

NIBE INDUSTRIER B

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Lucas Mattsson
+46 731589485
lucas.mattsson@inderes.com

COMPANY REPORT



Attractive entry as recovery builds

NIBE's valuation has continued to moderate, while European heat pump market data continues to show positive signals of a recovery, supporting our estimates. Medium-term valuation multiples (2026: P/E 21x and EV/EBIT: 17x) are well below the company's long-term medians and appear attractive in our view. Therefore, we believe the company's interesting long-term investment story can be accessed with a good risk/return ratio at the current valuation, and we are updating our recommendation to Accumulate (prev. Reduce) but reiterate our target price of SEK 40.0 per share.

Investment case dependent on a volume rebound

Over its long history, NIBE has grown into an international group within heating solutions and energy control. In our view, NIBE's investment case relies on continued investments in product development and strategic acquisitions to support long-term structural growth in energy-efficient heating solutions and drive a sales-led margin recovery. While the biggest positive driver for NIBE is sales growth, the main near-term risks to achieving this include intensified competition, regulatory uncertainty around long-term subsidies, and a weak end-consumer demand.

We expect the gradual recovery to continue in Q3'25

We expect NIBE's Q3 revenue at approximately 10.3 BNSEK, roughly in line with consensus, reflecting organic growth of 3.2% year-over-year from weak comparisons. We expect the largest business area, Climate Solutions, to drive growth with 6% organic expansion, led by European market recovery as distributor inventories have normalized. Strong momentum in Germany, with heat pump sales up 55% in H1'25 and subsidy applications growing 44% in Q3'25, should offset slower growth in Sweden and the Netherlands. In Element, we expect modest 2% organic growth with mixed segment development, while Stoves should see clear sequential improvement from a weak Q2 due to seasonal patterns, though still negative year-over-

year. We estimate Q3 EBIT at 1,148 MSEK, slightly below consensus, corresponding to an ~11% operating margin, supported by increased sales, improved productivity, and disciplined cost control.

We have kept our estimates largely intact

For 2025, we continue to estimate organic growth of approximately 3%, primarily driven by Climate Solutions due to a recovery in the European heat pump market and a relatively stable North American market. According to our estimates, Stoves will remain a drag, due to weak consumer demand and persistent softness in the new construction market, while Element should see modest organic growth. For 2026–2027, we expect 6–7% organic revenue growth, supported by an improving economic environment, a recovery in the European new-build market, and improved consumer confidence. Margins should benefit from volume growth and cost control, but a significant recovery depends on a stronger volume rebound than seen in H1'25, which is uncertain given the ongoing weakness in residential markets. Considering these dynamics and NIBE's H1'25 performance, we still view NIBE's ambition to return to historical margins across all three business areas by 2025 as optimistic.

Good entry point as market recovers and valuation moderates

We believe that NIBE's valuation is relatively high on actual earnings basis (adj. P/E LTM Q2'25: 32x). Although we expect some downward pressure on LTM earnings multiples, we believe that the medium-term earnings growth of some good 10-15% coupled with a slight dividend yield of some 1-2%, offers a total expected return above our required return. Additionally, the DCF value is also sufficiently higher than the current share price. We, therefore, consider the risk/reward ratio quite good at the current share price level.

Recommendation

Accumulate
(prev. Reduce)

Target price:
40.0 SEK
(prev. 40.0 SEK)

Share price:
35.9 SEK

Business risk



Valuation risk



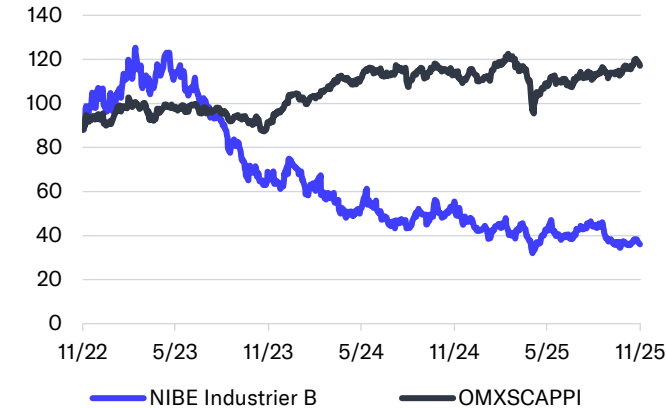
	2024	2025e	2026e	2027e
Revenue	40,521	41,743	44,324	47,129
growth-%	-13%	3%	6%	6%
EBIT adj.	3,226	4,397	5,032	5,458
EBIT-% adj.	8.0 %	10.5 %	11.4 %	11.6 %
Net Income	1,164	2,671	3,419	3,790
EPS (adj.)	0.80	1.32	1.70	1.88
P/E (adj.)	54.3	27.1	21.2	19.1
P/B	2.7	2.1	2.0	1.8
Dividend yield-%	0.7 %	1.3 %	1.8 %	1.8 %
EV/EBIT (adj.)	33.0	20.2	17.3	15.5
EV/EBITDA	21.6	13.3	11.7	10.8
EV/S	2.6	2.1	2.0	1.8

Source: Inderes

Guidance

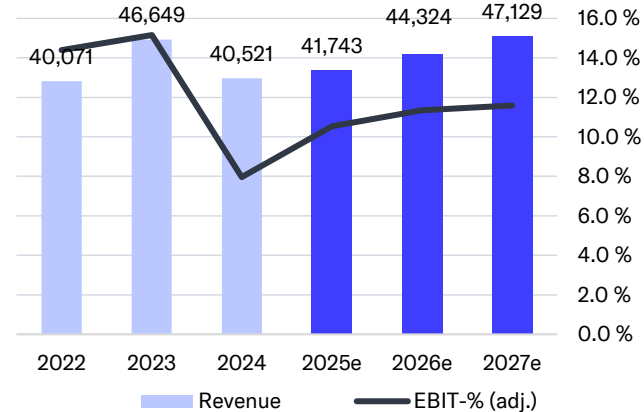
(NIBE does not provide any guidance)

Share price



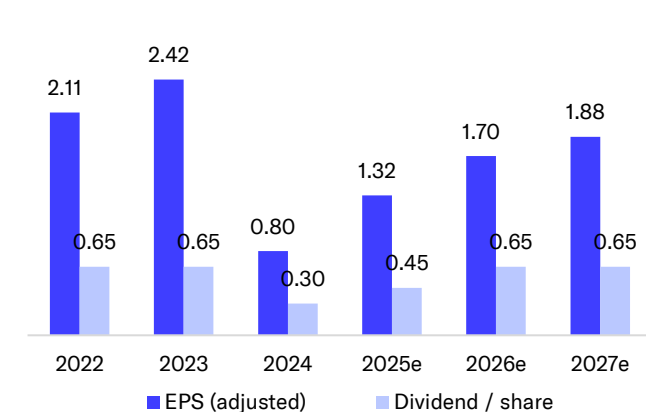
Source: Millstream Market Data AB

Revenue and EBIT-%



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Strong market position and globally well-known brands
- Good long-term prospects for renewable energy-based systems
- Energy efficiency investments support growth
- Vertical and horizontal synergies create efficiency and reduce costs

Risk factors

- Weak new construction market and uncertainty regarding future heat pump subsidies
- Somewhat cyclical demand
- Persistently unfavorable gas-to-electricity price ratios
- Risks generated by acquisitions and/or expansion investments

Valuation	2025e	2026e	2027e
Share price	35.9	35.9	35.9
Number of shares, millions	2,016	2,016	2,016
Market cap	72,377	72,377	72,377
EV	88,886	87,137	84,641
P/E (adj.)	27.1	21.2	19.1
P/E	27.1	21.2	19.1
P/B	2.1	2.0	1.8
P/S	1.7	1.6	1.5
EV/Sales	2.1	2.0	1.8
EV/EBITDA	13.3	11.7	10.8
EV/EBIT (adj.)	20.2	17.3	15.5
Payout ratio (%)	34.0 %	38.3 %	34.6 %
Dividend yield-%	1.3 %	1.8 %	1.8 %

Source: Inderes

We expect a recovery to continue materializing

We expect a gradual recovery in sales volumes

We estimate NIBE's Q3'25 revenue at around 10.3 BNSEK, roughly in line with consensus, reflecting 3.2% organic growth year-over-year from weak comparisons. We expect growth to be partially offset by a stronger SEK. We anticipate Climate Solutions, the company's largest business area, to drive growth with 6% organic growth. In our view, the sales volume increase should be led by the European market, which accounts for about 70% of Climate Solutions sales, as distributor inventories have continued to normalize. We see continued recovery in key markets, such as Germany, offsetting the somewhat slower growth observed in market data from Sweden and the Netherlands. In Germany, heat pump sales rose 55% in H1'25, and subsidy applications grew 44% year-over-year in Q3'25, indicating sustained momentum. In addition, competitors such as Carrier have also reported strong growth in the European market, driven by a ~45% increase

in Germany, further supporting our view of continued European recovery. In the Element business area, we expect modest 1% organic growth with continued mixed development. We anticipate that HVAC and semiconductor segments performed more stably, while the automotive and white goods segments are expected to continue lagging. In the Stoves business area, we expect a clear sequential upturn from the weak Q2 as sales return to their traditional seasonal pattern, with the majority concentrated in the second half of the year. However, on a year-over-year basis, we expect -4% organic growth reflecting continued weak consumer demand in Europe.

We estimate continued improvement in profitability

We estimate Q3 EBIT at 1,148 MSEK, slightly below consensus, corresponding to an operating margin of ~11%. We believe increased sales, improved productivity, and disciplined operational cost control will support profitability. Below the operating line, we expect lower financial costs

year-over-year due to declining interest rates and a lower relative tax rate. As a result, we estimate adjusted EPS of SEK 0.36, slightly below consensus.

Potential for more cautious commentary on margin targets

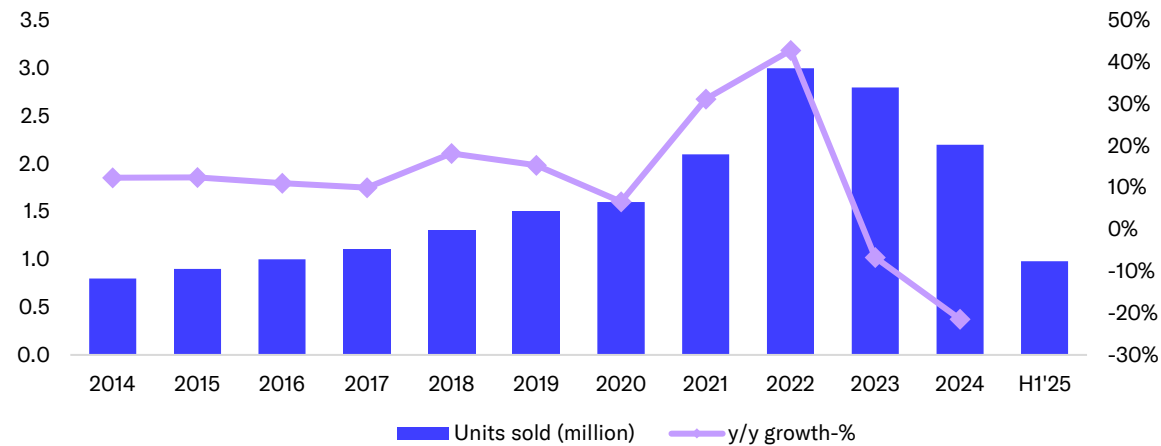
While NIBE does not provide financial guidance, the company has stated an ambition to reach historical margin levels by 2025: 13-15% in Climate Solutions, 8-11% in Element, and 10-13% in Stoves. Based on our estimates, we view the lower end of the historical range as realistic for Climate Solutions, while the other two business areas appear more challenging, particularly for Stoves, given the weak H1 performance and the tariff situation. We would not be surprised to hear more cautious commentary on these targets, consistent with management's Q2 remarks that it might realistically take a little longer for the Stoves business area to return to historical margins. Our focus for the Q3 report remains on demand-related information and insights into pricing dynamics.

Estimates	Q3'24	Q3'25	Q3'25e	Q3'25e	Consensus	2025e
MSEK / SEK	Comparison	Actualized	Inderes	Consensus	Low High	Inderes
Revenue	9,967		10,288	10,394	9,910 - 10,904	41,743
EBIT (adj.)	912		1,148	1,213	1,042 - 1,458	4,397
EBIT	912		1,148	1,213	1,042 - 1,458	4,397
PTP	626		928	1,001	850 - 1,256	3,505
EPS (adj.)	0.21		0.36	0.38	0.32 - 0.47	1.32
Revenue growth-%	-13.4 %		3.2 %	4.3 %	-0.6 % - 9.4 %	3.0 %
EBIT-%	9.2 %		11.2 %	11.7 %	10.5 % - 13.4 %	10.5 %

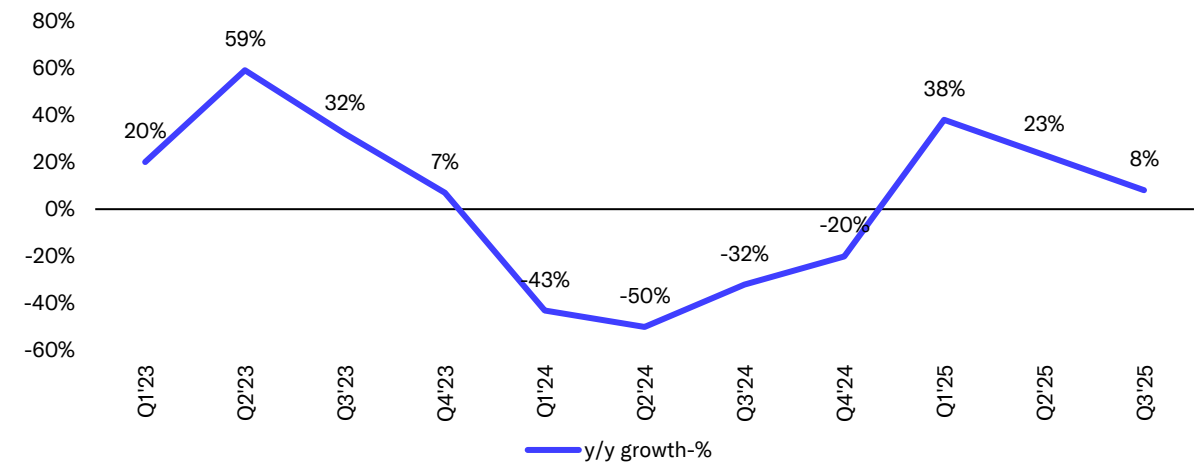
Source: Inderes & Infront (04.11.25, 10 analysts) (consensus)

European heat pump market figures

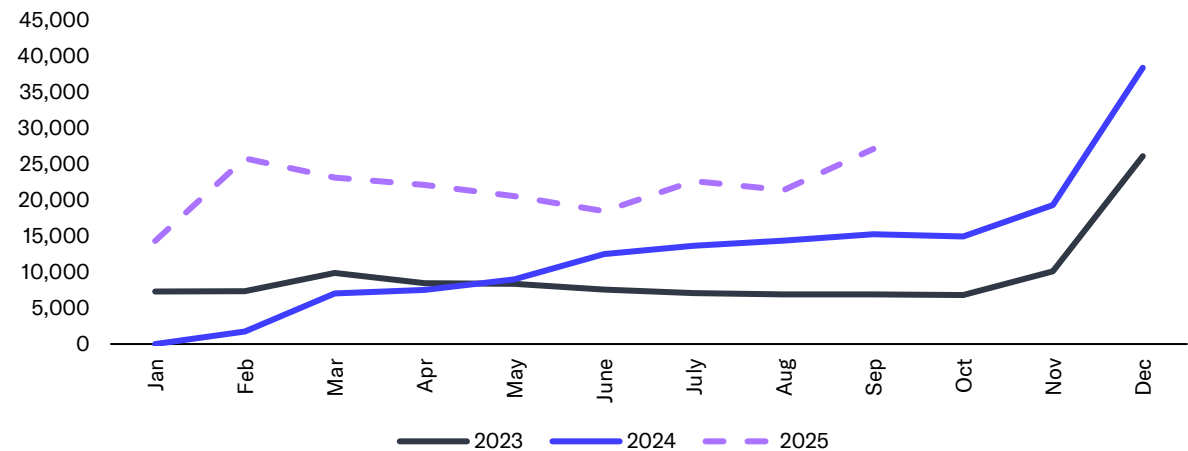
European heat pump market development



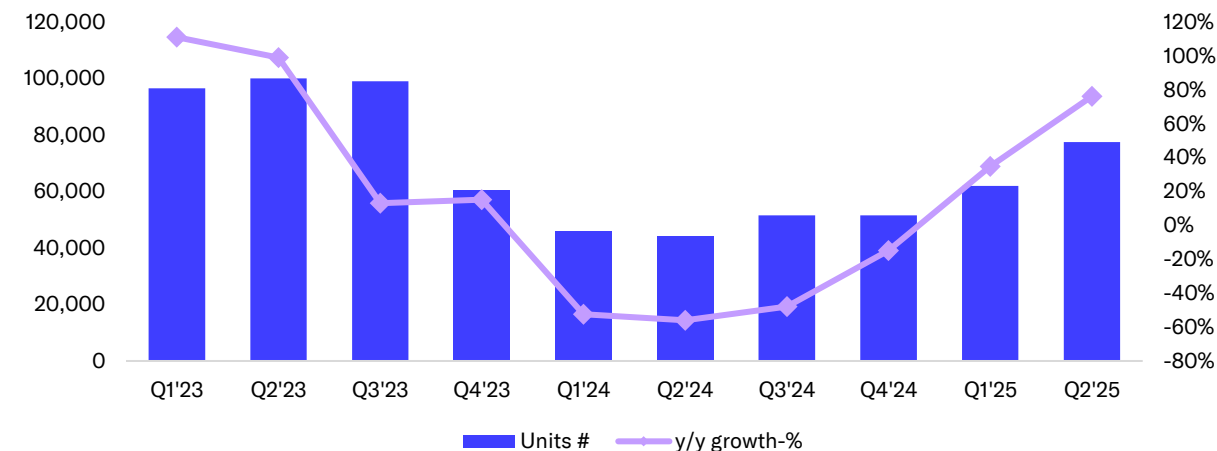
Heat pump sales growth development in the Swedish market



Applications for heat pump subsidies in Germany



Heat pump sales in Germany



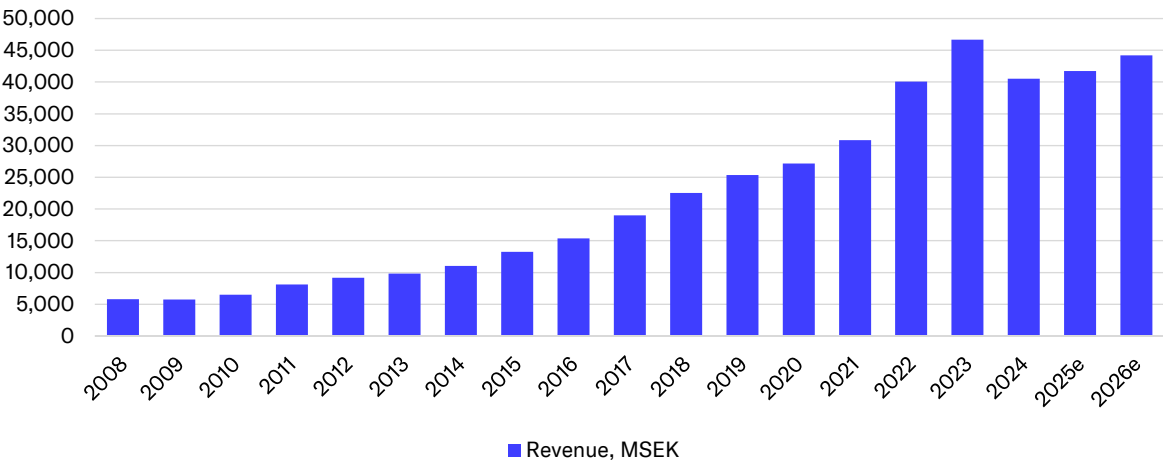
We have kept our estimates largely unchanged

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MSEK / SEK	Old	New	%	Old	New	%	Old	New	%
Revenue	41,749	41,743	0%	44,213	44,324	0%	47,010	47,129	0%
EBITDA	6,724	6,677	-1%	7,528	7,432	-1%	7,897	7,819	-1%
EBIT (excl. NRIs)	4,396	4,397	0%	5,024	5,032	0%	5,448	5,458	0%
EBIT	4,396	4,397	0%	5,024	5,032	0%	5,448	5,458	0%
PTP	3,549	3,505	-1%	4,424	4,432	0%	4,898	4,908	0%
EPS (excl. NRIs)	1.34	1.32	-1%	1.69	1.70	0%	1.88	1.88	0%
DPS	0.45	0.45	0%	0.65	0.65	0%	0.65	0.65	0%

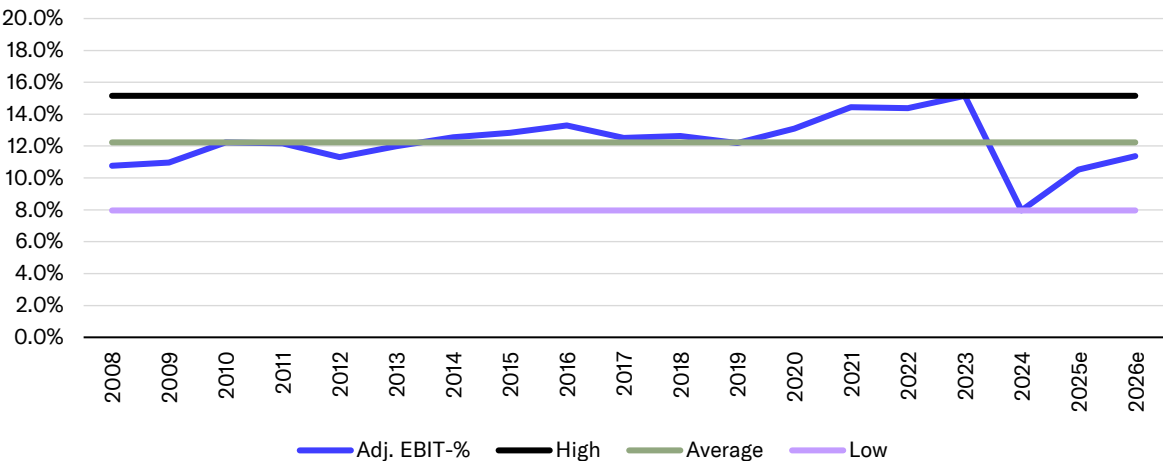
Source: Inderes

Historical financials and estimates

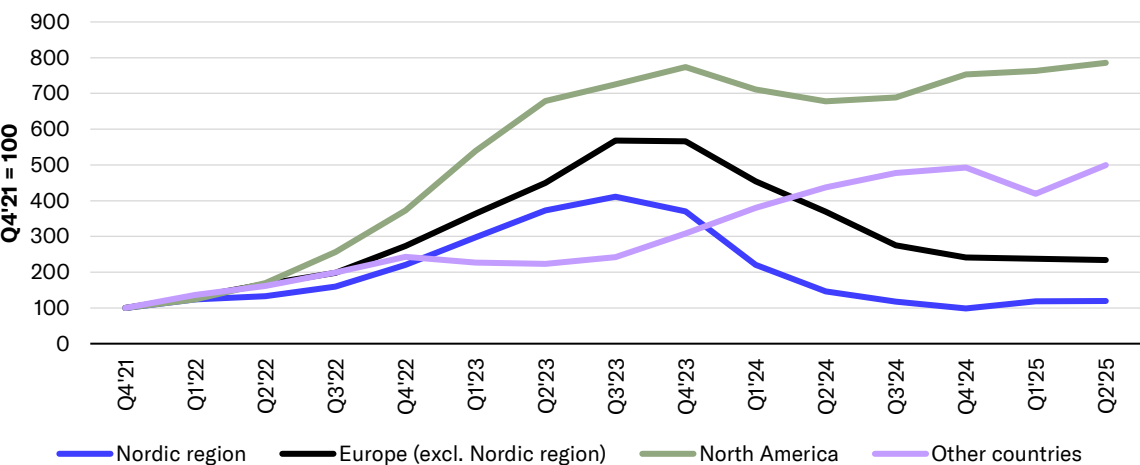
Group revenue development



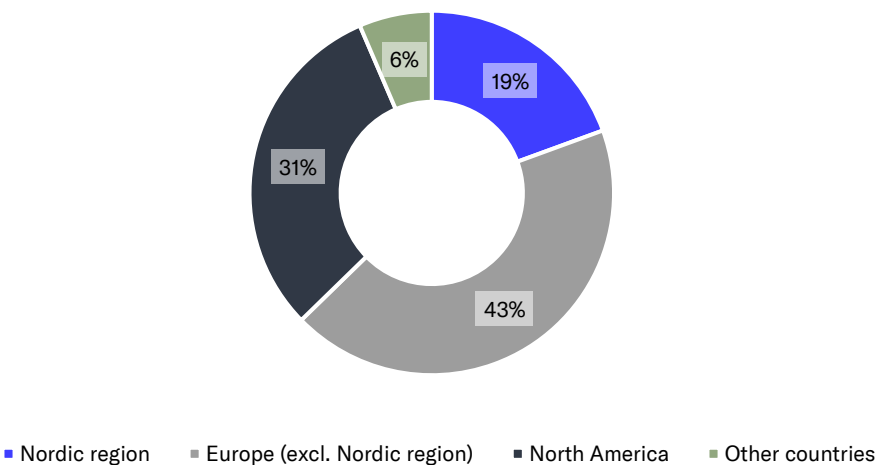
Group adj. EBIT-% development



Indexed revenue development by geography



Revenue distribution by geography, Q2'25 LTM



We turn to an Accumulate recommendation

Valuation multiples start to look attractive

The past ~2 years have been challenging, with earnings falling significantly short of their potential due to challenging market conditions. NIBE is currently progressing in its turnaround, even if slowly, and the 2025 valuation multiples are P/E: 27x and EV/EBIT: 20x. These multiples are roughly in line with the company’s historical long-term medians, and we view them as relatively neutral given the still uncertain operating environment. Looking ahead, if the market environment continues to improve, and our forecast of an earnings recovery continues materializing, the estimated 2026 multiples of P/E: 21x and EV/EBIT: 17x look attractive to us. However, the 2026 multiples are based on estimates that depend on substantial and still uncertain improvements in earnings. Key uncertainties include the macroeconomic environment, a sluggish construction market, and subsidy uncertainty in certain heat pump markets. In addition, intensifying competition could pressure pricing power over time. Nevertheless, the absolute valuation multiples fall within our acceptable valuation range and appear attractive to us.

Priced relatively in line with peers

On a relative basis, NIBE is trading roughly in line with its peers, based on earnings multiples for 2025-26. When comparing only to its international heat pump peers (such as Carrier, Trane, Lennox, and Beijer Ref), NIBE is also trading roughly in line with its peers on 2025-26 earnings multiples. On one hand, we believe that NIBE holds a strong long-term track record of profitable growth and high returns on capital, which could justify a premium. On the other hand, growth outlook and margin potential are quite

similar. In addition, NIBE is a smaller company compared to the overall peer group. All in all, we therefore believe that NIBE’s valuation is quite fair relative to peers.

DCF suggests some upside

We also believe that the DCF model is a relevant valuation method for NIBE, given the availability of sufficient historical financial information, the stability of the industry, consistent growth, and a relatively predictable business. Overall, the model expects NIBE to grow at a high single-digit rate in the medium term and at a mid-single-digit rate in the long term. We estimate NIBE’s cost of equity at 8.7% and WACC at 8.0%. With these assumptions, our DCF model arrives at an equity value of around 81 BNSEK, which translates to around SEK 40 per share. This is in line with our target price and somewhat above the current share price, suggesting some upside.

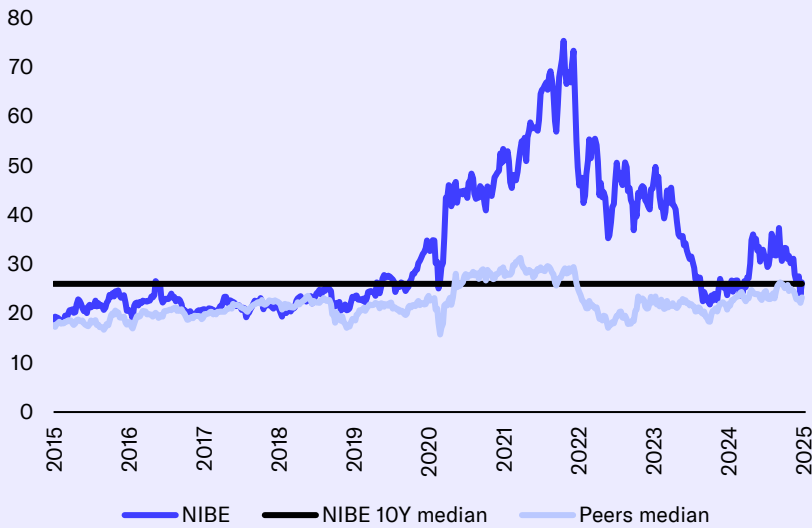
Expected return is sufficient in the medium term

We expect investors to receive an annual dividend of about 1-2% over the next few years for the current share price. However, we do not deem dividends very significant for NIBE’s expected returns, as its profile is that of a growth company. We believe that NIBE’s valuation is high on an actual earnings basis (adj. P/E LTM Q2’25: 32x). Although we expect some downward pressure on LTM earnings multiples, we believe that the medium-term earnings growth of some good 10-15% offers a total expected return above our required return. We, therefore, consider the risk/reward ratio good and update our recommendation to Accumulate (prev. Reduce) but reiterate our target price of SEK 40.0 per share.

Valuation	2025e	2026e	2027e
Share price	35.9	35.9	35.9
Number of shares, millions	2,016	2,016	2,016
Market cap	72,377	72,377	72,377
EV	88,886	87,137	84,641
P/E (adj.)	27.1	21.2	19.1
P/E	27.1	21.2	19.1
P/B	2.1	2.0	1.8
P/S	1.7	1.6	1.5
EV/Sales	2.1	2.0	1.8
EV/EBITDA	13.3	11.7	10.8
EV/EBIT (adj.)	20.2	17.3	15.5
Payout ratio (%)	34.0 %	38.3 %	34.6 %
Dividend yield-%	1.3 %	1.8 %	1.8 %

Source: Inderes

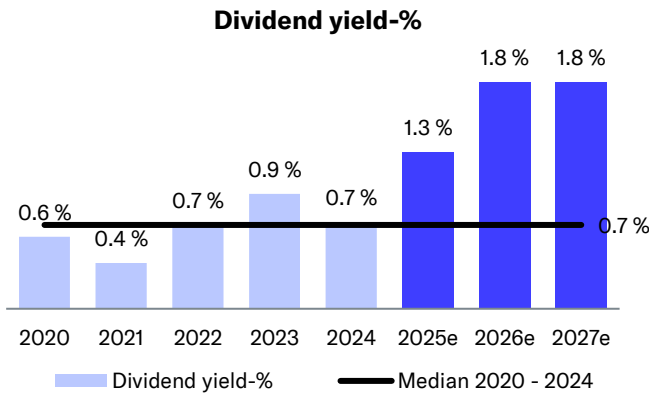
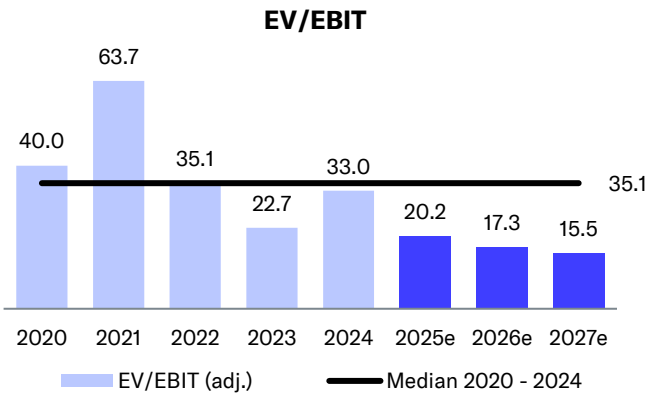
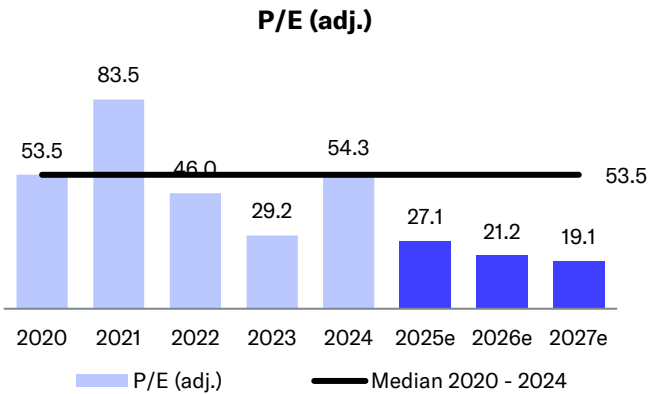
Historical trading multiples, P/E (NTM)



Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	67.4	136.8	97.1	70.8	43.2	35.9	35.9	35.9	35.9
Number of shares, millions	2,016	2,016	2,016	2,016	2,016	2,016	2,016	2,016	2,016
Market cap	135,933	275,697	195,760	142,738	87,175	72,377	72,377	72,377	72,377
EV	142,293	283,549	202,352	160,174	106,382	88,886	87,137	84,641	81,753
P/E (adj.)	53.5	83.5	46.0	29.2	54.3	27.1	21.2	19.1	16.8
P/E	47.4	83.0	45.0	29.8	74.9	27.1	21.2	19.1	16.8
P/B	7.7	12.9	7.0	5.2	2.7	2.1	2.0	1.8	1.7
P/S	5.0	8.9	4.9	3.1	2.2	1.7	1.6	1.5	1.4
EV/Sales	5.2	9.2	5.0	3.4	2.6	2.1	2.0	1.8	1.6
EV/EBITDA	27.8	49.2	27.1	18.2	21.6	13.3	11.7	10.8	9.7
EV/EBIT (adj.)	40.0	63.7	35.1	22.7	33.0	20.2	17.3	15.5	13.5
Payout ratio (%)	27.3 %	30.4 %	30.1 %	27.4 %	52.0 %	34.0 %	38.3 %	34.6 %	30.0 %
Dividend yield-%	0.6 %	0.4 %	0.7 %	0.9 %	0.7 %	1.3 %	1.8 %	1.8 %	1.8 %

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	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	MEUR	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e
Kone	30,461	29,873	21.9	19.8	17.6	16.2	2.7	2.5	28.4	25.6	3.2	3.5	10.1
Assa Abloy	36,576	42,637	19.0	17.1	15.5	14.2	3.0	2.9	25.5	22.1	1.7	1.9	3.6
Hexagon	28,921	32,682	25.7	20.0	17.5	14.2	6.0	5.8	26.1	24.1	1.2	1.3	2.7
Beijer Ref	7,008	7,847	22.5	20.4	17.8	16.5	2.3	2.2	30.9	26.7	1.0	1.1	3.0
Tomra Systems	3,077	3,689	23.2	16.1	14.9	11.2	2.7	2.2	32.1	20.3	1.7	2.7	4.9
Thule Group	2,420	2,747	17.9	15.5	14.6	13.5	2.9	2.7	22.9	19.3	3.4	3.9	3.5
Munters Group	2,786	3,375	22.3	18.2	15.9	13.4	2.5	2.3	33.6	23.4	1.0	1.3	5.0
Trane Technologies	85,875	88,881	25.9	23.2	23.7	21.4	4.8	4.5	34.2	30.1	0.8	0.9	11.9
Carrier	42,285	51,691	17.5	16.2	14.1	13.5	2.7	2.6	21.6	19.2	1.7	1.8	3.7
Lennox International Inc	15,031	15,858	17.3	15.8	15.8	14.5	3.5	3.2	21.5	19.8	1.0	1.0	14.8
Daikin Industries	29,663	30,414			8.6	7.9	1.1	1.1	20.6	19.2	1.7	1.9	1.9
Mitsubishi Electric	51,362	48,936			13.8	13.0	1.6	1.6	27.8	25.3	1.2	1.3	2.3
NIBE Industrier B (Inderes)	6,580	8,081	20.2	17.3	13.3	11.7	2.1	2.0	27.1	21.2	1.3	1.8	2.1
Average			21.3	18.2	15.8	14.1	3.0	2.8	27.1	22.9	1.6	1.9	5.6
Median			22.1	17.6	15.7	13.8	2.7	2.6	27.0	22.7	1.5	1.6	3.6
Diff-% to median			-9%	-2%	-15%	-15%	-21%	-24%	0%	-7%	-14%	14%	-41%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	2024	Q1'25	Q2'25	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	46,649	40,521	9,673	10,082	10,288	11,699	41,743	44,324	47,129	50,511
Climate Solutions	31,373	26,037	6,022	6,824	6,892	7,760	27,498	29,062	31,189	33,372
Element	11,898	11,092	2,888	2,792	2,738	2,917	11,335	12,102	12,577	13,520
Stoves	4,758	3,864	926	678	813	1,198	3,615	3,820	4,071	4,376
Eliminations	-1,380	-472	-163	-212	-155	-175	-705	-660	-707	-758
EBITDA	8,797	4,916	1,310	1,456	1,688	2,223	6,677	7,432	7,819	8,386
Depreciation	-1,824	-2,245	-528	-512	-540	-700	-2,280	-2,400	-2,361	-2,327
EBIT (excl. NRI)	7,069	3,226	782	944	1,148	1,523	4,397	5,032	5,458	6,059
EBIT	6,973	2,671	782	944	1,148	1,523	4,397	5,032	5,458	6,059
Climate Solutions	5,596	1,600	555	842	930	1,203	3,530	3,865	4,117	4,505
Element	942	362	179	184	205	248	816	924	1,069	1,217
Stoves	533	143	61	-51	33	96	138	331	366	438
Eliminations	-98	566	-13	-31	-21	-23	-88	-88	-94	-101
Share of profits in assoc. compan.	0	0	0	0	0	0	0	0	0	0
Net financial items	-642	-1,135	-268	-244	-220	-160	-892	-600	-550	-500
PTP	6,331	1,536	514	700	928	1,363	3,505	4,432	4,908	5,559
Taxes	-1,535	-374	-123	-206	-204	-300	-833	-975	-1,080	-1,223
Minority interest	-11	2	1	-2	0	0	-1	-38	-38	-38
Net earnings	4,785	1,164	392	492	724	1,063	2,671	3,419	3,790	4,298
EPS (adj.)	2.42	0.80	0.19	0.24	0.36	0.53	1.32	1.70	1.88	2.13
EPS (rep.)	2.37	0.58	0.19	0.24	0.36	0.53	1.32	1.70	1.88	2.13

Key figures	2023	2024	Q1'25	Q2'25	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	16.4 %	-13.1 %	1.9 %	0.5 %	3.2 %	6.1 %	3.0 %	6.2 %	6.3 %	7.2 %
Adjusted EBIT growth-%	22.6 %	-54.4 %	51.6 %	41.1 %	25.8 %	34.9 %	36.3 %	14.4 %	8.5 %	11.0 %
EBITDA-%	18.9 %	12.1 %	13.5 %	14.4 %	16.4 %	19.0 %	16.0 %	16.8 %	16.6 %	16.6 %
Adjusted EBIT-%	15.2 %	8.0 %	8.1 %	9.4 %	11.2 %	13.0 %	10.5 %	11.4 %	11.6 %	12.0 %
Net earnings-%	10.3 %	2.9 %	4.1 %	4.9 %	7.0 %	9.1 %	6.4 %	7.7 %	8.0 %	8.5 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	43,906	46,979	46,859	46,641	46,484
Goodwill	26,076	26,076	26,076	26,076	26,076
Intangible assets	4,938	6,165	6,623	7,088	7,062
Tangible assets	11,568	13,214	12,636	11,953	11,823
Associated companies	753	953	953	953	953
Other investments	31	31	31	31	31
Other non-current assets	192	192	192	192	192
Deferred tax assets	348	348	348	348	348
Current assets	24,198	23,427	21,706	23,935	24,979
Inventories	13,227	10,644	9,183	9,751	9,897
Other current assets	0	0	0	0	0
Receivables	6,688	7,176	7,096	7,535	8,012
Cash and equivalents	4,283	5,607	5,427	6,649	7,069
Balance sheet total	68,104	70,406	68,565	70,576	71,463

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	27,420	32,140	34,206	36,718	39,197
Share capital	79	79	79	79	79
Retained earnings	22,760	27,480	29,546	32,058	34,537
Hybrid bonds	0	0	0	0	0
Revaluation reserve	0	0	0	0	0
Other equity	4,543	4,543	4,543	4,543	4,543
Minorities	38	38	38	38	38
Non-current liabilities	25,119	22,615	19,545	19,557	19,074
Deferred tax liabilities	0	0	0	0	0
Provisions	2,787	2,787	2,787	2,787	2,787
Interest bearing debt	16,922	17,625	14,555	14,567	14,084
Convertibles	0	0	0	0	0
Other long term liabilities	5,410	2,203	2,203	2,203	2,203
Current liabilities	15,565	15,651	14,814	14,302	13,191
Interest bearing debt	4,599	7,086	7,301	6,767	5,179
Payables	10,966	8,565	7,514	7,535	8,012
Other current liabilities	0	0	0	0	0
Balance sheet total	68,104	70,406	68,565	70,576	71,463

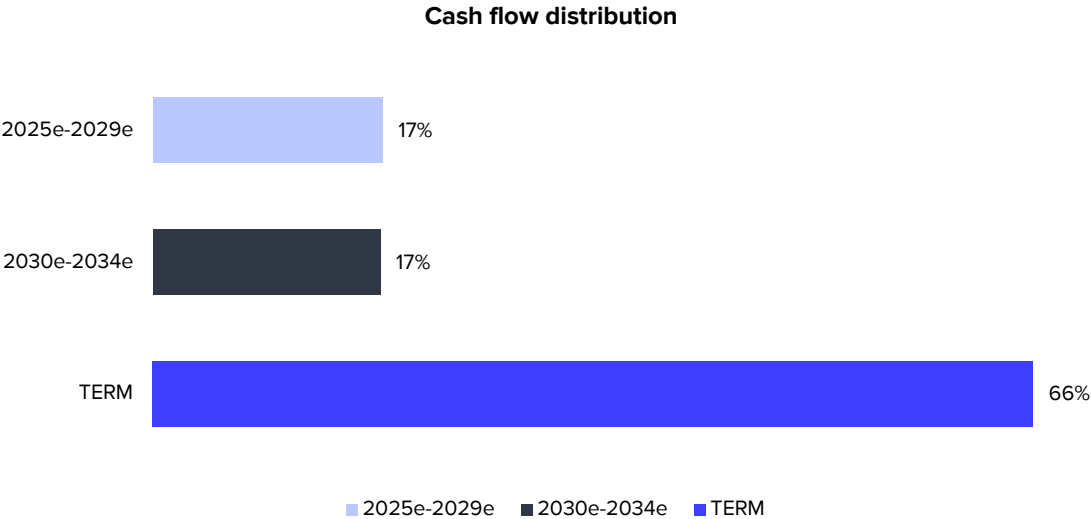
DCF-calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-13.1 %	3.0 %	6.2 %	6.3 %	7.2 %	8.0 %	7.7 %	7.0 %	7.0 %	5.5 %	2.5 %	2.5 %
EBIT-%	6.6 %	10.5 %	11.4 %	11.6 %	12.0 %	12.2 %	12.5 %	13.0 %	13.0 %	13.0 %	13.0 %	13.0 %
EBIT (operating profit)	2,671	4,397	5,032	5,458	6,059	6,655	7,344	8,172	8,744	9,225	9,489	
+ Depreciation	2,245	2,280	2,400	2,361	2,327	2,298	2,308	2,283	2,275	2,271	2,171	
- Paid taxes	-374	-833	-975	-1,080	-1,223	-1,376	-1,550	-1,754	-1,880	-1,986	-2,074	
- Tax, financial expenses	-276	-212	-132	-121	-110	-88	-66	-44	-44	-44	-14	
+ Tax, financial income	0	0	0	0	0	0	0	0	0	0	0	
- Change in working capital	-306	489	-985	-146	-205	-808	-840	-823	-880	-740	-360	
Operating cash flow	3,960	6,121	5,339	6,472	6,848	6,681	7,196	7,835	8,215	8,727	9,212	
+ Change in other long-term liabilities	-3,207	0	0	0	0	0	0	0	0	0	0	
- Gross CAPEX	-5,118	-2,160	-2,182	-2,204	-2,227	-2,249	-2,272	-2,295	-2,313	-2,331	-2,155	
Free operating cash flow	-4,365	3,961	3,157	4,268	4,621	4,432	4,924	5,540	5,903	6,396	7,057	
+/- Other	0	0	0	0	0	0	0	0	0	0	0	
FCFF	-4,365	3,961	3,157	4,268	4,621	4,432	4,924	5,540	5,903	6,396	7,057	133,540
Discounted FCFF		3,914	2,890	3,619	3,629	3,224	3,318	3,458	3,412	3,425	3,500	66,240
Sum of FCFF present value		100,629	96,715	93,825	90,207	86,577	83,354	80,036	76,578	73,165	69,740	66,240
Enterprise value DCF		100,629										
- Interest bearing debt		-24,711										
+ Cash and cash equivalents		5,607										
-Minorities		-80										
-Dividend/capital return		-605										
Equity value DCF		80,840										
Equity value DCF per share		40										

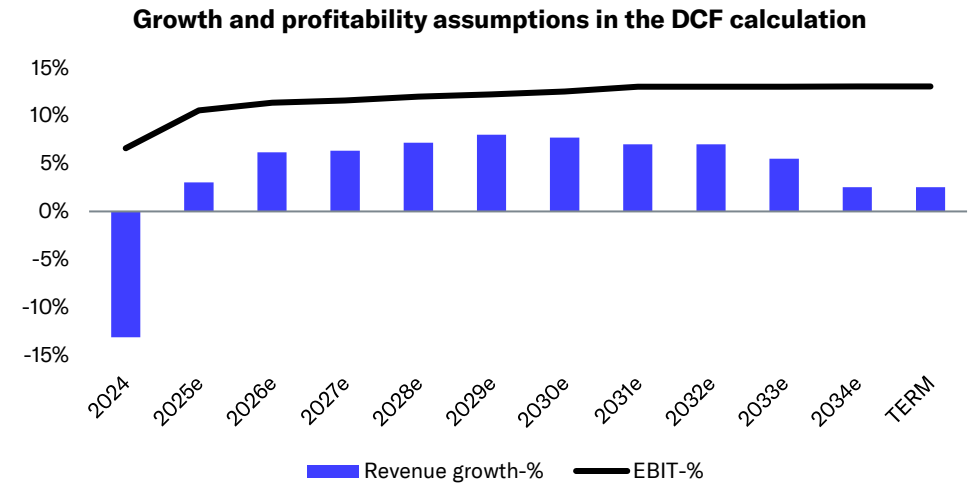
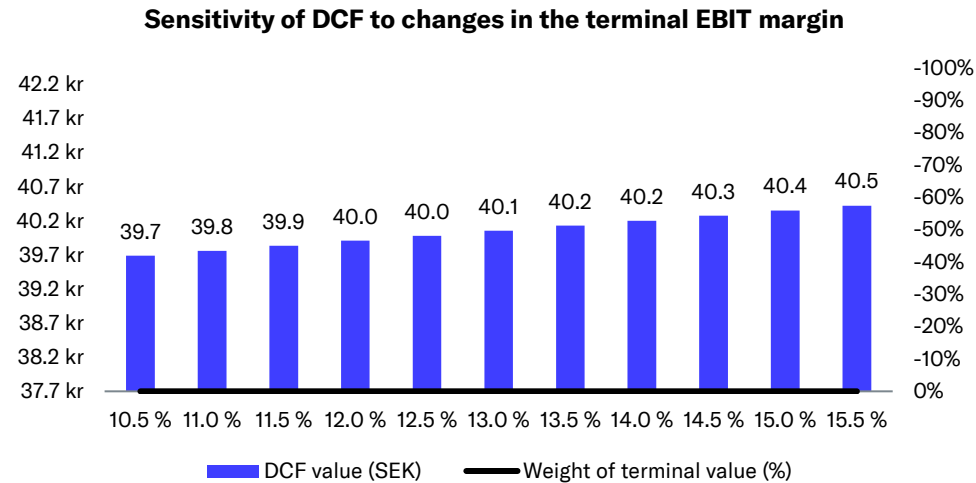
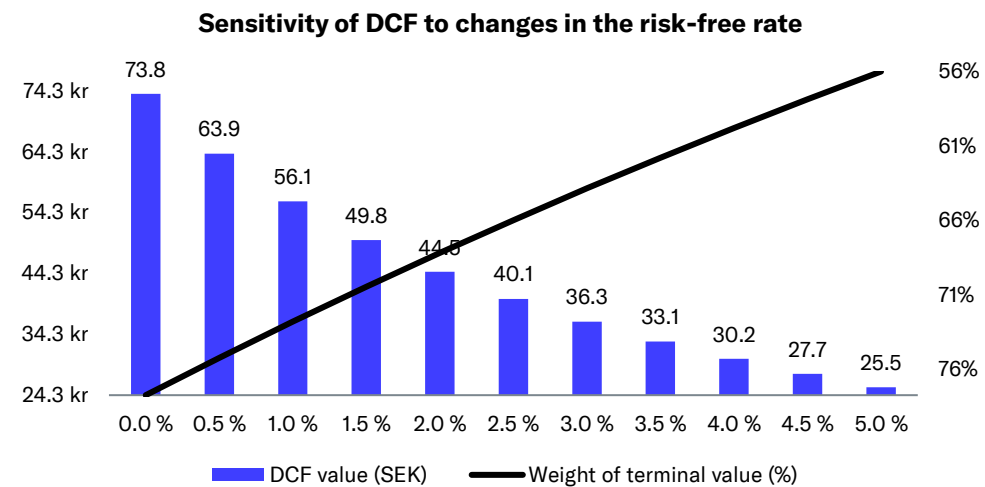
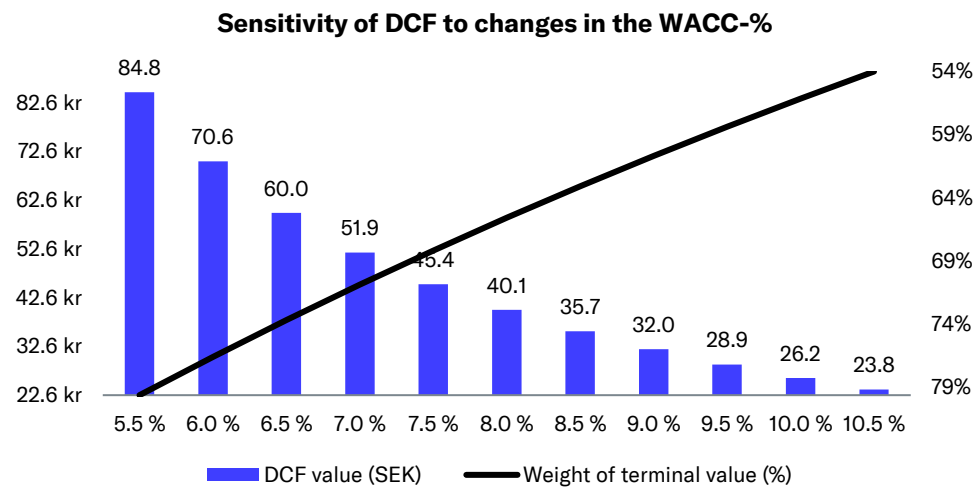
WACC

Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	15.0 %
Cost of debt	5.0 %
Equity Beta	1.30
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	8.7 %
Weighted average cost of capital (WACC)	8.0 %

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	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	40,071	46,649	40,521	41,743	44,324	EPS (reported)	2.16	2.37	0.58	1.32	1.70
EBITDA	7,460	8,797	4,916	6,677	7,432	EPS (adj.)	2.11	2.42	0.80	1.32	1.70
EBIT	5,863	6,973	2,671	4,397	5,032	OCF / share	1.48	3.32	1.96	3.04	2.65
PTP	5,675	6,331	1,536	3,505	4,432	OFCF / share	-1.34	-2.36	-2.17	1.96	1.57
Net Income	4,351	4,785	1,164	2,671	3,419	Book value / share	13.86	13.58	15.92	16.95	18.19
Extraordinary items	99	-96	-555	0	0	Dividend / share	0.65	0.65	0.30	0.45	0.65
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	53,994	68,104	70,406	68,565	70,576	Revenue growth-%	30%	16%	-13%	3%	6%
Equity capital	27,973	27,420	32,140	34,206	36,718	EBITDA growth-%	29%	18%	-44%	36%	11%
Goodwill	17,630	26,076	26,076	26,076	26,076	EBIT (adj.) growth-%	29%	23%	-54%	36%	14%
Net debt	6,326	17,238	19,104	16,429	14,685	EPS (adj.) growth-%	29%	15%	-67%	66%	28%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	18.6 %	18.9 %	12.1 %	16.0 %	16.8 %
EBITDA	7,460	8,797	4,916	6,677	7,432	EBIT (adj.)-%	14.4 %	15.2 %	8.0 %	10.5 %	11.4 %
Change in working capital	-3,180	-409	-306	489	-985	EBIT-%	14.6 %	14.9 %	6.6 %	10.5 %	11.4 %
Operating cash flow	2,994	6,697	3,960	6,121	5,339	ROE-%	17.6 %	17.3 %	3.9 %	8.1 %	9.7 %
CAPEX	-5,983	-13,565	-5,118	-2,160	-2,182	ROI-%	16.7 %	15.8 %	5.0 %	7.8 %	8.8 %
Free cash flow	-2,696	-4,754	-4,365	3,961	3,157	Equity ratio	51.8 %	40.3 %	45.6 %	49.9 %	52.0 %
						Gearing	22.6 %	62.9 %	59.4 %	48.0 %	40.0 %
Valuation multiples	2022	2023	2024	2025e	2026e						
EV/S	5.0	3.4	2.6	2.1	2.0						
EV/EBITDA	27.1	18.2	21.6	13.3	11.7						
EV/EBIT (adj.)	35.1	22.7	33.0	20.2	17.3						
P/E (adj.)	46.0	29.2	54.3	27.1	21.2						
P/B	7.0	5.2	2.7	2.1	2.0						
Dividend-%	0.7 %	0.9 %	0.7 %	1.3 %	1.8 %						

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
2023-09-20	Reduce	74.1 kr	70.5 kr
2023-11-16	Reduce	62.0 kr	67.5 kr
2023-02-13	Reduce	59.0 kr	66.5 kr
2023-02-19	Reduce	56.0 kr	59.0 kr
2024-05-17	Reduce	55.0 kr	61.3 kr
2024-08-19	Accumulate	53.0 kr	47.8 kr
2024-11-18	Reduce	52.0 kr	50.1 kr
2025-02-04	Reduce	42.0 kr	43.5 kr
2025-02-17	Reduce	44.0 kr	44.7 kr
2025-05-04	Reduce	40.0 kr	42.7 kr
2025-05-16	Reduce	40.0 kr	44.0 kr
2025-08-19	Sell	40.0 kr	44.0 kr
2025-08-25	Sell	40.0 kr	46.0 kr
2025-09-23	Reduce	40.0 kr	36.8 kr
2025-11-05	Accumulate	40.0 kr	35.9 kr



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Inderes Ab

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

inderes.se

Inderes Oyj

Porkkalankatu 5
00180 Helsinki
+358 10 219 4690

inderes.fi

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