

GRK INFRA OYJ

2/13/2026 11:15 am EET

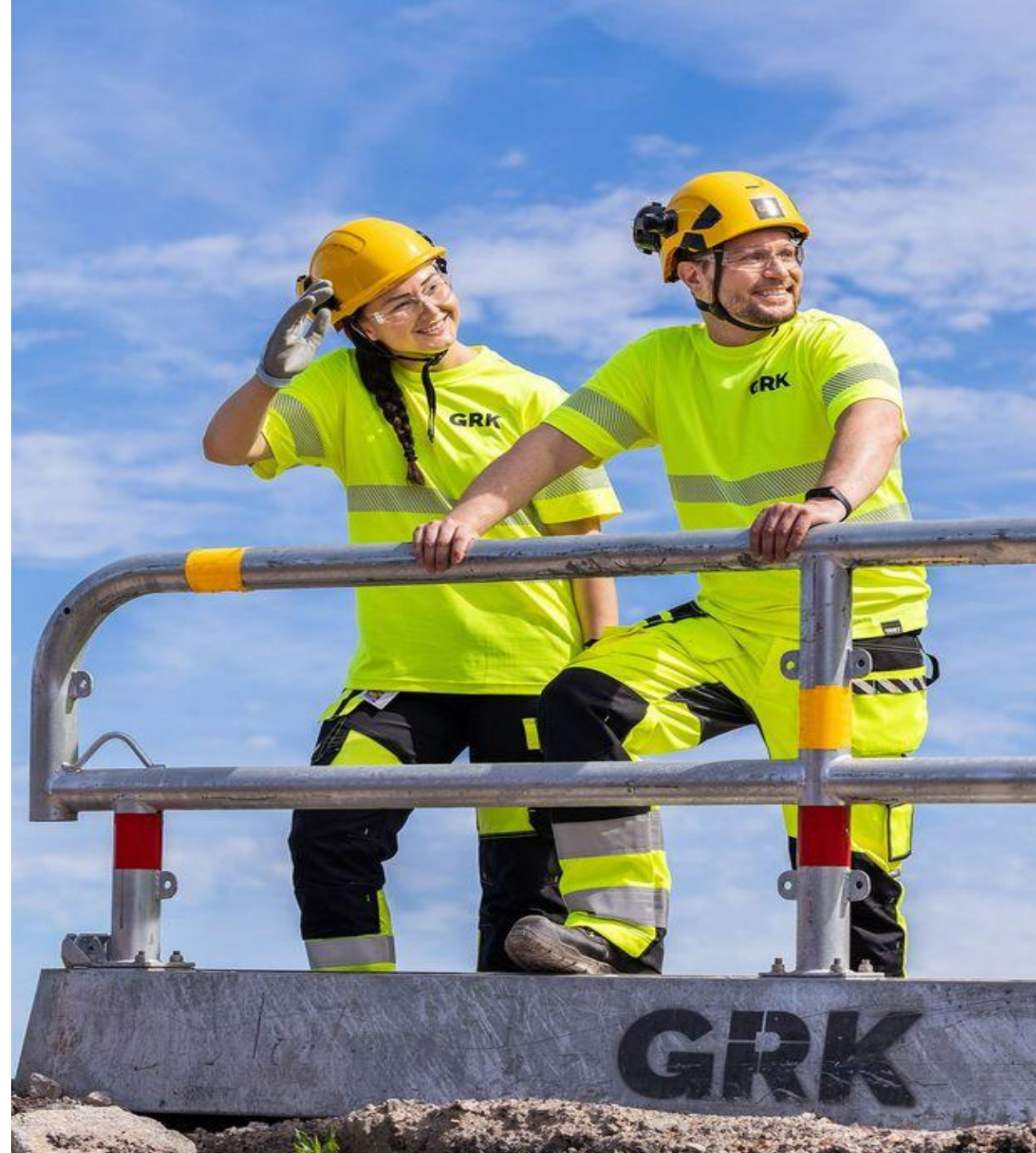
This is a translated version of "Kasvusprintti toistaiseksi takanapäin" report, published on 2/13/2026



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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Growth sprint exhausted for now

GRK's profitability in Q4 was below our estimates, although the guidance for 2026 was quite well in line with our expectations. Demand prospects remain positive in the company's end markets, and market growth is expected to be strong this year, especially in Sweden. To achieve its updated revenue target of over 950 MEUR by 2028, we believe the company must also pursue growth through acquisitions. This need is particularly acute given that the completion of the Stegra project will create a significant revenue gap starting this year. Thus, successful capital allocation will be crucial for the company's future value creation. As our estimates remain largely unchanged, we maintain our Accumulate recommendation for GRK and our target price at EUR 14.5.

Profitability was weaker than we expected

GRK's revenue decreased by 2% year-on-year in the final quarter to 209 MEUR. This was slightly above our forecast of 196 MEUR. Revenue development was stronger than our forecasts, especially in Sweden, which we believe was influenced by the significant Stegra project. Despite revenue exceeding our expectations, the company's result fell short of our forecasts, with adjusted EBIT at 9.7 MEUR (forecast 13.4 MEUR). The typical seasonality of GRK's business impacted the quarterly earnings more significantly than we expected. Working capital continued to develop very favorably in Q4, resulting in cash flow that clearly exceeded accumulated earnings. Advances received were at a very high level of 176 MEUR at the end of the year. GRK's order book stood at 723 MEUR at the end of the year, falling short of the 846 MEUR from the comparison period, as expected. However, the order book level slightly exceeded our forecast. In addition, the company has a significant number of won projects outside its order book.

Guidance and outlook in line with our expectations

GRK issued its guidance for the current year and expects

revenue to be 720-870 MEUR and adjusted EBIT to be 45-60 MEUR. We have not made significant changes to our estimates, as our previous estimates were well within the guidance range. We expect work on the Stegra project to be at a lower level than in the previous year, which will weigh on revenue. On the other hand, we expect revenue to remain strong, supported by the company's order book, projects in the development phase, and positive market outlook, especially in Sweden.

The market outlook in the company's target countries remains generally positive. In Sweden, in particular, total infrastructure investments are expected to grow strongly, by around 8% during the current year. In Finland, the market is also expected to continue growing, albeit slightly slower than in 2025. Growth in both Finland and Sweden is driven by the energy transition, security, and transport infrastructure investments.

The company updated its financial targets for revenue in connection with the results and is now targeting revenue of over 950 MEUR by the end of 2028 (was 750 MEUR). We are also keeping our forecasts for the coming years unchanged at this stage. In our view, achieving the target requires not only organic growth but also acquisitions, which we do not include in our forecasts.

Expected return is rather attractive

Based on our GRK forecasts, the P/E ratios for 2026-2027 are around 13x and 14x. The EV/EBIT multiples, accounting for the oversized cash position, are 7x and 8x, even though we have modeled a significant working capital tie-up for the company in 2026. The acceptable valuation level for GRK's stock is approximately 11x-14x in terms of P/E ratio and 9x-12x in terms of EV/EBIT ratio. We thus see upside potential in GRK's valuation multiples, which, together with a dividend yield of approximately 4-5%, raises the expected return quite clearly above the required return.

Recommendation

Accumulate

(was Accumulate)

Target price:

EUR 14.50

(was EUR 14.50)

Share price:

EUR 12.91

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	872.3	799.9	786.0	834.7
growth-%	20%	-8%	-2%	6%
EBIT adj.	58.2	52.1	47.3	50.1
EBIT-% adj.	6.7 %	6.5 %	6.0 %	6.0 %
Net income	43.0	41.8	38.7	41.0
EPS (adj.)	1.17	1.02	0.94	1.00

P/E (adj.)	12.3	12.6	13.7	12.9
P/B	3.1	2.6	2.4	2.2
Dividend yield-%	3.7 %	4.3 %	4.8 %	5.3 %
EV/EBIT (adj.)	5.9	7.0	7.6	7.0
EV/EBITDA	4.7	5.3	5.7	5.3
EV/S	0.4	0.5	0.5	0.4

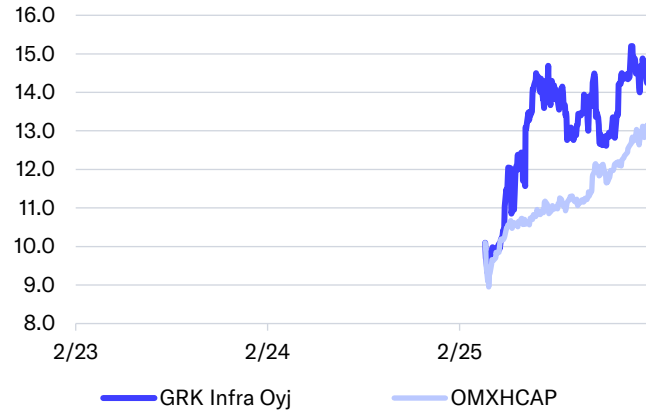
Source: Inderes

Guidance

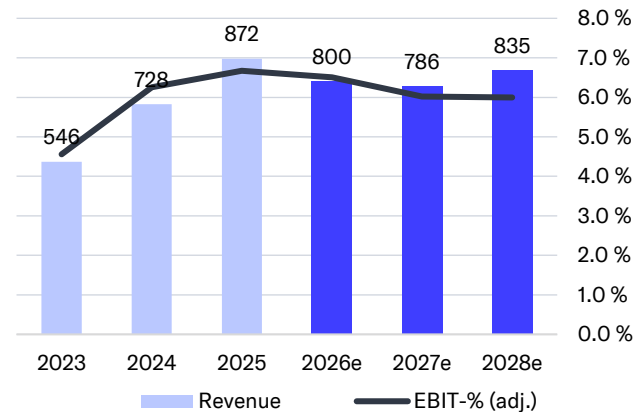
(New guidance)

GRK estimates that its revenue in 2026 will be 720–870 MEUR (2025: 872.3 MEUR) and adjusted EBIT 45-60 MEUR in 2026 (2025: 58.2 MEUR)

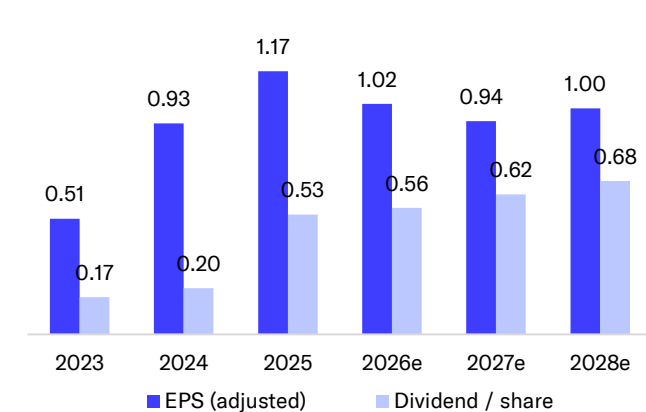
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

- Organic growth supported by strengths
- Inorganic expansion into Southern Sweden and new infrastructure construction segments
- Capital-light business model and industry-leading profitability enabled by soft strengths
- Fairly predictable and partly counter-cyclical demand driven by the public sector

Risk factors

- Profitability risks associated with projects
- Intensified competition
- High weight of individual customers and projects
- Consequences of the ongoing competition restriction investigation in Finland

Valuation	2026e	2027e	2028e
Share price	12.9	12.9	12.9
Number of shares, millions	41.0	41.0	41.0
Market cap	529	529	529
EV	362	362	352
P/E (adj.)	12.6	13.7	12.9
P/E	12.6	13.7	12.9
P/B	2.6	2.4	2.2
P/S	0.7	0.7	0.6
EV/Sales	0.5	0.5	0.4
EV/EBITDA	5.3	5.7	5.3
EV/EBIT (adj.)	7.0	7.6	7.0
Payout ratio (%)	54.9 %	65.6 %	67.9 %
Dividend yield-%	4.3 %	4.8 %	5.3 %

Source: Inderes

Softer year-end profitability than we anticipated

Profitability was weaker than we expected

GRK's revenue decreased by 2% year-on-year in the final quarter to 209 MEUR. This was slightly above our forecast of 196 MEUR. Revenue development was stronger than our forecasts, especially in Sweden. For the full year, revenue increased by 20% to 872 MEUR. The exceptional growth was driven by the faster-than-expected progress of large projects during the year, with the Stegra project being the most significant. In terms of profitability, Q4 was clearly softer than we expected, with adjusted EBIT falling to 9.7 MEUR (margin 4.7%) from 16.7 MEUR in the comparison period (margin 7.8%). The full-year adjusted EBIT was 58.2 MEUR (margin 6.7%), a clear increase from the comparison period's 45.6 MEUR (margin 6.3%). According to the company, profitability was weighed down towards the end of the year by the seasonality typical of infrastructure construction. GRK's depreciation level was raised by the write-down of the biochar plant. On the lower lines, financial expenses were higher than our expectations,

while the tax rate was slightly lower than our forecasts. Thus, GRK's Q4 EPS of EUR 0.12 landed below our forecast by an even greater margin than EBIT. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.43 per share and an additional dividend of EUR 0.10 per share be distributed. Overall, the dividend is below our estimate of EUR 0.66.

Working capital continued to develop very favorably in Q4, resulting in cash flow that clearly exceeded accumulated earnings. Due to the nature of GRK's project business, significant seasonal cash flow fluctuations are typical, and the development of earnings and cash flow can be significantly divergent on a quarterly basis. The current advances received of some 176 MEUR (about 20% of revenue) are at a very high level, and we believe the situation will normalize during the current year.

GRK's order book stood at 723 MEUR at the end of the year, falling short of the 846 MEUR from the comparison period, as expected. Although the reported order book

decreased, the company has roughly 500 MEUR worth of won projects outside its order book that are currently in the development phase. These include, among others, the Rail Baltica project in Estonia and the Turku tramway. These projects provide a good foundation for growth in the coming years, even though the company's extensive Stegra project will conclude this year.

The long-term revenue target was raised

GRK raised its long-term revenue target to over 950 MEUR by 2028 (previously >750 MEUR) in connection with its financial statements. Achieving the target requires not only organic growth but also carefully considered acquisitions, which the company's strong cash position enables. Regarding organic growth, the company aims to expand its business into new geographical areas, particularly in Sweden, and to broaden its service offering in selected infrastructure construction segments within its current operating countries. The company's other financial targets for 2026–2028 remained unchanged.

Estimates MEUR / EUR	Q4'24 Comparison	Q4'25 Actualized	Q4'25e Inderes	Q4'25e Consensus	Consensus Low High	Difference (%) Act. vs. inderes	2025 Actualized
Revenue	214	209	196			6%	872
EBITDA		13.9	17.6			-21%	72.4
EBIT (adj.)	16.8	9.7	13.4			-28%	58.2
EBIT	16.4	6.9	13.4			-48%	53.5
PTP	16.7	5.7	13.3			-57%	52.7
EPS (adj.)	0.35	0.12	0.26			-55%	1.17
DPS	0.20	0.53	0.62			-15%	0.53
Revenue growth-%	29.2 %	-2.3 %	-8.2 %			5.9 pp	19.8 %
EBIT-% (adj.)	7.8 %	4.7 %	6.8 %			-2.2 pp	6.7 %

Source: Inderes

Estimate changes were minor

Only minor refinements to estimates

- We have kept our estimates roughly unchanged, as the current year's guidance met our expectations. The order book at year-end was slightly higher than we had forecast. In addition to the current order book, we expect projects that the company has won but not yet recorded in the order book to gradually move into the order book, thereby supporting volume.
- In our view, revenue development significantly stronger than our forecasts would require completed acquisitions in addition to organic growth. We consider acquisitions likely during the current year, although we do not include them in our forecasts.
- Our estimates see the company's net working capital normalizing this year from the -152 MEUR level at the end of last year. We expect advances received, in particular, to decrease from the very high level at the end of last year.
- We have slightly lowered our dividend forecasts, with the 2025 dividend proposal being lower than our estimates. GRK's current policy is to pay at least 40% of its net profit as dividends, but we estimate the dividend payout ratio to be higher than the lower limit (55-75%) for the coming years due to the strong cash position.

Operational earnings drivers

- In all of the company's operating countries (Finland, Sweden, Estonia), infrastructure projects are expected to drive construction development in the coming years, thanks to both public and private projects, which support the industry's growth outlook. In addition, GRK's growth is supported by the company's good competitiveness and the opportunity afforded by its size to participate in a wide range of projects. On the negative side, the competition for projects is tight, which limits the possibilities for profitable growth for an individual player.
- Due to solid fundamentals, we expect GRK to achieve stable single-digit growth in Finland, while in Estonia, the faster market growth and GRK's strong position in railway projects lead to clearly higher growth figures in our forecasts. In Sweden, on the other hand, we estimate that this year will be the peak in terms of revenue for the time being, as it will be challenging to fill the gap left by the large Stegra project ending next year. Stegra's exit also leads to a modest decline in group-level revenue in our forecasts for 2026-2027. After that, the company should, however, return to the growth path.
- In our forecasts, the average EBIT margin in the coming years is over 6%, which is clearly better than the industry average. We believe this is justifiable by the company's strong track record, including in pricing and project management.
- A strong cash position also enables growth through acquisitions, which are a key use of proceeds from the IPO. Acquisitions can, e.g., enable geographical expansion in Sweden or strengthen the group's expertise and service offering.

Estimate revisions MEUR / EUR	2025 Inderes	2025e Actualized	Change %	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %
Revenue	860	872	1%	800	800	0%	776	786	1%
EBITDA	76.1	72.4	-5%	68.5	68.7	0%	63.4	64.0	1%
EBIT (excl. NRIs)	61.9	58.2	-6%	51.9	52.1	0%	46.6	47.3	2%
EBIT	60.0	53.5	-11%	51.9	52.1	0%	46.6	47.3	2%
PTP	60.4	52.7	-13%	51.9	51.6	-1%	46.3	47.2	2%
EPS (excl. NRIs)	1.24	1.17	-6%	1.03	1.02	-1%	0.93	0.94	2%
DPS	0.62	0.53	-15%	0.66	0.56	-15%	0.70	0.62	-11%

Source: Inderes

GRK Infra Oyj, Webcast, Q4'25



Expected return is rather attractive

Share is still cheap

As a whole, we consider GRK's stock to be moderately priced. Although the share price has developed positively over the past year, our earnings estimates have increased even more. Moderate upside in the multiples combined with a good dividend yield keeps the expected return attractive. In the short term, the key driver for the share is the development of the order book, and, considering the existing project portfolio, we estimate that the news flow will remain positive in this regard.

Our target price for GRK remains unchanged at EUR 14.50 per share. Any higher share price would require more favorable development than our current expectations in long-term fundamentals, i.e., in practice, an increase in earnings estimates. This is possible if the expansion in Sweden is highly successful, though we believe the pressure on margins caused by increased competition will subsequently limit earnings growth potential.

GRK's value development will also be significantly affected by how the company succeeds in capital allocation, as the company already has capital to expand inorganically for even stronger growth than we have predicted. The main risks to GRK's share are individual large projects and project risks, the success of capital allocation, maintaining the company's soft strengths in the future, and the possible consequences of the competition investigation.

Earnings multiples

The acceptable valuation level for GRK's stock is approximately 11x-14x in terms of P/E ratio and 9x-12x in terms of EV/EBIT ratio. These levels roughly correspond to

the 10-year averages of the company's construction sector peers and the longer-term medians of Nasdaq Helsinki. We have discussed the factors affecting GRK's earnings multiples in more detail in our recently published [extensive report](#). In our multiple analysis, we emphasize the EV/EBIT ratio due to the strong cash position following the listing and the very strong cash flow development in 2025.

Based on our GRK forecasts, the P/E ratios for 2026-2027 are around 13x and 14x. The EV/EBIT multiples, accounting for the oversized cash position, are 7x and 8x, even though we have modeled a significant working capital tie-up for the company in 2026. Thus, we believe the valuation is attractive, especially on an EV basis, as the valuation multiples for both years are below our estimated ranges. GRK is also relatively undervalued when examined with EV multiples. P/E ratios are also within our ranges even without adjusting for the excessive cash balance. We thus see upside potential in GRK's valuation multiples, which, together with a dividend yield of around 5%, raises the expected return fairly clearly above our applied required return of about 10%

Cash flow model (DCF)

In the valuation of GRK, we also give reasonable weight to the cash flow model (DCF), as the business is mature and the company's demand and margin profiles are reasonably predictable even in the longer term. Thus, we feel the long-term DCF model provides a fairly good picture of GRK's fair value. Our DCF model indicates a share value of just over EUR 15, which supports the picture painted by the earnings multiples of a fairly clear upside for the stock.

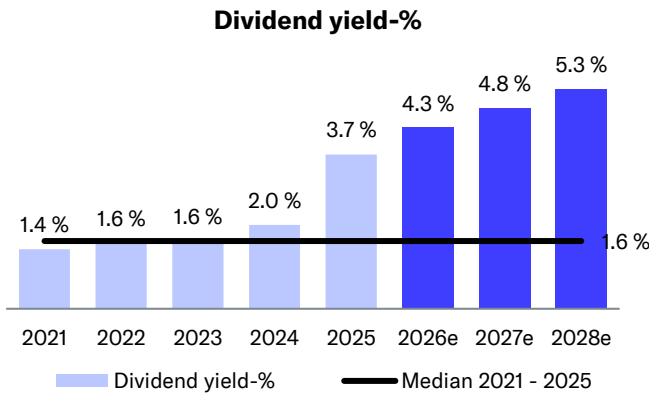
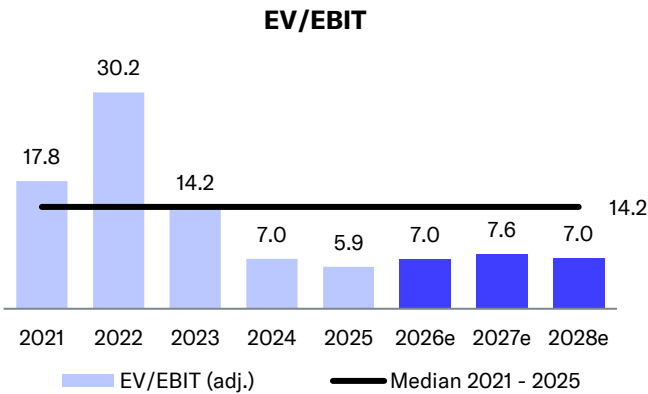
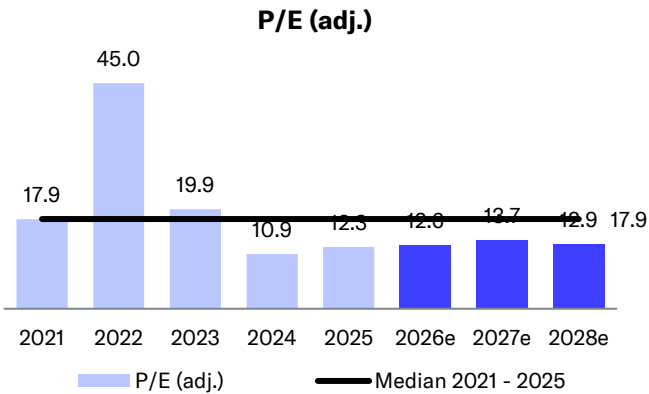
Valuation	2026e	2027e	2028e
Share price	12.9	12.9	12.9
Number of shares, millions	41.0	41.0	41.0
Market cap	529	529	529
EV	362	362	352
P/E (adj.)	12.6	13.7	12.9
P/E	12.6	13.7	12.9
P/B	2.6	2.4	2.2
P/S	0.7	0.7	0.6
EV/Sales	0.5	0.5	0.4
EV/EBITDA	5.3	5.7	5.3
EV/EBIT (adj.)	7.0	7.6	7.0
Payout ratio (%)	54.9 %	65.6 %	67.9 %
Dividend yield-%	4.3 %	4.8 %	5.3 %

Source: Inderes

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	10.2	10.2	10.2	10.2	14.3	12.9	12.9	12.9	12.9
Number of shares, millions	39.8	41.2	40.7	39.9	41.0	41.0	41.0	41.0	41.0
Market cap	405	419	414	406	587	529	529	529	529
EV	403	414	354	317	341	362	362	352	343
P/E (adj.)	17.9	45.0	19.9	10.9	12.3	12.6	13.7	12.9	12.6
P/E	19.5	60.0	20.6	11.0	13.7	12.6	13.7	12.9	12.6
P/B	5.3	5.4	4.7	3.4	3.1	2.6	2.4	2.2	2.1
P/S	0.9	0.9	0.8	0.6	0.7	0.7	0.7	0.6	0.6
EV/Sales	0.9	0.9	0.6	0.4	0.4	0.5	0.5	0.4	0.4
EV/EBITDA	19.5	17.0	9.4	5.2	4.7	5.3	5.7	5.3	4.9
EV/EBIT (adj.)	17.8	30.2	14.2	7.0	5.9	7.0	7.6	7.0	6.6
Payout ratio (%)	27.9 %	94.4 %	33.3 %	22.1 %	50.5 %	54.9 %	65.6 %	67.9 %	75.0 %
Dividend yield-%	1.4 %	1.6 %	1.6 %	2.0 %	3.7 %	4.3 %	4.8 %	5.3 %	5.9 %

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
YIT	643	1435	17.3	12.9	13.3	10.4	0.8	0.7	46.2	17.5	0.4		0.9
Veidekke	2240	2023	11.6	11.1	7.4	7.1	0.5	0.5	16.7	16.1	5.7	5.9	5.8
NCC	2038	2261	11.2	10.4	7.2	6.8	0.4	0.4	12.4	11.4	4.8	5.2	2.3
Peab	2877	3683	12.8	11.8	8.4	7.9	0.6	0.6	12.9	11.7	3.9	4.3	1.6
Skanska	10539	9309	11.7	10.7	8.7	8.1	0.5	0.5	15.4	13.9	3.7	3.9	1.7
SRV	87	213	25.0	12.2	16.4	9.7	0.3	0.3	73.1	13.0		2.9	0.8
Strabag	10510	8465	8.3	7.6	5.0	4.7	0.4	0.4	14.5	13.5	2.9	3.1	1.8
Koninklijke Heijmans N.V.	1890	1930	9.2	8.4	7.1	6.5	0.7	0.6	12.1	11.0	4.1	4.5	2.8
NRC Group	136	219	10.4	11.8	5.7	5.1	0.3	0.3	13.1	9.6		4.6	0.8
Kreate	125	162	9.7	8.3	6.1	5.7	0.4	0.3	16.0	9.6	5.2	5.5	2.5
NYAB	391	393	10.1	9.2	8.7	8.2	0.7	0.6	13.7	11.0	2.7	3.6	1.8
GRK Infra Oyj (Inderes)	529	362	7.0	7.6	5.3	5.7	0.5	0.5	12.6	13.7	4.3	4.8	2.6
Average			12.5	10.4	8.5	7.3	0.5	0.5	22.4	12.6	3.7	4.4	2.1
Median			11.2	10.7	7.4	7.1	0.5	0.5	14.5	11.7	3.9	4.4	1.8
Diff-% to median			-38%	-28%	-28%	-20%	-9%	-4%	-13%	17%	10%	10%	46%

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	728	174	232	257	209	872	120	200	248	232	800	786	835	868
Finland	395	78.5	122	142	101	444	54.0	105	135	109	403	461	484	503
Sweden	274	82.1	91.8	91.0	81.2	346	51.0	79.2	87.7	90.2	308	185	204	212
Estonia	72.1	16.3	21.6	30.6	32.6	101	16.8	18.6	29.5	36.3	101	151	159	165
Other operations and eliminations	-12.4	-2.6	-3.2	-6.5	-6.2	-18.4	-1.8	-3.0	-3.7	-3.5	-12.0	-12.0	-12.0	-12.5
Group (adjusted EBIT)	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
Adjustment items	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	60.9	11.9	19.7	26.9	13.9	72.4	5.1	16.3	27.1	20.2	68.7	64.0	67.0	70.1
Depreciation	-15.7	-3.8	-4.0	-4.2	-7.0	-18.9	-3.9	-4.1	-4.3	-4.3	-16.6	-16.7	-16.9	-18.0
EBIT (excl. NRI)	45.6	8.7	16.5	23.4	9.7	58.2	1.1	12.2	22.8	15.9	52.1	47.3	50.1	52.1
EBIT	45.2	8.1	15.7	22.8	6.9	53.5	1.1	12.2	22.8	15.9	52.1	47.3	50.1	52.1
Group (adjusted EBIT)	45.6	8.7	16.5	23.4	9.7	58.2	1.1	12.2	22.8	15.9	52.1	47.6	50.4	0.0
Adjustment items	-0.4	-0.6	-0.7	-0.6	-2.8	-4.7	0.0	0.0	0.0	0.0	0.0	-0.3	-0.3	0.0
Share of profits in assoc. compan.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net financial items	0.6	-1.3	1.4	0.4	-1.2	-0.8	-0.1	-0.1	-0.1	-0.1	-0.5	-0.1	-0.1	-1.0
PTP	45.8	6.7	17.1	23.2	5.7	52.7	1.0	12.0	22.7	15.8	51.6	47.2	50.0	51.0
Taxes	-8.9	-1.3	-3.7	-3.9	-0.8	-9.7	-0.2	-2.3	-4.3	-3.0	-9.7	-8.5	-9.0	-9.2
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
Net earnings	36.9	5.4	13.4	19.3	4.9	43.0	0.8	9.8	18.4	12.8	41.8	38.7	41.0	41.8
EPS (adj.)	0.93	0.15	0.35	0.49	0.19	1.17	0.02	0.24	0.45	0.31	1.02	0.94	1.00	1.02
EPS (rep.)	0.93	0.13	0.33	0.47	0.12	1.05	0.02	0.24	0.45	0.31	1.02	0.94	1.00	1.02

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-%	33.4 %	61.2 %	-314.3 %	0.0 %	-71.4 %	19.8 %	-31.2 %	-13.8 %	-3.6 %	11.3 %	-8.3 %	-1.7 %	6.2 %	4.0 %
Adjusted EBIT growth-%	83.0 %				-78.7 %	27.7 %	-87.0 %	-26.1 %	-2.2 %	63.7 %	-10.6 %	-9.0 %	5.8 %	4.0 %
EBITDA-%	8.4 %	6.8 %	8.5 %	10.5 %	6.7 %	8.3 %	4.2 %	8.1 %	10.9 %	8.7 %	8.6 %	8.1 %	8.0 %	8.1 %
Adjusted EBIT-%	6.3 %	5.0 %	7.1 %	9.1 %	4.7 %	6.7 %	0.9 %	6.1 %	9.2 %	6.9 %	6.5 %	6.0 %	6.0 %	6.0 %
Net earnings-%	5.1 %	3.1 %	5.8 %	7.5 %	2.3 %	4.9 %	0.7 %	4.9 %	7.4 %	5.5 %	5.2 %	4.9 %	4.9 %	4.8 %

Source: Inderes

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	91.9	102	107	113	121
Goodwill	0.7	1.3	1.3	1.3	1.3
Intangible assets	0.5	1.2	2.0	3.0	4.1
Tangible assets	84.5	95.5	99.2	105	111
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	4.7	1.5	1.5	1.5	1.5
Deferred tax assets	1.4	2.7	2.7	2.7	2.7
Current assets	243	419	303	310	330
Inventories	6.7	8.7	8.0	7.9	8.3
Other current assets	47.2	0.2	0.2	0.2	0.2
Receivables	62.0	126	88.0	94.3	100
Cash and equivalents	127	284	207	208	221
Balance sheet total	334	521	410	424	450

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	119	190	205	221	236
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	81.0	116	136	152	168
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	38.2	73.7	68.2	68.2	68.2
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	30.5	32.4	37.8	37.8	39.8
Deferred tax liabilities	3.0	5.0	5.0	5.0	5.0
Provisions	2.4	2.4	2.4	2.4	2.4
Interest bearing debt	24.6	23.6	29.0	29.0	31.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long-term liabilities	0.6	1.4	1.4	1.4	1.4
Current liabilities	185	298	167	165	174
Interest bearing debt	14.0	14.1	11.0	12.0	13.0
Payables	108	99.4	100.0	98.2	104
Other current liabilities	62.4	185	56.1	55.1	57.1
Balance sheet total	334	521	410	424	450

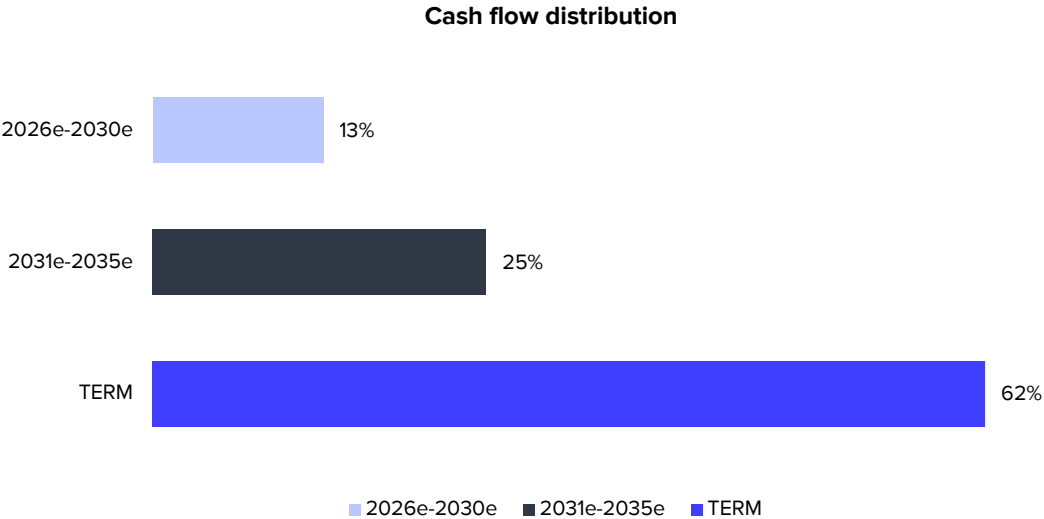
DCF calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	19.8 %	-8.3 %	-1.7 %	6.2 %	4.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	2.0 %	2.0 %
EBIT-%	6.1 %	6.5 %	6.0 %	6.0 %	6.0 %	6.0 %	5.9 %	5.5 %	5.0 %	5.0 %	5.0 %	5.0 %
EBIT (operating profit)	53.5	52.1	47.3	50.1	52.1	53.6	54.3	52.2	48.9	50.3	51.3	
+ Depreciation	18.9	16.6	16.7	16.9	18.0	20.4	21.4	22.0	22.5	22.9	23.3	
- Paid taxes	-8.9	-9.7	-8.5	-9.0	-9.2	-9.5	-9.6	-9.2	-8.6	-8.9	-9.1	
- Tax, financial expenses	-0.1	-0.6	-0.4	-0.4	-0.6	-0.6	-0.6	-0.6	-0.6	-0.6	-0.6	
+ Tax, financial income	0.0	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	
- Change in working capital	94.6	-89.4	-8.9	1.8	1.4	1.5	1.5	1.6	1.6	1.1	-0.1	
Operating cash flow	158	-30.6	46.6	59.7	62.1	65.8	67.5	66.3	64.2	65.3	65.3	
+ Change in other long-term liabilities	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-28.0	-21.1	-23.2	-24.3	-24.3	-25.4	-25.5	-25.5	-25.6	-25.7	-22.1	
Free operating cash flow	131	-51.8	23.4	35.5	37.8	40.5	42.0	40.8	38.6	39.6	43.2	
+/- Other	27.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	158	-51.8	23.4	35.5	37.8	40.5	42.0	40.8	38.6	39.6	43.2	612
Discounted FCFF		-47.9	19.8	27.5	26.9	26.3	25.0	22.3	19.3	18.1	18.1	256
Sum of FCFF present value		412	460	440	412	386	359	334	312	293	275	256
Enterprise value DCF		412										
- Interest bearing debt		-37.6										
+ Cash and cash equivalents		284										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		658										
Equity value DCF per share		16.1										

WACC

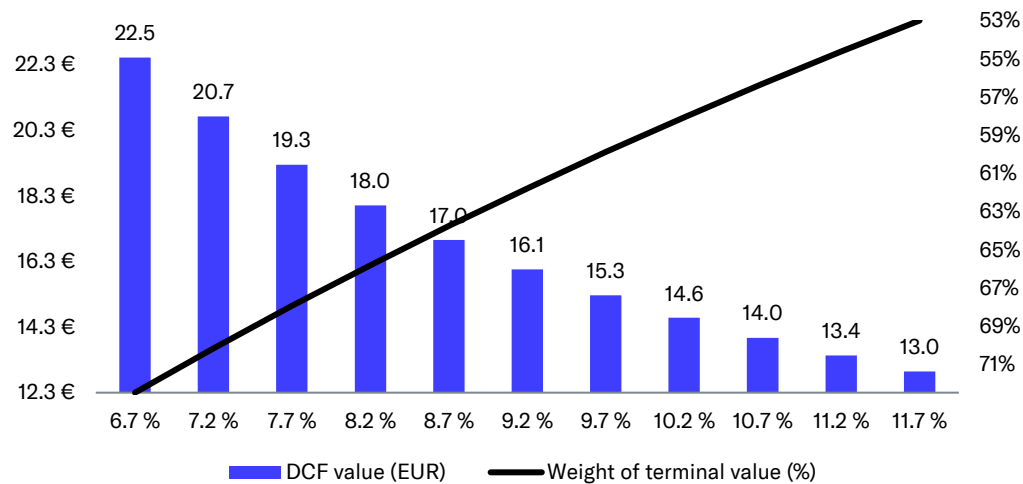
Tax-% (WACC)	18.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	4.0 %
Equity Beta	1.55
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	9.9 %
Weighted average cost of capital (WACC)	9.2 %

Source: Inderes

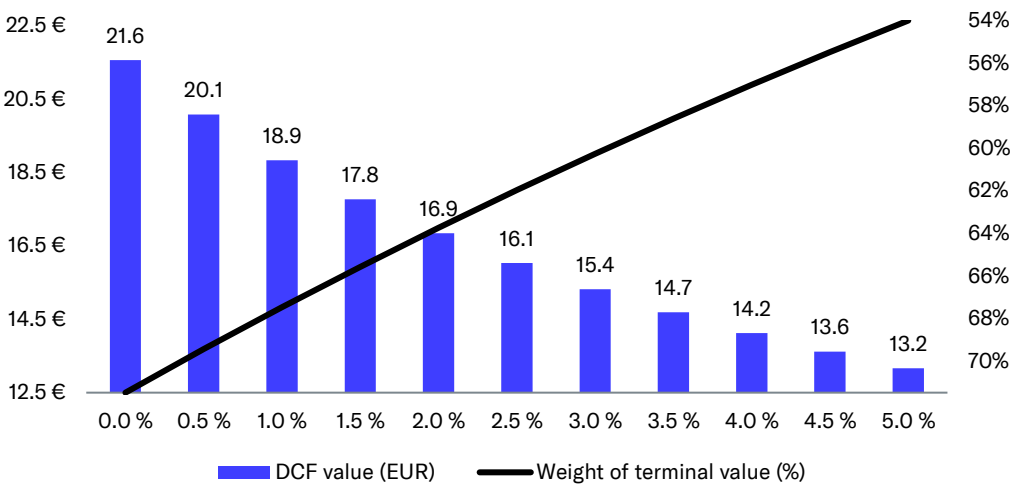


DCF sensitivity calculations and key assumptions in graphs

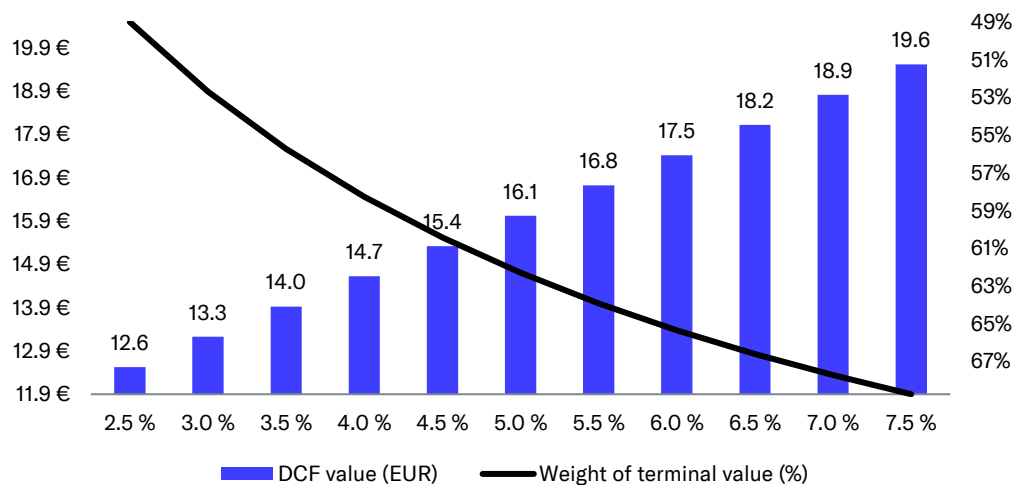
Sensitivity of DCF to changes in the WACC-%



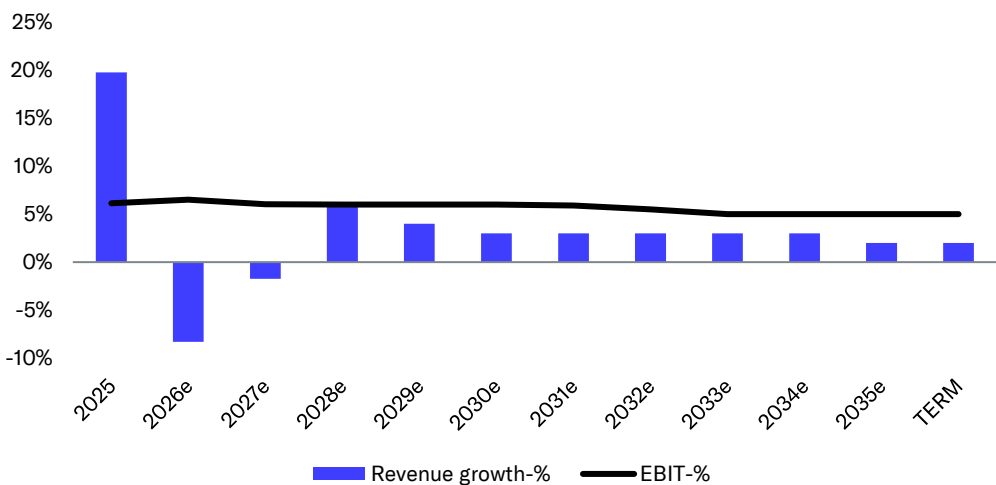
Sensitivity of DCF to changes in the risk-free rate



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	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e
Revenue	546.2	728.4	872.3	799.9	786.0	EPS (reported)	0.49	0.93	1.05	1.02	0.94
EBITDA	37.7	60.9	72.4	68.7	64.0	EPS (adj.)	0.51	0.93	1.17	1.02	0.94
EBIT	24.2	45.2	53.5	52.1	47.3	OCF / share	1.95	1.43	3.86	-0.75	1.14
PTP	24.3	45.8	52.7	51.6	47.2	OFCF / share	1.55	0.86	3.85	-1.26	0.57
Net Income	20.2	36.9	43.0	41.8	38.7	Book value / share	2.18	2.99	4.64	5.00	5.38
Extraordinary items	-0.7	-0.4	-4.7	0.0	0.0	Dividend / share	0.17	0.20	0.53	0.56	0.62
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	280.3	334.5	520.8	409.6	423.7	Revenue growth-%	21%	33%	20%	-8%	-2%
Equity capital	88.9	119.3	190.1	204.7	220.5	EBITDA growth-%	55%	61%	19%	-5%	-7%
Goodwill	0.7	0.7	1.3	1.3	1.3	EBIT (adj.) growth-%	82%	83%	28%	-11%	-9%
Net debt	-59.9	-88.0	-246.1	-166.7	-167.1	EPS (adj.) growth-%	127%	82%	25%	-12%	-7%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	6.9 %	8.4 %	8.3 %	8.6 %	8.1 %
EBITDA	37.7	60.9	72.4	68.7	64.0	EBIT (adj.)-%	4.6 %	6.3 %	6.7 %	6.5 %	6.0 %
Change in working capital	45.9	3.6	94.6	-89.4	-8.9	EBIT-%	4.4 %	6.2 %	6.1 %	6.5 %	6.0 %
Operating cash flow	79.5	56.9	158.0	-30.6	46.6	ROE-%	24.3 %	35.4 %	27.8 %	21.2 %	18.2 %
CAPEX	-17.0	-21.7	-28.0	-21.1	-23.2	ROI-%	20.0 %	31.8 %	27.7 %	23.1 %	19.5 %
Free cash flow	63.3	34.1	157.8	-51.8	23.4	Equity ratio	39.9 %	42.9 %	55.0 %	57.1 %	59.0 %
Valuation multiples	2023	2024	2025	2026e	2027e	Gearing	-67.4 %	-73.8 %	-129.4 %	-81.4 %	-75.8 %
EV/S	0.6	0.4	0.4	0.5	0.5						
EV/EBITDA	9.4	5.2	4.7	5.3	5.7						
EV/EBIT (adj.)	14.2	7.0	5.9	7.0	7.6						
P/E (adj.)	19.9	10.9	12.3	12.6	13.7						
P/B	4.7	3.4	3.1	2.6	2.4						
Dividend-%	1.6 %	2.0 %	3.7 %	4.3 %	4.8 %						

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
5/28/2025	Accumulate	13.00 €	10.95 €
8/1/2025	Reduce	14.00 €	14.69 €
9/11/2025	Accumulate	14.00 €	12.93 €
10/22/2025	Accumulate	14.50 €	13.64 €
10/31/2025	Accumulate	14.50 €	13.36 €
2/13/2026	Accumulate	14.50 €	12.91 €



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