

SOLWERS

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INDERES CORPORATE CUSTOMER COMPANY REPORT



Earnings growth outlook once again pushed forward

Solwers' Q4 was weaker than our expectations, and the earnings growth we had forecast did not materialize, with EBITA remaining at the subdued level of the comparison period. Commentary on the development at the beginning of the year also fell short of our expectations. We lowered the slope of our earnings growth forecast for the coming years, which means the valuation is no longer particularly attractive. We lower our target price to EUR 2.1 (from EUR 2.5) and our recommendation to Reduce (was Accumulate).

Year-end development was weaker than we expected

Contrary to our expectations, Solwers' Q4 revenue declined by almost 5%, whereas we had anticipated a continuation of the over 6% growth seen in the early part of the year. About half of the undershoot was explained by changes made to reporting practices, but even adjusted for this, the quarter's sales were softer than we expected. The company's EBITA (1.0 MEUR) remained close to the comparison period but was below our forecast of 1.4 MEUR, which had anticipated earnings growth.

Based on comments, market pricing pressures continued, eroding margins, even though the company had managed to increase its utilization rates in line with our expectations. On the positive side, the company commented that the order book continued to increase, and it still appears that going forward, the workload relative to personnel is in a better balance than in the comparison period. Of course, the total order book does not directly reflect the situation of different subsidiaries, as some may have a long order book and some businesses may have only a small one.

Earnings trend has been stabilized, yet earnings growth needed

The stabilized earnings development achieved in H2'25 was the first step towards improving earnings, which is needed to leave cash flow for owners even after paying financing costs. The company's net debt/EBITDA ratio, which had risen high to 4x (LTM), surprisingly improved slightly in Q4. This was due to strong cash

flow at the end of the year and the fact that the December acquisitions were made at favorable valuations. By summer, the company should already be at a normal covenant level (below 3.5x), and this requires earnings growth. The company guided for EBITA profitability to strengthen in 2026 but also stated that the year has started in challenging conditions and that performance is expected to improve as the year progresses.

We have pushed back our earnings growth expectations

We still expect earnings growth in 2026 but anticipate it to be more gradual than before and to materialize mainly in H2'26. We expect the company's utilization rates to improve first as a result of its own actions, after which margins will also begin to recover as market price levels become linked to increased investment activity. Currently, the key question remains what the company's normal profitability level will be once the market finally improves. In our opinion, it is clear that it is significantly better than the 2025 level (EBIT 1%), which is burdened by a weak cycle and one-off costs, but a return to the 2019-2023 averages (EBIT ~8%) currently seems unlikely. Our long-term profitability forecasts are now at 6.7%.

Valuation multiples for the next 12 months are very high

Solwers' risk profile is dependent on its normal profitability level, as the company's debt servicing capacity and thus the debt-related risk level depend on the earnings level. Cutting a few corners, if the profitability level were to remain close to the levels seen in 2024-2025, the share would be expensive, the M&A strategy would have failed, and the debt burden would be a challenge. Conversely, if profitability recovers to the level of our forecasts, the stock's valuation is already quite attractive when looking further out, the debt level is under control, and new acquisitions can again be considered. With the lowered 2026-2027 forecasts, the valuation (EV/EBIT 19x and 12x, and P/E 32x and 11x) no longer looks particularly attractive, and we will monitor for signs of a pick-up in earnings growth, which is critical for the investment case.

Recommendation

Reduce

(was Accumulate)

Target price:

EUR 2.10

(was EUR 2.50)

Share price:

EUR 2.13

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	80.6	84.8	88.2	91.7
growth-%	3%	5%	4%	4%
EBIT adj.	0.7	2.7	4.1	4.5
EBIT-% adj.	0.8 %	3.1 %	4.6 %	4.9 %
Net Income	-0.9	0.7	2.1	2.6
EPS (adj.)	-0.09	0.07	0.20	0.25
P/E (adj.)	neg.	31.9	10.5	8.4
P/B	0.6	0.5	0.5	0.5
Dividend yield-%	0.0 %	0.0 %	2.3 %	2.4 %
EV/EBIT (adj.)	73.6	19.2	11.9	10.3
EV/EBITDA	9.8	7.1	5.9	5.0
EV/S	0.6	0.6	0.6	0.5

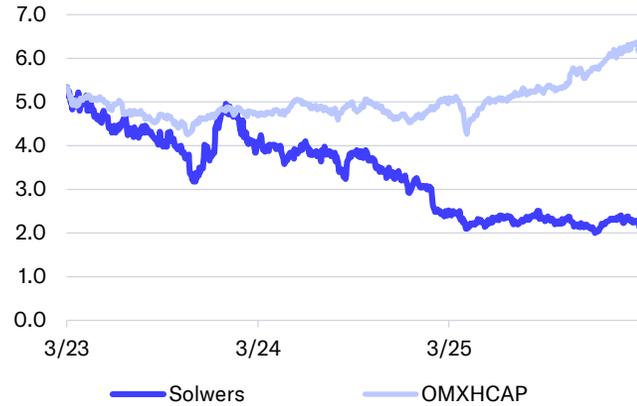
Source: Inderes

Guidance

(New guidance)

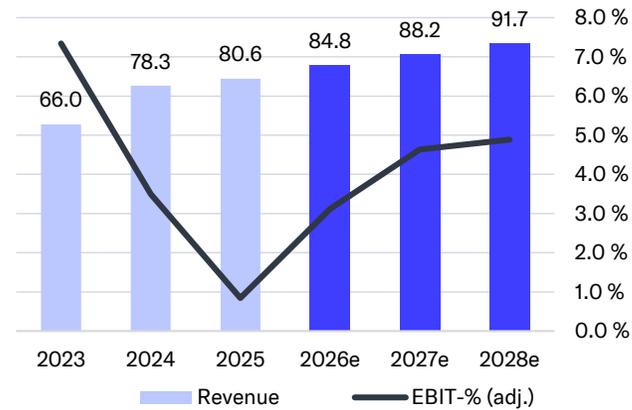
The company expects EBITA to improve compared to the previous year. The year has started under challenging conditions for Solwers. Performance is expected to improve as the year progresses.

Share price



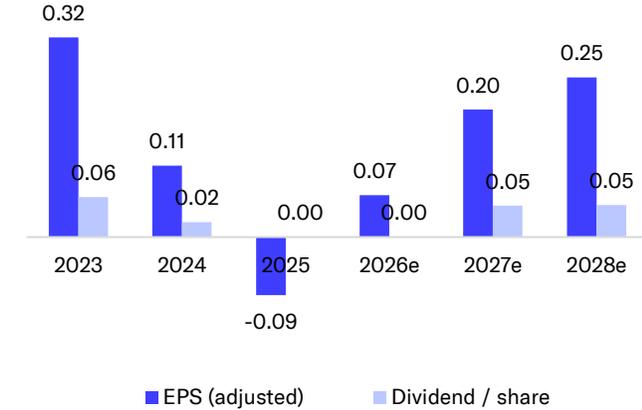
Source: Millstream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- As market investment activity picks up and price levels recover, the earnings lever should be strong from the current weak earnings level
- Strong growth ambition and an M&A process that utilizes light integration
- Success in capital allocation determines the level of long-term value creation
- Asset-light business model

Risk factors

- The cyclical nature of customer industries
- Uncertainty and low visibility regarding market price levels and thus margin development
- Risks related to inorganic growth
- Personal dependence
- Low liquidity of the stock
- Increased indebtedness

Valuation	2026e	2027e	2028e
Share price	2.13	2.13	2.13
Number of shares, millions	10	10	10
Market cap	22	22	22
EV	51	49	46
P/E (adj.)	31.9	10.5	8.4
P/E	31.9	10.5	8.4
P/B	0.5	0.5	0.5
P/S	0.3	0.2	0.2
EV/Sales	0.6	0.6	0.5
EV/EBITDA	7.1	5.9	5.0
EV/EBIT (adj.)	19.2	11.9	10.3
Payout ratio (%)	0.0 %	24.6 %	20.0 %
Dividend yield-%	0.0 %	2.3 %	2.4 %

Source: Inderes

Subdued Q4 print

Growth did not materialize at the end of the year

Solwers' H2'25 revenue remained close to the comparison period's level at 38.2 MEUR, whereas we had expected it to grow by 6.7% to 40.9 MEUR. The disappointment was due to the Q4 performance, where revenue declined by almost 5% against our expectations, as we had anticipated a continuation of the over 6% growth seen earlier in the year. About half of the shortfall was explained by changes in reporting practices, but even adjusted for this, Q4 sales were softer than we expected.

The order book has been on the rise since the beginning of the year, and we had anticipated this to positively impact revenue for the rest of the year, but this did not materialize.

Some subsidiaries are performing well, while others are clearly loss-making

The company stated that, at subsidiary-level, positive development was observed in companies providing specialized services in both Finland and Sweden. Based on

the comments, the underperforming units were, as expected, the Swedish companies serving the industrial sector (ELE Engineering and Relitor). In these companies, Solwers expects the impact of corrective measures to be visible in the first half of 2026 (see the CEO interview for more details). The company also announced that it has strengthened cross-selling by appointing sales and marketing managers in both Finland and Sweden.

EBITA continued to flatline

We expected Solwers' H2'25 adjusted EBITA to rise to 2.6 MEUR (H2'24: 2.2 MEUR), but it remained at the comparison period's level of 2.2 MEUR. For Q4, the EBITA result also remained at the level of the comparison period (Q4'24: 1.0 MEUR), whereas we had expected earnings growth to pick up towards the end of the year.

Based on the report, employee utilization rates improved as expected, but it also appeared that the cost-saving program, which had already generated 0.3 MEUR in cost

savings in the previous quarter, did not provide similar support in Q4. Based on the comments, continued fierce price competition created headwinds for profitability.

The company's headcount had decreased to 716 by the end of 2025 (2024: 724) despite two acquisitions completed in December (Odigo and Szwak & Spółka Sp), which added 48 employees. The order book was reported to have strengthened further, and it still appears that going forward, the workload relative to personnel is in a better balance than in the comparison period.

The purchase prices of the acquired companies remained moderate

Net debt settled at 27 MEUR, while we anticipated 29.7 MEUR. It appears that the purchase prices paid for the December acquisitions were more moderate than we anticipated. The company's cash flow from operating activities in H2 was in line with our expectations (+3 MEUR).

Estimates MEUR / EUR	H2'24	H2'25	H2'25e	H2'25e	Consensus		Difference (%)	2025
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	38.4	38.3	40.9				-7%	80.6
EBITA	2.2	2.2	2.2				0%	4.0
EPS (reported)	0.04	-0.04	0.00				-1482%	-0.09
DPS	0.024	0.00	0.00					0.00
Revenue growth-%	18.6 %	-0.3 %	6.7 %				-7 pp	2.9 %
EBITA-%	5.7 %	5.8 %	5.4 %				0.4 pp	5.0 %

Source: Inderes

Solwers Q4'25: Positive signs (English subtitles)



We lowered our forecasts, especially for the coming years

We have pushed back our earnings growth expectations

We have lowered our estimates, and our expectation for an accelerating earnings turnaround has effectively been pushed back by six months. Our expectations were lowered by a subdued Q4 and the company's comments that 2026 has started in challenging conditions. We forecast the company's revenue to turn to organic growth in H2'26. In 2027, we expect organic growth to accelerate further due to strengthening investment activity and easing price competition. Although the market recovery has been slower than expected for a long time, there are clear building blocks for accelerating growth. Key drivers of economic growth include substantial investment packages from Germany and the EU, improving consumer purchasing power, and falling interest rates, which typically impact the industry with a delay.

Profitability improves with leverage as market recovers

In terms of profitability, we expect the 2026 result to

remain relatively weak due to sluggish organic growth in H1'26. However, the company's guidance for an improving EBITA in 2026 indicates that the earnings improvement should start to materialize by the end of the year. In 2027, profitability will improve more clearly in our forecast as revenue starts to grow due to recovering price levels and increasing demand. We note that Solwers' earnings lever is likely to be very strong at this point.

Normalized profitability level a question mark

Our profitability forecasts for the coming years are conservative and well below the average of the strong years (2019-2023: average EBIT ~8%). At the moment, the key question for Solwers is what the company's normal profitability level will be once the market finally improves. In our opinion, it is obvious that it is clearly better than the levels seen in 2024-2025, and the company itself considers a return to the 2019-2023 average levels realistic.

We currently consider this unlikely, and a return to this level would require a strong market recovery. We expect the EBIT margin to rise to 3.1% in 2026 (0.8% in 2025), 4.6% in 2027 and 6.7% by 2034, where it will also settle in the terminal period.

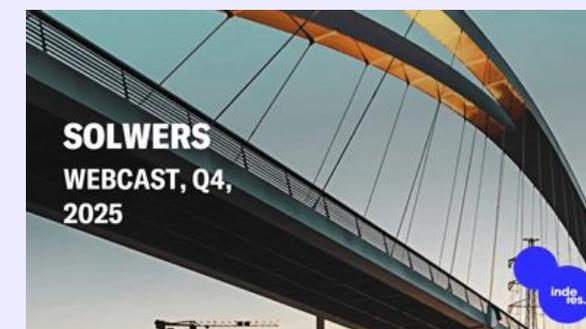
Earnings improvement is also needed from a debt servicing perspective

The company aims to be within the original covenant terms of its bank loans (net debt/EBITDA < 3.5x) by the end of H1'26 at the latest. The ratio now stands at 4x, and the company is thus on schedule to improve the ratio. With current net debt of around 27 MEUR, a 3.5x ratio would imply an EBITDA of around 7.5 MEUR for the H2'25-H1'26 period. When examining the ratio, it is important to note that it accounts for acquisitions as if they had been owned for the preceding 12 months. Our own forecasts are slightly below this. We cut our dividend estimate for 2026 to zero because the improvement in earnings is slower than we previously expected.

Estimate revisions MEUR / EUR	2025e			2026e			2027e		
	Old	New	Change %	Old	New	Change %	Old	New	Change %
Revenue	83.3	80.6	-3%	89.4	84.8	-5%	91.6	88.2	-4%
EBITDA	5.4	5.1	-5%	8.8	7.2	-18%	9.8	8.3	-16%
EBIT	1.0	0.7	-33%	4.2	2.7	-37%	5.2	4.1	-21%
PTP	-0.6	-1.2	-97%	2.6	0.9	-68%	3.8	2.6	-30%
EPS (excl. NRIs)	-0.05	-0.09	-74%	0.20	0.07	-67%	0.29	0.20	-30%
DPS	0.00	0.00		0.05	0.00	-100%	0.05	0.05	0%

Source: Inderes

Solwers, Webcast, Q4'25



Valuation multiples for the next 12 months are high

The stock will only be cheap if the earnings improvement materializes

Solwers' 2026e P/E ratio rises to a high level of over 30x, as interest expenses consume most of the generated operating profit. For 2027e, however, the P/E ratio falls to a neutral level of 11x, which we estimate for the company, provided our earnings growth forecasts materialize.

Corresponding adjusted 2026e and 2027e EV/EBIT ratios that consider the balance sheet structure are 19x and 12x, respectively, and they tell a similar story. The 2026e multiple is very high in absolute terms, but the 2027e multiple is fairly neutral.

The multiples we accept for the company have decreased in recent years relative to history. This is mainly due to two factors. Firstly, with the rise in interest rates, the required return on the share has also increased. The company's sluggish performance has also contributed to a decrease in acceptable multiples. Thus, we consider the current acceptable valuation level to be lower compared to history (vs. sidebar median lines).

The relative valuation picture does not support the stock

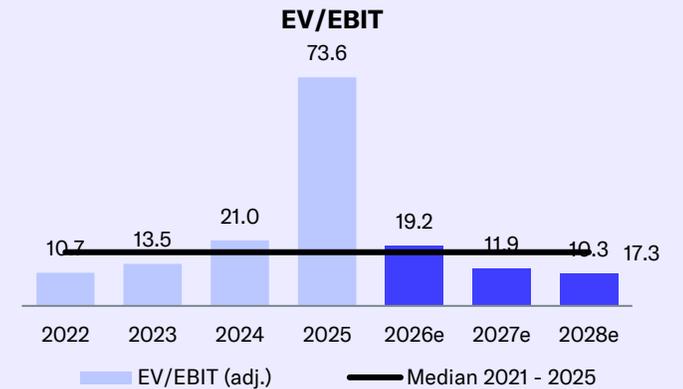
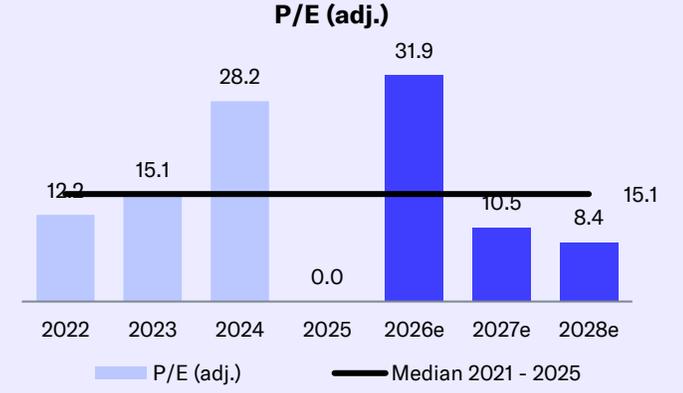
Following the estimate cuts, Solwers is priced at a premium to its peer group based on 2026-2027e EV/EBIT multiples. In our view, this is not justified, as Solwers' clearly smaller size and shorter history compared to its peers would rather warrant a discount relative to its peers.

However, we believe that our forecast for Solwers' earnings in the coming years still reflects the company's clear underperformance relative to its potential. Therefore, Solwers' longer-term earnings growth outlook, starting from

a low base, can be considered significantly better than its peers, which supports its valuation multiples.

This valuation picture is also reflected in the company's low P/B of 0.5x, which is at a clear discount to its peers. However, in our view, investors cannot rely too much on this metric either, as we see a clear risk of goodwill impairment if the current companies do not start generating a better return on capital than they currently do.

The group of peer companies we established consists of companies with similar business models, whose organic growth and profitability potential are quite well in line with Solwers. Of the peer group companies especially Sitowise, Sweco and AFRY, compete with Solwers on the same markets. Similarly, the target market for Etteplan, for example, differs more clearly from that of Solwers, as it weighs on the industrial sector, but the convergence of the expert service company's business model warrants including them in the peer group.



Earnings growth will be absorbed by multiple digestion

The DCF model does not offer upside with current assumptions

In our view, the DCF model is well suited for the valuation of Solwers' business operations although it should be noted that it does not consider potential value creation through inorganic growth. Our DCF calculation on page 12 gives a company value of EUR 2.1 with our current assumptions, offering no upside for the share.

In a good market, the company's businesses generate healthy, predictable cash flow and the business requires little investment. However, at the bottom of the cycle and with current performance, cash flow is already being absorbed by financial expenses, leaving nothing to distribute to owners. An essential question, from the perspective of the value provided by the DCF calculation as well, is when the market and Solwers' results will begin to recover, and at what rate.

We have used a rather high cost of capital (WACC 9.7%), as forecasting risks are elevated. 52% of the value of the model consists of the terminal, which we consider an acceptable level. However, the calculation is very sensitive to the margin the company is estimated to be able to achieve in the terminal period (sensitivity analysis p. 13).

Cutting a few corners, if the margin were to remain close to the 2025 level (EBIT 1%), the share would be very expensive, and the balance sheet would need to be strengthened, for example, with a share issue or an expensive hybrid loan. However, we believe it is clear that the earnings level seen in 2025 is far from the company's normal earnings level, and the question is mainly about the timing and slope of the earnings improvement.

If the margin quickly returned to the average levels of 2019-2023 (EBIT ~8%), the share would be very cheap.

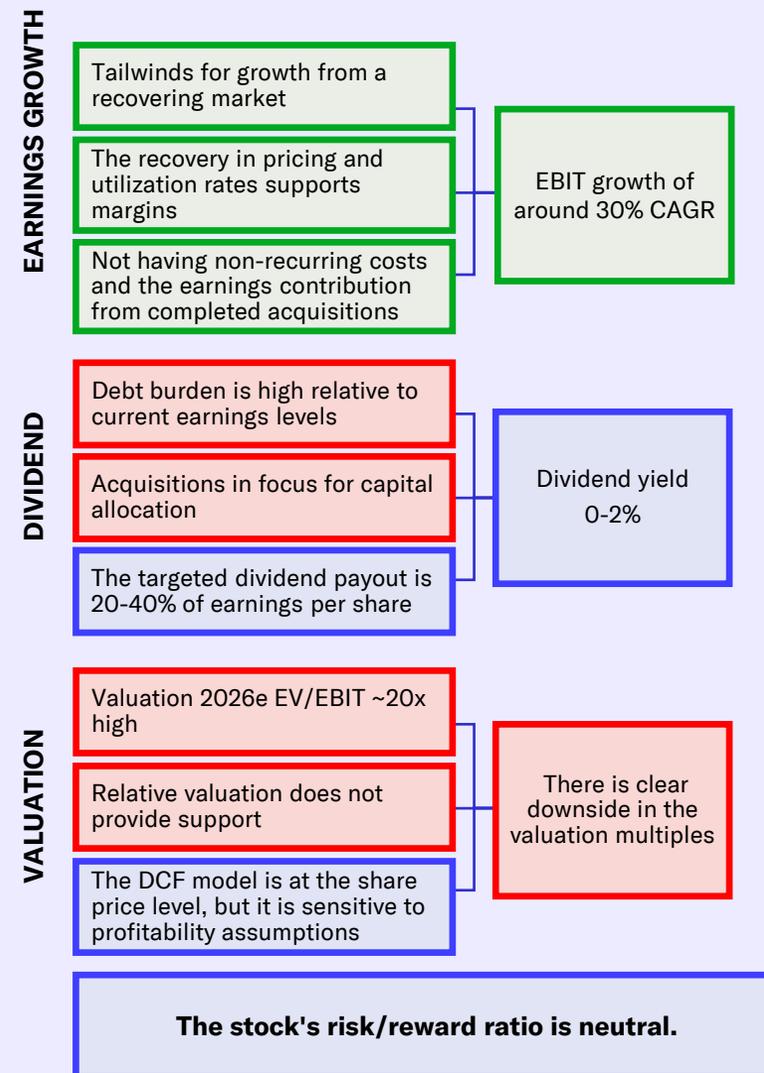
However, we do not currently predict the company to return to this level, and profitability will gradually recover towards an EBIT margin of 6.7% in the terminal period. Be that as it may, before taking a bolder stance in our estimates, we first want stronger evidence from the company of improving earnings performance.

Expected return for the coming years is driven by the achieved earnings growth

We have gauged the expected return for the coming years in the sidebar graph. Our estimate for earnings growth at the EBIT level for 2026e-2029e is a strong CAGR of around 30%. However, with the current weak earnings level, the valuation is so high that a large part of the strong earnings growth will be absorbed by multiple digestion, especially in the early part of the forecast period. The expected return receives only marginal support from the 0-2% dividend yield in our estimates for the next few years. Overall, the stock's expected return, especially for the next 12 months, remains meager. We believe a positive recommendation would require stronger earnings growth drivers.

Total shareholder return drivers

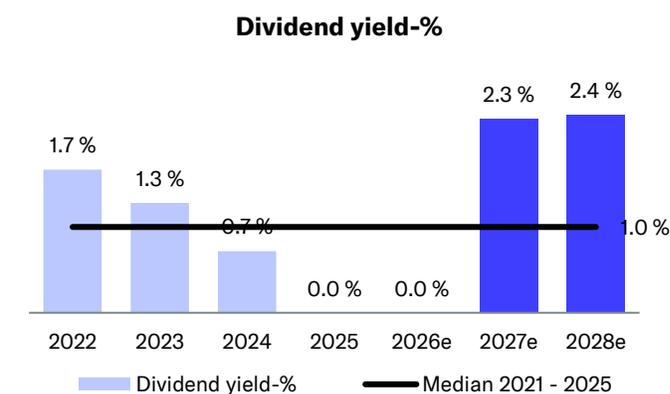
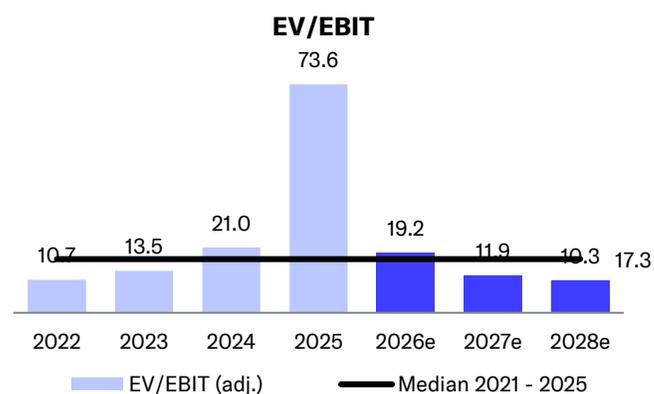
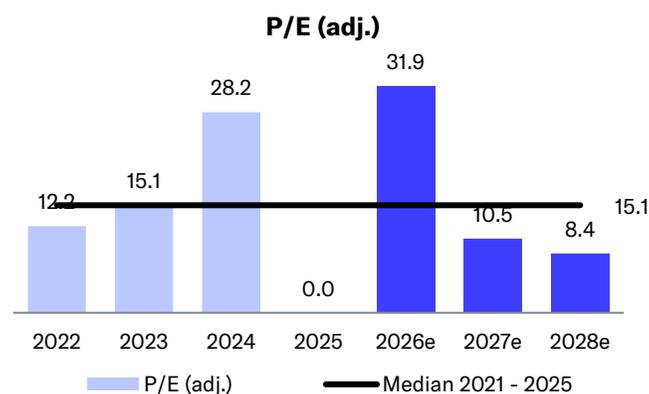
2026e-2029e
■ Positive ■ Neutral ■ Negative



Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price		4.22	4.82	3.22	2.25	2.13	2.13	2.13	2.13
Number of shares, millions		9.83	9.92	10.0	10	10	10	10	10
Market cap		41	48	32	23	21.7	21.7	21.7	21.7
EV		54	66	58	50	51.0	48.7	46.1	43.2
P/E (adj.)		12.2	15.1	28.2	neg.	31.9	10.5	8.4	6.0
P/E		12.2	15.1	28.2	neg.	31.9	10.5	8.4	6.0
P/B		1.1	1.2	0.8	0.6	0.5	0.5	0.5	0.5
P/S		0.7	0.7	0.4	0.3	0.3	0.2	0.2	0.2
EV/Sales		0.9	1.0	0.7	0.6	0.6	0.6	0.5	0.5
EV/EBITDA		6.7	8.2	8.9	9.8	7.1	5.9	5.0	4.4
EV/EBIT (adj.)		10.7	13.5	21.0	73.6	19.2	11.9	10.3	7.6
Payout ratio (%)		21.1 %	20.1 %	21.0 %	0.0 %	0.0 %	24.6 %	20.0 %	20.0 %
Dividend yield-%		1.7 %	1.3 %	0.7 %	0.0 %	0.0 %	2.3 %	2.4 %	3.3 %

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
			2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
Sitowise	86	158	20.3	11.8	8.8	7.4	0.8	0.8		19.9	0.4	1.7	1.1
Sweco AB	4761	5238	15.7	14.2	12.2	11.2	1.7	1.6	19.2	17.3	2.8	3.1	3.7
Afry AB	1410	1900	10.1	8.4	7.2	6.2	0.8	0.7	11.3	8.9	5.4	5.7	1.1
Rejlers AB	344	404	11.9	9.9	7.0	6.4	0.8	0.8	12.4	10.5	3.5	3.7	1.6
WSP Global	19307	21353	15.4	13.5	11.0	9.8	2.1	1.9	19.7	17.1	0.7	0.7	2.8
Etteplan	214	286	13.2	10.6	7.0	6.1	0.8	0.8	13.1	10.6	3.3	4.3	1.6
Arcadis NV	2713	3513	8.7	7.6	6.5	5.9	0.8	0.8	9.3	8.1	3.7	4.2	2.1
Multiconsult ASA	385	515	11.9	10.2	7.7	6.9	0.9	0.9	12.8	10.8	5.2	6.1	3.1
Solwers (Inderes)	22	51	19.2	11.9	7.1	5.9	0.6	0.6	31.9	10.5	0.0	2.3	0.5
Average			13.4	10.8	8.4	7.5	1.1	1.0	14.0	12.9	3.1	3.7	2.1
Median			12.5	10.4	7.4	6.6	0.8	0.8	12.8	10.7	3.4	4.0	1.9
Diff-% to median			54%	15%	-5%	-11%	-28%	-30%	150%	-2%	-100%	-41%	-71%

Source: Refinitiv / Inderes

Income statement

Income statement	2024	H1'25	H2'25	2025	H1'26e	H2'26e	2026e	2027e	2028e	2029e
Revenue	78.3	42.3	38.3	80.6	44.1	40.7	84.8	88.2	91.7	94.5
Group	78.3	42.3	38.3	80.6	44.1	40.7	84.8	88.2	91.7	94.5
EBITDA	6.5	2.3	2.8	5.1	3.1	4.2	7.2	8.3	9.2	9.7
Depreciation	-3.7	-2.1	-2.3	-4.4	-2.2	-2.4	-4.6	-4.2	-4.7	-4.0
EBIT	2.7	0.2	0.5	0.7	0.9	1.8	2.7	4.1	4.5	5.7
EBITA	5.5	1.8	2.2	4.0	2.6	3.7	6.3	7.8	8.3	9.4
Net financial items	-1.3	-0.8	-1.0	-1.8	-1.0	-0.8	-1.8	-1.5	-1.2	-1.1
PTP	1.4	-0.6	-0.5	-1.2	-0.2	1.0	0.9	2.6	3.3	4.6
Taxes	-0.2	0.1	0.2	0.2	0.0	-0.2	-0.2	-0.6	-0.7	-1.0
Minority interest	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	1.1	-0.6	-0.4	-0.9	-0.1	0.8	0.7	2.1	2.6	3.6
EPS (adj.)	0.11	-0.06	-0.04	-0.09	-0.01	0.08	0.07	0.20	0.25	0.35
EPS (rep.)	0.11	-0.06	-0.04	-0.09	-0.01	0.08	0.07	0.20	0.25	0.35

Key figures	2024	H1'25	H2'25	2025	H1'26e	H2'26e	2026e	2027e	2028e	2029e
Revenue growth-%	18.6 %	6.0 %	-0.3 %	2.9 %	4.2 %	6.4 %	5.3 %	4.0 %	4.0 %	3.0 %
EBITDA-%	8.3 %	5.4 %	7.4 %	6.3 %	6.9 %	10.2 %	8.5 %	9.4 %	10.1 %	10.3 %
EBITA-%	7.0 %	4.3 %	5.7 %	5.0 %	5.9 %	9.1 %	7.4 %	8.8 %	9.0 %	9.9 %
Net earnings-%	1.5 %	-1.3 %	-1.0 %	-1.2 %	-0.3 %	2.0 %	0.8 %	2.3 %	2.8 %	3.8 %

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	63	68	69	68	67
Goodwill	46.9	54.6	54.6	54.6	54.6
Intangible assets	3.0	2.2	-1.1	-0.4	0.2
Tangible assets	7.4	7.9	9.8	8.3	6.5
Associated companies	0.3	0.4	0.0	0.0	0.0
Other investments	1.9	0.0	1.9	1.9	1.9
Other non-current assets	1.2	1.2	1.2	1.2	1.2
Deferred tax assets	2.0	2.2	2.2	2.2	2.2
Current assets	31	29	34	35	37
Inventories	0.6	0.4	0.2	0.2	0.2
Other current assets	0.8	0.8	0.8	0.8	0.8
Receivables	18.3	20.1	19.5	20.3	21.1
Cash and equivalents	11.6	7.8	13.6	14.1	14.7
Balance sheet total	94	98	103	103	103

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	41	41	40	42	45
Share capital	1.0	1.0	1.0	1.0	1.0
Retained earnings	1.7	0.5	1.2	3.3	5.4
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	1.5	0.0	0.0	0.0
Other equity	38.0	38.0	38	38	38
Minorities	0.2	0.2	0.2	0.2	0.2
Non-current liabilities	24	34	23	21	19
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	22.8	30.6	19.0	17.0	15.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	1.5	3.7	3.7	3.7	3.7
Current liabilities	29	22	40	40	40
Interest bearing debt	14.0	4.3	23.8	24.1	24.1
Payables	2.0	4.2	2.3	2.4	2.5
Other current liabilities	12.9	13.6	13.6	13.6	13.6
Balance sheet total	94	98	103	103	103

DCF calculation

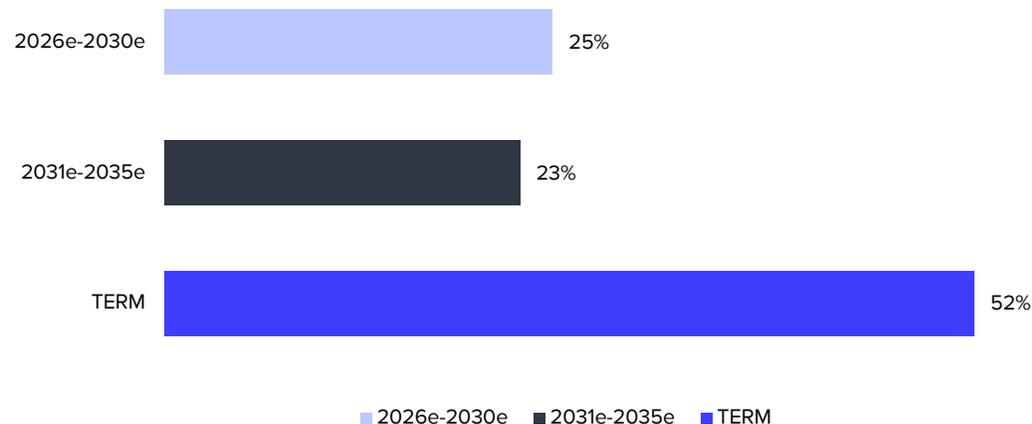
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	2.9 %	5.3 %	4.0 %	4.0 %	3.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	0.8 %	3.1 %	4.6 %	4.9 %	6.0 %	6.0 %	6.0 %	6.0 %	6.5 %	6.7 %	6.7 %	6.7 %
EBIT (operating profit)	0.7	2.7	4.1	4.5	5.7	5.8	5.9	6.0	6.6	7.0	7.1	
+ Depreciation	4.4	4.6	4.2	4.7	4.0	3.7	3.7	3.7	3.8	3.6	3.6	
- Paid taxes	0.0	-0.2	-0.6	-0.7	-1.0	-1.0	-1.0	-1.1	-1.2	-1.3	-1.4	
- Tax, financial expenses	-0.3	-0.4	-0.3	-0.3	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-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	
- Change in working capital	1.3	-1.1	-0.7	-0.7	-0.6	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	
Operating cash flow	6.1	5.6	6.7	7.6	8.0	7.9	8.0	8.1	8.6	8.7	8.8	
+ Change in other long-term liabilities	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-9.9	-5.1	-3.4	-3.5	-3.6	-3.7	-3.7	-3.8	-3.8	-3.8	-4.0	
Free operating cash flow	-1.7	0.5	3.4	4.1	4.4	4.2	4.3	4.3	4.8	4.9	4.7	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-1.7	0.5	3.4	4.1	4.4	4.2	4.3	4.3	4.8	4.9	4.7	63.0
Discounted FCFF		0.5	2.8	3.1	3.1	2.7	2.5	2.3	2.3	2.2	1.9	25.4
Sum of FCFF present value		48.8	48.3	45.5	42.3	39.3	36.6	34.1	31.8	29.5	27.3	25.4
Enterprise value DCF		48.8										
- Interest bearing debt		-35										
+ Cash and cash equivalents		7.8										
-Minorities		-0.1										
-Dividend/capital return		0.0										
Equity value DCF		22										
Equity value DCF per share		2.1										

WACC

Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	4.5 %
Equity Beta	1.50
Market risk premium	4.75%
Liquidity premium	1.60%
Risk free interest rate	2.5 %
Cost of equity	11.2 %
Weighted average cost of capital (WACC)	9.7 %

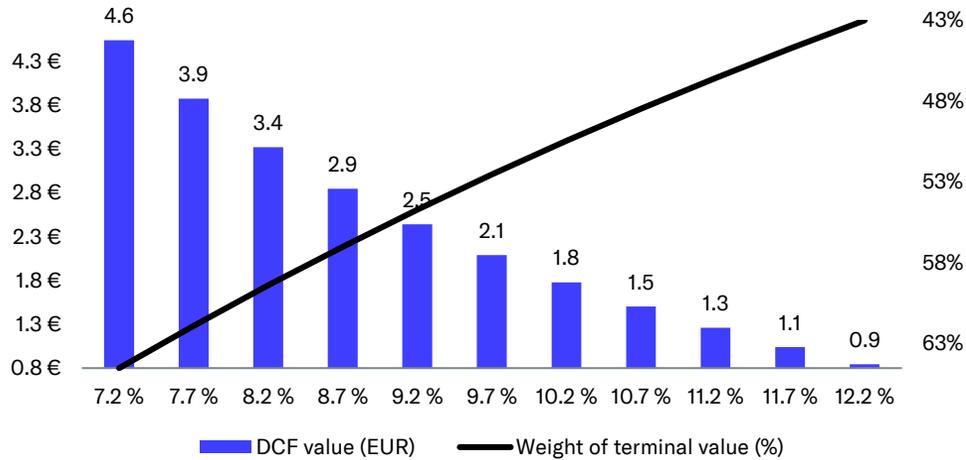
Source: Inderes

Cash flow distribution

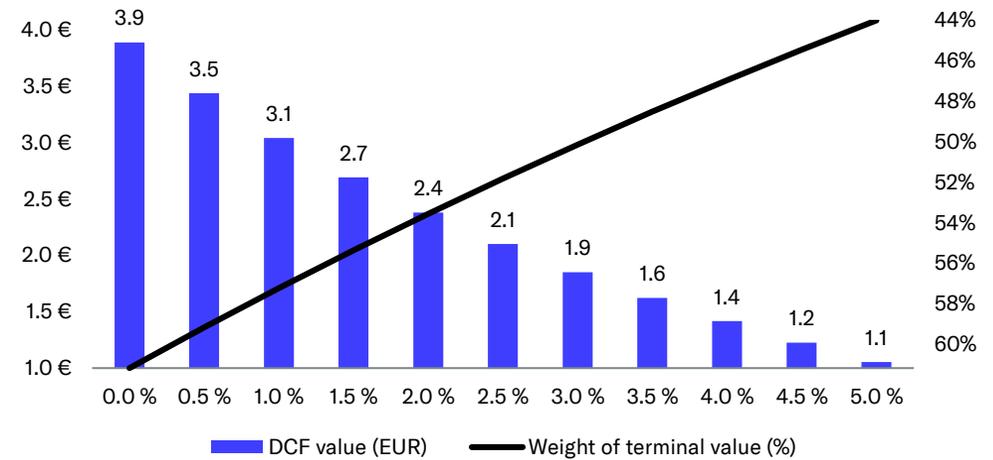


DCF sensitivity calculations and key assumptions in graphs

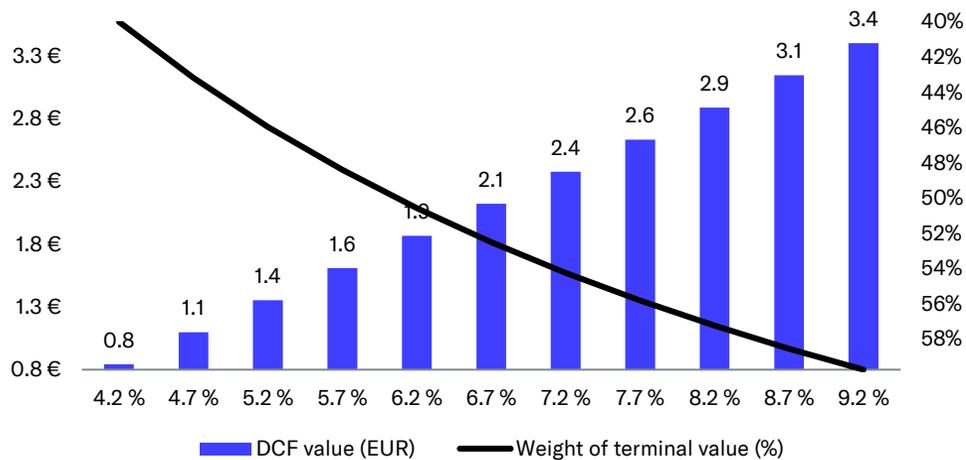
Sensitivity of DCF to changes in the WACC-%



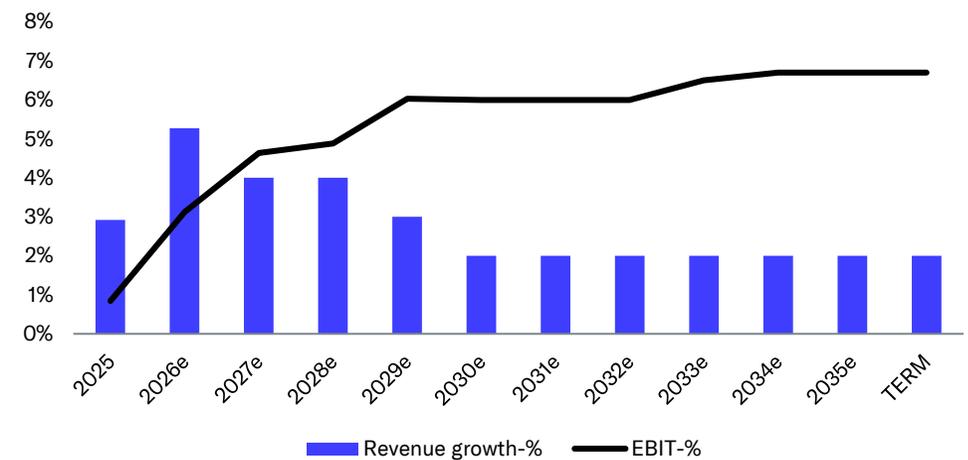
Sensitivity of DCF to changes in the risk-free rate



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	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e
Revenue	66.0	78.3	80.6	84.8	88.2	EPS (reported)	0.32	0.11	-0.09	0.07	0.20
EBITDA	8.0	6.5	5.1	7.2	8.3	EPS (adj.)	0.32	0.11	-0.09	0.07	0.20
EBIT	4.8	2.7	0.7	2.7	4.1	OCF / share	0.59	0.35	0.60	0.55	0.66
PTP	3.9	1.4	-1.2	0.9	2.6	OFCF / share	-0.32	-0.59	-0.16	0.05	0.33
Net Income	3.2	1.1	-0.9	0.7	2.1	Book value / share	4.02	4.05	4.03	3.95	4.15
Extraordinary items	0.0	0.0	0.0	0.0	0.0	Dividend / share		0.02	0.00	0.00	0.05
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	87.0	94.1	97.6	102.7	103.2	Revenue growth-%	5%	19%	3%	5%	4%
Equity capital	40.4	40.9	41.2	40.3	42.4	EBITDA growth-%	-2%	-19%	-21%	41%	15%
Goodwill	42.0	46.9	54.6	54.6	54.6	EBIT (adj.) growth-%	-5%	-44%	-75%	290%	54%
Net debt	17.1	25.1	27.1	29.2	27.0	EPS (adj.) growth-%	-8%	-64%	-181%	-172%	204%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	12.1 %	8.3 %	6.3 %	8.5 %	9.4 %
EBITDA	8.0	6.5	5.1	7.2	8.3	EBIT (adj.)-%	7.3 %	3.5 %	0.8 %	3.1 %	4.6 %
Change in working capital	-1.0	-1.8	1.3	-1.1	-0.7	EBIT-%	7.3 %	3.5 %	0.8 %	3.1 %	4.6 %
Operating cash flow	5.9	3.5	6.1	5.6	6.7	ROE-%	8.2 %	2.8 %	-2.3 %	1.7 %	5.0 %
CAPEX	-8.5	-10.6	-9.9	-5.1	-3.4	ROI-%	6.8 %	3.6 %	0.9 %	3.3 %	4.9 %
Free cash flow	-3.1	-5.9	-1.7	0.5	3.4	Equity ratio	46.4 %	43.4 %	42.2 %	39.3 %	41.1 %
Valuation multiples	2023	2024	2025	2026e	2027e	Gearing	42.3 %	61.5 %	65.7 %	72.4 %	63.6 %
EV/S	1.0	0.7	0.6	0.6	0.6						
EV/EBITDA	8.2	8.9	9.8	7.1	5.9						
EV/EBIT (adj.)	13.5	21.0	73.6	19.2	11.9						
P/E (adj.)	15.1	28.2	neg.	31.9	10.5						
P/B	1.2	0.8	0.6	0.5	0.5						
Dividend-%	1.3 %	0.7 %	0.0 %	0.0 %	2.3 %						

Source: Inderes

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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
6/21/2021	Reduce	8.20 €	8.35 €
9/16/2021	Accumulate	8.20 €	7.40 €
11/3/2021	Accumulate	8.60 €	7.34 €
12/1/2021	Accumulate	9.00 €	7.90 €
3/9/2022	Accumulate	8.00 €	7.20 €
3/16/2022	Reduce	7.00 €	6.97 €
9/16/2022	Reduce	5.50 €	5.34 €
1/25/2023	Buy	5.50 €	4.39 €
3/1/2023	Accumulate	6.00 €	5.36 €
9/1/2023	Accumulate	5.00 €	4.32 €
9/15/2023	Buy	5.00 €	4.06 €
1/30/2024	Accumulate	5.00 €	4.60 €
3/11/2024	Accumulate	5.00 €	4.24 €
5/14/2024	Buy	5.00 €	3.70 €
6/3/2024	Buy	5.00 €	4.00 €
8/30/2024	Buy	5.00 €	3.74 €
12/2/2024	Accumulate	4.20 €	3.42 €
2/3/2025	Reduce	2.80 €	3.02 €
2/28/2025	Reduce	2.65 €	2.50 €
5/30/2025	Accumulate	2.65 €	2.24 €
<u>8/27/2025</u>	<u>Reduce</u>	<u>2.50 €</u>	<u>2.32 €</u>
Analyst changed			
11/24/2025	Accumulate	2.50 €	2.19 €
1/7/2026	Accumulate	2.50 €	2.28 €
2/3/2026	Accumulate	2.50 €	2.23 €
3/6/2026	Reduce	2.10 €	2.13 €



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