

NURMINEN LOGISTICS

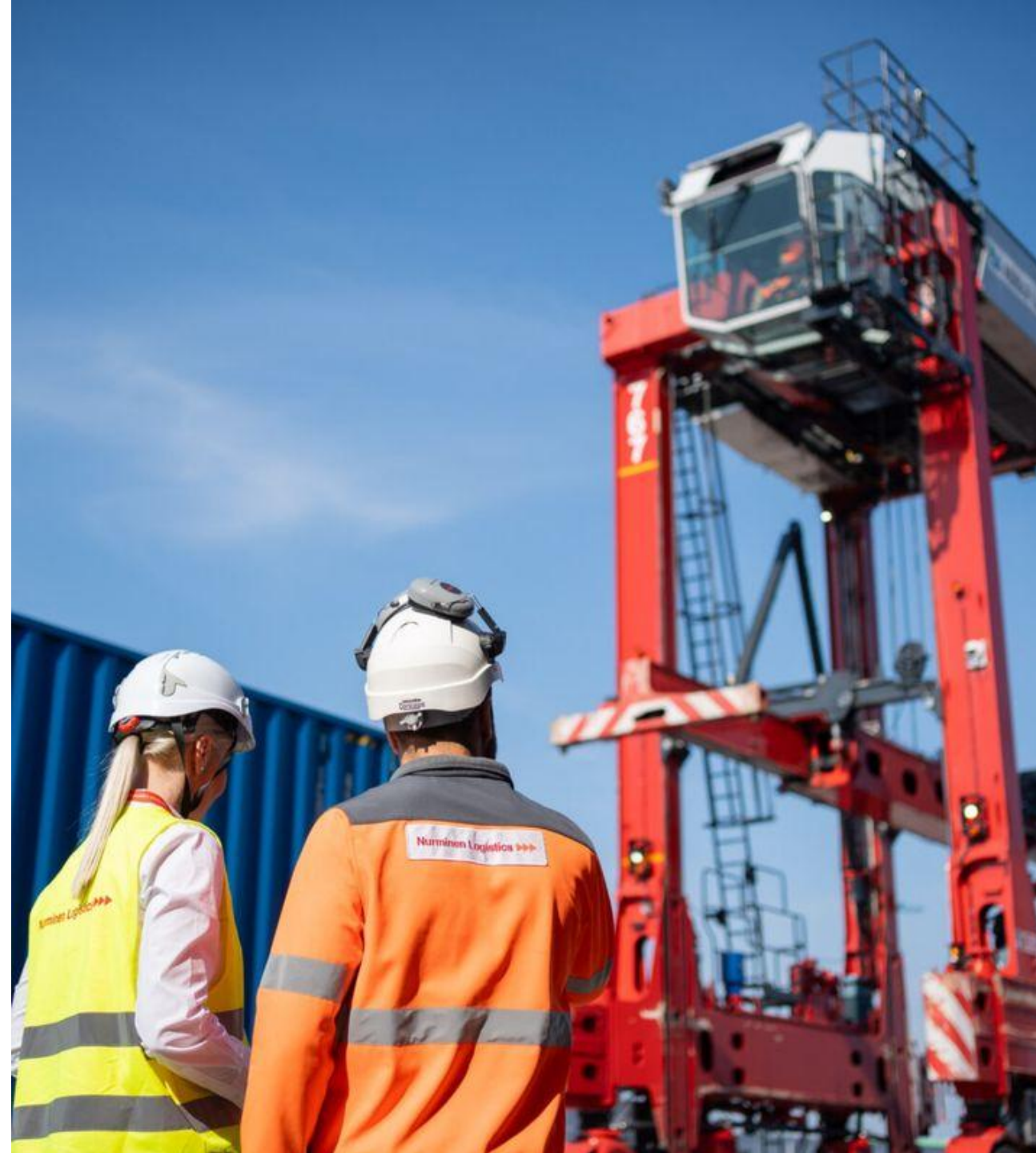
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Aapeli Pursimo
+358 40 719 6067
aapeli.pursimo@inderes.fi

INDERES CORPORATE CUSTOMER COMPANY REPORT



Pace picks up as the year progresses

Nurminen Logistics' Q1 report was well in line with our expectations. The company stated that its market outlook remains stable, and we do not believe there has been any significant change to it. Given the overall picture, the changes we made to our forecasts were minor. We currently view the stock's earnings-based valuation as moderately attractive, though the high cash flow yield strengthens the risk-adjusted expected return. Reflecting the minor changes to our estimates, we reiterate our Accumulate recommendation as well as our EUR 1.0 target price.

Operating result in line with our expectations

Consistent with our expectations, Nurminen's revenue decreased significantly in Q1 due to strong comparison figures from the Baltic business and North Rail. However, the decline in revenue was slightly less severe than we expected for both the Railway business and the Baltics. The company's adjusted EBITA was 3.5 MEUR, in line with our estimate. The margin level still fell slightly short of our expectations due to the revenue beat and our estimated revenue structure for the Railway business (North Rail's share was lower than we estimated). The reported result was weighed down by non-recurring expenses of 0.7 MEUR, primarily related to the establishment of business operations in Italy, which we had not anticipated and which we consider normal business operating costs overall. Further down, net financial expenses and minority interests were lower than we expected, and reported earnings per share were in line with our forecast.

Minor estimate changes

In connection with the report, Nurminen unsurprisingly reiterated its H1'26 guidance, expecting its revenue (H1'25: 60.3 MEUR) and comparable EBIT (H1'25: 10.8 MEUR) to fall below the comparison period. The company stated that its outlook for the current year remains stable, supported by growth in its clientele and growth investments, such as in block train services between Italy and Sweden. The company noted that the route opened in February

has performed in line with its commercial targets, but it has not yet had a significant impact on Q1 figures. The company had seen volume growth in most of its services since the beginning of March, though it noted that ongoing geopolitical conflicts and changes in tariff policy could rapidly affect demand in both directions. However, in our interpretation, there was no significant change in the company's outlook compared to that provided with the Q4 earnings report.

The report met our expectations, so our overall estimate changes remained minor. We made relatively small revisions to the revenue structure. These changes were reflected in slight increases in revenue estimates and slight decreases in margin estimates. Within the current year, we expect Q2 to develop broadly in line with the comparison period and H2 to show clear revenue and earnings growth due to lower comparison figures as well. We now expect the company's revenue to settle at 110 MEUR this year (was 107 MEUR) and operational EBIT at 16.4 MEUR (was 17.1 MEUR). Next year, we expect the company's earnings to increase to 17.5 MEUR (was 18.0 MEUR), supported by international growth.

We see upside in the valuation

With our estimates, the P/E ratios for Nurminen, adjusted for PPA amortizations, are just under 9x and 8x for 2026 and 2027. The earnings-based valuation is thus slightly below the multiple range we consider neutral for the current year (P/E 9x-12x) and even more so for next year. We expect that the company's free cash flow will also be stronger than its earnings due to the high and long depreciation periods of North Rail's locomotives. In our opinion, the moderately attractive earnings-based valuation of the share is therefore reinforced by a high cash flow yield, despite the minority interests. Our view of the share's upside and favorable cash flow profile is also supported by our conservative DCF calculation, which indicates a share value of around EUR 1.1, reflecting the company's current earnings level.

Recommendation

Accumulate

(was Accumulate)

Target price:

EUR 1.00

(was EUR 1.00)

Share price:

EUR 0.85

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	109.4	110	119	126
growth-%	4%	0%	9%	5%
EBIT adj.	18.3	16.4	17.5	17.6
EBIT-% adj.	16.7 %	14.9 %	14.7 %	14.0 %
Net Income	3.1	6.4	8.3	8.8
EPS (adj.)	0.08	0.10	0.11	0.12
P/E (adj.)	11.6	8.8	7.7	7.2
P/B	2.2	1.8	1.5	1.3
Dividend yield-%	3.2 %	3.5 %	3.5 %	5.9 %
EV/EBIT (adj.)	6.5	6.4	5.5	5.0
EV/EBITDA	4.8	4.6	4.0	3.6
EV/S	1.1	1.0	0.8	0.7

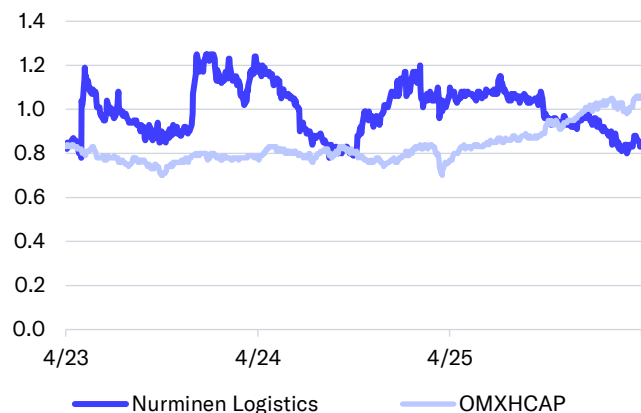
Source: Inderes

Guidance

(New guidance)

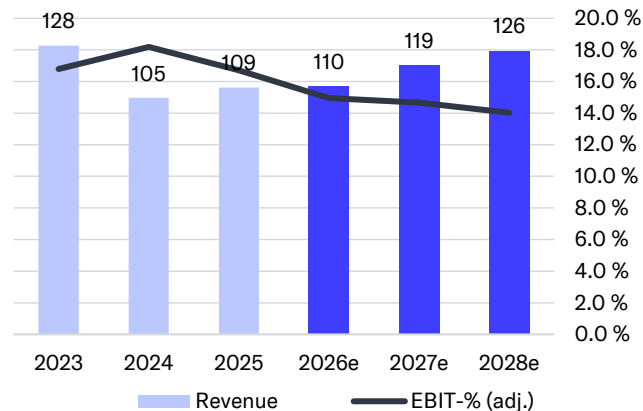
Nurminen estimates the revenue for the first half of 2026 (H1'25: 60.3 MEUR) and comparable EBIT (H1'25: 10.8 MEUR) will fall below the comparison period. The company will update its guidance in connection with the Q2 result.

Share price



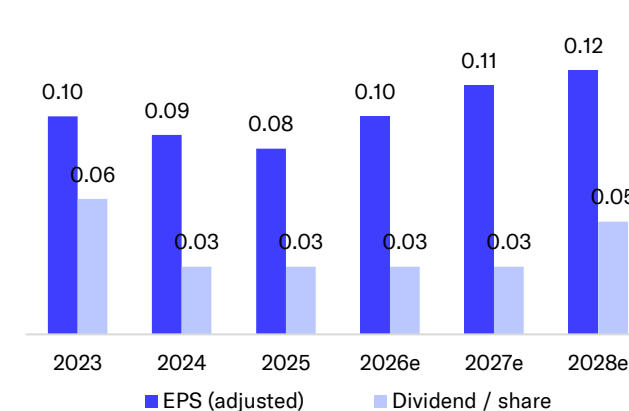
Source: Millstream Market Data AB

Revenue and EBIT % (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Successfully growing international business in the European single market through new route openings and customer base expansion
- Growth in North Rail's business volumes
- M&A transactions supporting internationalization
- Change in valuation profile towards a growth company as earnings growth accelerates and earnings distribution expands
- Potential normalization of the northern route in the medium to long term

Risk factors

- Geopolitical risks (sanctions and counter-sanctions, changes in customer behavior)
- Logistics prices (+/-), especially in North Rail
- Customer risks
- The ownership structures of the Baltic business and North Rail mean that a significant portion of EBIT flows to minority shareholders
- Shortage of comprehensive logistics expertise in the labor market

Valuation	2026e	2027e	2028e
Share price	0.85	0.85	0.85
Number of shares, millions	80.7	80.7	80.7
Market cap	68	68	68
EV	105	97	88
P/E (adj.)	8.8	7.7	7.2
P/E	10.6	8.2	7.8
P/B	1.8	1.5	1.3
P/S	0.6	0.6	0.5
EV/Sales	1.0	0.8	0.7
EV/EBITDA	4.6	4.0	3.6
EV/EBIT (adj.)	6.4	5.5	5.0
Payout ratio (%)	37.7 %	29.2 %	45.8 %
Dividend yield-%	3.5 %	3.5 %	5.9 %

Source: Inderes

Operating result in line with our estimates

Revenue grew but fell short of our expectations

Nurminen's revenue decreased significantly in Q1 due to strong comparison figures from the Baltic business and North Rail. North Rail's transport volumes were very high in the comparison period, whereas in the review period, they were hindered by the exceptionally challenging ice conditions in the Baltic Sea and stabilized customer volumes. In the comparison period, Baltic revenue was still at 11.1 MEUR, but since then, the volumes of the business have decreased as the geopolitical situation has affected raw material flows. However, Baltic business development slightly exceeded our expectations in the early part of the year, with the company's revenue settling at 6.9 MEUR (estimate 6.3 MEUR). Railway business revenue, in contrast, decreased to 18.6 MEUR (Q1'25: 21.4 MEUR), slightly exceeding our estimate. Based on Nurminen's reporting, it is difficult to assess more precise forecast deviations. Reflecting margin development, we estimate the beat came from the international Railway business or the Finnish terminal business. Additionally, we

estimate that North Rail developed slightly below our expectations based on the development of minority interests.

According to the company, the new block train service between Italy and Sweden has started in line with the commercial targets set for it. However, it did not significantly impact the figures because the route only opened at the end of February. As for the Swedish business (prev. Essinge Rail), the company commented that the recovery in consumer demand has been slower than expected but that it has seen a clear pick-up in volumes in March. Nurminen noted that the efficiency and profitability of the terminal business have improved significantly, indicating strong volume to us.

Operational result at the expected level

The company's adjusted EBITA was 3.5 MEUR, in line with our estimate. The margin level still fell slightly short of our expectations due to the revenue beat and our estimated revenue structure for the Railway business (North Rail's share was lower). The reported result was weighed down by non-

recurring expenses of 0.7 MEUR, primarily related to the establishment of business operations in Italy, which we had not anticipated and which we consider normal business operating costs overall (the report did not specify their allocation in more detail). Further down, net financial expenses and minority interests were slightly lower than we expected and thus, the company's reported earnings per share were in line with our forecast at EUR 0.01.

Working capital commitments weighed on cash flow

The company's cash flow from operating activities before payments of lease liabilities fell to -0.7 MEUR in Q1 (Q1'25: +6.0 MEUR). This was mainly due to a change in working capital (-4.5 MEUR), which the company attributed to a temporary increase in trade receivables (5.8 MEUR) as volumes primarily took place towards the end of the quarter. However, we expect working capital to be released in the coming quarters. Despite these developments, the company's financial position was strong at the end of Q1 (net debt/EBITDA 1.1x, equity ratio 43%).

Estimates MEUR / EUR	Q1'25	Q1'26	Q1'26e	Q1'26e	Consensus		Difference (%)	2026e
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	32.4	25.5	24.2				5%	110
EBITA (adj.)	6.5	3.5	3.5				-2%	16.4
EBIT (rep.)	6.2	2.5	3.4				-25%	14.9
PTP	4.5	1.7	2.4				-29%	11.7
EPS (reported)	0.02	0.01	0.01					0.08
Revenue growth-%	-7.8 %	-21.2 %	-25.3 %				4.1 pp	0.5 %
Adj. EBITA-%	20.0 %	13.6 %	14.6 %				-1 pp	14.9 %

Source: Inderes

Minor forecast changes

Guidance for H1 was reiterated

In connection with the report, Nurminen reiterated its H1'26 guidance, as anticipated, expecting its revenue (H1'25: 60.3 MEUR) and comparable EBIT (H1'25: 10.8 MEUR) to fall below the comparison period. This is due to the uncertain timing of the recovery in Baltic operations and the fact that results from investments in Central European growth will not be visible until Q2 onwards. The company will specify its guidance in connection with the Q2 report.

According to the company, the outlook for its various services this year is stable, supported by growth in its clientele and growth investments, such as in block train services between Italy and Sweden. At the same time, the company noted that business volumes have clearly increased for most of its offerings since the beginning of March. According to the company, electrification- and data-center-investment-driven need for logistics services, among other things, is currently increasing the demand for its services. However, the company stated that demand can be

quickly affected, either positively or negatively, by geopolitical conflicts in different parts of the world and changes in tariff policy. In this regard, the company mentioned that rising fuel prices improve its competitiveness on long-haul routes in Central Europe due to its use of electric locomotives. Conversely, we estimate that the increase in fuel prices will have at least a slight negative impact on North Rail's operational costs. In our interpretation, there was no significant change in the company's outlook relative to that provided with the Q4 earnings report.

On the earnings release day, the company announced it would initiate change negotiations at North Rail, aiming to reorganize work and ensure the company's competitiveness and investment capacity in a changing market environment. The company aims to achieve annual savings of ~0.7 MEUR through efficiency improvement measures. However, we understand that the change negotiations are not driven by a long-term decline in business volumes to Q1'26 levels. This suggests to us that no significant growth in business

operations is expected compared to last year's average levels (excl. Q1'25), and the company is seeking to align its operations accordingly with these measures. Nurminen has also previously taken similar proactive measures.

Forecasts remain largely unchanged

Overall, estimate changes remained marginal. In light of developments in the Baltic region, we slightly raised our business forecasts. In the Railway business, we adjusted the revenue structure and slightly lowered North Rail's estimates, while revising the estimates for other businesses upwards (particularly the terminal business). However, the decreased estimates for North Rail were reflected in our group margin estimates. We also slightly adjusted our short-term margin forecasts for North Rail because we anticipate that slightly lower volumes than we had previously expected will be reflected in the company's operational result. Additionally, we estimate that it will take some time to fully pass on increased fuel costs to sales prices. We made similar small changes for the coming years.

Estimate revisions MEUR / EUR	2026e			2027e			2028e		
	Old	New	Change %	Old	New	Change %	Old	New	Change %
Revenue	107	110	3%	117	119	2%	123	126	2%
EBITDA	24.2	22.7	-6%	24.8	24.3	-2%	24.4	24.3	-1%
EBIT (exc. NRIs)	17.1	16.4	-4%	18.0	17.5	-3%	17.8	17.6	-1%
EBIT	16.3	14.9	-9%	17.2	16.7	-3%	17.0	16.8	-1%
PTP	12.8	11.7	-9%	14.7	14.2	-3%	15.0	14.8	-1%
EPS (excl. NRIs)	0.10	0.10	0%	0.11	0.11	-2%	0.12	0.12	1%
DPS	0.030	0.030	0%	0.030	0.030	0%	0.050	0.050	0%

Source: Inderes

Valuation picture is unchanged

Strong cash flow supports the expected return

With our estimates, the P/E ratios for Nurminen, adjusted for PPA amortizations, are just under 9x and 8x for 2026 and 2027. The earnings-based valuation is thus slightly below the multiple range we consider neutral for the current year (P/E 9x-12x) and more so for next year. Due to short-term uncertainties (e.g., the situation in the Middle East, international growth) and North Rail's prominent role in earnings generation, we believe the justified valuation of the share focuses on the lower end of the range. Nevertheless, we anticipate that the company's earnings will remain solid in the coming years and that it will achieve a high return on capital, driven by North Rail. However, the long-term sustainability of North Rail's current earnings performance upholds long-term uncertainty. The risk level is also still partly elevated by ongoing geopolitical risks and their impact on the economy. Furthermore, the risk level is sustained by binary risks related to North Rail and the Baltic business, the latter of which have also materialized. In our view, the probability of risks related to North Rail is low, but if they materialize, their impact would be very significant. In our view, an increase in acceptable valuation would require a broadening of the earnings distribution in addition to earnings growth.

We estimate that the company's strong average cash flow and strengthened balance sheet have decreased the share's risk level. A strong financial position also theoretically enables acquisitions that support international growth, although we estimate that the company is currently focused on organic growth. We expect that free cash flow will be stronger than earnings due to the high and long depreciation periods of North Rail's locomotives. In our opinion, the moderately attractive earnings-based valuation of the share is therefore reinforced by a high cash flow yield, despite the minority interests. For example, free cash flow in 2025, excluding

payments for acquisition debts, would correspond to a 23% yield at the current market value and a 14% yield at our estimated enterprise value, including minorities.

Expected total return in the medium term

Assuming the company's earnings development progresses in line with our expectations, we believe the stock could justifiably be priced at around 9-11x with the realized earnings at the end of 2028 if no significant changes occur in market pricing or interest rates. This would be equivalent to a value of some EUR 1.05-1.30 per share. Converted to an annual return, this would correspond to an average of 13%, in addition to which we estimate the share offers an average annual baseline return of around 3.5% through the dividend. Thus, the medium-term total expected return is above the required return on equity of 11.5% we apply.

Option to restore the China link

Currently, investors also get an option on the potentially significant recovery of the northern route. However, in our opinion, it is difficult to rely on the normalization of the operating environment (incl. customer behavior) due to the geopolitical situation. On the other hand, Nurminen has increased its offering, customer base, and geographical coverage after the suspension of the route. Reflecting this, we see that its longer-term potential in a positive scenario has clearly grown, but we do not believe this can be given significant weight.

DCF value well above the share price

Our view of the share's upside and favorable cash flow profile is also supported by our conservative (i.e., long-term profitability estimates clearly below the current level) DCF calculation, which indicates a share value of around EUR 1.1, also considering the company's current earnings level.

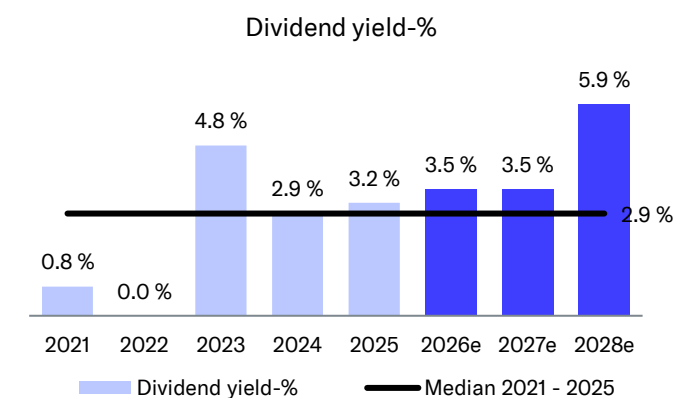
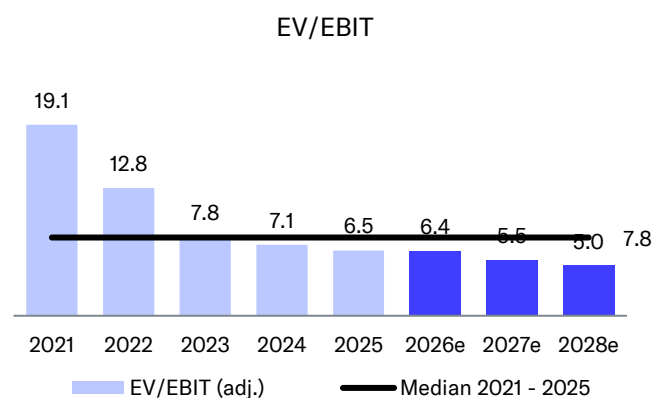
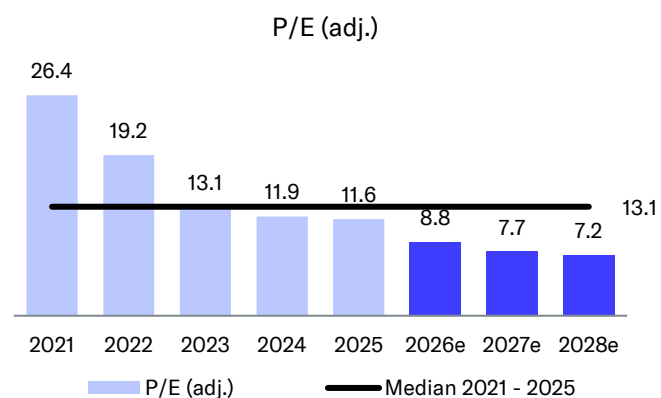
Valuation	2026e	2027e	2028e
Share price	0.85	0.85	0.85
Number of shares, millions	80.7	80.7	80.7
Market cap	68	68	68
EV	105	97	88
P/E (adj.)	8.8	7.7	7.2
P/E	10.6	8.2	7.8
P/B	1.8	1.5	1.3
P/S	0.6	0.6	0.5
EV/Sales	1.0	0.8	0.7
EV/EBITDA	4.6	4.0	3.6
EV/EBIT (adj.)	6.4	5.5	5.0
Payout ratio (%)	37.7 %	29.2 %	45.8 %
Dividend yield-%	3.5 %	3.5 %	5.9 %

Source: Inderes

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	1.96	0.60	1.26	1.05	0.95	0.85	0.85	0.85	0.85
Number of shares, millions	77.1	78.0	78.1	78.2	80.7	80.7	80.7	80.7	80.7
Market cap	151	47	98	82	77	68	68	68	68
EV	194	88	168	135	119	105	97	88	80
P/E (adj.)	26.4	19.2	13.1	11.9	11.6	8.8	7.7	7.2	6.8
P/E	12.8	neg.	6.9	11.6	24.8	10.6	8.2	7.8	7.2
P/B	10.0	3.6	3.6	2.5	2.2	1.8	1.5	1.3	1.2
P/S	1.1	0.4	0.8	0.8	0.7	0.6	0.6	0.5	0.5
EV/Sales	1.4	0.7	1.3	1.3	1.1	1.0	0.8	0.7	0.6
EV/EBITDA	15.4	14.1	4.4	5.5	4.8	4.6	4.0	3.6	3.3
EV/EBIT (adj.)	19.1	12.8	7.8	7.1	6.5	6.4	5.5	5.0	4.5
Payout ratio (%)	10.5 %	0.0 %	32.7 %	33.0 %	78.3 %	37.7 %	29.2 %	45.8 %	51.0 %
Dividend yield-%	0.8 %	0.0 %	4.8 %	2.9 %	3.2 %	3.5 %	3.5 %	5.9 %	7.1 %

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
			2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
Kuehne + Nagel	25264	28793	19.8	18.3	11.8	11.1	1.1	1.0	24.1	22.2	3.3	3.5	9.3
DSV	54648	66026	19.9	16.7	14.1	12.1	1.7	1.7	25.5	19.4	0.5	0.6	3.2
Hapag Lloyd	20722	21767			9.7	10.4	1.2	1.3			1.8	2.1	1.2
Id Logistics	2200	3473	19.9	17.7	5.3	4.9	0.9	0.8	29.1	24.4			3.0
Nurminen Logistics (Inderes)	68	105	6.4	5.5	4.6	4.0	1.0	0.8	8.8	7.7	3.5	3.5	1.8
Average			19.9	17.6	10.2	9.6	1.2	1.2	26.2	22.0	1.9	2.1	4.2
Median			19.9	17.7	10.7	10.7	1.1	1.1	25.5	22.2	1.8	2.1	3.1
Diff-% to median			-68%	-69%	-57%	-63%	-16%	-29%	-66%	-66%	93%	66%	-42%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	128	105	32.4	27.9	23.8	25.2	109	25.5	27.8	26.4	30.1	110	119	126	130
Group	128	105	32.4	27.9	23.8	25.2	109	25.5	27.8	26.4	30.1	110	119	126	130
EBITDA	38.4	24.7	8.1	5.8	5.5	5.1	24.6	4.5	5.8	6.0	6.4	22.7	24.3	24.3	24.4
Depreciation	-5.3	-5.4	-1.9	-1.9	-2.3	-3.8	-10.0	-2.0	-2.0	-1.9	-1.9	-7.8	-7.6	-7.4	-7.2
EBIT (excl. NRI)	21.5	19.1	6.5	4.3	3.8	3.7	18.3	3.5	4.1	4.2	4.7	16.4	17.5	17.6	17.8
EBIT	33.1	19.3	6.2	3.9	3.2	1.3	14.6	2.5	3.9	4.0	4.5	14.9	16.7	16.8	17.1
Net financial items	-3.7	-3.1	-1.7	-1.2	-1.0	-1.0	-4.9	-0.8	-0.9	-0.8	-0.8	-3.2	-2.5	-2.0	-1.5
PTP	29.3	16.2	4.5	2.7	2.2	0.3	9.7	1.7	3.0	3.2	3.7	11.7	14.2	14.8	15.6
Taxes	-6.1	-3.1	-1.5	-0.6	-0.6	-0.6	-3.2	-0.5	-0.6	-0.6	-0.7	-2.5	-2.8	-2.8	-3.0
Minority interest	-8.9	-6.0	-1.4	-0.7	-0.7	-0.7	-3.4	-0.6	-0.6	-0.8	-0.7	-2.7	-3.1	-3.2	-3.2
Net earnings	14.3	7.1	1.7	1.5	1.0	-1.0	3.1	0.6	1.8	1.8	2.3	6.4	8.3	8.8	9.5
EPS (adj.)	0.10	0.09	0.02	0.02	0.02	0.02	0.08	0.02	0.02	0.02	0.03	0.10	0.11	0.12	0.12
EPS (rep.)	0.18	0.09	0.02	0.02	0.01	-0.01	0.04	0.01	0.02	0.02	0.03	0.08	0.10	0.11	0.12

Key figures	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	4.4 %	-18.1 %	-7.8 %	23.9 %	-1.3 %	10.0 %	4.4 %	-21.2 %	-0.3 %	10.9 %	19.4 %	0.5 %	8.6 %	5.3 %	3.7 %
Adjusted EBIT growth-%		-11.3 %	10.6 %	9.0 %	-31.5 %	0.3 %	-4.0 %	-46.5 %	-5.9 %	10.0 %	27.6 %	-10.2 %	6.6 %	0.6 %	1.2 %
EBITDA-%	30.0 %	23.6 %	25.1 %	20.8 %	23.2 %	20.3 %	22.5 %	17.6 %	21.0 %	22.5 %	21.4 %	20.7 %	20.4 %	19.3 %	18.7 %
Adjusted EBIT-%	16.8 %	18.2 %	20.0 %	15.4 %	16.0 %	14.7 %	16.7 %	13.6 %	14.6 %	15.9 %	15.6 %	14.9 %	14.7 %	14.0 %	13.7 %
Net earnings-%	11.2 %	6.8 %	5.2 %	5.3 %	4.0 %	-4.1 %	2.8 %	2.4 %	6.3 %	6.7 %	7.5 %	5.8 %	6.9 %	7.0 %	7.3 %

Source: Inderes

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	70.1	64.3	61.3	58.5	56.0
Goodwill	7.4	8.2	8.2	8.2	8.2
Intangible assets	6.2	3.9	3.2	2.5	1.8
Tangible assets	51.0	48.1	45.7	43.6	41.8
Associated companies	0.1	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.1	0.1	0.1	0.1	0.1
Deferred tax assets	5.4	4.1	4.1	4.1	4.1
Current assets	31.4	33.0	32.2	34.9	38.7
Inventories	1.1	1.1	1.1	1.2	1.3
Other current assets	1.1	1.1	1.1	1.1	1.1
Receivables	12.9	10.4	13.5	14.7	15.5
Cash and equivalents	16.3	20.3	16.5	17.9	20.8
Balance sheet total	102	97.3	93.5	93.4	94.6

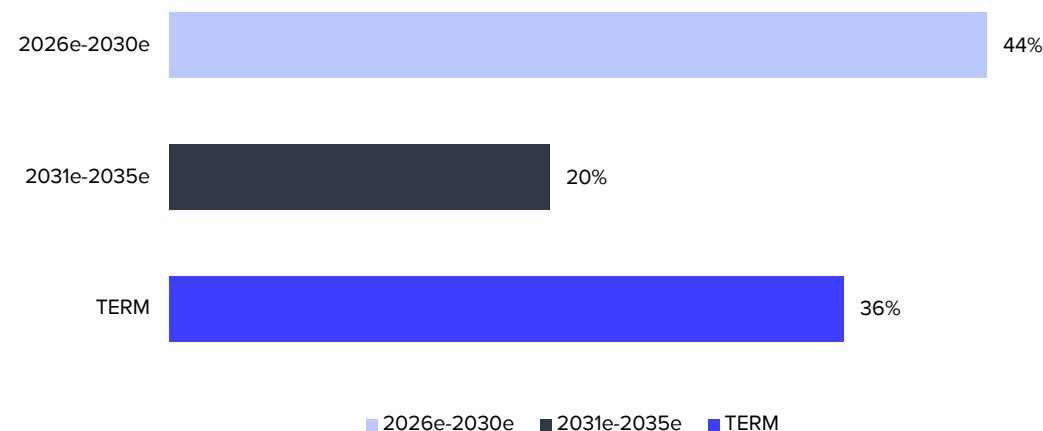
Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	41.2	42.7	46.7	52.6	59.0
Share capital	4.2	4.2	4.2	4.2	4.2
Retained earnings	-7.3	-3.9	0.1	5.9	12.3
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	35.7	34.1	34.1	34.1	34.1
Minorities	8.6	8.3	8.3	8.3	8.3
Non-current liabilities	36.8	32.7	26.7	21.1	16.3
Deferred tax liabilities	1.6	1.3	1.3	1.3	1.3
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	35.1	31.4	25.3	19.7	15.0
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	23.6	21.9	20.1	19.8	19.3
Interest bearing debt	10.7	10.4	7.1	5.7	4.5
Payables	11.7	10.7	12.3	13.4	14.1
Other current liabilities	1.2	0.8	0.8	0.8	0.8
Balance sheet total	102	97.3	93.5	93.4	94.6

DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	4.4 %	0.5 %	8.6 %	5.3 %	3.7 %	3.0 %	2.5 %	2.5 %	2.5 %	2.5 %	2.0 %	2.0 %
EBIT-%	13.3 %	13.6 %	14.0 %	13.4 %	13.1 %	12.5 %	11.0 %	10.0 %	9.0 %	8.0 %	8.0 %	8.0 %
EBIT (operating profit)	14.6	14.9	16.7	16.8	17.1	16.8	15.1	14.1	13.0	11.8	12.1	
+ Depreciation	10.0	7.8	7.6	7.4	7.2	6.3	6.1	6.0	5.8	5.7	5.7	
- Paid taxes	-2.2	-2.5	-2.8	-2.8	-3.0	-3.0	-2.7	-2.5	-2.2	-2.0	-2.1	
- Tax, financial expenses	-0.9	-0.7	-0.5	-0.4	-0.3	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	
+ 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	1.0	-1.5	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	
Operating cash flow	22.4	18.0	20.8	20.9	21.0	19.8	18.3	17.3	16.3	15.2	15.4	
+ 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	-5.6	-4.8	-4.8	-4.9	-5.1	-5.2	-5.2	-5.3	-5.3	-5.3	-5.8	
Free operating cash flow	16.9	13.2	16.0	16.0	15.9	14.6	13.1	12.0	11.0	9.9	9.6	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	16.9	13.2	16.0	16.0	15.9	14.6	13.1	12.0	11.0	9.9	9.6	122
Discounted FCFF		12.4	13.6	12.4	11.2	9.4	7.6	6.4	5.3	4.3	3.8	48.6
Sum of FCFF present value		135	123	109	96.6	85.4	76.1	68.4	62.1	56.8	52.5	48.6
Enterprise value DCF		135										
- Interest bearing debt		-42										
+ Cash and cash equivalents		20										
+ Associated companies		0										
-Minorities		-21										
-Dividend/capital return		0.0										
Equity value DCF		92.6										
Equity value DCF per share		1.1										

Cash flow distribution

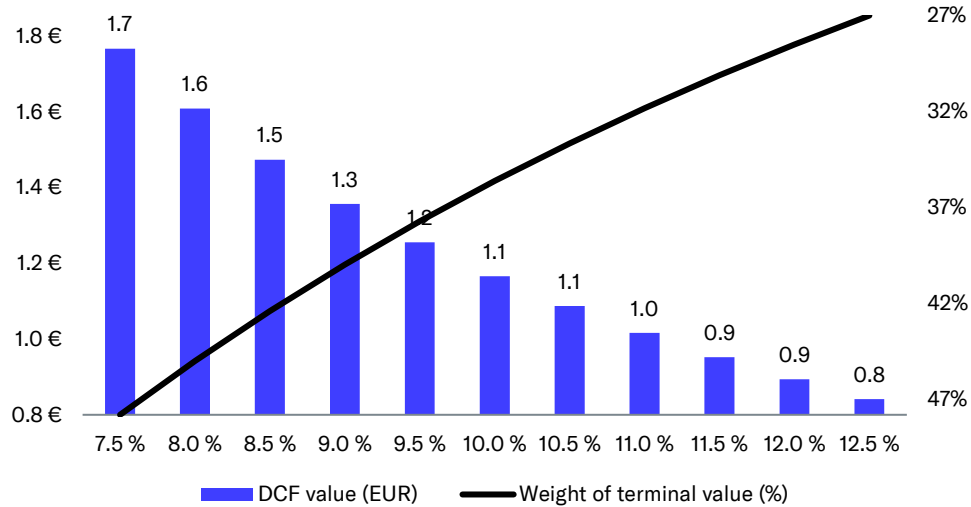


WACC

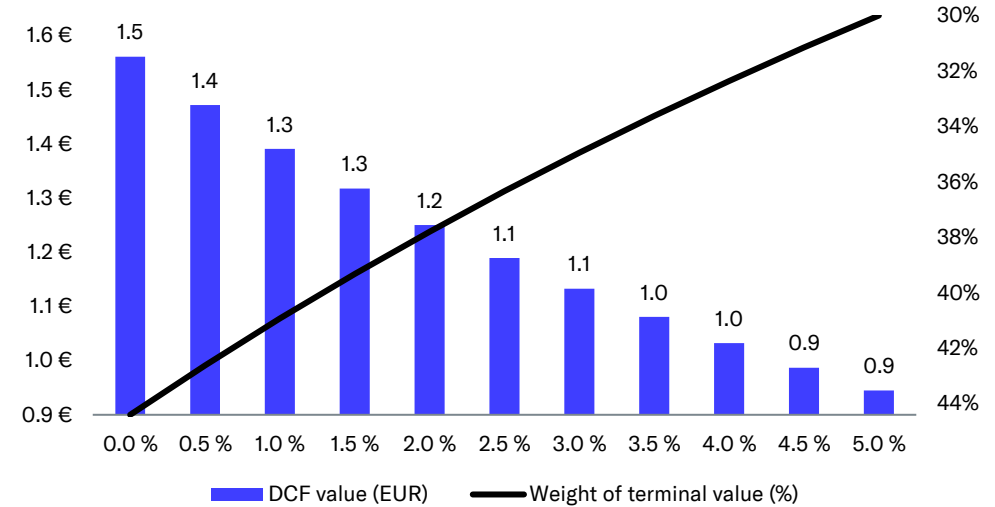
Tax-% (WACC)	19.5 %
Target debt ratio (D/(D+E))	30.0 %
Cost of debt	8.0 %
Equity Beta	1.60
Market risk premium	4.75%
Liquidity premium	1.40%
Risk free interest rate	2.5 %
Cost of equity	11.5 %
Weighted average cost of capital (WACC)	10.0 %

DCF sensitivity calculations and key assumptions in graphs

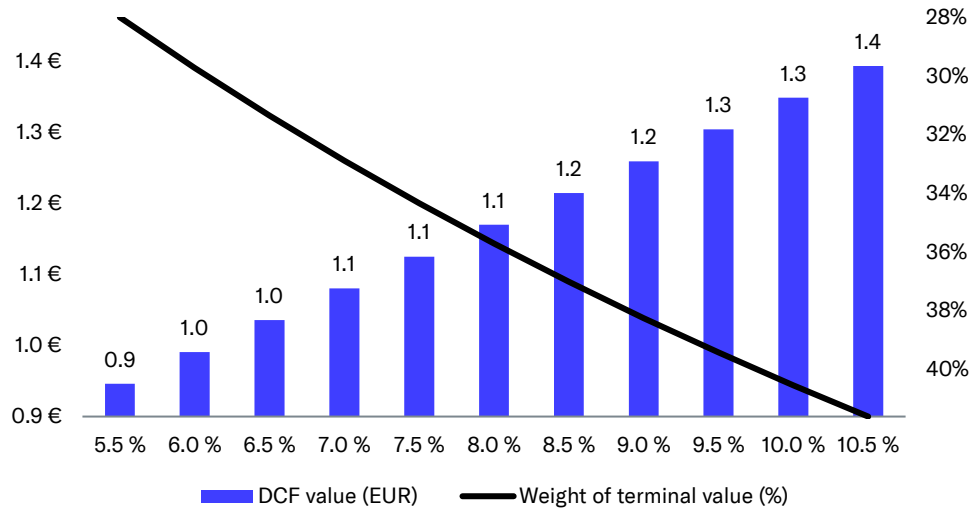
Sensitivity of DCF to changes in the WACC-%



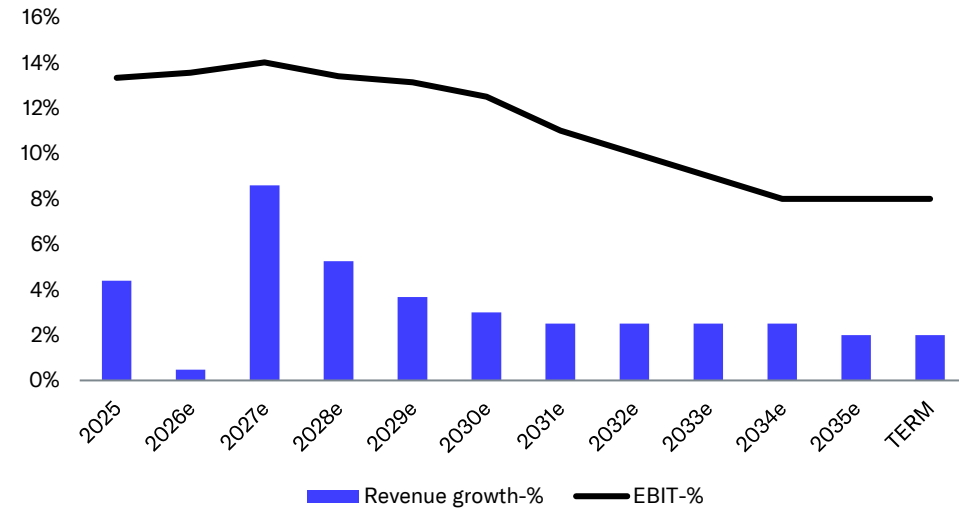
Sensitivity of DCF to changes in the risk-free rate



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	128.0	104.8	109.4	109.9	119.4	EPS (reported)	0.18	0.09	0.04	0.08	0.10
EBITDA	38.4	24.7	24.6	22.7	24.3	EPS (adj.)	0.10	0.09	0.08	0.10	0.11
EBIT	33.1	19.3	14.6	14.9	16.7	OCF / share	0.47	0.21	0.28	0.22	0.26
PTP	29.3	16.2	9.7	11.7	14.2	OFCF / share	-0.03	0.14	0.21	0.16	0.20
Net Income	14.3	7.1	3.1	6.4	8.3	Book value / share	0.35	0.42	0.43	0.48	0.55
Extraordinary items	11.6	0.2	-3.7	-1.5	-0.8	Dividend / share	0.06	0.03	0.03	0.03	0.03
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	113.8	101.5	97.3	93.5	93.4	Revenue growth-%	4%	-18%	4%	0%	9%
Equity capital	45.9	41.2	42.7	46.7	52.6	EBITDA growth-%	518%	-36%	0%	-8%	7%
Goodwill	0.9	7.4	8.2	8.2	8.2	EBIT (adj.) growth-%	212%	-11%	-4%	-10%	7%
Net debt	35.6	29.5	21.4	15.9	7.5	EPS (adj.) growth-%	210%	-8%	-7%	17%	14%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	30.0 %	23.6 %	22.5 %	20.7 %	20.4 %
EBITDA	38.4	24.7	24.6	22.7	24.3	EBIT (adj.)-%	16.8 %	18.2 %	16.7 %	14.9 %	14.7 %
Change in working capital	2.6	-5.8	1.0	-1.5	-0.2	EBIT-%	25.9 %	18.4 %	13.3 %	13.6 %	14.0 %
Operating cash flow	36.4	16.0	22.4	18.0	20.8	ROE-%	70.9 %	23.6 %	9.2 %	17.6 %	20.0 %
CAPEX	-38.6	10.3	-5.6	-4.8	-4.8	ROI-%	43.1 %	21.3 %	17.0 %	18.2 %	21.3 %
Free cash flow	-2.2	11.3	16.9	13.2	16.0	Equity ratio	41.8 %	40.7 %	43.9 %	50.0 %	56.3 %
Valuation multiples	2023	2024	2025	2026e	2027e	Gearing	77.6 %	71.7 %	50.2 %	34.1 %	14.2 %
EV/S	1.3	1.3	1.1	1.0	0.8	Net debt/EBITDA	0.9	1.2	0.9	0.7	0.3
EV/EBITDA	4.4	5.5	4.8	4.6	4.0	EBITDA/net financials	10.3	8.0	5.1	7.0	9.7
EV/EBIT (adj.)	7.8	7.1	6.5	6.4	5.5						
P/E (adj.)	13.1	11.9	11.6	8.8	7.7						
P/B	3.6	2.5	2.2	1.8	1.5						
Dividend-%	4.8 %	2.9 %	3.2 %	3.5 %	3.5 %						

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
1/9/2018	Reduce	0.56 €	0.58 €
3/9/2018	Reduce	0.52 €	0.54 €
6/6/2018	Reduce	0.50 €	0.49 €
8/10/2018	Reduce	0.42 €	0.45 €
12/19/2018	Reduce	0.27 €	0.28 €
3/11/2019	Sell	0.27 €	0.35 €
8/7/2019	Sell	0.27 €	0.30 €
8/12/2019	Sell	0.25 €	0.27 €
3/9/2020	Sell	0.25 €	0.28 €
8/10/2020	Sell	0.25 €	0.34 €
3/8/2021	Sell	0.35 €	0.70 €
8/4/2021	Sell	0.45 €	1.16 €
8/9/2021	Reduce	1.10 €	1.21 €
Analyst changed			
11/19/2021	Accumulate	1.70 €	1.53 €
3/4/2022	Accumulate	1.25 €	1.10 €
4/19/2022	Reduce	1.25 €	1.28 €
8/5/2022	Accumulate	1.00 €	0.83 €
11/16/2022	Reduce	0.70 €	0.73 €
2/15/2023	Accumulate	1.10 €	0.98 €
3/2/2023	Accumulate	1.10 €	0.91 €
5/29/2023	Buy	1.40 €	1.04 €
8/4/2023	Buy	1.40 €	0.99 €
10/23/2023	Buy	1.25 €	0.85 €
1/25/2024	Accumulate	1.40 €	1.25 €
3/1/2024	Accumulate	1.40 €	1.23 €
4/26/2024	Accumulate	1.40 €	1.20 €
7/30/2024	Accumulate	1.05 €	0.90 €
8/5/2024	Accumulate	1.05 €	0.88 €
10/30/2024	Buy	1.05 €	0.84 €
11/12/2024	Buy	1.20 €	0.97 €
2/28/2025	Accumulate	1.20 €	1.10 €
4/25/2025	Accumulate	1.20 €	1.10 €
6/16/2025	Accumulate	1.20 €	1.04 €
8/1/2025	Accumulate	1.20 €	1.11 €
10/24/2025	Accumulate	1.10 €	0.98 €
2/27/2026	Accumulate	1.00 €	0.86 €
4/24/2026	Accumulate	1.00 €	0.85 €



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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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