

# KEMPOWER

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INDERES CORPORATE CUSTOMER

# COMPANY REPORT



# Share price reflects high expectations

Kempower's Q2 report was somewhat more positive than expected, and the strong order intake supports the anticipated upturn in revenue growth in the second half of the year. The gross margin also strengthened, alleviating uncertainty about the impact of price competition on profitability. On the other hand, higher-than-expected fixed costs limit short-term profitability. We raised our target price to EUR 15.0 (previously EUR 12.5), as long-term earnings estimates improved and near-term guidance risk decreased. However, the recent rise in the share price has tightened the valuation multiples even further, which is why we are lowering our recommendation to Reduce (previously Accumulate).

## Q2 figures support upward growth outlook

The key figures in the Q2 report were mostly slightly stronger than consensus expectations. Order intake grew by 37% year-on-year, exceeding consensus by 13%, particularly due to successful new customer acquisitions and distribution expansion into new markets, such as continental Europe and North America. Growth was quite broad-based, but there were also some larger orders, the timing of which may cause volatility between quarters. Revenue grew by 9% and adj. EBIT improved significantly from the comparison period to -1.7 MEUR (Q2'24: -8.5 MEUR). The improvement in profitability was driven by a strong gross margin (2.4 pp above consensus) on the one hand and temporary profitability challenges in the comparison period related to component write-downs, among other things, on the other hand. However, Q2 delivery volumes fell slightly short of our forecast, while fixed costs rose slightly more than we expected, primarily due to personnel expenses. Cash flow from operating activities turned positive at 4.0 MEUR in Q2 (Q2'24: -16 MEUR), and net cash excluding lease liabilities was 44 MEUR (Q2'24: 59 MEUR).

## New customer acquisition remains a key growth driver for the time being

Kempower's revenue grew by only 6% year-on-year in H1, which means that the company's reiterated growth guidance (2025: 10-

30%) points to a strong turnaround in growth in H2. This growth also has a solid foundation, thanks to strong order growth (35%) in H1. We forecast 28% revenue growth in H2 and estimate that the growth trajectory will remain at that level throughout 2026. For now, we believe the increase in order intake mainly reflects the successful acquisition of new customers, but a clearer recovery in market demand and increased activity among long-term customers are yet to come. Our short-term earnings forecasts declined slightly due to factors such as growth in fixed costs, but our EBIT forecasts for 2027 rose by 9% thanks to an improved margin outlook.

## Valuation tight and profitability scale-up timing further out in the future

Kempower's valuation is high relative to its earnings in the coming years, which we forecast to remain low in 2025-26. Predicting the timing of profitability scaling up is challenging because the company expects growth investments to weigh on the profitability outlook in the coming years. Recent order development, together with key customer wins, has of course strengthened our view of the company's competitiveness and supports growth expectations for the coming years. However, the sharp rise in the share price also pushes up medium-term valuation multiples (EV/EBIT 2027-28e: 21x and 14x), which, in our view, leaves little room for further upside without a significant positive turnaround in market demand. With the 15x EV/EBIT multiple we consider fair in 2028, the discounted present value of the stock would be EUR 14.7 in our base case (2025-28 average growth 24% p.a., 2028e EBIT: 12%). Our DCF model with a terminal EBIT margin of 11% and WACC of 9.1% gives a fair value of EUR 15.0 per share. We lowered the WACC by 0.2 pp as recent commercial successes reduced business risk.

## Recommendation

**Reduce**

(was Accumulate)

## Target price:

**EUR 15.00**

(was EUR 12.50)

## Share price:

EUR 17.59

## Business risk



## Valuation risk



	2024	2025e	2026e	2027e
Revenue	223.7	264.0	340.5	429.1
growth-%	-21%	18%	29%	26%
EBIT adj.	-26.4	-3.2	22.6	44.7
EBIT-% adj.	-11.8 %	-1.2 %	6.6 %	10.4 %
Net Income	-23.3	-4.1	17.7	35.7
EPS (adj.)	-0.38	-0.05	0.32	0.65

P/E (adj.)	neg.	neg.	54.9	27.2
P/B	4.8	9.0	7.7	6.0
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	neg.	neg.	42.0	20.7
EV/EBITDA	neg.	>100	25.7	15.4
EV/S	2.3	3.6	2.8	2.2

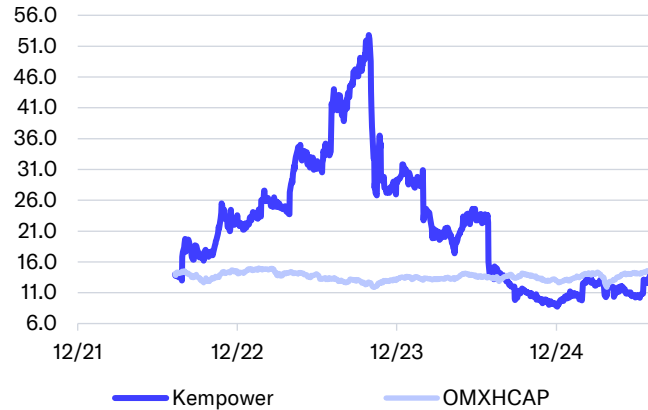
Source: Inderes

## Guidance

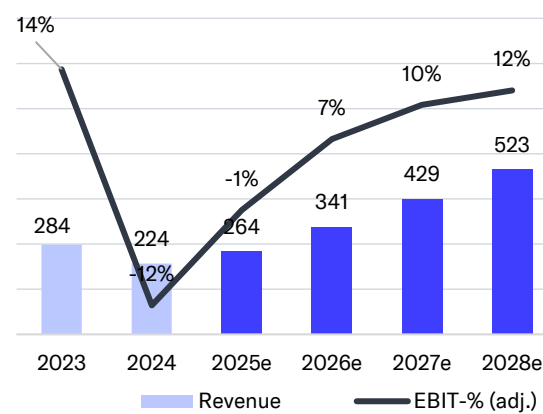
(Unchanged)

2025 revenue is expected to grow 10-30% (revenue 2024: 223.7 MEUR). Operative EBIT is expected to improve significantly from 2024.

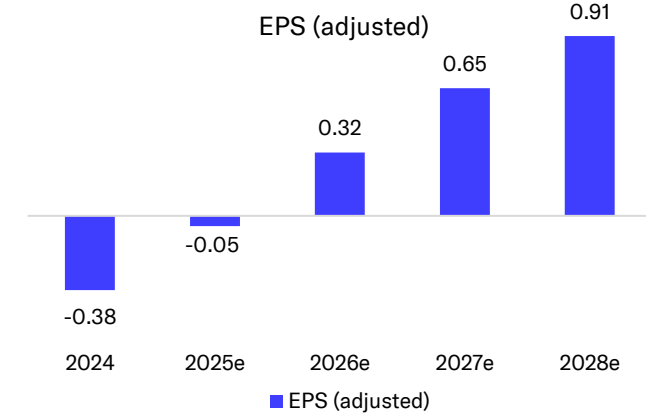
## Share price



## Revenue and EBIT-% (adj.)



## EPS and dividend



## Value drivers

- Electrification of transport creates a huge need for efficient and versatile charging capacity in the medium term
- Competitive products offer strong margins and have enabled market share growth
- Increasing the customer base and expanding into new markets could allow Kempower to become one of the major global manufacturers
- Investments in product development

## Risk factors

- Restoring profitability requires significant growth or additional savings
- Uncertainty about long-term profitability levels in the industry
- Changes in technological competitiveness could threaten growth and pricing
- A high valuation based on long-term earnings growth carries significant risk

Valuation	2025e	2026e	2027e
Share price	17.6	17.6	17.6
Number of shares, millions	55.3	55.3	55.3
Market cap	972	972	972
EV	959	950	925
P/E (adj.)	neg.	54.9	27.2
P/E	neg.	54.9	27.2
P/B	9.0	7.7	6.0
P/S	3.7	2.9	2.3
EV/Sales	3.6	2.8	2.2
EV/EBITDA	>100	25.7	15.4
EV/EBIT (adj.)	neg.	42.0	20.7
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes



# Key figures developed positively

We consider order intake and gross margin to be the most important figures for Kempower's growth outlook and competitive development – and both developed favorably in Q2. However, actual revenue in Q2 was lower than we had estimated, and fixed costs increased slightly more than we had anticipated.

## Orders grew strongly through new customer acquisition

Kempower reported orders worth 74 MEUR for Q2, marking a 37% year-on-year increase. Order intake was slightly stronger than expected, surpassing our forecast by 5% and the consensus by 13%. The company has recently been successful in acquiring new customers in both Europe and North America, which we believe has supported order development. Order intake declined in the Nordics (–24%) but grew strongly in the rest of Europe (50%) and very strongly in North America (150%). North America's share of order intake continued the gradual growth seen last year, reaching 23% in Q2.

Investments in acquiring new customers have increased since the beginning of 2024, when increased inventory levels and a weaker order outlook among existing long-

term customers began to emerge. The company has reported success in acquiring new customers throughout 2024, but this has not been reflected in significant order growth until now. We believe that the order intake figures in the Q2 report provide further evidence that new customer acquisition is also reflected in order development.

## Total deliveries did not yet increase significantly

Kempower reported revenue worth 62 MEUR for Q2, representing a moderate 9% increase year-on-year. The revenue development shows a similar geographical trend as orders, i.e. the significance of the Nordics is declining and the role of other geographical areas is becoming more prominent as a result of geographical expansion in recent years. Operative EBIT was -1.7 MEUR, which was a clear improvement from the weak level in the comparison period (Q2'24: -8.5 MEUR). Revenue and operative EBIT were close to consensus expectations but slightly below our forecasts. Personnel expenses increased more than we had anticipated, even considering the one-time cost of 1 MEUR related to the CEO change.

A positive detail in the report is the gross margin of 50.6%, which exceeds our and the consensus forecasts by 1.4–2.4 percentage points. This reinforces our view that the company has not had to significantly compromise its pricing to achieve growth, at least not yet. Additionally, the company has also likely managed to streamline production, which has probably helped offset the tightening of the pricing environment.

## Cash flow moderately positive in Q2

Cash flow from operating activities turned positive at 4.0 MEUR in Q2 (Q2'24: -16 MEUR). As of the end of June, the company had net cash of 17 MEUR (H1'24: 30 MEUR) or, excluding lease liabilities, 44 MEUR (H1'24: 59 MEUR). Q2 investments were low at 1.4 MEUR (Q2'24: 6.9 MEUR). In the comparison period, the company ramped up its new Lahti unit, for example, which increased the level of investment.

Estimates	Q2'24	Q2'25	Q2'25e	Q2'25e	Difference (%)	2025e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Act. vs. inderes	Inderes
Revenue	57.1	62.2	67.9	61.9	-8%	268
Order intake	54.1	74.3	70.9	65.9	5%	218
Gross margin-%	44.5 %	50.6 %	49.2 %	48.2 %	1.4 pp	48.7 %
EBIT (adj.)	-8.5	-1.7	1.6	-2.6		-0.8
EPS (reported)	-0.14	-0.05	0.02	-0.04		-0.02
Revenue growth-%	-21.2 %	8.9 %	19.0 %	8.4 %	-10.1 pp	20.0 %
EBIT-% (adj.)	-14.9 %	-2.7 %	2.4 %	-4.2 %	-5.1 pp	-0.3 %

Source: Inderes & Modular Finance  
(consensus: 8 analysts)

Kempower, Webcast, Q2'25



# New customers are emphasized as a key factor in growth

## Short-term EBIT estimates declined, long-term estimates rose

- Kempower reiterated its guidance that revenue is expected to grow by 10-30% year-on-year in 2025 and that operative EBIT is expected to improve significantly from 2024 (-26.4 MEUR). We had expected the company to narrow its growth guidance range already in its Q2 report, but this may instead occur in the Q3 report. While we do not believe the company has a realistic prospect of reaching the upper end of its growth guidance range, we consider it highly probable that it will remain within the range.
- The company previously expected increased inventory levels among customers to affect its sales until mid-2025, with demand recovering in H2. The company now expects elevated inventory levels among certain long-term customers to persist until 2026, which will moderate their order activity. However, the company's newer customers, acquired in 2024–25, have normal inventory levels, supporting growing demand for Kempower's charging solutions. We are not particularly concerned about the inventory levels of a few customers because the company has demonstrated that new customer acquisitions can compensate for the temporary pause in orders from long-term customers.
- We raised our gross margin estimates based on Q2 results, yet our gross margin forecast remains on a downward trend (2025e: 49.8%, 2028e: 47.2%). Our interpretation is that the company may consider lowering prices to respond to competition but simultaneously sees significant potential for production efficiency improvements, which could offset the margin impact.
- The increase in the number of employees during the quarter (Q2: 829, Q1: 779) can be explained, for example, by the high number of summer workers, although the company says the number of permanent employees has not increased significantly. However, we increased our fixed cost estimates, as personnel expenses in Q2 were higher than we had predicted.
- Our revenue forecasts remained mainly unchanged. Our short-term EBIT forecasts declined slightly (due to fixed costs), but our long-term forecasts increased (2027e: +9 %, due to higher gross margin assumptions).

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	268	264	-2%	344	341	-1%	430	429	0%
EBITDA	12.9	9.3	-28%	38.0	36.9	-3%	56.3	60.1	7%
EBIT (exc. NRIs)	-0.8	-3.2	-292%	23.6	22.6	-4%	40.8	44.7	9%
EBIT	-0.8	-4.4	-436%	23.6	22.6	-4%	40.8	44.7	9%
PTP	-1.3	-5.1	-287%	23.4	22.4	-4%	41.3	45.2	9%
EPS (excl. NRIs)	-0.02	-0.05	-173%	0.33	0.32	-4%	0.59	0.65	9%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

Kempower Q2'25: Signs of market recovery



# Valuation and investment profile 1/2

## Growth company valuation is based on the long game

Kempower's share price rally in 2022-23 was based on strong evidence of earnings growth and the market's expectation that the company's large opex investments in 2023-2024 will pay off quickly. The equity story changed as the industry inventory cycle unfolded and also as demand for electric vehicles waned in 2024, although this is likely to be a temporary phenomenon. We believe that it will take several years for the major investments of recent years, such as the expansion of the organization and the opening of new factories, to become profitable. Earnings forecasts for 2025-26 are weak due to low factory utilization, so the stock's valuation is based on the company's long-term earnings growth prospects. This increases the risk of the investment, as it is difficult to predict changes in the dynamics of a new and growing industry.

## Valuation multiples have become strained

Our earnings forecasts for 2027-28 provide a more reasonable valuation, albeit still rather tight (EV/EBIT 21x and 14x), though the long-term growth outlook for the market is certainly attractive beyond those years. Our estimates assume an EBIT margin of 12% in 2028, which we believe is a credible level of profitability for a globally competitive electrical equipment manufacturer. If profitability were to improve to the company's long-term target of at least 15%, there would even be an upside to the valuation. On the other hand, the present starting level is negative, which increases uncertainty about the profitability outlook.

Another factor that could make the stock attractive, even at the current, very tight valuation multiples, is a significant pick-up in market growth, which would likely also require greater political support from policymakers. Kempower expects the DC charger market to grow by around 30%/year until 2030 and, if this occurs, our forecasts could be subject to upward pressure (scenario on the next page), as our current average growth assumption for the company is 20%/year for 2025-30. While Kempower has the potential to grow even faster than the market, thanks in part to geographic expansion (especially in the US), it is also challenging to predict the industry's competitive dynamics, and maintaining the company's current strong competitive position is uncertain in the long-term.

## Competitiveness has remained strong

We believe Kempower's competitiveness in the market remains relatively strong. Between 2022 and 2023, the company managed to increase its market share very rapidly and its product margins were among the best in the market. The company has a strong position in its domestic market in the Nordics (market leader at least in Finland and Norway). In addition, it has recently managed to strongly increase its orders in new markets such as North America and continental Europe, which reinforces the image of the international desirability of the company's products. We believe that like Kemrpower, other manufacturers have also suffered from customers' high inventory levels during 2024. Price competition has intensified in the market, and this will likely be reflected even more in Kempower's margin in the future, but at least for now, margins have developed more steadily than we expected.

Valuation	2025e	2026e	2027e
Share price	17.6	17.6	17.6
Number of shares, millions	55.3	55.3	55.3
Market cap	972	972	972
EV	959	950	925
P/E (adj.)	neg.	54.9	27.2
P/E	neg.	54.9	27.2
P/B	9.0	7.7	6.0
P/S	3.7	2.9	2.3
EV/Sales	3.6	2.8	2.2
EV/EBITDA	>100	25.7	15.4
EV/EBIT (adj.)	neg.	42.0	20.7
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

# Valuation and investment profile 2/2

## Scenario-based valuation

In our baseline scenario, we forecast Kempower's revenue to reach 523 MEUR and its EBIT margin to reach 12.0% in 2028. With a 15x 12-month forward-looking EV/EBIT multiple, the share price would then rise to EUR 18.6. Discounted to the present, this corresponds to a value of EUR 14.7 per share, which is below the current share price.

In our positive scenario, the company would achieve its revenue target (average growth of 35%/year in 2025-28) and longer-term profitability targets, which would increase the share value to nearly EUR 40 (EUR 31 discounted to today's level).

In a negative scenario, revenue growth would remain sluggish, leading the company to reduce its production network and possibly even abandon its growth plans in the US. This would bring the EBIT margin to a positive 5% with extensive additional cost reductions. At 13x EV/EBIT, the stock would have a discounted value of only EUR 3.3 per share, weighed down by, among other things, the 2025-26 losses and the additional cost of cost cutting. In the negative scenario, the company would not become one of the big players in the industry but would remain a niche player serving a specific customer base. In our view, the probability of this scenario materializing has decreased due to the company's strong recent performance in North America.

## DCF

Our cash flow-based valuation indicates a fair value of EUR 15.0 per Kempower share (total market cap 831 MEUR). The long-term EBIT margin we use in the calculation is 12% of revenue and the weighted average cost of capital

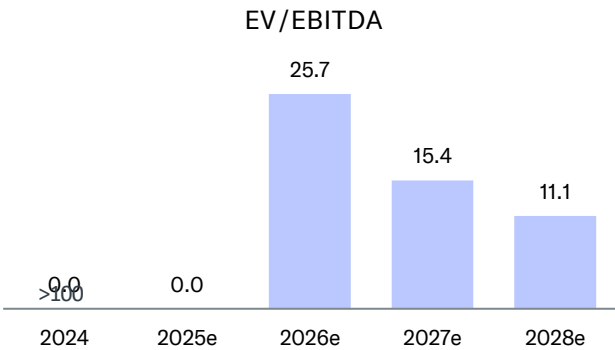
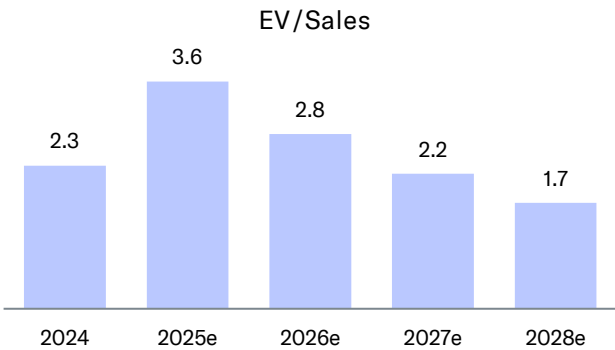
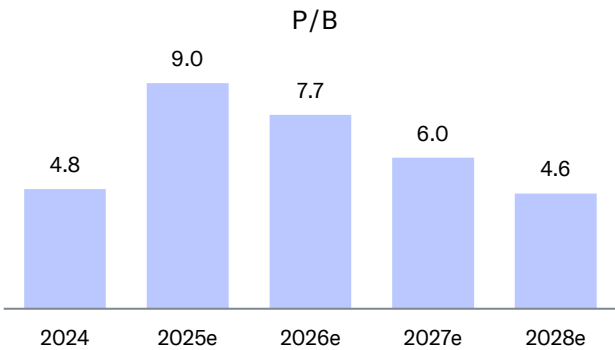
(WACC) is 9.1%. We lowered the WACC (previously 9.3%) to reflect the company's recent order intake development and significant customer acquisitions, which reduce the risk to the company's growth forecasts. The terminal period accounts for a high 69% of cash flows, which keeps the valuation risk high.

MEUR 2028e	Negative scenario	Baseline scenario	Positive scenario
Revenue	300	523	750
EBIT-%	5.0%	12.0%	15.0%
EBIT	15	63	113
EV/EBIT multiple (x)	13x	15x	18x
EV	195	943	2025
Cumulative cash flow 25-28e	12	62	132
Net cash 2024	24	24	24
Market cap 2028e	231	1028	2181
Share price 2028e (EUR)	4.2	18.6	39.5
<b>Discounted present value (EUR)</b>	<b>3.3</b>	<b>14.7</b>	<b>31.2</b>
<b>Difference to current price</b>	<b>-81%</b>	<b>-16%</b>	<b>78%</b>

# Valuation table

Valuation	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e
Share price	9.68	17.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6
Number of shares, millions	55.3	55.3	55.3	55.3	55.3	55.3	55.3	55.3	55.3
Market cap	535	972	972	972	972	972	972	972	972
EV	511	959	950	925	886	838	782	720	648
P/E (adj.)	neg.	neg.	54.9	27.2	19.3	16.5	15.0	13.6	12.4
P/E	neg.	neg.	54.9	27.2	19.3	16.5	15.0	13.6	12.4
P/B	4.8	9.0	7.7	6.0	4.6				
P/S	2.4	3.7	2.9	2.3	1.9	1.6	1.5	1.3	1.2
EV/Sales	2.3	3.6	2.8	2.2	1.7	1.4	1.2	1.0	0.8
EV/EBITDA	neg.	>100	25.7	15.4	11.1	9.1	7.7	6.6	5.5
EV/EBIT (adj.)	neg.	neg.	42.0	20.7	14.1	11.4	9.6	8.1	6.6
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

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	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
	MEUR	MEUR	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e
Tesla	836899	812244	92.0	117.5	60.5	61.5	9.8	9.6	96.9	123.1			18.5
Wallbox	154	297					1.9	1.8					0.8
Zaptec	178	179	22.2	87.9	17.3	36.7	1.5	1.6	29.1	2415.0			2.9
Alfen	251	283	6.9		5.4	13.0	0.6	0.6	8.7				1.4
ABB	105224	108786	25.0	23.6	21.5	20.2	4.0	3.9	33.7	30.7	1.4	1.5	9.1
Sinexcel Electric	1172	1129	22.8	18.6	20.3	18.8	3.6	2.8	25.6	21.9	0.8	1.0	6.8
Kempower (Inderes)	972	959	-295.1	42.0	103.3	25.7	3.6	2.8	-339.1	54.9	0.0	0.0	9.0
Average			33.8	61.9	25.0	30.0	3.1	3.0	38.8	647.7	1.1	1.2	6.6
Median			22.8	55.8	20.3	20.2	1.9	1.8	29.1	76.9	1.1	1.2	4.8
Diff-% to median			-1393%	-25%	409%	27%	91%	58%	-1265%	-29%	-100%	-100%	86%

Source: Refinitiv / Inderes

# Income statement

Income statement	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	104	284	42.6	57.1	52.3	71.7	224	43.5	62.2	70.1	88.2	264	341	429	523
EBITDA	9.5	47.1	-8.6	-6.9	-6.4	3.9	-18.1	-4.0	0.6	3.5	9.1	9.3	36.9	60.1	79.6
Depreciation	-3.4	-6.5	-2.3	-2.5	-2.8	-3.2	-10.8	-3.4	-3.4	-3.4	-3.5	-13.7	-14.3	-15.4	-16.8
EBIT (excl. NRI)	6.7	40.7	-10.8	-8.5	-7.9	0.8	-26.4	-7.3	-1.7	0.1	5.6	-3.2	22.6	44.7	62.9
EBIT	6.1	40.6	-10.9	-9.5	-9.2	0.7	-28.9	-7.3	-2.9	0.1	5.6	-4.4	22.6	44.7	62.9
Net financial items	-1.3	2.5	0.3	-0.1	0.3	0.1	0.6	-0.2	-0.2	-0.2	-0.1	-0.7	-0.2	0.5	0.8
PTP	4.8	43.1	-10.6	-9.5	-8.9	0.8	-28.3	-7.5	-3.1	0.0	5.5	-5.1	22.4	45.2	63.7
Taxes	-1.4	-9.3	1.9	1.7	1.6	-0.2	5.0	1.4	0.5	0.0	-0.7	1.1	-4.7	-9.5	-13.4
Net earnings	3.4	33.8	-8.8	-7.8	-7.2	0.5	-23.3	-6.2	-2.7	0.0	4.8	-4.1	17.7	35.7	50.3
EPS (adj.)	0.07	0.61	-0.16	-0.12	-0.11	0.01	-0.38	-0.11	-0.03	0.00	0.09	-0.05	0.32	0.65	0.91
EPS (rep.)	0.06	0.61	-0.16	-0.14	-0.13	0.01	-0.42	-0.11	-0.05	0.00	0.09	-0.07	0.32	0.65	0.91

Key figures	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	278.1 %	173.7 %	-23.6 %	-21.2 %	-28.0 %	-13.4 %	-21.1 %	2.1 %	8.9 %	34.0 %	23.0 %	18.0 %	29.0 %	26.0 %	22.0 %
Adjusted EBIT growth-%			-256.5 %	-161.1 %	-154.9 %		-164.8 %	-32.0 %	-80.2 %	-101.8 %	602.9 %	-87.7 %	-796.2 %	97.6 %	40.6 %
EBITDA-%			-20.1 %	-12.2 %	-12.2 %	5.4 %	-8.1 %	-9.1 %	0.9 %	5.0 %	10.4 %	3.5 %	10.8 %	14.0 %	15.2 %
Adjusted EBIT-%			-25.3 %	-14.9 %	-15.1 %	1.1 %	-11.8 %	-16.9 %	-2.7 %	0.2 %	6.4 %	-1.2 %	6.6 %	10.4 %	12.0 %
Net earnings-%			-20.6 %	-13.7 %	-13.8 %	0.8 %	-10.4 %	-14.2 %	-4.3 %	0.0 %	5.4 %	-1.5 %	5.2 %	8.3 %	9.6 %

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	44.2	67.4	69.0	71.2	75.2
Goodwill	0.0	0.0	0.0	0.0	0.0
Intangible assets	1.8	4.2	6.6	9.0	11.4
Tangible assets	38.2	54.0	55.3	57.1	58.7
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	1.4	0.1	0.1	0.1	0.1
Deferred tax assets	2.8	9.1	7.0	5.0	5.0
Current assets	194	163	193	267	320
Inventories	51.6	57.5	67.9	85.1	104
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	42.1	40.5	47.8	58.2	69.1
Cash and equivalents	99.8	65.4	77.2	123	147
Balance sheet total	238	231	262	338	396

Source: Inderes

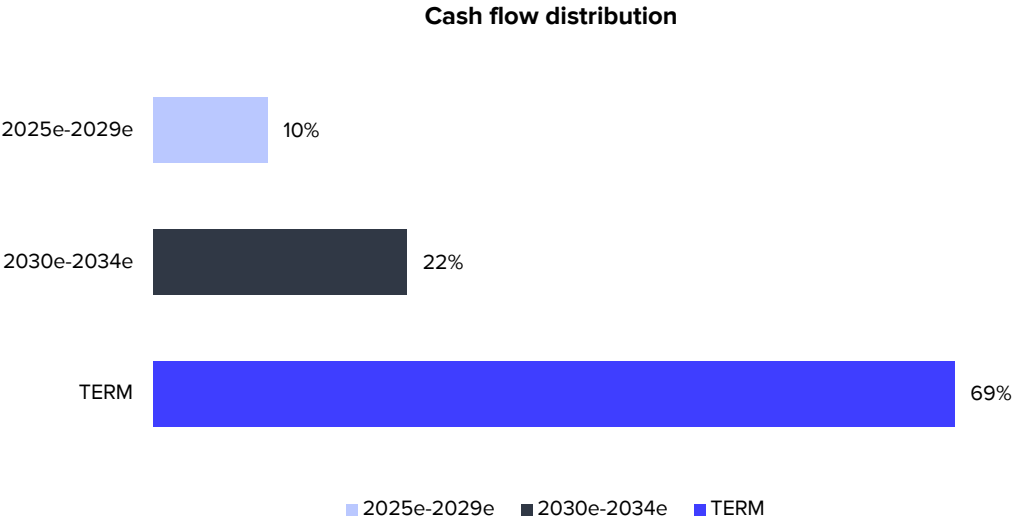
Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	133	112	108	126	161
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	42.4	21.5	17.6	35.3	71.0
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	90.4	90.3	90.3	90.3	90.3
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	24.4	31.2	44.5	67.1	66.4
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	3.8	6.0	6.0	6.0	6.0
Interest bearing debt	20.5	25.1	38.4	61.0	60.3
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.1	0.1	0.1	0.1	0.1
Current liabilities	80.4	87.7	109	145	168
Interest bearing debt	4.7	16.5	25.2	40.1	39.7
Payables	75.7	71.2	84.0	105	128
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	238	231	262	338	396

# DCF-calculation

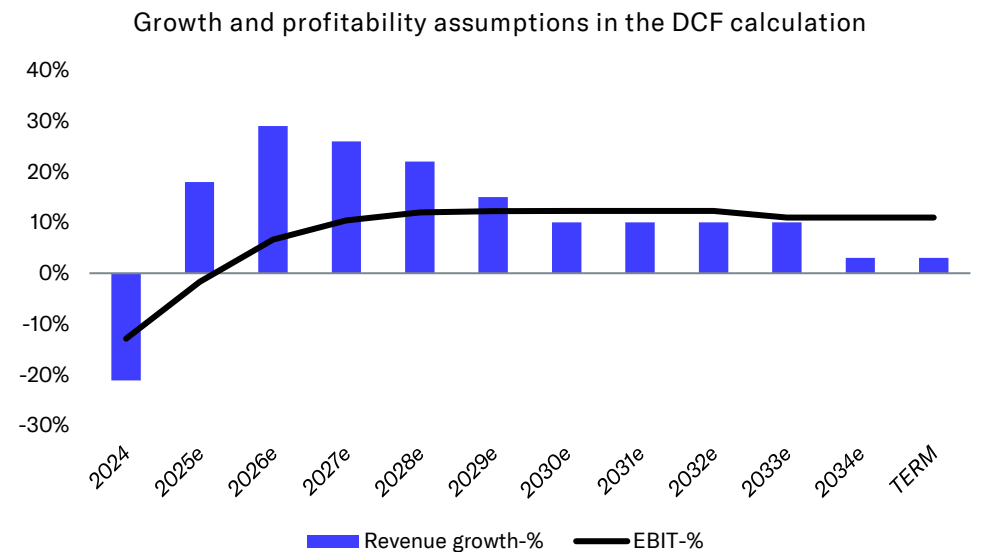
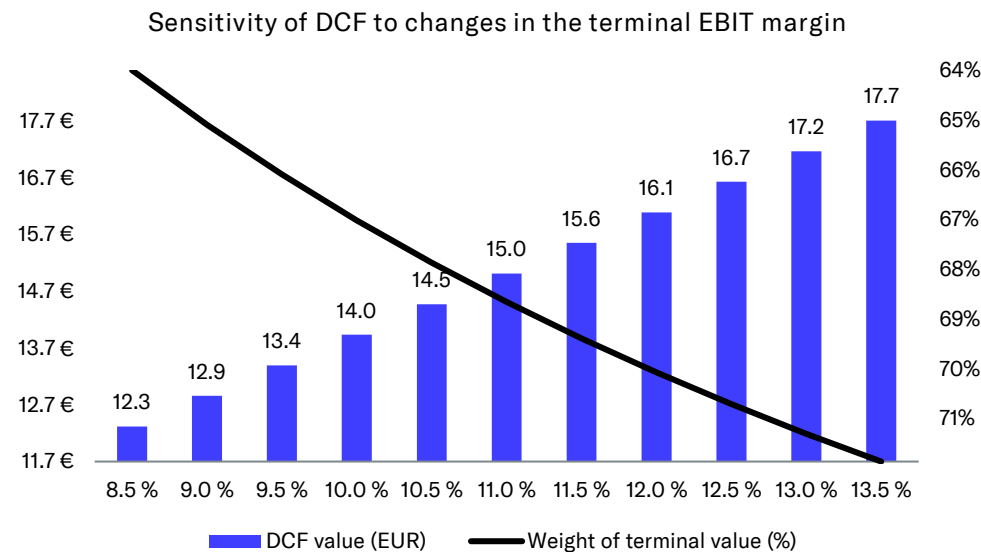
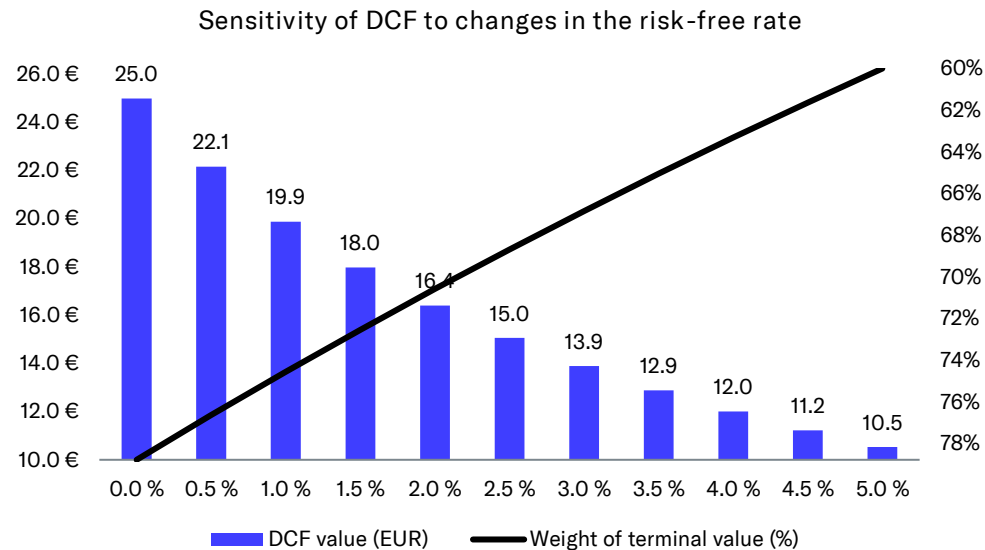
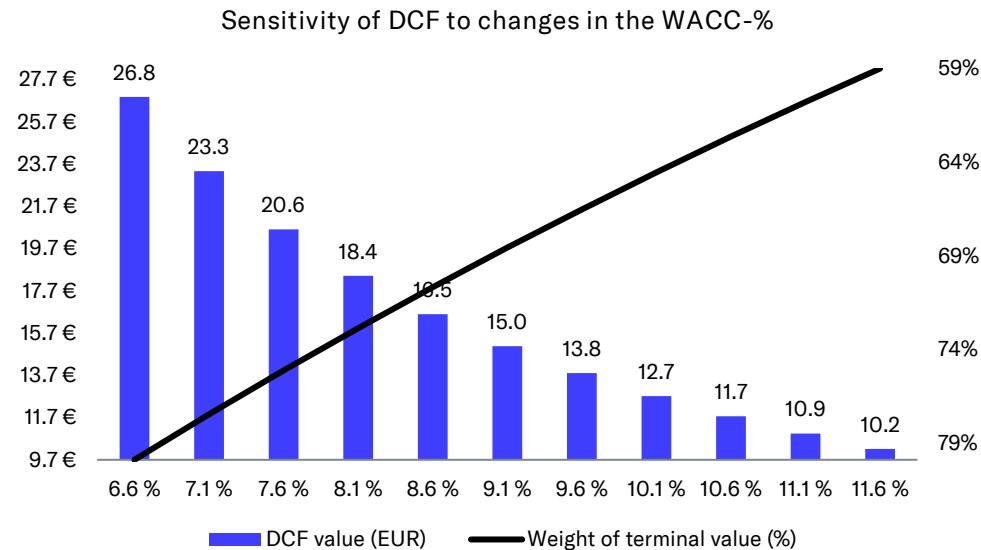
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-21.1 %	18.0 %	29.0 %	26.0 %	22.0 %	15.0 %	10.0 %	10.0 %	10.0 %	10.0 %	3.0 %	3.0 %
EBIT-%	-12.9 %	-1.7 %	6.6 %	10.4 %	12.0 %	12.2 %	12.3 %	12.3 %	12.3 %	11.0 %	11.0 %	11.0 %
EBIT (operating profit)	-28.9	-4.4	22.6	44.7	62.9	73.6	81.3	89.4	98.3	96.9	99.9	
+ Depreciation	10.8	13.7	14.3	15.4	16.8	18.7	19.9	20.1	20.0	19.9	19.8	
- Paid taxes	-1.3	3.2	-2.7	-9.5	-13.4	-15.6	-17.2	-18.9	-20.8	-20.5	-21.1	
- Tax, financial expenses	0.1	-0.1	0.0	0.1	0.2	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	-8.8	-4.8	-6.8	-7.0	-7.4	-7.9	-6.1	-6.7	-3.3	-3.3	-2.4	
Operating cash flow	-28.1	7.5	27.4	43.8	59.0	68.9	78.0	84.1	94.3	93.2	96.3	
+ 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	
- Gross CAPEX		-17.4	-18.5	-19.5	-20.5	-21.2	-21.6	-22.1	-22.1	-22.1	-21.6	
Free operating cash flow		-9.9	8.9	24.2	38.6	47.7	56.4	62.0	72.2	71.1	74.7	
+/- Other		0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF		-9.7	8.9	24.2	38.6	47.7	56.4	62.0	72.2	71.1	74.7	1260
Discounted FCFF		-9.4	7.8	19.6	28.6	32.4	35.1	35.4	37.8	34.1	32.8	553
Sum of FCFF present value		808	817	809	789	761	728	693	658	620	586	553
Enterprise value DCF		808										
- Interest bearing debt		-41.6										
+ Cash and cash equivalents		65.4										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		831										
Equity value DCF per share		15.0										

WACC	
Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	3.0 %
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)	9.1 %

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	103.6	283.6	223.7	264.0	340.5	EPS (reported)	0.06	0.61	-0.42	-0.07	0.32
EBITDA	9.5	47.1	-18.1	9.3	36.9	EPS (adj.)	0.07	0.61	-0.38	-0.05	0.32
EBIT	6.1	40.6	-28.9	-4.4	22.6	OCF / share	-0.16	0.70	-0.51	0.14	0.50
PTP	4.8	43.1	-28.3	-5.1	22.4	OFCF / share	-0.53	0.29	-0.97	-0.18	0.16
Net Income	3.4	33.8	-23.3	-3.9	17.7	Book value / share	1.81	2.40	2.02	1.95	2.27
Extraordinary items	-0.6	-0.1	-2.5	-1.2	0.0	Dividend / share	0.00	0.00	0.00	0.00	0.00
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	154.2	237.7	230.8	261.8	337.9	Revenue growth-%	278%	174%	-21%	18%	29%
Equity capital	100.7	132.9	111.9	108.0	125.7	EBITDA growth-%	1800%	396%	-138%	-151%	298%
Goodwill	0.0	0.0	0.0	0.0	0.0	EBIT (adj.) growth-%	-1217%	507%	-165%	-88%	-796%
Net debt	-58.3	-74.6	-23.8	-13.5	-22.3	EPS (adj.) growth-%	1287%	718%	-161%	-86%	-718%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	9.2 %	16.6 %	-8.1 %	3.5 %	10.8 %
EBITDA	9.5	47.1	-18.1	9.3	36.9	EBIT (adj.)-%	6.5 %	14.4 %	-11.8 %	-1.2 %	6.6 %
Change in working capital	-17.2	2.8	-8.8	-4.8	-6.8	EBIT-%	5.9 %	14.3 %	-12.9 %	-1.7 %	6.6 %
Operating cash flow	-8.6	38.5	-28.1	7.5	27.4	ROE-%	3.5 %	28.9 %	-19.0 %	-3.7 %	15.2 %
CAPEX	-23.2	-24.2	-27.7	-17.4	-18.5	ROI-%	5.7 %	29.6 %	-18.5 %	-2.7 %	11.4 %
Free cash flow	-29.7	15.8	-53.6	-9.7	8.9	Equity ratio	65.3 %	55.9 %	48.5 %	41.3 %	37.2 %
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	-57.9 %	-56.1 %	-21.3 %	-12.5 %	-17.7 %
EV/S	10.0	5.3	2.3	3.6	2.8						
EV/EBITDA	>100	32.1	neg.	>100	25.7						
EV/EBIT (adj.)	>100	37.2	neg.	neg.	42.0						
P/E (adj.)	>100	46.9	neg.	neg.	54.9						
P/B	10.8	11.9	4.8	9.0	7.7						
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %						

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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Buy	The 12-month risk-adjusted expected shareholder return of the share is very attractive
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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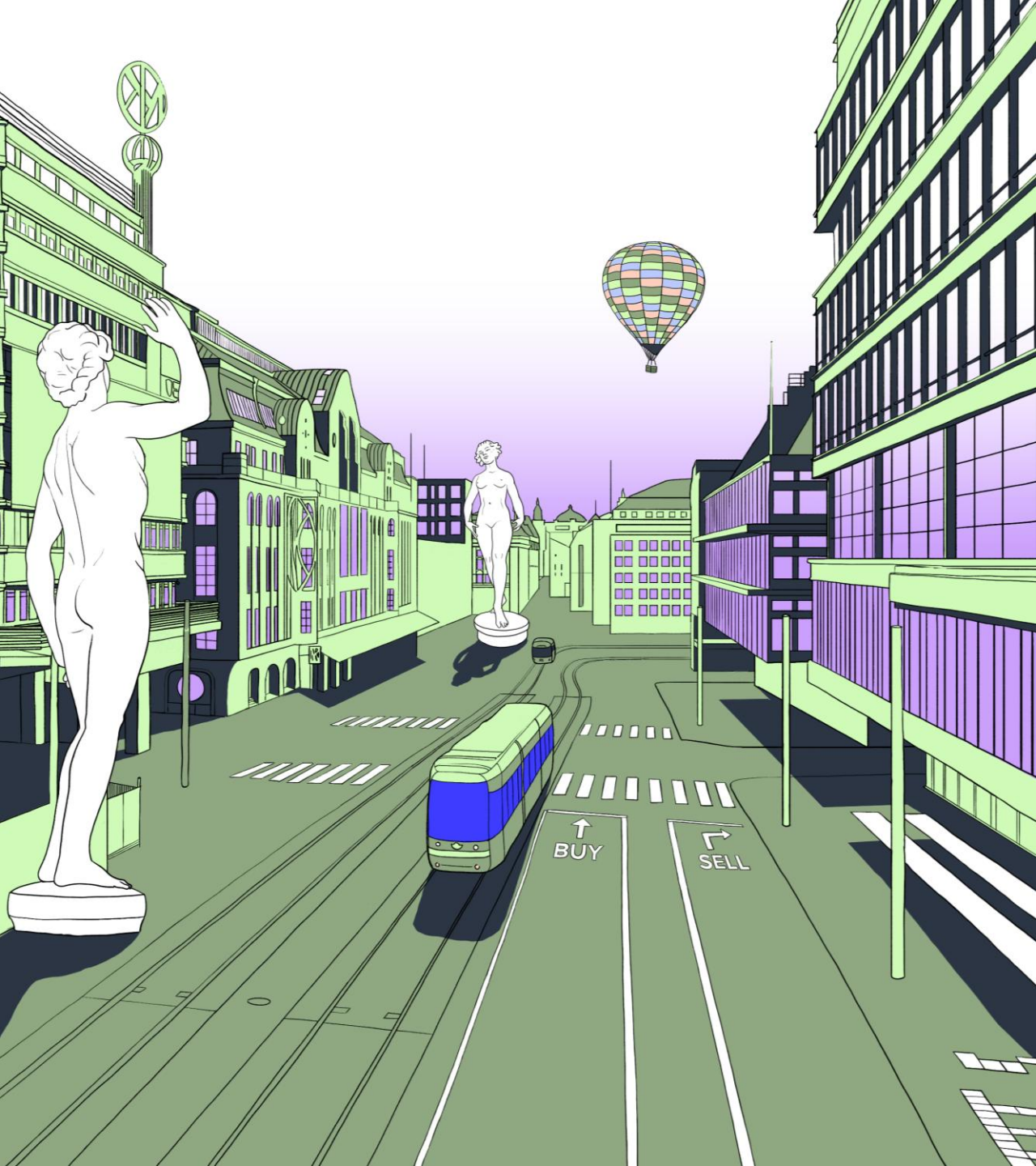
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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
8/15/2022	Accumulate	20.00 €	18.35 €
10/30/2022	Accumulate	22.00 €	19.64 €
2/15/2023	Reduce	27.00 €	27.56 €
4/14/2023	Accumulate	30.00 €	27.30 €
4/20/2023	Accumulate	32.00 €	28.80 €
7/19/2023	Accumulate	43.00 €	41.68 €
7/25/2023	Reduce	43.00 €	42.84 €
9/18/2023	Accumulate	52.00 €	46.10 €
10/19/2023	Accumulate	44.00 €	37.88 €
10/31/2023	Buy	44.00 €	29.59 €
2/9/2024	Buy	41.00 €	28.72 €
2/15/2024	Buy	32.00 €	22.72 €
3/25/2024	Buy	32.00 €	19.55 €
4/25/2024	Buy	28.00 €	17.37 €
7/12/2024	Reduce	19.00 €	22.40 €
7/24/2024	Accumulate	16.00 €	13.17 €
9/2/2024	Reduce	10.00 €	12.00 €
10/3/2024	Reduce	10.00 €	11.60 €
10/31/2024	Reduce	10.00 €	9.86 €
2/12/2025	Accumulate	13.00 €	11.48 €
4/28/2025	Accumulate	12.50 €	10.36 €
7/25/2025	Reduce	15.00 €	17.59 €



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