

REVENIO GROUP

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INDERES CORPORATE CUSTOMER
COMPANY REPORT



Solid performance in brisk headwinds

We reiterate our Accumulate recommendation for Revenio but revise our target price to EUR 28.0 (was EUR 30.0) due to negative forecast changes. Q2's operative EBIT was in line with our expectations, although revenue growth fell short of our expectations. Our forecasts decreased mainly due to FX changes, but we also believe that the growth outlook for the coming years has weakened slightly. Overall, things are progressing more or less as expected despite external headwinds, but the valuation demands earnings growth.

Solid performance given the circumstances

Revenio's revenue increased by 4.2% to 26.5 MEUR in Q2. FX rates weighed on growth as expected, and adjusted for them, revenue grew by 7.2%, which still fell short of our expectation of around 10%. Although growth remained somewhat subdued, sales increased across all product categories and on all continents. The role of the US decreased slightly (H1'25: 44% of revenue), as the most significant growth drivers were found outside the country. According to the company, the new MAIA was well received and has been delivered to customers who pre-ordered it.

Q1 EBIT was 6.1 MEUR (Q2'24: 5.3 MEUR) but included 0.5 MEUR in one-off "project costs". In our view, these were related to an M&A project which did not materialize. Excluding these, adjusted EBIT (6.6 MEUR) was well in line with our forecast of 6.7 MEUR, although revenue fell short of our expectations. The weaker dollar is also reflected in costs, a significant portion of which are dollar-denominated. Earnings per share was only EUR 0.12, while our estimate was EUR 0.16. This was due to unrealized FX losses from the weakening dollar, which led to the net debt-free company incurring net financing expenses of 1.7 MEUR. Operating cash flow for Q2 was a solid 6.7 MEUR, and the company's balance sheet is very strong, enabling acquisitions if agreement can be reached with sellers on prices.

Forecasts were lowered primarily due to FX impacts

Revenio reiterated its guidance expecting 6-15% comparable growth and good profitability (excluding non-recurring costs). In H1, the company progressed in terms of growth near the midpoint of its guidance (9.6%), although Q1 was relatively clearly stronger. No other significant changes were apparent in the outlook: the trade war maintains uncertainty, but demand in the United States has been stable according to the company. The company commented that 15% import tariffs would burden the earnings level by 0.5-1.0 MEUR without the company's own measures, but the majority can be covered by inventories and price increases. The situation has not dramatically changed from the previous 10% level. Our earnings forecasts for the coming years decreased by around 10%, however, the main reason for this is the significant weakening of the US dollar against the euro. Revenio's growth drivers remain largely unchanged, but there are still delays in FDA approvals related to the integration of AI, and approval is not expected before 2027. This had a slight negative impact on our growth estimates.

No significant changes in the valuation picture

The attractiveness of Revenio's valuation is strongly linked to the growth rate of its revenue and consequently its profit. Currencies distort the Q2 figures, but the situation is likely to continue until the end of 2025 and weakens positive development 'on paper'. Relative to the outlook for the next few years, we think the valuation (2025e adj. EV/EBIT 21x) is very reasonable, but the market's patience is questionable as the reported result lags. There are also no clearly positive drivers visible in the short term, while the valuation does include expectations of earnings growth. In our view, the relative valuation is reasonable, and the cash flow model would support an even higher target price, through which we see the risk/reward ratio as quite attractive despite the continued high uncertainty.

Recommendation

Accumulate

(was Accumulate)

Target price:

EUR 28.00

(was EUR 30.00)

Share price:

EUR 24.60

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	104	110	126	145
growth-%	7%	6%	14%	15%
EBIT adj.	26.9	30.4	35.3	41.8
EBIT-% adj.	25.9 %	27.6 %	28.0 %	28.8 %
Net income	18.5	19.6	26.9	32.4
EPS (adj.)	0.76	0.79	1.04	1.25
P/E (adj.)	34.8	31.2	23.6	19.7
P/B	6.6	5.6	4.9	4.3
Dividend yield-%	1.5 %	1.6 %	2.0 %	2.7 %
EV/EBIT (adj.)	26.2	20.9	17.4	14.2
EV/EBITDA	23.2	19.1	15.4	12.9
EV/S	6.8	5.8	4.9	4.1

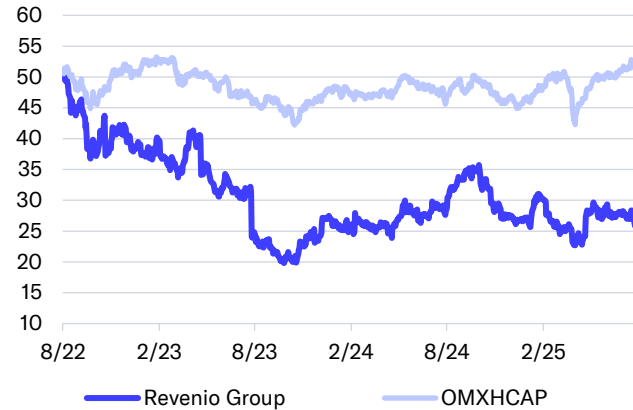
Source: Inderes

Guidance

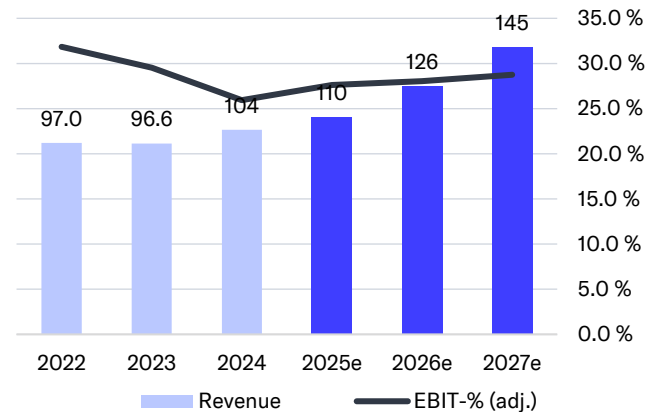
(Unchanged)

Revenio Group's exchange rate-adjusted net sales are estimated to grow 5-10% from the previous year and profitability, excluding non-recurring items, is estimated to remain at a good level.

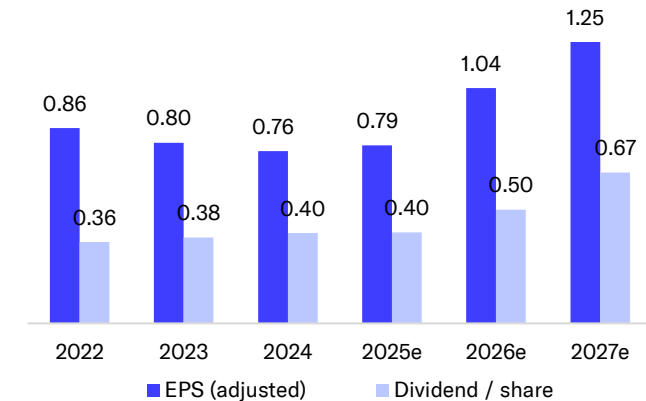
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

- Earnings growth in the short and long term
- More than 30% of revenue is recurring and this share is growing
- Strong competitive protection and market growth drivers offering support
- New products, software and AI have significant long-term potential
- Excellent track record of value creation
- Potential acquisitions (especially OCT)

Risk factors

- The patent protection of the iCare tonometer has been reduced and competition has emerged in RBT technology, which is a long-term threat
- Success in sometimes unpredictable FDA approval processes (especially ILLUME incl. Thirona)
- Medium-term commercial breakthrough success of growth products (ILLUME, HOME family and Thirona cluster)
- Success in the rapid growth of imaging devices
- Increasing competition and the AI transition

Valuation	2025e	2026e	2027e
Share price	24.6	24.6	24.6
Number of shares, millions	26.7	26.7	26.7
Market cap	656	656	656
EV	636	614	591
P/E (adj.)	31.2	23.6	19.7
P/E	33.5	24.4	20.3
P/B	5.6	4.9	4.3
P/S	6.0	5.2	4.5
EV/Sales	5.8	4.9	4.1
EV/EBITDA	19.1	15.4	12.9
EV/EBIT (adj.)	20.9	17.4	14.2
Payout ratio (%)	55.0 %	50.0 %	55.0 %
Dividend yield-%	1.6 %	2.0 %	2.7 %

Source: Inderes

Solid performance given the circumstances

Growth fell slightly short of our expectations

Revenio's revenue increased by 4.2% to 26.5 MEUR in Q2. FX rates weighed on growth as expected, and adjusted for them, revenue grew by 7.2%, which still fell short of our expectation of around 10%. Although growth was somewhat subdued, sales grew in all product categories, and the growth of tonometers and imaging devices was apparently quite steady. iCare HOME2 grew at a double-digit pace. MAIA launched by the company was well-received, and the company has initially delivered it to existing customers and those who pre-ordered the device. The company has not yet done any actual marketing for the new device, as there is natural demand and, on the other hand, delivery volumes are still limited.

Geographically, all regions also grew. The company saw particularly strong growth in India. In Western countries, France and Germany grew well, particularly supported by the iCare ILLUME screening solution. Notably, the role of the United States diminished (H1'25: 44% of revenue), as

the most significant growth drivers were found outside the country.

Operating result in line with our estimate

Q2 EBIT was 6.1 MEUR (Q2'24: 5.3 MEUR) but included 0.5 MEUR in one-off “project costs”. In our view, these were related to an M&A project which did not materialize. Excluding these, adjusted EBIT (6.6 MEUR) was well in line with our forecast of 6.7 MEUR, although revenue fell short of our expectations. The weaker dollar is also reflected in costs, a significant portion of which are dollar-denominated.

A slight improvement was seen in the gross margin (72.6%, Q2'24: 71.1%), partly due to an accounting change, but it is also underpinned by price increases and sales mix. Fixed costs saw a rather moderate increase, but this is partly due to the company's natural hedge against different currencies. Recruitment activity remained quite high. Among other things, the weakening of the Australian dollar

reduces euro-denominated expenses through the software development team located in the country. Earnings per share was only EUR 0.12, while our estimate was EUR 0.16. This was due to unrealized FX losses from the weakening dollar, which led to the net debt-free company incurring net financing expenses of 1.7 MEUR. We note that these have no impact on the company's cash flow.

Very strong balance sheet

In Q2, Revenio's cash flow from operating activities was 6.7 MEUR (Q2'24 6.5 MEUR). Cash flow was supported by improved working capital management but was burdened by the timing of Italian tax payments (which occurred in Q3 last year). Revenio's balance sheet is very strong, with net gearing at -1%. The balance sheet would also allow the company to make moves on the acquisition front, should a suitable target be found at the right price. The company's management stated that it has spent a considerable amount of time on this, but they have not reached an agreement on valuation with potential acquisition targets.

Estimates	Q2'24	Q2'25	Q2'25e	Q2'25e	Consensus	Difference (%)	2025e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Inderes
Revenue	25.4	26.5	27.4	27.7			110
EBIT	5.3	6.1	6.7	7.0			28.9
EPS (reported)	0.16	0.12	0.16	0.19			0.73
Revenue growth-%	14.2 %	4.2 %	7.6 %	8.9 %		-3.3 pp	6.3 %
EBIT-%	20.6 %	23.0 %	24.5 %	25.3 %		-1.5 pp	26.3 %

Source: Inderes & Modular
Finance July 31, 2025
(consensus)

Forecasts were lowered primarily due to FX impacts

No significant changes in the outlook

Revenio reiterated its guidance expecting 2025 comparable revenue to grow by 6-15% from the previous year and profitability to be at a good level excluding non-recurring items. FX-adjusted growth was 9.6% in H1, so the company has so far progressed largely around the midpoint of the range despite the turbulence in the operating environment. It should be noted, however, that Q2 was relatively weaker than the strong Q1. This was likely partly due to customers slightly front-loading their purchases in fear of US tariffs.

Overall, there were no changes in the outlook, although the company stated that the operating environment remains uncertain due to macroeconomic and geopolitical factors (e.g., trade war). However, no major changes in demand have been observed, and the US market has remained stable despite the escalation of the trade war. According to the company, the impact of the current 15% import duties on the company's earnings is approximately

0.5-1.0 MEUR, if the company does not take any action with regard to these. However, the company is planning price increases to offset the tariffs, and the change is not dramatic compared to the previous situation.

Forecasts decreased, but a significant portion is explained by FX fluctuations

Our growth and earnings estimates for the coming years decreased following the Q2 report. However, the main reason for the significant changes is the significant weakening of the US dollar against the euro, without which the changes would have been within a 5% range in our estimation. Currencies can naturally continue to fluctuate significantly, causing volatility in Revenio's reported figures, as we strive to use the current EUR/USD level in our future forecasts.

Revenio's growth drivers remain unchanged in the big picture, but there are still delays in the FDA approvals related to the integration of artificial intelligence. As things

stand, FDA approval is not expected before 2027, so this growth driver will not be a source of joy for the next few years, at least in the United States. On the other hand, ILLUME is progressing quite well in Europe, and Thirona Retina AI can be utilized here to some extent. However, we slightly lowered our near-term estimates due to the delays.

This year, a significant growth driver is the new MAIA perimeter, with higher ambition than the previous perimeter. For tonometers, IC200 continues its gradual rise, supporting the average selling price, HOME2 remains on a strong growth trajectory, and probe sales grow almost automatically with the increasing installed base and usage. In addition, we expect the recently launched ST500 product to contribute to tonometer growth. On the imaging side, DRSplus is benefiting from increased use of screening, and we expect the EIDON product family to continue its growth trajectory. Overall, device sales are thus roughly in line with expectations.

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	115	110	-4%	133	126	-6%	153	145	-5%
EBITDA	35.6	33.3	-7%	44.0	39.8	-9%	50.9	45.9	-10%
EBIT (excl. NRIs)	32.4	30.4	-6%	39.4	35.3	-11%	46.7	41.8	-11%
EBIT	31.4	28.9	-8%	38.4	34.3	-11%	45.8	40.9	-11%
PTP	30.1	26.0	-14%	39.1	34.9	-11%	47.2	42.1	-11%
EPS (excl. NRIs)	0.90	0.79	-13%	1.17	1.04	-11%	1.39	1.25	-11%
DPS	0.43	0.40	-7%	0.56	0.50	-11%	0.75	0.67	-11%

Source: Inderes

Revenio Half-year Financial Report January-June 2025



No significant changes in the valuation picture

Quality company with good long-term growth prospects

It has been easy to paint Revenio's high-quality earnings growth story well into the future, as the core business has maintained a strong growth trajectory while the company's profitability has scaled upwards. While the Q2 report did not quite meet expectations, progress was nevertheless quite good in a difficult market environment, and the headwinds were largely external. Longer-term growth drivers are also progressing, and the trade war does not appear to cause particularly significant challenges for the company (more EUR/USD). In the short term, the risks remain elevated, but we are very confident that the company will come out of this period among the winners in the sector. Thanks to its strong profitability, Revenio is in a strong position compared to its competitors to withstand the turbulence of the operating environment.

Looking further, Revenio is well-positioned in an industry with strong structural long-term growth drivers and deep moats (patents, brand, slow-moving industry and high barrier of entry). In the coming years, we believe the earnings growth prospects are good as new products slowly start to drive growth. In addition, Revenio will continue to expand its product portfolio through both internal product development and acquisitions, for which we believe the prerequisites for creating shareholder value are good.

The rate of earnings growth also affects the acceptable valuation

Revenio's 2025e adjusted EV/EBIT is around 21x, which we believe is reasonable for the company. If the earnings growth we expect materializes, we expect the stock to be at a higher level a year from now. However, this relies on

double-digit growth and there are many different scenarios at the moment. However, we personally believe that a positive scenario is most likely in the next few years due to a number of positive drivers within the company itself.

The visibility for next year is still weak, but for the next 12 months, the valuation is based on forecasts for 2026. Then the adj. EV/EBIT is 17x, which indicates a clear upside. First, the company must demonstrate that it can continue on the earnings growth path we expect.

Relative valuation is quite neutral

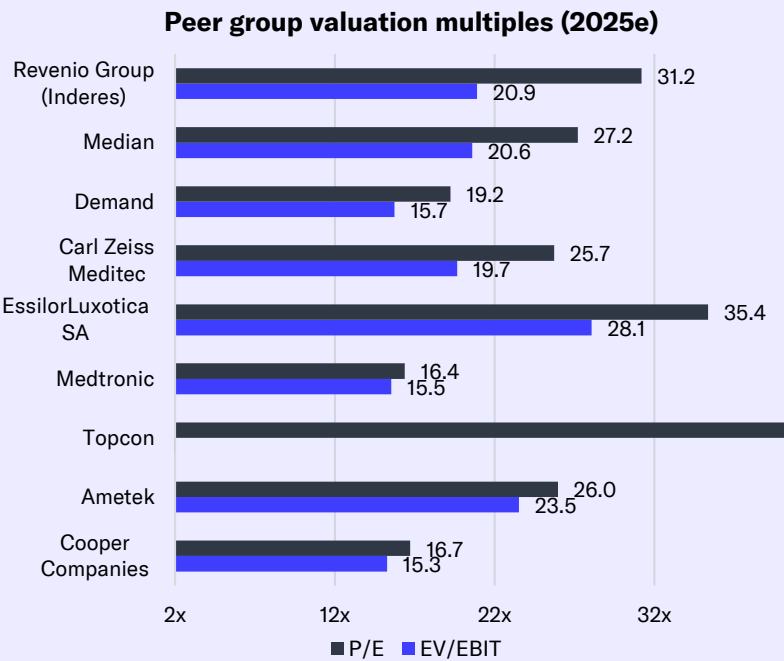
Revenio has historically traded at a premium to the peer group we use, which we believe is justified as long as the size of the premium remains reasonable. The company is growing faster than the industry and its long-term prospects are strong, while many of its future earnings drivers are still maturing. Compared to its competitors, Revenio's performance has also been strong recently. The median 2025e EV/EBIT for the peer group is now around 21x, in line with Revenio. We think Revenio is one of the best companies in the group along with Zeiss, whose 2025e EV/EBIT is currently 20x. However, the organic growth of Zeiss has recently virtually stopped. We consider Revenio's relative valuation to be fairly neutral, but changes in peer valuations do not drive our view on the stock.

DCF calculation

We made no material changes to our DCF analysis, whose indicated value rounds to EUR 31 with the current 8.4% required rate of return (unleveraged). The terminal value portion of the calculation is 65%, which is high but we think is reasonable given the company's profile.

Valuation	2025e	2026e	2027e
Share price	24.6	24.6	24.6
Number of shares, millions	26.7	26.7	26.7
Market cap	656	656	656
EV	636	614	591
P/E (adj.)	31.2	23.6	19.7
P/E	33.5	24.4	20.3
P/B	5.6	4.9	4.3
P/S	6.0	5.2	4.5
EV/Sales	5.8	4.9	4.1
EV/EBITDA	19.1	15.4	12.9
EV/EBIT (adj.)	20.9	17.4	14.2
Payout ratio (%)	55.0 %	50.0 %	55.0 %
Dividend yield-%	1.6 %	2.0 %	2.7 %

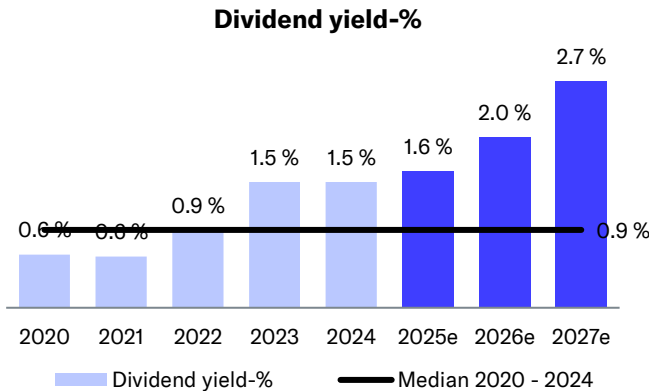
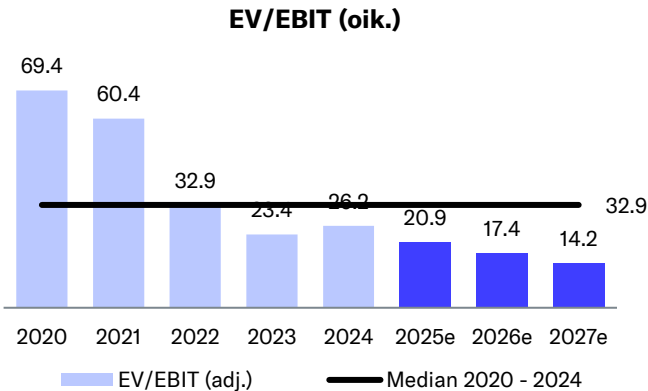
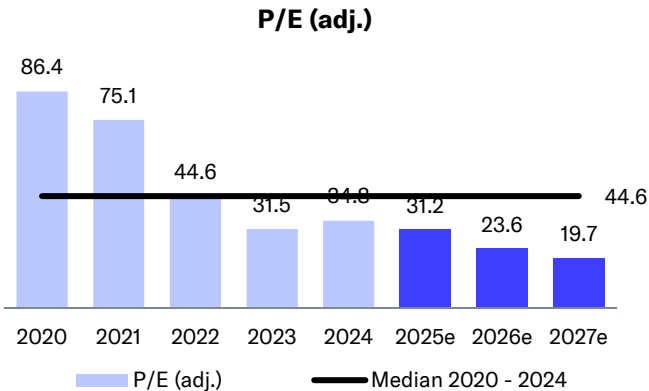
Source: Inderes



Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	50.3	55.6	38.6	25.2	26.6	24.6	24.6	24.6	24.6
Number of shares, millions	26.6	26.7	26.6	26.6	26.7	26.7	26.7	26.7	26.7
Market cap	1337	1482	1026	670	709	656	656	656	656
EV	1335	1482	1015	667	702	636	614	591	566
P/E (adj.)	86.4	75.1	44.6	31.5	34.8	31.2	23.6	19.7	15.8
P/E	>100	85.7	47.1	35.1	38.2	33.5	24.4	20.3	15.8
P/B	19.2	18.9	11.3	6.7	6.6	5.6	4.9	4.3	3.7
P/S	21.9	18.8	10.6	6.9	6.9	6.0	5.2	4.5	4.0
EV/Sales	21.9	18.8	10.5	6.9	6.8	5.8	4.9	4.1	3.4
EV/EBITDA	61.5	57.6	30.6	22.0	23.2	19.1	15.4	12.9	10.0
EV/EBIT (adj.)	69.4	60.4	32.9	23.4	26.2	20.9	17.4	14.2	10.9
Payout ratio (%)	63.6 %	52.4 %	43.9 %	52.9 %	57.5 %	55.0 %	50.0 %	55.0 %	60.0 %
Dividend yield-%	0.6 %	0.6 %	0.9 %	1.5 %	1.5 %	1.6 %	2.0 %	2.7 %	3.8 %

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-%	
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e
Revenio Group	651	642	20.6	17.4	18.1	15.3	5.6	5.0	28.5	23.3	1.8	2.1
Cooper Companies	11690	13814	15.3	14.2	13.1	12.0	3.9	3.7	16.7	15.4		
Ametek	36843	37980	23.5	21.6	19.4	17.9	6.1	5.7	26.0	23.9	0.7	0.7
Topcon	2084	2562			21.1	15.9	2.1	2.0	167.2	51.4	1.1	
Medtronic	98477	115497	15.5	15.0	13.9	13.2	4.0	3.8	16.4	16.1	3.1	3.1
EssilorLuxotica SA	114057	125929	28.1	25.6	18.2	16.5	4.6	4.3	35.4	31.7	1.6	1.7
Carl Zeiss Meditec	4307	4903	19.7	16.0	12.8	11.2	2.2	2.1	25.7	20.4	1.4	1.8
Demand	7151	9110	15.7	13.8	11.7	10.4	2.9	2.7	19.2	16.0		
Optomed (Inderes)	78	78				36.6	4.4	3.7				
Revenio Group (Inderes)	656	636	20.9	17.4	19.1	15.4	5.8	4.9	31.2	23.6	1.6	2.0
Average			21.6	19.1	17.3	17.1	4.1	3.8	40.6	26.0	1.4	1.6
Median			20.6	17.4	18.1	15.9	4.0	3.7	27.2	23.6	1.3	1.7
Diff-% to median			2%	0%	5%	-3%	44%	33%	15%	0%	28%	18%

Source: Refinitiv / Inderes

Income statement

Income statement	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	97.0	96.6	23.6	25.4	23.9	30.5	104	26.1	26.5	26.6	30.9	110	126	145	166
Tonometers (estimate)	58.5	57.4	14.9	16.0	13.2	17.1	61.3	16.4	16.7	14.4	17.8	65.4	72.6	81.3	92.7
Imaging devices (estimate)	36.2	36.6	8.0	8.7	9.9	12.6	39.2	8.9	9.8	11.2	12.0	41.9	48.2	55.9	63.7
Software (estimate)	2.2	2.6	0.7	0.7	0.8	0.8	3.0	0.8	0.0	1.0	1.0	2.8	5.0	8.0	9.1
Other products (estimate)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	33.1	30.3	6.2	7.1	6.7	10.3	30.2	7.7	7.2	8.6	9.8	33.3	39.8	45.9	56.8
Depreciation	-3.4	-3.9	-1.1	-1.8	-1.2	-1.1	-5.2	-1.1	-1.1	-1.1	-1.1	-4.3	-5.5	-5.0	-4.7
EBIT (excl. NRI)	30.9	28.5	5.4	6.2	5.8	9.4	26.9	6.9	6.8	7.8	9.0	30.4	35.3	41.8	52.1
EBIT	29.7	26.3	5.1	5.3	5.5	9.1	25.0	6.6	6.1	7.5	8.7	28.9	34.3	40.9	52.1
Net financial items	-0.6	-1.0	-0.3	0.2	-0.4	0.1	-0.4	-1.1	-1.7	-0.1	-0.1	-2.9	0.6	1.2	1.8
PTP	29.1	25.4	4.8	5.5	5.1	9.2	24.6	5.6	4.4	7.4	8.6	26.0	34.9	42.1	53.9
Taxes	-7.3	-6.3	-1.2	-1.3	-0.9	-2.7	-6.1	-1.4	-1.3	-1.7	-2.0	-6.4	-8.0	-9.7	-12.4
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	21.8	19.1	3.6	4.1	4.3	6.5	18.5	4.2	3.1	5.7	6.6	19.6	26.9	32.4	41.5
EPS (adj.)	0.86	0.80	0.14	0.19	0.17	0.25	0.76	0.17	0.14	0.22	0.26	0.79	1.04	1.25	1.56
EPS (rep.)	0.82	0.72	0.14	0.16	0.16	0.25	0.70	0.16	0.12	0.21	0.25	0.73	1.01	1.21	1.56

Key figures	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	23.1 %	-0.4 %	1.8 %	14.2 %	8.9 %	4.8 %	7.2 %	10.5 %	4.2 %	11.3 %	1.1 %	6.3 %	14.2 %	15.4 %	14.0 %
Adjusted EBIT growth-%		-7.6 %	-16.6 %	7.6 %	-9.9 %	-4.1 %	-5.9 %	27.3 %	9.3 %	33.0 %	-4.5 %	13.2 %	16.0 %	18.4 %	24.9 %
EBITDA-%	34.1 %	31.4 %	26.3 %	27.8 %	27.9 %	33.6 %	29.2 %	29.6 %	27.3 %	32.2 %	31.6 %	30.2 %	31.6 %	31.6 %	34.3 %
Adjusted EBIT-%	31.8 %	29.5 %	22.9 %	24.5 %	24.4 %	30.7 %	25.9 %	26.3 %	25.7 %	29.2 %	29.0 %	27.6 %	28.0 %	28.8 %	31.5 %
Net earnings-%	22.5 %	19.8 %	15.3 %	16.3 %	17.8 %	21.4 %	17.9 %	16.0 %	11.6 %	21.4 %	21.5 %	17.8 %	21.4 %	22.3 %	25.1 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	77.5	83.7	84.1	82.5	81.7
Goodwill	59.4	63.3	63.3	63.3	63.3
Intangible assets	7.1	11.4	11.4	9.5	8.1
Tangible assets	2.3	2.4	2.8	3.1	3.6
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	2.3	0.6	0.6	0.6	0.6
Other non-current assets	3.6	2.6	2.6	2.6	2.6
Deferred tax assets	2.8	3.4	3.4	3.4	3.4
Current assets	48.3	47.0	55.9	78.4	105
Inventories	10.5	10.1	9.9	10.1	11.6
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	16.3	16.2	15.4	16.3	18.9
Cash and equivalents	21.5	20.7	30.5	52.0	75.0
Balance sheet total	137	141	150	170	195

Source: Inderes

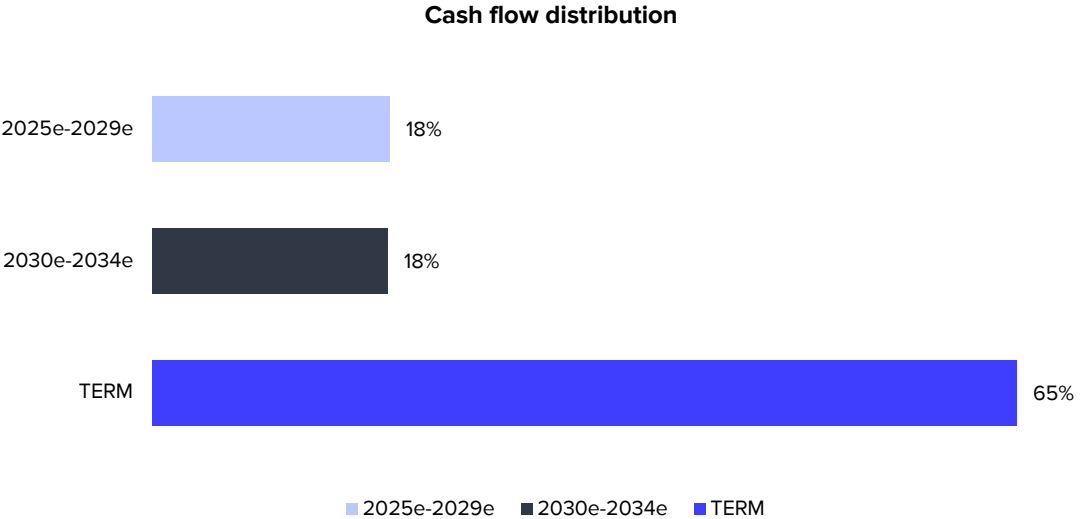
Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	99.9	108	117	133	152
Share capital	5.3	5.3	5.3	5.3	5.3
Retained earnings	43.5	52.2	61.1	77.2	96.2
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	51.1	50.2	50.2	50.2	50.2
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	16.9	12.6	11.2	11.2	11.2
Deferred tax liabilities	3.3	3.6	3.6	3.6	3.6
Provisions	0.6	0.6	0.6	0.6	0.6
Interest bearing debt	13.0	8.4	7.0	7.0	7.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0	0.0
Current liabilities	20.6	21.0	21.7	25.6	32.0
Interest bearing debt	5.6	5.5	3.0	3.0	3.0
Payables	15.0	15.5	18.7	22.6	29.0
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	137	141	150	170	195

DCF calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	7.2 %	6.3 %	14.2 %	15.4 %	14.0 %	12.0 %	10.0 %	8.0 %	5.0 %	5.0 %	3.2 %	3.2 %
EBIT-%	24.2 %	26.3 %	27.3 %	28.2 %	31.5 %	31.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %
EBIT (operating profit)	25.0	28.9	34.3	40.9	52.1	57.5	61.2	66.1	69.4	72.8	75.2	
+ Depreciation	5.2	4.3	5.5	5.0	4.7	4.3	4.5	4.8	5.0	5.1	5.2	
- Paid taxes	-6.4	-6.4	-8.0	-9.7	-12.4	-13.8	-14.7	-15.9	-16.7	-17.5	-18.1	
- Tax, financial expenses	-0.2	-0.9	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	
+ Tax, financial income	0.1	0.2	0.2	0.4	0.5	0.6	0.7	0.8	0.8	0.9	0.9	
- Change in working capital	1.0	4.2	2.8	2.3	-0.2	-0.2	-0.2	-0.2	-0.1	-0.1	-0.1	
Operating cash flow	24.7	30.3	34.7	38.8	44.6	48.4	51.4	55.5	58.3	61.0	63.0	
+ Change in other long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-9.8	-3.7	-3.0	-3.2	-2.9	-4.2	-5.0	-5.0	-4.7	-5.3	-5.3	
Free operating cash flow	14.9	26.6	31.7	35.5	41.7	44.2	46.4	50.5	53.6	55.8	57.8	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	14.9	26.6	31.7	35.5	41.7	44.2	46.4	50.5	53.6	55.8	57.8	1138
Discounted FCFF		25.8	28.3	29.3	31.7	31.0	30.0	30.1	29.4	28.2	27.0	532
Sum of FCFF present value		822	797	768	739	707	676	646	616	587	559	532
Enterprise value DCF		822										
- Interest bearing debt		-13.9										
+ Cash and cash equivalents		20.7										
-Minorities		0.0										
-Dividend/capital return		-10.7										
Equity value DCF		819										
Equity value DCF per share		30.7										

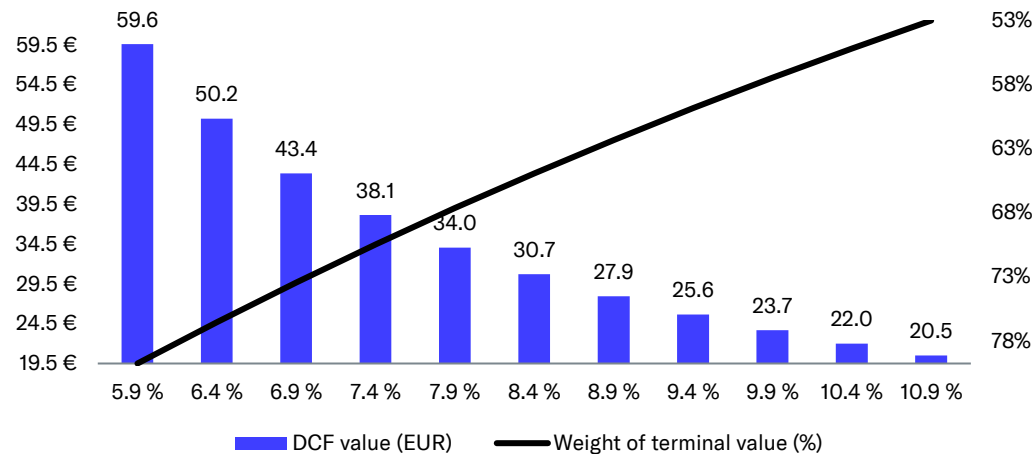
WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	0.0 %
Cost of debt	4.0 %
Equity Beta	1.25
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	8.4 %
Weighted average cost of capital (WACC)	8.4 %

Source: Inderes

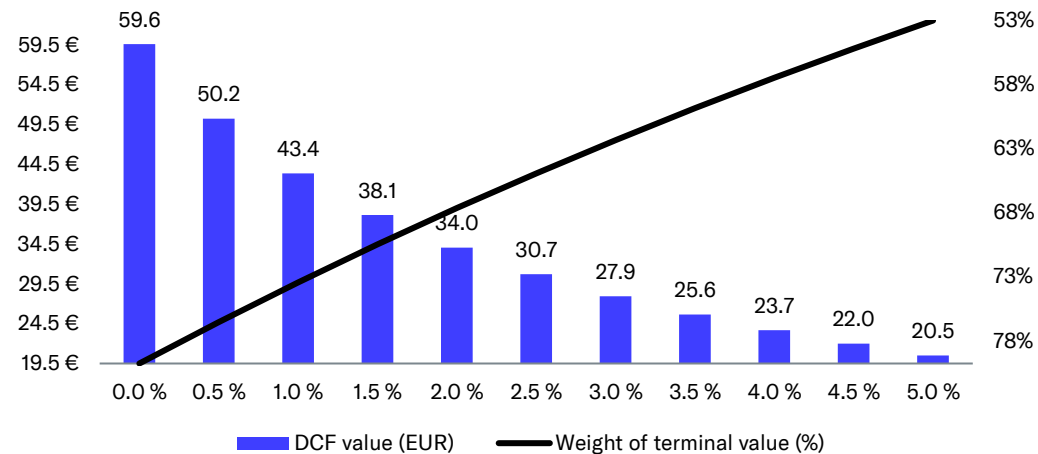


DCF sensitivity calculations and key assumptions in graphs

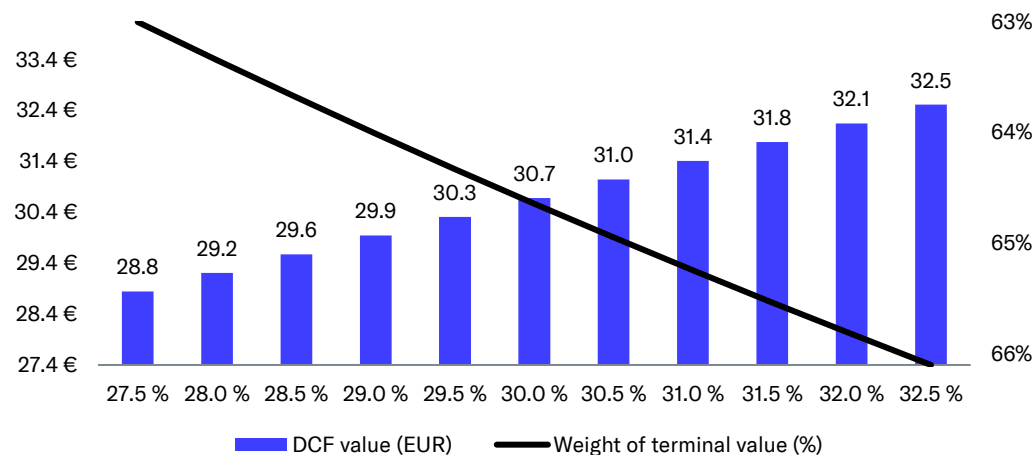
Sensitivity of DCF to changes in the WACC-%



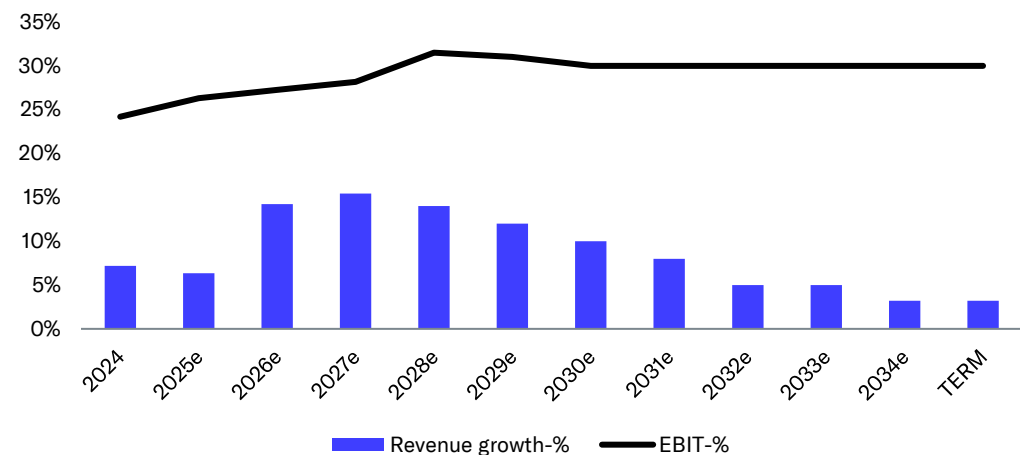
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



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

Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	97.0	96.6	103.5	110.1	125.8	EPS (reported)	0.82	0.72	0.70	0.73	1.01
EBITDA	33.1	30.3	30.2	33.3	39.8	EPS (adj.)	0.86	0.80	0.76	0.79	1.04
EBIT	29.7	26.3	25.0	28.9	34.3	OCF / share	0.90	0.40	0.93	1.14	1.30
PTP	29.1	25.4	24.6	26.0	34.9	OFCF / share	0.79	0.09	0.56	1.00	1.19
Net Income	21.8	19.1	18.5	19.6	26.9	Book value / share	3.42	3.76	4.04	4.37	4.97
Extraordinary items	-1.2	-2.2	-1.8	-1.5	-1.0	Dividend / share	0.36	0.38	0.40	0.40	0.50
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	136.1	137.4	141.3	149.5	169.5	Revenue growth-%	23%	0%	7%	6%	14%
Equity capital	90.9	99.9	107.7	116.6	132.7	EBITDA growth-%	29%	-9%	0%	10%	20%
Goodwill	59.8	59.4	63.3	63.3	63.3	EBIT (adj.) growth-%	26%	-8%	-6%	13%	16%
Net debt	-11.3	-2.9	-6.8	-20.5	-42.0	EPS (adj.) growth-%	17%	-7%	-5%	3%	32%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	34.1 %	31.4 %	29.2 %	30.2 %	31.6 %
EBITDA	33.1	30.3	30.2	33.3	39.8	EBIT (adj.)-%	31.8 %	29.5 %	25.9 %	27.6 %	28.0 %
Change in working capital	-1.5	-11.6	1.0	4.2	2.8	EBIT-%	30.6 %	27.3 %	24.2 %	26.3 %	27.3 %
Operating cash flow	24.0	10.5	24.7	30.3	34.7	ROE-%	25.7 %	20.0 %	17.9 %	17.5 %	21.5 %
CAPEX	-2.9	-8.2	-9.8	-3.7	-3.0	ROI-%	27.6 %	23.3 %	21.3 %	23.8 %	26.2 %
Free cash flow	21.1	2.4	14.9	26.6	31.7	Equity ratio	66.8 %	72.7 %	76.2 %	78.0 %	78.3 %
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	-12.5 %	-2.9 %	-6.3 %	-17.6 %	-31.6 %
EV/S	10.5	6.9	6.8	5.8	4.9						
EV/EBITDA	30.6	22.0	23.2	19.1	15.4						
EV/EBIT (adj.)	32.9	23.4	26.2	20.9	17.4						
P/E (adj.)	44.6	31.5	34.8	31.2	23.6						
P/B	11.3	6.7	6.6	5.6	4.9						
Dividend-%	0.9 %	1.5 %	1.5 %	1.6 %	2.0 %						

Source: Inderes

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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
2/21/2020	Accumulate	31.00 €	28.85 €
3/19/2020	Buy	24.00 €	18.48 €
4/23/2020	Accumulate	25.00 €	22.75 €
8/7/2020	Reduce	34.00 €	33.50 €
10/23/2020	Reduce	36.00 €	38.05 €
12/21/2020	Reduce	44.00 €	48.65 €
2/12/2021	Accumulate	60.00 €	53.00 €
4/26/2021	Accumulate	65.00 €	59.20 €
Analyst changed			
6/9/2021	Accumulate	65.00 €	59.50 €
8/6/2021	Reduce	65.00 €	64.80 €
10/22/2021	Accumulate	58.00 €	55.40 €
2/11/2022	Accumulate	48.00 €	44.30 €
4/7/2022	Reduce	48.00 €	47.96 €
4/29/2022	Reduce	48.00 €	47.58 €
8/5/2022	Reduce	52.00 €	54.30 €
10/28/2022	Reduce	40.00 €	39.48 €
1/27/2023	Reduce	40.00 €	37.62 €
2/10/2023	Reduce	38.00 €	37.26 €
1/27/2023	Reduce	40.00 €	37.62 €
2/10/2023	Reduce	38.00 €	37.26 €
3/20/2023	Accumulate	38.00 €	34.66 €
4/28/2023	Reduce	38.00 €	39.24 €
8/3/2023	Accumulate	26.00 €	24.08 €
8/11/2023	Accumulate	26.00 €	23.20 €
10/4/2023	Buy	26.00 €	19.81 €
10/27/2023	Buy	24.50 €	19.90 €
12/7/2023	Accumulate	25.50 €	23.66 €
2/16/2024	Reduce	28.00 €	27.94 €
4/4/2024	Accumulate	28.00 €	25.86 €
4/26/2024	Accumulate	28.00 €	23.86 €
8/9/2024	Accumulate	32.00 €	28.82 €
11/1/2024	Accumulate	32.00 €	29.50 €
1/20/2025	Accumulate	32.00 €	28.18 €
2/14/2025	Accumulate	30.00 €	27.60 €
4/30/2025	Accumulate	30.00 €	27.40 €
8/8/2025	Accumulate	28.00 €	24.60 €



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