
Rightmove PLC	3979	3937	11.1	10.3	10.7	9.9	7.3	6.8	14.4	13.1	2.6	2.9	38.4
Scout24 SE	5520	5712	14.6	12.9	12.6	11.2	7.6	6.8	19.1	16.5	2.3	2.7	3.4
Seek Ltd	4082	4721	22.0	18.0	15.6	13.3	6.6	5.9	33.7	25.9	2.7	3.3	2.5
Stroeer SE & Co KgaA	1787	3558	10.1	9.0	5.3	4.9	1.6	1.5	9.7	8.4	7.3	7.9	3.2
Hemnet Group	1108	1157	15.8	12.9	14.1	11.8	7.2	6.1	19.6	15.7	1.6	2.0	10.4
Alma Media (Inderes)	1092	1195	13.5	12.2	11.4	10.4	3.5	3.3	17.1	15.0	3.8	3.9	4.0
Average		3714	13.2	12.5	10.1	9.1	4.2	3.8	19.7	15.3	3.5	3.8	5.9
Median		2617	11.1	10.4	8.3	7.8	2.2	1.9	17.7	14.2	2.6	3.1	3.2
Diff-% to median			23%	16%	37%	34%	58%	72%	-3%	5%	44%	28%	26%

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	313	79.2	83.7	79.3	84.9	327	83.0	86.7	82.8	87.7	340	350	360	369
Alma Career	107	26.7	27.0	26.2	26.4	106.3	27.3	27.8	27.2	27.3	110	113.8	116	119
Alma Marketplaces	98.3	26.9	29.2	28.6	30.4	115	29.7	30.9	30.3	31.9	123	127	132	137
Alma News Media	107	25.8	27.5	24.6	28.4	106	26.0	28.0	25.3	28.5	108	109	111	113
EBITDA	91.0	21.0	24.5	27.3	23.9	96.7	21.8	26.7	29.2	27.5	105	111	118	124
Depreciation	-17.6	-4.4	-4.6	-4.7	-5.2	-18.9	-4.5	-4.5	-4.4	-4.4	-17.8	-16.3	-16.4	-17.0
EBIT (excl. NRI)	76.9	17.2	21.1	22.7	21.1	82.1	17.5	22.4	25.0	23.3	88.2	95.8	102	108
EBIT	73.4	16.6	19.9	22.6	18.7	77.8	17.3	22.2	24.8	23.1	87.4	95.2	102	107
Alma Career	43.1	9.8	11.3	11.0	10.3	42.4	10.1	11.8	11.8	11.2	44.9	48.4	50.3	52.1
Alma Marketplaces	27.8	7.0	7.4	9.6	8.1	32.1	7.9	9.1	11.3	10.1	38.4	41.4	44.5	47.7
Alma News Media	13.7	2.8	4.6	4.4	4.5	16.3	3.0	5.0	4.9	5.5	18.4	19.4	21.2	21.8
Unallocated	-11.2	-3.0	-3.4	-2.4	-4.2	-13.0	-3.5	-3.5	-3.0	-3.5	-13.5	-13.5	-13.6	-14.0
NRIs	-0.1	0.0	0.0	0.0	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.8	-0.5	-0.5	-0.5
Net financial items	-7.7	-2.3	-2.0	-2.1	-1.7	-8.0	-1.8	-1.8	-1.8	-1.8	-7.2	-4.3	-3.4	-2.8
PTP	67.0	14.4	18.5	20.9	16.9	70.7	15.5	20.4	23.0	21.3	80.2	90.9	98.4	104
Taxes	-14.4	-3.2	-3.2	-4.1	-4.5	-15.0	-3.3	-4.3	-4.8	-4.5	-16.8	-18.2	-19.7	-20.9
Minority interest	-0.3	0.0	-0.1	-0.2	0.0	-0.3	-0.1	-0.1	-0.1	-0.1	-0.4	-0.4	-0.4	-0.4
Net earnings	52.3	11.1	15.2	16.7	12.4	55.4	12.1	16.0	18.1	16.7	63.0	72.3	78.3	83.1
EPS (adj.)	0.68	0.14	0.20	0.20	0.18	0.72	0.15	0.20	0.22	0.21	0.77	0.88	0.96	1.02
EPS (rep.)	0.64	0.13	0.18	0.20	0.15	0.67	0.15	0.19	0.22	0.20	0.76	0.88	0.95	1.01

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	2.5 %	3.8 %	4.7 %	5.5 %	4.6 %	4.7 %	4.8 %	3.5 %	4.5 %	3.3 %	4.0 %	3.0 %	2.7 %	2.4 %
Adjusted EBIT growth-%	4.5 %	6.7 %	8.8 %	3.9 %	8.0 %	6.8 %	1.7 %	6.4 %	10.0 %	10.7 %	7.5 %	8.6 %	6.9 %	5.3 %
EBITDA-%	29.1 %	26.5 %	29.2 %	34.5 %	28.1 %	29.6 %	26.3 %	30.8 %	35.3 %	31.4 %	30.9 %	31.8 %	32.8 %	33.7 %
Adjusted EBIT-%	24.6 %	21.7 %	25.1 %	28.7 %	24.8 %	25.1 %	21.1 %	25.8 %	30.2 %	26.6 %	25.9 %	27.3 %	28.4 %	29.2 %
Net earnings-%	16.7 %	14.0 %	18.1 %	21.0 %	14.6 %	16.9 %	14.6 %	18.5 %	21.8 %	19.1 %	18.5 %	20.6 %	21.7 %	22.6 %

Source: Inderes

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	445	451	451	453	456
Goodwill	309	323	323	323	323
Intangible assets	88	86	88	90	92
Tangible assets	39	33	32	32	33
Associated companies	5.7	3.4	3.4	3.4	3.4
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	3.6	3.7	3.7	3.7	3.7
Deferred tax assets	0.4	1.7	1.7	1.7	1.7
Current assets	81.1	71.1	73.0	86.5	107
Inventories	0.7	0.8	0.7	0.7	0.7
Other current assets	1.7	0.9	0.9	0.9	0.9
Receivables	36	37	37	39	40
Cash and equivalents	43	33	34	46	66
Balance sheet total	526	522	524	540	563

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	235	250	273	304	339
Share capital	45	45	45	45	45
Retained earnings	162	175	199	230	265
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	7.7	7.8	7.8	7.8	7.8
Other equity	18	20	20	20	20
Minorities	2	1	1	1	1
Non-current liabilities	196	173	144	127	112
Deferred tax liabilities	18	17	17	17	17
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	175	151	122	105	90
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	2.9	5.0	5.0	5.0	5.0
Current liabilities	95	99	107	109	111
Interest bearing debt	10	8	12	10	10
Payables	82	85	90	93	95
Other current liabilities	3.0	6	5.7	5.7	5.7
Balance sheet total	526	521	524	540	563

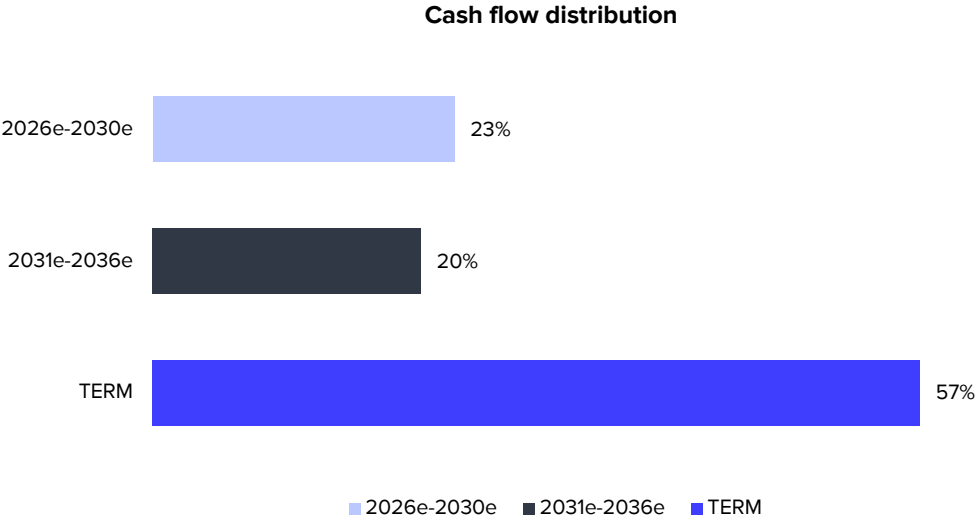
DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	TERM
Revenue growth-%	4.7 %	4.0 %	3.0 %	2.7 %	2.4 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %
EBIT-%	23.8 %	25.7 %	27.2 %	28.3 %	29.1 %	27.5 %	27.0 %	27.0 %	26.5 %	26.0 %	26.0 %	26.0 %	26.0 %
EBIT (operating profit)	77.8	87.4	95.2	102	107	104	105	107	108	108	111	114	
+ Depreciation	18.9	17.8	16.3	16.4	17.0	17.8	18.7	19.3	19.6	19.8	19.9	20.0	
- Paid taxes	-16.5	-16.8	-18.2	-19.7	-20.9	-20.3	-20.5	-21.2	-21.4	-21.6	-22.2	-22.7	
- Tax, financial expenses	-1.7	-1.5	-0.9	-0.7	-0.6	-0.5	-0.4	-0.3	-0.2	-0.1	-0.1	-0.1	
+ 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	0.0	
- Change in working capital	6.0	4.3	1.6	1.5	1.3	1.4	1.4	1.5	1.5	1.6	1.6	1.6	
Operating cash flow	84.5	91.2	94.0	99.3	104	102	104	107	107	108	110	113	
+ Change in other long-term liabilities	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-25	-19	-18.5	-19.0	-19.5	-20.3	-20.4	-20.5	-20.6	-20.7	-20.7	-21.1	
Free operating cash flow	61	73	75.5	80.3	84.6	82.0	83.4	86.0	86.8	87.4	89.7	91.7	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	61	73	75.5	80.3	84.6	82.0	83.4	86.0	86.8	87.4	89.7	91.7	1815
Discounted FCFF		68	65.6	64.8	63.4	57.1	53.9	51.6	48.4	45.2	43.1	40.9	810
Sum of FCFF present value		1412	1344	1279	1214	1151	1093	1040	988	940	894	851	810
Enterprise value DCF		1412											
- Interest bearing debt		-159											
+ Cash and cash equivalents		33											
-Minorities		-4											
-Dividend/capital return		0											
Equity value DCF		1282											
Equity value DCF per share		15.6											

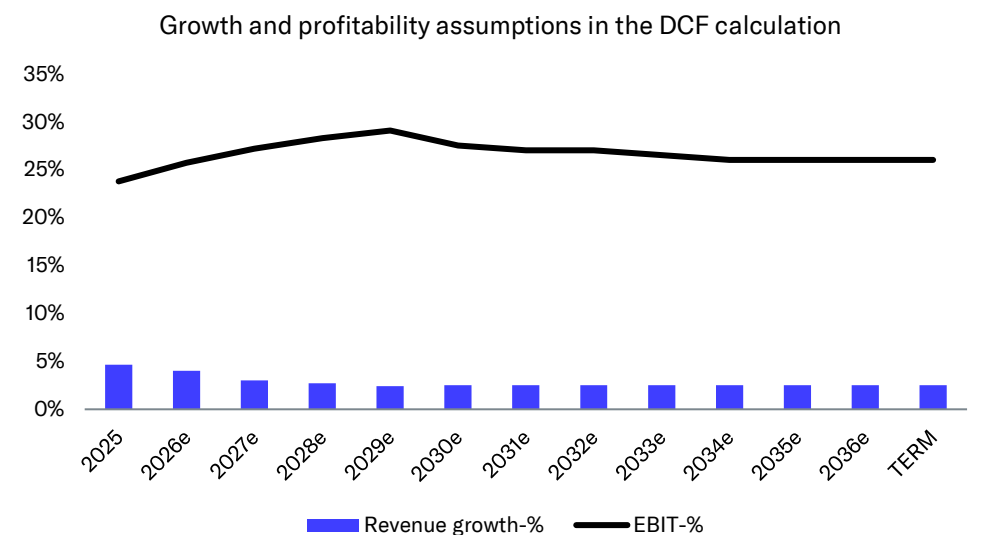
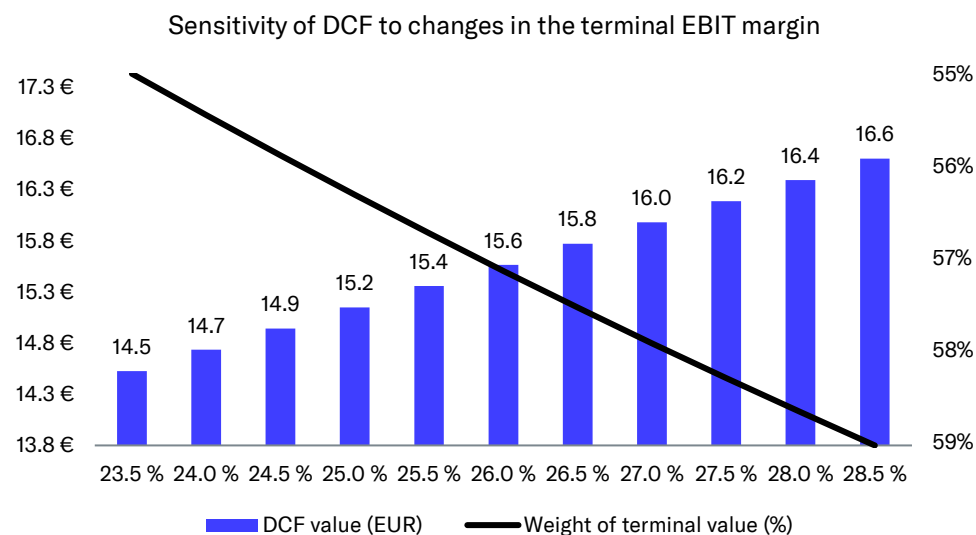
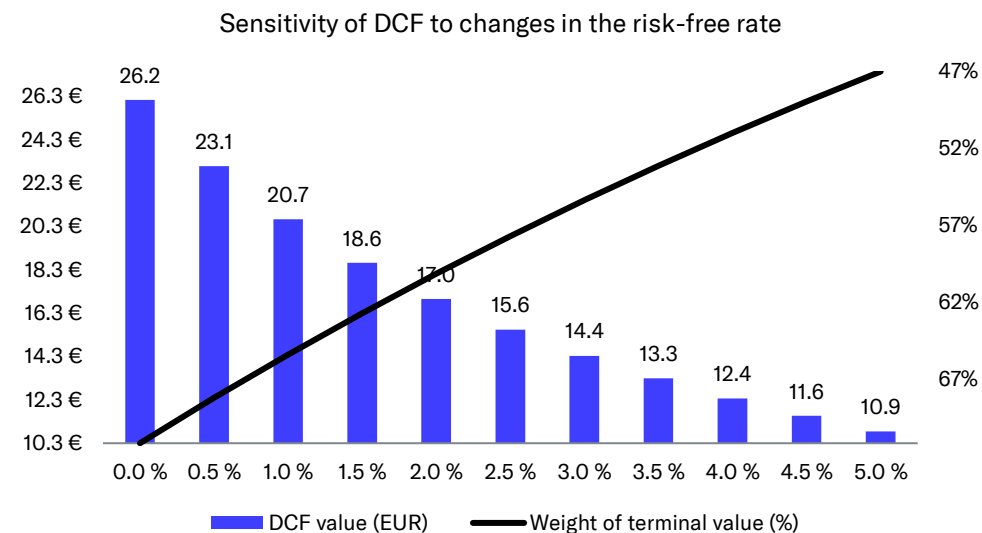
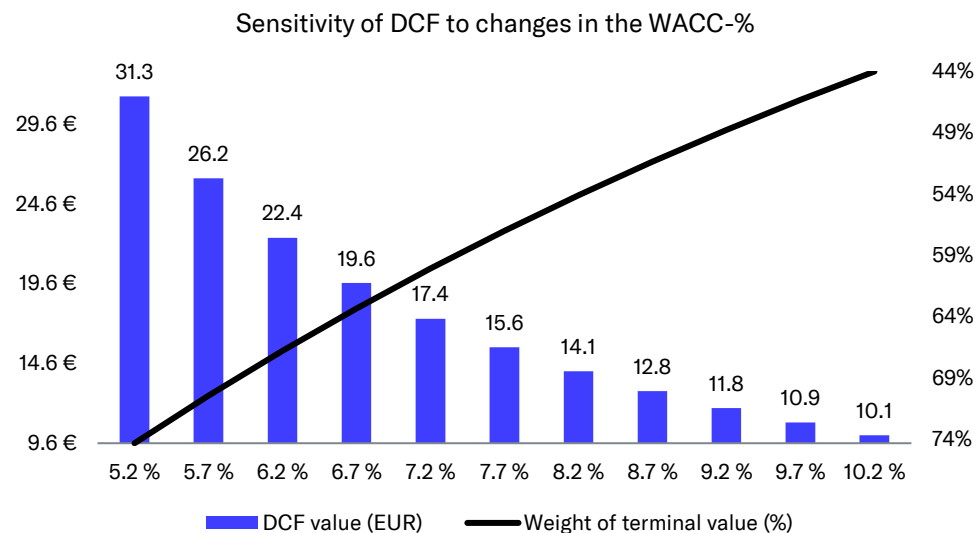
WACC

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	4.5 %
Equity Beta	1.2
Market risk premium	4.75%
Liquidity premium	0.50%
Risk free interest rate	2.5 %
Cost of equity	8.7 %
Weighted average cost of capital (WACC)	7.7 %

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	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e
Revenue	305	313	327	340	350	EPS (reported)	0.68	0.64	0.67	0.76	0.88
EBITDA	90.6	91.0	96.7	105.2	111.5	EPS (adj.)	0.66	0.68	0.72	0.77	0.88
EBIT	73.0	73.4	77.8	87.4	95.2	OCF / share	0.85	0.95	1.03	1.11	1.14
PTP	68.5	67.0	70.7	80.2	90.9	OFCF / share	0.49	0.61	0.74	0.88	0.92
Net Income	56.2	52.3	55.4	63.0	72.3	Book value / share	2.68	2.83	3.02	3.30	3.68
Extraordinary items	-0.6	-3.5	-4.3	-0.8	-0.6	Dividend / share	0.45	0.46	0.48	0.50	0.52
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	527.7	526.1	521.6	524.2	539.9	Revenue growth-%	-1%	3%	5%	4%	3%
Equity capital	222.8	234.9	249.5	272.9	304.0	EBITDA growth-%	-7%	0%	6%	9%	6%
Goodwill	298.0	309.0	322.5	322.5	322.5	EBIT (adj.) growth-%	0%	4%	7%	8%	9%
Net debt	146.5	143.2	126.0	99.1	68.7	EPS (adj.) growth-%	-9%	4%	7%	7%	14%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	29.7 %	29.1 %	29.6 %	30.9 %	31.8 %
EBITDA	90.6	91.0	96.7	105.2	111.5	EBIT (adj.)-%	24.1 %	24.6 %	25.1 %	25.9 %	27.3 %
Change in working capital	-7.9	2.4	6.0	4.3	1.6	EBIT-%	23.9 %	23.5 %	23.8 %	25.7 %	27.2 %
Operating cash flow	69.8	77.6	84.5	91.2	94.0	ROE-%	26.5 %	23.1 %	23.0 %	24.2 %	25.2 %
CAPEX	-26.2	-23.7	-25.4	-18.5	-18.5	ROI-%	18.4 %	17.7 %	19.0 %	21.5 %	23.1 %
Free cash flow	40.4	49.8	61.2	72.7	75.5	Equity ratio	46.3 %	48.6 %	52.6 %	57.3 %	61.9 %
Valuation multiples	2023	2024	2025	2026e	2027e	Gearing	65.8 %	61.0 %	50.5 %	36.3 %	22.6 %
EV/S	3.0	3.3	4.0	3.5	3.3						
EV/EBITDA	10.2	11.3	13.4	11.4	10.4						
EV/EBIT (adj.)	12.6	13.4	15.8	13.5	12.2						
P/E (adj.)	14.6	16.2	19.8	17.1	15.0						
P/B	3.6	3.9	4.8	4.0	3.6						
Dividend-%	4.7 %	4.2 %	3.3 %	3.8 %	3.9 %						

Source: Inderes

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2/16/2020	Reduce	8.80 €	8.70 €
3/12/2020	Reduce	6.80 €	6.54 €
3/26/2020	Reduce	6.50 €	6.50 €
6/12/2020	Accumulate	8.00 €	7.10 €
7/20/2020	Accumulate	8.00 €	7.06 €
10/23/2020	Accumulate	8.50 €	7.84 €
1/13/2021	Reduce	9.50 €	9.54 €
2/18/2021	Reduce	9.00 €	9.14 €
3/8/2021	Accumulate	10.00 €	9.50 €
4/13/2021	Accumulate	10.00 €	9.22 €
4/22/2021	Accumulate	11.00 €	10.46 €
5/28/2021	Accumulate	10.50 €	9.80 €
7/19/2021	Accumulate	12.50 €	11.80 €
7/22/2021	Reduce	12.00 €	11.60 €
9/17/2021	Reduce	11.50 €	10.90 €
10/22/2021	Reduce	12.00 €	12.48 €
2/17/2022	Accumulate	11.00 €	10.00 €
3/14/2022	Reduce	11.00 €	10.60 €
4/25/2022	Accumulate	11.00 €	9.58 €
6/13/2022	Reduce	11.00 €	10.50 €
7/21/2022	Reduce	11.00 €	10.30 €
10/21/2022	Accumulate	10.50 €	9.10 €
2/17/2023	Accumulate	10.50 €	9.63 €
4/24/2023	Accumulate	10.50 €	9.04 €
6/10/2023	Accumulate	10.00 €	8.92 €
7/20/2023	Accumulate	10.00 €	9.14 €
10/19/2023	Accumulate	10.00 €	8.62 €
2/19/2024	Accumulate	10.50 €	9.92 €
4/11/2024	Accumulate	10.50 €	9.44 €
4/22/2024	Accumulate	10.50 €	9.40 €
6/10/2024	Reduce	10.50 €	10.05 €
7/19/2024	Reduce	11.00 €	11.00 €
10/21/2024	Reduce	11.00 €	11.20 €
2/6/2025	Accumulate	13.00 €	12.00 €
4/28/2025	Accumulate	13.00 €	11.75 €
7/18/2025	Accumulate	13.90 €	12.90 €
10/15/2025	Reduce	15.50 €	15.30 €
11/3/2025	Reduce	15.50 €	14.80 €
2/6/2026	Accumulate	15.00 €	13.25 €



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Inderes Ab
Vattugatan 17, 5tr
Stockholm
+46 8 411 43 80

Inderes Oyj
Porkkalankatu 5
00180 Helsinki
+358 10 219 4690

inderes.se

inderes.fi

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