

REVENIO GROUP

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Juha Kinnunen
+358 40 778 1368
juha.kinnunen@inderes.fi

INDERES CORPORATE CUSTOMER COMPANY REPORT



Q4 will decide this year too

We reiterate our Accumulate recommendation for Revenio with a target price of EUR 28.0. Q3 earnings fell short of our overly optimistic expectations, but on the other hand, the Q4 outlook appears better than we anticipated. There have been no dramatic revisions in the outlook for the coming years, but the market is showing at least small signs of recovery. Overall, the Q3 report did not particularly impress in either direction, in light of which the stock's valuation also appears relatively neutral.

Our Q3 estimates were too optimistic

Revenio's Q3 revenue (25.9 MEUR) grew by 8.7% at neutral exchange rates from the comparison period, which was slightly below our 10% forecast. Growth was again broad-based, but the specific acceleration we expected from deliveries of the new MAIA microperimeter was not observed. The only weak point in sales in Q3 was the APAC region, where customers struggled with "price increases" caused by the weakening of local currencies. In the US, sales were also good, and uncertainties do not seem to affect the overall picture substantially. Tariff-related price increases will start to be reflected in products towards the end of the year, once previous inventories have been depleted. EBIT adjusted for non-recurring items was 6.2 MEUR, or approximately 24.0% of revenue, which was clearly below our 27.0% forecast. There was no single reason for the deviation, but practically all lines in the cost structure were slightly higher than we expected. We were slightly optimistic in our Q3 estimates on every line, but overall, the development was again in the right direction.

Q4 will determine the performance for 2025

Revenio's guidance is still for FX-adjusted revenue to grow by 6-15% year-on-year and for profitability excluding non-recurring items to be at a good level in 2025. According to the company, the sales pipeline currently contains a significant number of potential larger orders, on the back of whose realization, postponement or

loss, the seasonally very strong Q4 can still swing the full year's earnings. This is why it wanted to maintain a wide range, even though FX-adjusted growth (9.1%) in the early part of the year no longer supports the upper end. According to the company, Q4 has started well, and we expect FX-adjusted growth to be around 7% in Q4, corresponding to 8.6% for 2025. Operationally (excluding foreign exchange losses and non-recurring items), earnings will grow by around 10% this year, as the swelling cost base prevents scaling despite a gross margin of over 70%. Personnel costs, in particular, have increased, due to factors such as the strengthening of the US sales team. On the other hand, results from this can already be seen in Q4. We slightly cut our estimates for the coming years in terms of both growth and margin, but the revisions were moderate, and the big picture is practically unchanged. Next year, costs related to FDA studies will increase by around 2 MEUR, and the company is otherwise laying the groundwork for future growth through product development. We estimate operational earnings growth to be 15-20% in the coming years, provided that revenue growth reaches double digits (2026e +11%). Next year, the market may also provide good tailwinds after a relatively long quiet phase.

Valuation picture is largely unchanged

Revenio's 2025e adjusted EV/EBIT is around 22x, which we consider neutral for the company. If the earnings growth we expect materializes, we expect the stock to be at a higher level a year from now (2026e EV/EBIT 18x). As the earnings growth outlook stabilizes after difficult years, we also see upside in the valuation, but this is unlikely to happen without evidence of stronger growth. We find Revenio's relative valuation to be moderate, considering the company is currently growing clearly faster than the market. Overall, we see Revenio's valuation as neutral, but stronger growth would be needed as a driver for upside.

Recommendation

Accumulate

(was Accumulate)

Target price:

EUR 28.00

(was EUR 28.00)

Share price:

EUR 24.35

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	104	110	122	139
growth-%	7%	6%	11%	13%
EBIT adj.	26.0	28.5	33.8	39.5
EBIT-% adj.	25.1 %	25.8 %	27.6 %	28.5 %
Net Income	18.5	18.8	26.2	30.9
EPS (adj.)	0.73	0.73	0.98	1.16
P/E (adj.)	36.5	33.4	24.8	21.0
P/B	6.6	5.6	5.0	4.4
Dividend yield-%	1.5 %	1.7 %	2.1 %	2.6 %
EV/EBIT (adj.)	27.1	22.2	18.2	15.1
EV/EBITDA	23.2	19.6	15.9	13.4
EV/S	6.8	5.7	5.0	4.3

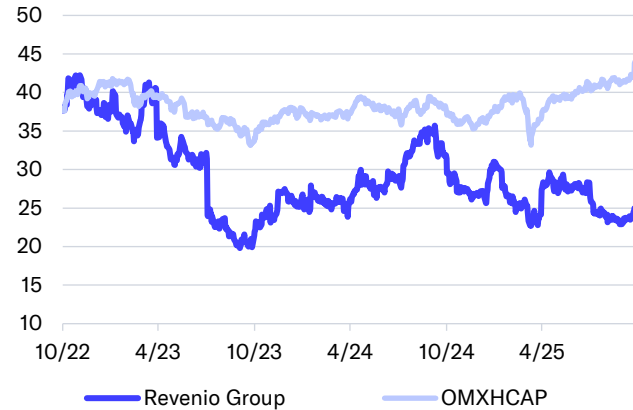
Source: Inderes

Guidance

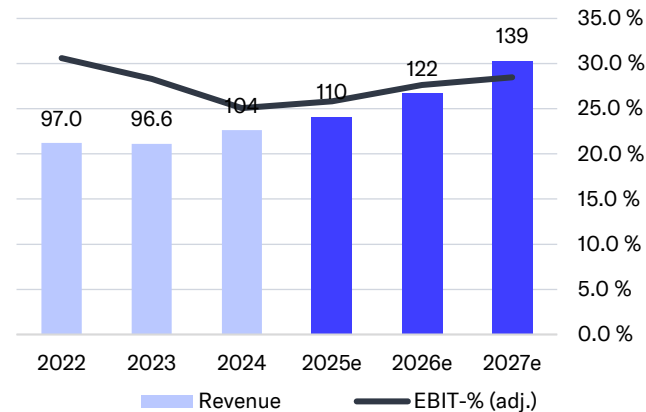
(Unchanged)

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

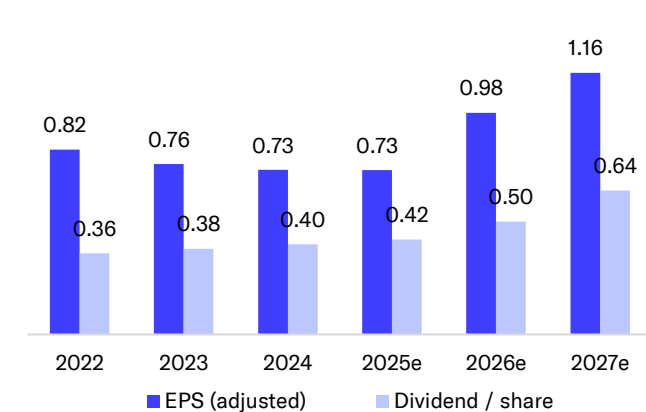
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

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

Risk factors

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

Valuation	2025e	2026e	2027e
Share price	24.4	24.4	24.4
Number of shares, millions	26.7	26.7	26.7
Market cap	650	650	650
EV	632	615	596
P/E (adj.)	33.4	24.8	21.0
P/E	34.6	24.8	21.0
P/B	5.6	5.0	4.4
P/S	5.9	5.3	4.7
EV/Sales	5.7	5.0	4.3
EV/EBITDA	19.6	15.9	13.4
EV/EBIT (adj.)	22.2	18.2	15.1
Payout ratio (%)	59.7 %	50.9 %	55.0 %
Dividend yield-%	1.7 %	2.1 %	2.6 %

Source: Inderes

Our Q3 estimates were too optimistic

Revenue growth continued as quite stable

Revenio's revenue in Q3 was 25.9 MEUR, representing a growth of 8.1% year-on-year. At neutral exchange rates, growth would have been a bit higher at 8.7%, which was slightly below our 10% estimate. According to the company, the only weak point in Q3 sales was the APAC region, where strong currency volatility apparently caused a delay. The company sells in euros outside the US, and movements in local currencies have been significant. On the other hand, in Europe (France, Germany and the UK), growth was strong and focused on screening-related equipment sales and software. Also in the US, dollar-denominated sales were strong according to the company, so tariffs or other issues have not disrupted the market.

Overall, growth remained broad-based, and according to the company, sales in all product categories grew during the year. We expected a growth driver, particularly from the new iCare MAIA microperimeter. Deliveries were made and, according to the company, were very well received in the

market. However, it did not comment more specifically on this, and the sales were not in the millions. Further, the growth in sales of the iCare Screening Solution was also reflected in the growth of iCare DRSplus fundus camera sales. According to the company, new regulatory approvals for the iCare RETCAD solution in several countries lay the foundation for future growth, and sales of the solution continued to grow in Europe. The number of iCare ILLUME customers also appears to be growing very strongly, which further lays the foundation for longer-term growth.

Our growth estimates were too optimistic

Revenio's Q3 EBIT was 6.0 MEUR, but the more relevant figure is EBIT adjusted for non-recurring items, which was 6.2 MEUR. The EBIT margin was therefore 24.0%, which is a good level, but clearly fell short of our 27.0% forecast. There was no single reason for the deviation, but practically all lines in the cost structure were slightly higher than we expected. The biggest deviation was in personnel costs, which increased significantly. This is likely due to the

strengthening of the sales organization in the US, where salaries are high. Results are expected to be seen later, as the company says its sales pipeline has strengthened. No FDA-related costs were incurred during the review period, but they are expected in the coming quarters. Ultimately, earnings per share were EUR 0.173 (estimate EUR 0.20), representing growth of around 10% from the comparison period.

Balance sheet is again net debt-free

Cash flow from operating activities in Q3 was 3.0 MEUR, which is a subdued level compared to the result. However, Q4 is always the strongest period by far for Revenio, and inventories are normally built up before this, and cash flow is traditionally strong in Q4. Net gearing at the end of Q3 was -7.3%, meaning the company is again net debt-free after the spring dividend payment. In Q4, the balance sheet will again strengthen significantly, and there is a lot of leeway.

Estimates	Q3'24	Q3'25	Q3'25e	Q3'25e	Consensus	Difference (%)	2025e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low High	Act. vs. inderes	Inderes
Revenue	23.9	25.9	26.3	25.7		-2%	110
EBIT	5.5	6.0	7.1	6.8		-16%	27.8
EPS (reported)	0.16	0.17	0.20	0.19		-13%	0.70
Revenue growth-%	8.9 %	8.1 %	10.1 %	7.5 %		-2 pp	6.5 %
Liikevoitto-%	23.0 %	23.2 %	27.0 %	26.5 %		-3.8 pp	25.2 %

Source: Inderes & Modular
Finance 10/15/2025 (consensus)

Seasonally strong Q4 will determine 2025 performance

The guidance range remains wide

Revenio's guidance is still for currency-adjusted revenue to grow by 6-15% year-on-year and for profitability excluding non-recurring items to be at a good level in 2025. We expected a narrowing of the guidance range and particularly a decrease in the upper end, but according to the company, there is currently a significant number of potential larger orders in the sales pipeline. According to the company, success or failure in getting these into Q4 deliveries could still significantly swing the revenue one way or the other. This is why the guidance range was kept wide, even though FX-adjusted growth in the early part of the year was 9.1%, i.e., "safely" within the range.

Q4 will determine the performance for 2025

According to the company, the start of Q4 has been good, which makes us confident that it will achieve at least the lower end of the guidance. The company would reach this even with currency-neutral zero growth, which would,

however, be a clear disappointment. Even without major deliveries, adjusted growth should be positive according to our estimate, as the Q4'24 comparison period also did not include major one-off deliveries. We currently estimate FX-adjusted growth to be around 7% in Q4, which should require some larger deliveries over the period. The 2025 FX-adjusted revenue growth would then be 8.6%, which is firmly within the guidance range, but a slight disappointment given that we entered the year expecting double-digit growth.

On the other hand, Q4'24 was exceptional in the sense that the USD strengthened significantly against the EUR, and Revenio's reported revenue growth of 4.8% in Q4'24 was significantly higher than the FX-adjusted growth (-1.1%). Thus, currencies are expected to generate more headwinds in Q4, which is why we expect reported growth to be "only" around 4%. However, we believe that investors should focus on currency-neutral figures.

Small negative estimate revisions for the coming years

Revenio's costs have grown faster than we anticipated in 2025, and in addition, there will be around 2 MEUR more costs related to FDA studies in 2026 (also some for Q4). At the same time, revenue growth has not quite remained on the expected path. Further, we also made a small structural change to our estimates by removing the adjustment made for intangible assets related to acquisitions (previously 1.0 MEUR/year). This way, non-recurring items, which have been relatively numerous, stand out better from the figures. Without this change and non-recurring items, the estimate revisions were small. We believe the big picture remains unchanged, but faster-growing areas such as Screening Solutions will likely still require time before they are significantly reflected in the group's figures. On the other hand, the market now seems to have picked up slightly, through which the old "core business" can also accelerate to faster-than-expected growth in the coming years.

Estimate revisions MEUR / EUR	2025e Old	2025e New	Change %	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %
Revenue	110	110	0%	126	122	-3%	145	139	-5%
EBITDA	33.3	32.3	-3%	39.8	38.8	-3%	45.9	44.6	-3%
EBIT (exc. NRIs)	30.4	28.5	-6%	35.3	33.8	-4%	41.8	39.5	-5%
EBIT	28.9	27.8	-4%	34.3	33.8	-1%	40.9	39.5	-3%
PTP	26.0	25.0	-4%	34.9	34.1	-2%	42.1	40.2	-5%
EPS (excl. NRIs)	0.79	0.73	-8%	1.04	0.98	-6%	1.25	1.16	-7%
DPS	0.40	0.42	4%	0.50	0.50	-1%	0.67	0.64	-5%

Source: Inderes

Valuation picture is largely unchanged

Quality company with good long-term outlook

Revenio's high-quality earnings growth story has seen an interim phase in recent years, as market demand has been in a lull after a previous peak. However, the underlying fundamentals are in place, and by 2025, Revenio will have clearly gained market share again, while strengthening the foundation for future growth. In addition, when looking at 2025 multiples, it is important to understand that theoretical currency losses weigh on earnings.

The worst lull appears to be over, and there are signs of market recovery, with Revenio emerging from this period among the sector's winners. On the other hand, thanks to its strong profitability, it is in a strong position compared to its competitors if the turbulence in the operating environment increases. However, for the time being, it seems that the US is pulling through despite uncertainties.

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

Valuation multiples are rather neutral

Revenio's 2025e adjusted EV/EBIT is around 22x, which we consider reasonable for the company. If the earnings growth we expect materializes, we expect the stock to be

at a higher level a year from now (2026e EV/EBIT 18x). This, however, relies on double-digit growth (2026e +11%), in which respect the situation appears at least more stable than before, as visibility for next year slowly improves. However, we personally believe that a positive scenario is most likely in the next few years due to a number of positive drivers within the company itself. When the company proves that it remains on our expected earnings growth path, we also expect the acceptable valuation to gradually increase.

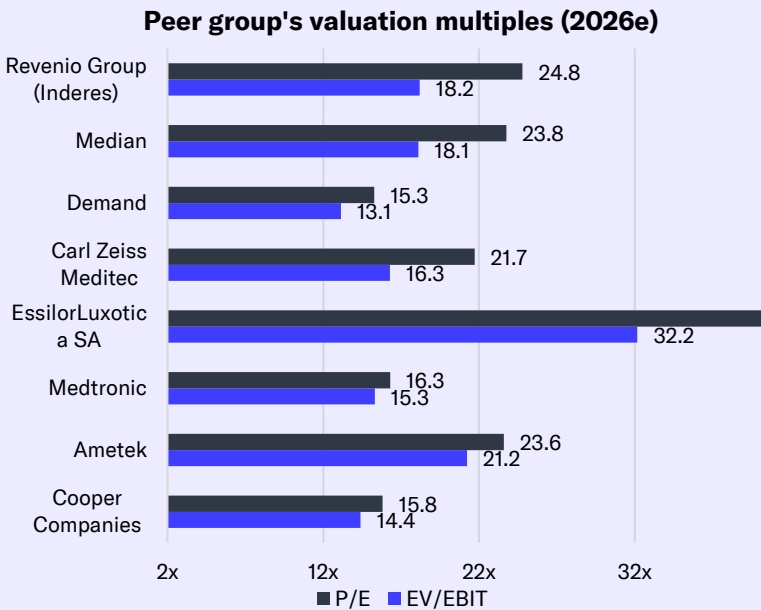
Relative valuation is quite neutral

Revenio has historically traded at a premium to the peer group we use, which we believe is justified as long as the size of the premium remains reasonable. The company is growing faster than the industry and its long-term prospects are strong, while many of its future earnings drivers are still maturing. Compared to its competitors, Revenio's performance has also been good recently.

The median 2026e EV/EBIT for the peer group is now around 18x, in line with Revenio. In our view, Revenio is one of the best companies in the group along with Zeiss, which is currently valued slightly below Revenio (2026e EV/EBIT 16x). However, Zeiss' organic growth has practically stalled as 2025 progresses, although the latest figures are still from August. We consider Revenio's relative valuation to be fairly neutral, but changes in peer valuations do not drive our view on the stock.

Valuation	2025e	2026e	2027e
Share price	24.4	24.4	24.4
Number of shares, millions	26.7	26.7	26.7
Market cap	650	650	650
EV	632	615	596
P/E (adj.)	33.4	24.8	21.0
P/E	34.6	24.8	21.0
P/B	5.6	5.0	4.4
P/S	5.9	5.3	4.7
EV/Sales	5.7	5.0	4.3
EV/EBITDA	19.6	15.9	13.4
EV/EBIT (adj.)	22.2	18.2	15.1
Payout ratio (%)	59.7 %	50.9 %	55.0 %
Dividend yield-%	1.7 %	2.1 %	2.6 %

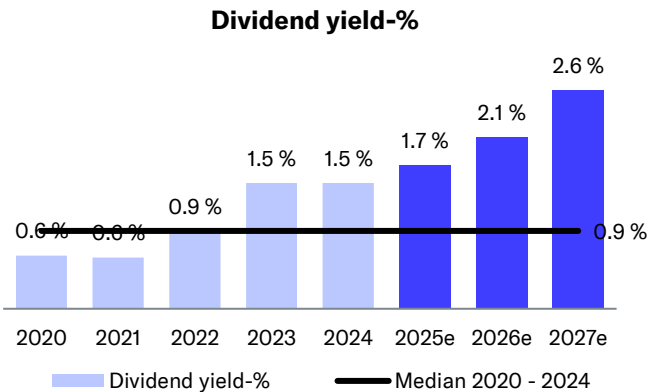
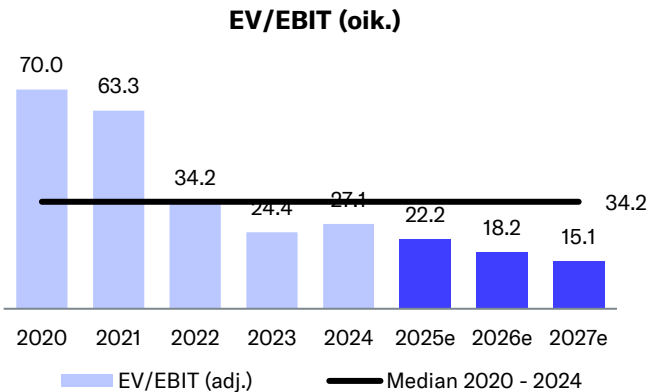
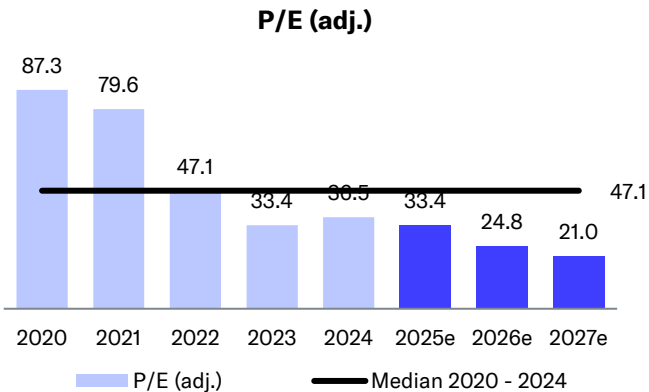
Source: Inderes



Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	50.3	55.6	38.6	25.2	26.6	24.4	24.4	24.4	24.4
Number of shares, millions	26.6	26.7	26.6	26.6	26.7	26.7	26.7	26.7	26.7
Market cap	1337	1482	1026	670	709	650	650	650	650
EV	1335	1482	1015	667	702	632	615	596	577
P/E (adj.)	87.3	79.6	47.1	33.4	36.5	33.4	24.8	21.0	18.6
P/E	>100	85.7	47.1	35.1	38.2	34.6	24.8	21.0	18.6
P/B	19.2	18.9	11.3	6.7	6.6	5.6	5.0	4.4	3.9
P/S	21.9	18.8	10.6	6.9	6.9	5.9	5.3	4.7	4.2
EV/Sales	21.9	18.8	10.5	6.9	6.8	5.7	5.0	4.3	3.8
EV/EBITDA	61.5	57.6	30.6	22.0	23.2	19.6	15.9	13.4	11.8
EV/EBIT (adj.)	70.0	63.3	34.2	24.4	27.1	22.2	18.2	15.1	13.0
Payout ratio (%)	63.6 %	52.4 %	43.9 %	52.9 %	57.5 %	59.7 %	50.9 %	55.0 %	60.0 %
Dividend yield-%	0.6 %	0.6 %	0.9 %	1.5 %	1.5 %	1.7 %	2.1 %	2.6 %	3.2 %

Source: Inderes



The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%	
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e
Revenio Group	650	640	21.5	18.1	18.6	15.9	5.7	5.1	31.2	23.9	1.8	2.1
Cooper Companies	11860	13878	15.4	14.4	13.0	12.0	4.0	3.7	17.0	15.8		
Ametek	36471	37605	23.2	21.2	19.1	17.5	6.1	5.6	25.7	23.6	0.7	0.7
Topcon	2009	2472			21.1	15.9	2.1	2.0	166.7	65.4	1.2	
Medtronic	100872	118641	16.0	15.3	14.3	13.4	4.1	3.9	16.8	16.3	3.1	3.1
EssilorLuxotica SA	147419	159291	35.7	32.2	22.8	20.9	5.7	5.4	44.9	40.3	1.2	1.4
Carl Zeiss Meditec	3959	4540	19.3	16.3	12.4	11.1	2.1	2.0	25.9	21.7	1.5	1.8
Demand	6435	8430	15.5	13.1	11.4	9.9	2.8	2.5	18.6	15.3		
Optomed (Inderes)	75	75				73.3	4.5	3.8				
Revenio Group (Inderes)	650	632	22.2	18.2	19.6	15.9	5.7	5.0	33.4	24.8	1.7	2.1
Average			23.4	20.6	18.3	21.3	4.3	4.0	42.9	29.2	1.3	1.5
Median			21.5	18.1	18.8	15.9	4.5	3.9	28.6	23.8	1.2	1.4
Diff-% to median			3%	0%	4%	0%	28%	30%	17%	4%	44%	50%

Source: Refinitiv / Inderes

Income statement

Income statement	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue	97.0	96.6	23.6	25.4	23.9	30.5	104	26.1	26.5	25.9	31.8	110	122	139	154
Tonometers (estimate)	58.5	57.4	14.9	16.0	13.2	17.1	61.3	16.4	15.9	13.6	17.3	63.2	68.9	75.8	83.4
Imaging devices (estimate)	36.2	36.6	8.0	8.7	9.9	12.6	39.2	8.9	9.8	11.4	13.5	43.5	48.9	54.8	60.3
Software (estimate)	2.2	2.6	0.7	0.7	0.8	0.8	3.0	0.8	0.8	0.9	1.0	3.5	4.5	8.0	10.0
Other products (estimate)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	33.1	30.3	6.2	7.1	6.7	10.3	30.2	7.7	7.2	7.2	10.1	32.3	38.8	44.6	49.1
Depreciation	-3.4	-3.9	-1.1	-1.8	-1.2	-1.1	-5.2	-1.1	-1.1	-1.1	-1.1	-4.4	-5.0	-5.1	-4.7
EBIT (excl. NRI)	29.7	27.3	5.1	6.0	5.6	9.2	26.0	6.6	6.6	6.2	9.1	28.5	33.8	39.5	44.3
EBIT	29.7	26.3	5.1	5.3	5.5	9.1	25.0	6.6	6.1	6.0	9.1	27.8	33.8	39.5	44.3
Net financial items	-0.6	-1.0	-0.3	0.2	-0.4	0.1	-0.4	-1.1	-1.7	0.0	-0.1	-2.8	0.3	0.7	1.1
PTP	29.1	25.4	4.8	5.5	5.1	9.2	24.6	5.6	4.4	6.0	9.0	25.0	34.1	40.2	45.4
Taxes	-7.3	-6.3	-1.2	-1.3	-0.9	-2.7	-6.1	-1.4	-1.3	-1.4	-2.1	-6.2	-7.9	-9.2	-10.4
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	21.8	19.1	3.6	4.1	4.3	6.5	18.5	4.2	3.1	4.6	6.9	18.8	26.2	30.9	34.9
EPS (adj.)	0.82	0.76	0.14	0.18	0.16	0.25	0.73	0.16	0.13	0.18	0.26	0.73	0.98	1.16	1.31
EPS (rep.)	0.82	0.72	0.14	0.16	0.16	0.25	0.70	0.16	0.12	0.17	0.26	0.70	0.98	1.16	1.31

Key figures	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	23.1 %	-0.4 %	1.8 %	14.2 %	8.9 %	4.8 %	7.2 %	10.5 %	4.2 %	8.1 %	4.0 %	6.5 %	11.0 %	13.3 %	10.9 %
Adjusted EBIT growth-%		-7.9 %	-16.6 %	9.0 %	-9.7 %	-2.5 %	-5.0 %	28.6 %	9.7 %	11.5 %	-1.7 %	9.7 %	18.7 %	16.9 %	12.2 %
EBITDA-%	34.1 %	31.4 %	26.3 %	27.8 %	27.9 %	33.6 %	29.2 %	29.6 %	27.3 %	27.7 %	31.9 %	29.3 %	31.7 %	32.2 %	31.9 %
Adjusted EBIT-%	30.6 %	28.3 %	21.8 %	23.5 %	23.3 %	30.3 %	25.1 %	25.4 %	24.7 %	24.0 %	28.6 %	25.8 %	27.6 %	28.5 %	28.8 %
Net earnings-%	22.5 %	19.8 %	15.3 %	16.3 %	17.8 %	21.4 %	17.9 %	16.0 %	11.6 %	17.8 %	21.8 %	17.0 %	21.4 %	22.3 %	22.7 %

Source: Inderes

Full-year earnings per share are calculated using the number of shares at year-end.

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	77.5	83.7	84.0	83.2	82.0
Goodwill	59.4	63.3	63.3	63.3	63.3
Intangible assets	7.1	11.4	11.4	10.2	8.6
Tangible assets	2.3	2.4	2.7	3.1	3.5
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	2.3	0.6	0.6	0.6	0.6
Other non-current assets	3.6	2.6	2.6	2.6	2.6
Deferred tax assets	2.8	3.4	3.4	3.4	3.4
Current assets	48.3	47.0	54.1	72.9	95.1
Inventories	10.5	10.1	9.9	9.8	11.1
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	16.3	16.2	16.5	18.3	20.8
Cash and equivalents	21.5	20.7	27.6	44.7	63.2
Balance sheet total	137	141	148	165	185

Source: Inderes

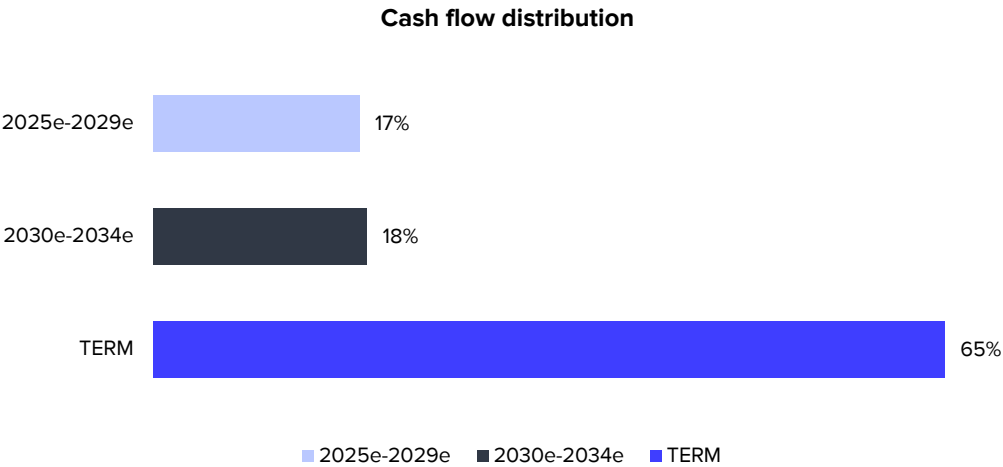
Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	99.9	108	116	131	148
Share capital	5.3	5.3	5.3	5.3	5.3
Retained earnings	43.5	52.2	60.3	75.3	92.9
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	51.1	50.2	50.2	50.2	50.2
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	16.9	12.6	11.2	11.2	11.2
Deferred tax liabilities	3.3	3.6	3.6	3.6	3.6
Provisions	0.6	0.6	0.6	0.6	0.6
Interest bearing debt	13.0	8.4	7.0	7.0	7.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0	0.0
Current liabilities	20.6	21.0	20.6	22.6	25.2
Interest bearing debt	5.6	5.5	3.0	3.0	3.0
Payables	15.0	15.5	17.6	19.6	22.2
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	137	141	148	165	185

DCF-calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	7.2 %	6.5 %	11.0 %	13.3 %	10.9 %	12.0 %	10.0 %	8.0 %	5.0 %	5.0 %	3.2 %	3.2 %
EBIT-%	24.2 %	25.2 %	27.6 %	28.5 %	28.8 %	29.5 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %
EBIT (operating profit)	25.0	27.8	33.8	39.5	44.3	50.8	56.8	61.3	64.4	67.6	69.8	
+ Depreciation	5.2	4.4	5.0	5.1	4.7	4.1	4.2	4.5	4.7	4.7	4.9	
- Paid taxes	-6.4	-6.2	-7.9	-9.2	-10.4	-12.0	-13.5	-14.5	-15.3	-16.1	-16.6	
- Tax, financial expenses	-0.2	-0.8	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	
+ Tax, financial income	0.1	0.1	0.2	0.2	0.3	0.4	0.5	0.5	0.6	0.6	0.6	
- Change in working capital	1.0	2.0	0.3	-1.1	-1.1	-1.3	-1.2	-1.1	-0.7	-0.8	-0.5	
Operating cash flow	24.7	27.3	31.2	34.4	37.8	41.9	46.7	50.7	53.6	56.0	58.1	
+ Change in other long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-9.8	-3.7	-3.1	-3.1	-1.9	-3.9	-4.6	-4.7	-4.4	-4.9	-4.9	
Free operating cash flow	14.9	23.6	28.1	31.3	36.0	38.0	42.1	46.0	49.2	51.1	53.2	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	14.9	23.6	28.1	31.3	36.0	38.0	42.1	46.0	49.2	51.1	53.2	1049
Discounted FCFF		23.3	25.6	26.2	27.8	27.1	27.7	27.9	27.5	26.4	25.3	499
Sum of FCFF present value		764	740	715	689	661	634	606	578	551	524	499
Enterprise value DCF		764										
- Interest bearing debt		-13.9										
+ Cash and cash equivalents		20.7										
-Minorities		0.0										
-Dividend/capital return		-10.7										
Equity value DCF		760										
Equity value DCF per share		28.5										

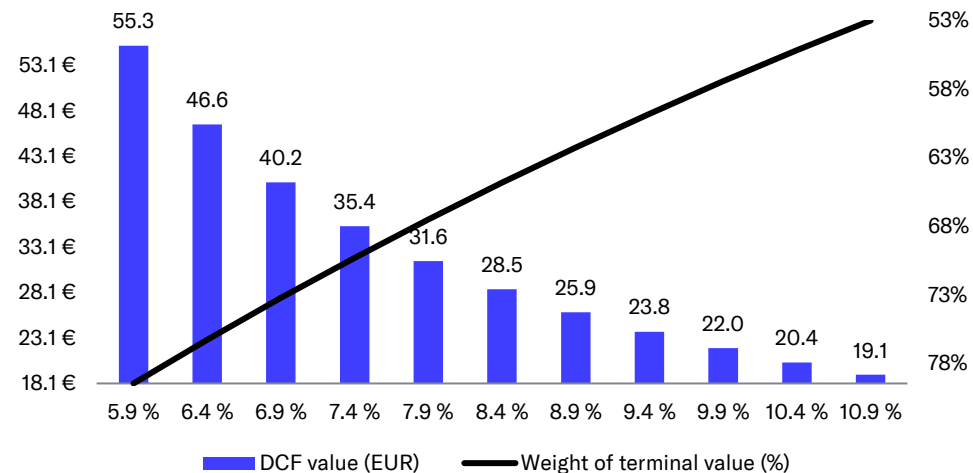
WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	0.0 %
Cost of debt	4.0 %
Equity Beta	1.25
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	8.4 %
Weighted average cost of capital (WACC)	8.4 %

Source: Inderes

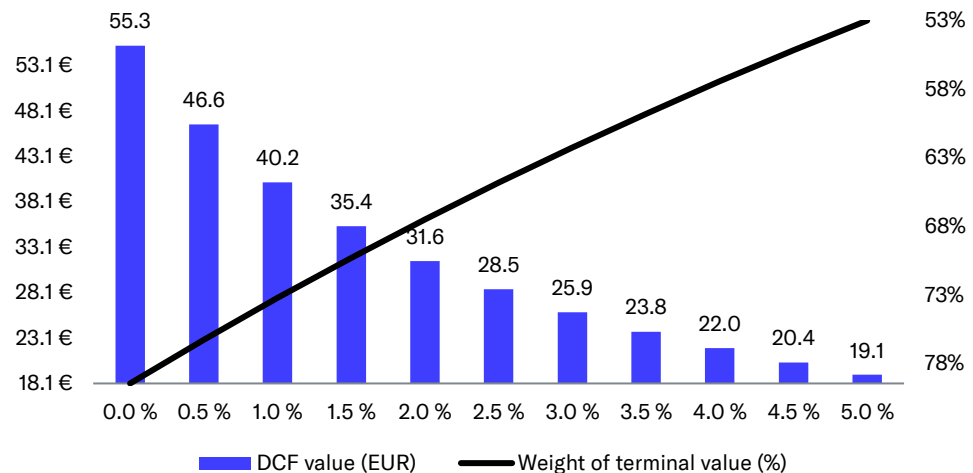


DCF sensitivity calculations and key assumptions in graphs

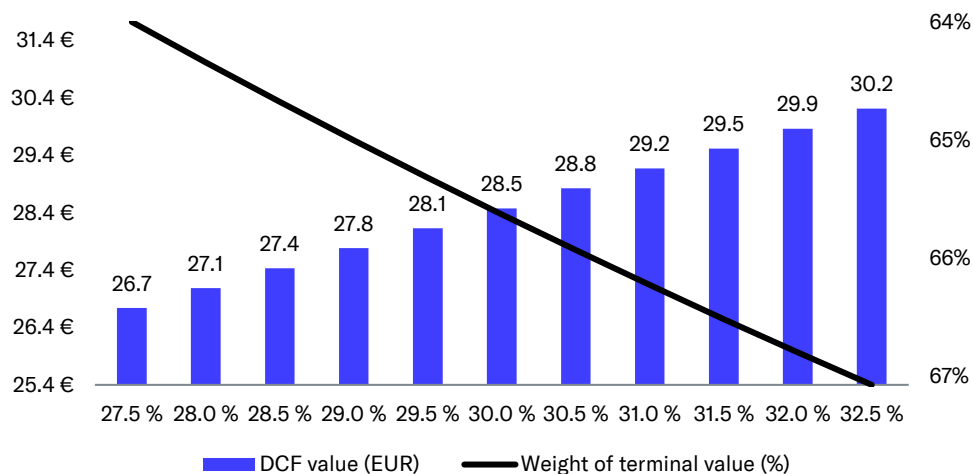
Sensitivity of DCF to changes in the WACC-%



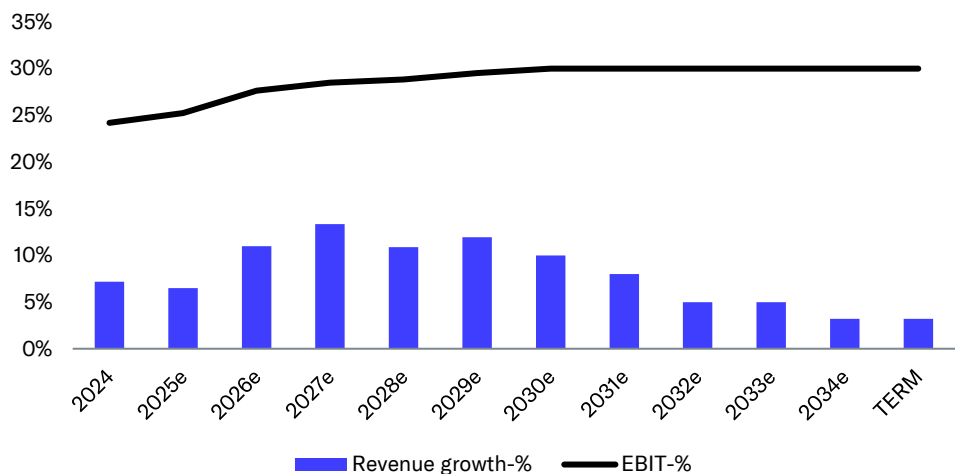
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. NB! The terminal value weight (%) is presented on a reverse scale for clarity.

Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	97.0	96.6	103.5	110.2	122.3	EPS (reported)	0.82	0.72	0.70	0.70	0.98
EBITDA	33.1	30.3	30.2	32.3	38.8	EPS (adj.)	0.82	0.76	0.73	0.73	0.98
EBIT	29.7	26.3	25.0	27.8	33.8	OCF / share	0.90	0.40	0.93	1.02	1.17
PTP	29.1	25.4	24.6	25.0	34.1	FCF / share	0.79	0.09	0.56	0.89	1.05
Net Income	21.8	19.1	18.5	18.8	26.2	Book value / share	3.42	3.76	4.04	4.34	4.90
Extraordinary items	0.0	-1.0	-0.9	-0.7	0.0	Dividend / share	0.36	0.38	0.40	0.42	0.50
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	136.1	137.4	141.3	147.6	164.6	Revenue growth-%	23%	0%	7%	6%	11%
Equity capital	90.9	99.9	107.7	115.8	130.8	EBITDA growth-%	29%	-9%	0%	7%	20%
Goodwill	59.8	59.4	63.3	63.3	63.3	EBIT (adj.) growth-%	27%	-8%	-5%	10%	19%
Net debt	-11.3	-2.9	-6.8	-17.6	-34.7	EPS (adj.) growth-%	17%	-8%	-3%	0%	35%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	34.1 %	31.4 %	29.2 %	29.3 %	31.7 %
EBITDA	33.1	30.3	30.2	32.3	38.8	EBIT (adj.)-%	30.6 %	28.3 %	25.1 %	25.8 %	27.6 %
Change in working capital	-1.5	-11.6	1.0	2.0	0.3	EBIT-%	30.6 %	27.3 %	24.2 %	25.2 %	27.6 %
Operating cash flow	24.0	10.5	24.7	27.3	31.2	ROE-%	25.7 %	20.0 %	17.9 %	16.8 %	21.3 %
CAPEX	-2.9	-8.2	-9.8	-3.7	-3.1	ROI-%	27.6 %	23.3 %	21.3 %	22.9 %	25.9 %
Free cash flow	21.1	2.4	14.9	23.6	28.1	Equity ratio	66.8 %	72.7 %	76.2 %	78.4 %	79.5 %
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	-12.5 %	-2.9 %	-6.3 %	-15.2 %	-26.5 %
EV/S	10.5	6.9	6.8	5.7	5.0						
EV/EBITDA	30.6	22.0	23.2	19.6	15.9						
EV/EBIT (adj.)	34.2	24.4	27.1	22.2	18.2						
P/E (adj.)	47.1	33.4	36.5	33.4	24.8						
P/B	11.3	6.7	6.6	5.6	5.0						
Dividend-%	0.9 %	1.5 %	1.5 %	1.7 %	2.1 %						

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. Per-share figures are calculated using the number of shares at year-end.

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Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
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Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2/21/2020	Accumulate	31.00 €	28.85 €
3/19/2020	Buy	24.00 €	18.48 €
4/23/2020	Accumulate	25.00 €	22.75 €
8/7/2020	Reduce	34.00 €	33.50 €
10/23/2020	Reduce	36.00 €	38.05 €
12/21/2020	Reduce	44.00 €	48.65 €
2/12/2021	Accumulate	60.00 €	53.00 €
4/26/2021	Accumulate	65.00 €	59.20 €
Analyst changed			
6/9/2021	Accumulate	65.00 €	59.50 €
8/6/2021	Reduce	65.00 €	64.80 €
10/22/2021	Accumulate	58.00 €	55.40 €
2/11/2022	Accumulate	48.00 €	44.30 €
4/7/2022	Reduce	48.00 €	47.96 €
4/29/2022	Reduce	48.00 €	47.58 €
8/5/2022	Reduce	52.00 €	54.30 €
10/28/2022	Reduce	40.00 €	39.48 €
1/27/2023	Reduce	40.00 €	37.62 €
2/10/2023	Reduce	38.00 €	37.26 €
1/27/2023	Reduce	40.00 €	37.62 €
2/10/2023	Reduce	38.00 €	37.26 €
3/20/2023	Accumulate	38.00 €	34.66 €
4/28/2023	Reduce	38.00 €	39.24 €
8/3/2023	Accumulate	26.00 €	24.08 €
8/11/2023	Accumulate	26.00 €	23.20 €
10/4/2023	Buy	26.00 €	19.81 €
10/27/2023	Buy	24.50 €	19.90 €
12/7/2023	Accumulate	25.50 €	23.66 €
2/16/2024	Reduce	28.00 €	27.94 €
4/4/2024	Accumulate	28.00 €	25.86 €
4/26/2024	Accumulate	28.00 €	23.86 €
8/9/2024	Accumulate	32.00 €	28.82 €
11/1/2024	Accumulate	32.00 €	29.50 €
1/20/2025	Accumulate	32.00 €	28.18 €
2/14/2025	Accumulate	30.00 €	27.60 €
4/30/2025	Accumulate	30.00 €	27.40 €
8/8/2025	Accumulate	28.00 €	24.60 €
10/31/2025	Accumulate	28.00 €	24.35 €



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Inderes Ab

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

Inderes Oyj

Porkkalankatu 5
00180 Helsinki
+358 10 219 4690

inderes.se

inderes.fi

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