

GRK INFRA OYJ

05/06/2026 07:55 EEST

This is a translated version of the "Vauhti kiihtyy kesää kohti" report, published on 05/06/2026



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INDERES CORPORATE CUSTOMER
COMPANY REPORT



The pace accelerates towards summer

GRK's seasonally slow first quarter performed significantly stronger than we anticipated in terms of profitability. With a high order book, Stegra's successful funding round, and a healthy project portfolio, we believe the outlook for the rest of the year is strong. We also identify several growing segments in private demand, such as green transition projects and data centers, which are likely to bring the company additional orders in the coming quarters. We raise our target price to EUR 15.0 (was 14.5) and recommendation to Buy (was Accumulate).

Profitability surprised positively in the first quarter

GRK's revenue decreased by 36% y-o-y in Q1 to 111.9 MEUR. This was slightly below our 120.0 MEUR estimate. As expected, revenue was weighed down by more challenging weather conditions than in the comparison period and significantly lower volumes for the Stegra project. Despite lower revenue, GRK's profitability remained at what we consider an excellent level in Q1. Adjusted EBIT settled at 5.9 MEUR, which clearly exceeded our 1.1 MEUR estimate. The adjusted EBIT margin was even higher than the strong comparison period (5.3% vs. 5.0%), and clearly stronger than our 0.9% expectation. We believe the company's exceptionally strong margin reflects strong project management and good margins, which compensate for the negative effects of lower volume on fixed cost coverage. In addition, the company has presumably made positive updates to its project estimates regarding margins, which has supported profitability in terms of volume during the slowest quarter.

The order book strengthened clearly from the year-end figures and was roughly on par with the comparison period. The order backlog strengthened from the turn of the year, particularly in Sweden, where it was supported, e.g., by a second contract won from the North Bothnia Line railway project (valued at [55 MEUR](#)).

We now expect GRK to return to a growth path in 2027

As expected, GRK reiterated its guidance for 2026, according to

which revenue is 720-870 MEUR and adjusted EBIT is 45-60 MEUR. Q1 earnings were clearly stronger than we expected, and we have also made moderate adjustments to our forecasts for the coming quarters. Although Q1 revenue was slightly lower than we anticipated, the company's strong order book supports full-year revenue. On the back of this, we have slightly raised our revenue estimate. Overall, we believe the company has excellent preconditions to reach its guidance range.

In addition to the current year, we have raised our expectations for the coming years. We now expect revenue to turn to moderate growth next year, considering the company's current strong order book, projects in the development phase, and the predominantly positive outlook for its market areas. Both Finnish and Swedish infrastructure construction volumes are estimated to continue growing next year (1% and 4%). In addition to public demand, we believe the market is supported by private sector projects such as data center projects and green transition industrial projects. Regarding green transition projects, GRK announced it had signed a contract for the SSAB steel mill project in Sweden. We suspect the project does not reach the scale of the Stegra project, but it is still significant for the company as a whole. We also believe the positive market trend in data center construction will bring orders to GRK during the year, as we suspect several projects are currently in the bidding phase.

Expected return is attractive

GRK's EV/EBIT multiple, accounting for its substantial net cash position, is around 7x based on our 2026–2027 estimates. The share trades at a clear discount relative to our estimated fair value range (EV/EBIT 9-12x). In addition to a moderate valuation, the share offers a dividend yield of around 4-5% for the coming years, which, in our view, raises the total expected return to a very attractive level. The fair value derived from the DCF model (EUR 15.9) also warrants a positive recommendation.

Recommendation

Buy

(was Accumulate)

Target price:

15.00 EUR

(was EUR 14.50)

Share price:

13.14 EUR

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	872.3	818.7	834.9	863.7
growth-%	20%	-6%	2%	3%
EBIT adj.	58.2	55.6	52.2	53.8
EBIT-% adj.	6.7 %	6.8 %	6.2 %	6.2 %
Net Income	43.0	46.1	42.7	44.2
EPS (adj.)	1.17	1.12	1.04	1.08
P/E (adj.)	12.3	11.7	12.6	12.2
P/B	3.1	2.6	2.4	2.2
Dividend yield-%	3.7 %	4.3 %	4.7 %	5.2 %
EV/EBIT (adj.)	5.9	6.5	6.9	6.4
EV/EBITDA	4.7	5.0	5.2	4.9
EV/S	0.4	0.4	0.4	0.4

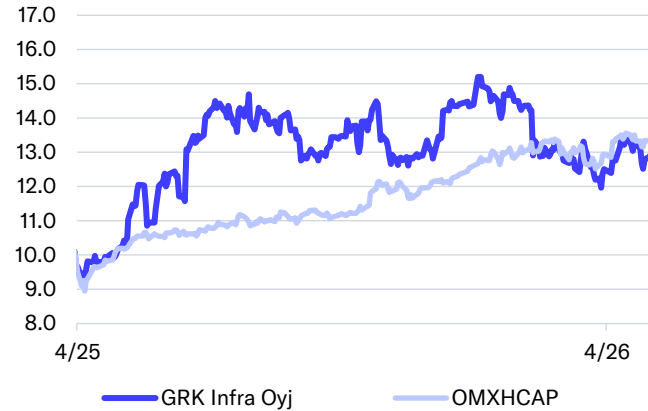
Source: Inderes

Guidance

(Unchanged)

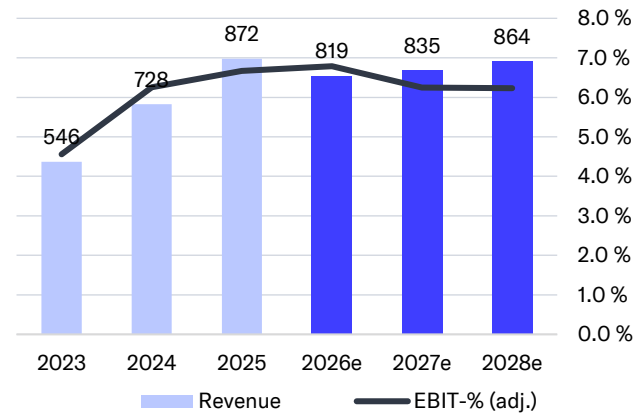
GRK estimates that its revenue in 2026 will be 720–870 MEUR (2025: 872.3 MEUR) and adjusted EBIT 45-60 MEUR in 2026 (2025: 58.2 MEUR).

Share price



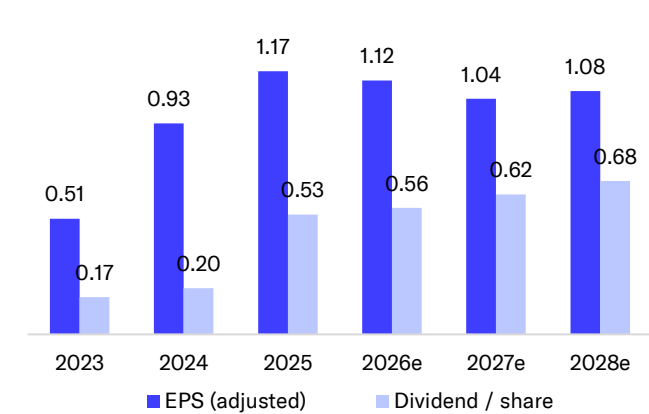
Source: Millistream Market Data AB

Revenue and EBIT % (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

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

Risk factors

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

Valuation	2026e	2027e	2028e
Share price	13.1	13.1	13.1
Number of shares, millions	41.0	41.0	41.0
Market cap	538	538	538
EV	363	360	347
P/E (adj.)	11.7	12.6	12.2
P/E	11.7	12.6	12.2
P/B	2.6	2.4	2.2
P/S	0.7	0.6	0.6
EV/Sales	0.4	0.4	0.4
EV/EBITDA	5.0	5.2	4.9
EV/EBIT (adj.)	6.5	6.9	6.4
Payout ratio (%)	49.8 %	59.4 %	63.1 %
Dividend yield-%	4.3 %	4.7 %	5.2 %

Source: Inderes

Profitability clearly above our expectations

Revenue decreased from the comparison period, roughly in line with our estimates

GRK's revenue decreased by 36% year-on-year in Q1 to 111.9 MEUR. The level was slightly below our 120.0 MEUR estimate. According to the company, the decrease in revenue was due to normal seasonal volatility and significantly lower volumes in the Stegra project in Sweden compared to the comparison period. We expected these factors to weigh on revenue after an exceptionally strong comparison period, but the outcome was still slightly below our estimate, especially in Sweden. The company's revenue in Sweden decreased to 27 MEUR, while we had estimated 51 MEUR. On the other hand, in Finland, revenue decreased more moderately than our estimates to 74 MEUR (estimate 54 MEUR).

GRK's order book at the end of Q1 was roughly at the comparison period level at 883 MEUR (Q1/25: 873 MEUR). On the other hand, growth from the turn of the year was around 22%. During the quarter, GRK announced more

significant projects in [Sweden](#) and [Estonia](#). The combined positive effect of these on order intake was 93 MEUR. According to our calculations, new orders for the quarter totaled 272 MEUR. Thus, the majority of the order intake has consisted of smaller projects typical for the company. By country, the order book decreased in Finland and Estonia from the comparison period, although growth in Sweden was very strong (+31% y/y).

Profitability was positively impacted by updates to project estimates

Despite lower revenue, GRK's profitability remained at what we consider an excellent level in the first quarter. Adjusted EBIT settled at 5.9 MEUR, which clearly exceeded our 1.1 MEUR estimate. The adjusted EBIT margin was even higher than the strong comparison period (5.3% vs. 5.0%), and clearly stronger than our 0.9% expectation. In infrastructure construction, the beginning of the year is typically the weakest due to seasonality, and earnings are often modest, but GRK was able to deliver its

projects significantly more efficiently than we expected. We believe the company's exceptionally strong margin reflects strong project management and good margins, which compensate for the negative effects of lower volume on fixed cost coverage. In addition, considering the volume development, we believe that the updates made to the project estimates had a significantly positive impact on profitability.

Quarterly cash flow volatility

GRK's operating free cash flow was -12.5 MEUR for the quarter (Q1/25: 46.0 MEUR). The significantly weaker cash flow compared to the comparison period was impacted by the lower volume in the quarter and, consequently, reduced payments received from customers. Due to the nature of GRK's project business, significant seasonal cash flow fluctuations are typical, and the development of earnings and cash flow can be significantly divergent on a quarterly basis.

Estimates MEUR / EUR	Q1'25 Comparison	Q1'26 Actualized	Q1'26e Inderes	Q1'26e Consensus	Difference (%) Act. vs. inderes	2026 Inderes
Revenue	175	112	120	124	-7%	819
EBITDA	11.9	10.5	5.1		107%	72.8
EBIT (adj.)	8.7	5.9	1.1	1.3	424%	55.6
EBIT	8.1	5.9	1.1	1.3	424%	55.6
PTP	6.7	7.5	1.0		651%	56.8
EPS (adj.)	0.14	0.15	0.02	0.01	645%	1.12
EPS (reported)	0.13	0.2	0.02	0.00	645%	
Revenue growth-%	61.2 %	-35.9 %	-31.2 %	-29.1 %	-4.7 pp	-6.1 %
EBIT-% (adj.)	5.0 %	5.3 %	0.9 %	1.0 %	4.4 pp	6.8 %

Source: Inderes & Modular Finance (consensus)

Positive revisions to our estimates

Estimate revisions

- GRK maintained its guidance as expected. We have slightly raised our revenue estimate for the rest of the year despite a weaker Q1 in terms of revenue. We now expect revenue to reach 819 MEUR this year, supported by a stronger-than-expected order book at the end of the quarter. Our adjusted EBIT estimate for the current year also rises, mainly due to a stronger-than-expected Q1 performance.
- In our view, significantly stronger revenue development this year than our forecasts would require completed acquisitions in addition to organic growth. We consider acquisitions likely during the current year, although we do not include them in our forecasts.
- We have also moderately raised our revenue estimates for the coming years. Although the company's work on the significant Stegra project is expected to be completed this year, we believe the company is well-positioned to fill the resulting revenue gap. In addition to the company's current order book and the mass of projects in the development phase, we identify several opportunities for GRK in the market. Alongside public demand, private demand is also strengthening, particularly driven by green transition projects and data center construction. In these respects, we expect news of new orders in the coming quarters.

Operational earnings drivers

- In all of the company's operating countries (Finland, Sweden, Estonia), infrastructure projects are expected to drive construction development in the coming years, thanks to both public and private projects, which support the industry's growth outlook. In addition, GRK's growth is supported by the company's good competitiveness and the opportunity afforded by its size to participate in a wide range of projects. On the negative side, the competition for projects is tight, which limits the possibilities for profitable growth for an individual player.
- Due to solid fundamentals, we expect GRK to achieve stable single-digit growth in Finland, while in Estonia, the faster market growth and GRK's strong position in railway projects lead to clearly higher growth figures in our forecasts. In Sweden, we estimate last year to be the peak in the short term, as the lower volumes of the Stegra project this year compared to last year will leave a revenue gap that will be challenging to fill in the short term. However, with positive demand prospects and a strong order book, we believe that Swedish revenue will turn to moderate growth as early as next year, which should also restore the growth trajectory at the group level.
- In our forecasts, the average EBIT margin in the coming years is around 6%, which is clearly better than the industry average. We believe this is justifiable by the company's strong track record, including in pricing and project management.
- A strong cash position also enables growth through acquisitions, which are a key use of proceeds from the IPO. Acquisitions can, e.g., enable geographical expansion in Sweden or strengthen the group's expertise and service offering.

Estimate revisions	2026	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	800	819	2%	786	835	6%	835	864	3%
EBITDA	68.7	72.8	6%	64.0	69.4	8%	67.0	71.0	6%
EBIT (exc. NRIs)	52.1	55.6	7%	47.3	52.2	10%	50.1	53.8	7%
EBIT	52.1	55.6	7%	47.3	52.2	10%	50.1	53.8	7%
PTP	51.6	56.8	10%	47.2	52.1	10%	50.0	53.9	8%
EPS (excl. NRIs)	1.02	1.12	10%	0.94	1.04	10%	1.00	1.08	8%
DPS	0.56	0.56	0%	0.62	0.62	0%	0.68	0.68	0%

Source: Inderes

Expected return clearly positive

Share is still cheap

We raise GRK's target price to EUR 15.0 (was 14.5) and recommendation to Buy (was Accumulate). Overall, we consider GRK's stock to be moderately priced. Although the share price has developed positively in the past year, our earnings estimates have increased even more. We believe the upside potential of the multiples and a good dividend yield form a very attractive total expected return. Following Stegra's successful funding round, the short-term risk level of the share has also decreased.

The key driver for the share is order book development, and, considering the existing project portfolio, we estimate that the news flow will remain positive in this regard. A higher share value than our estimate would require more favorable development than our current expectations in long-term fundamentals, i.e., in practice, an increase in earnings estimates. This is possible if the expansion in Sweden is highly successful, though we believe the pressure on margins caused by increased competition, especially as the company expands into new areas in Sweden, will subsequently limit earnings growth potential.

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

Earnings multiples

The acceptable valuation level for GRK's stock is approximately 11x-14x in terms of P/E ratio and 9x-12x in

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

Based on our GRK forecasts, the P/E ratios for 2026-2027 are around 12x and 13x. The EV/EBIT multiples, accounting for the oversized cash position, are around 7x, even though we have modeled a significant working capital tie-up for the company in 2026. Thus, we believe the valuation is very attractive, especially on an EV basis, as the valuation multiples for both years are below our estimated ranges. GRK is also relatively undervalued when examined with EV multiples. P/E ratios are also within our ranges even without adjusting for the excessive cash balance. We thus see upside potential in GRK's valuation multiples, which, together with a dividend yield of around 5%, raises the expected return clearly above our applied required return of just under 10%.

Cash flow model (DCF)

In the valuation of GRK, we also give reasonable weight to the cash flow model (DCF), as the business is mature and the company's demand and margin profiles are reasonably predictable even in the longer term. Thus, we feel the long-term DCF model provides a fairly good picture of GRK's fair value. Our DCF model indicates a share value of some EUR 15.9, which supports the picture painted by the earnings multiples of a clear upside for the stock.

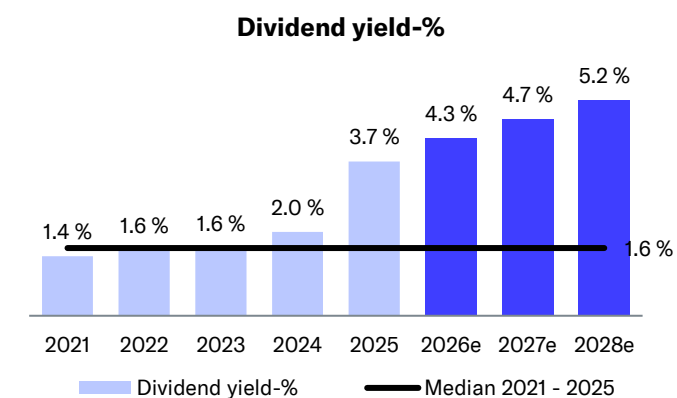
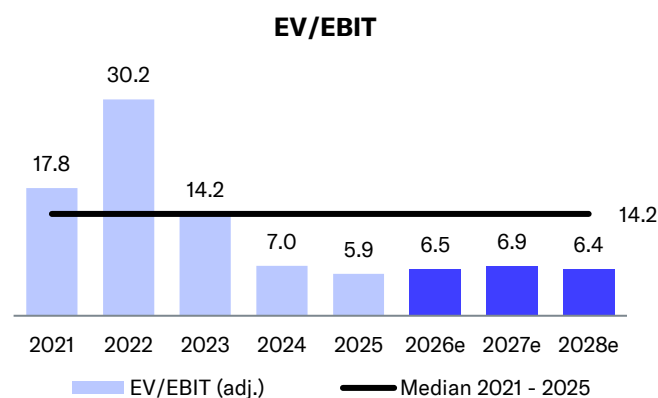
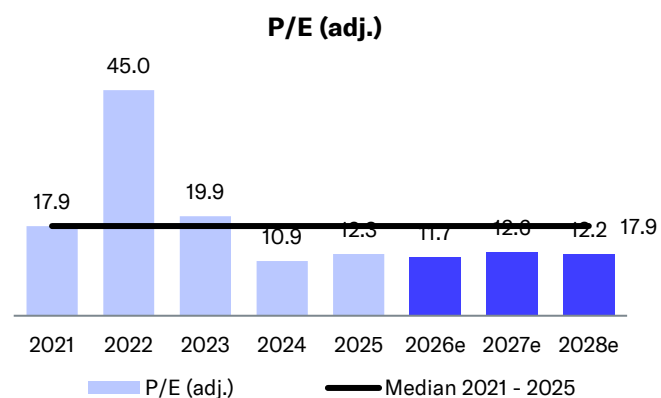
Valuation	2026e	2027e	2028e
Share price	13.1	13.1	13.1
Number of shares, millions	41.0	41.0	41.0
Market cap	538	538	538
EV	363	360	347
P/E (adj.)	11.7	12.6	12.2
P/E	11.7	12.6	12.2
P/B	2.6	2.4	2.2
P/S	0.7	0.6	0.6
EV/Sales	0.4	0.4	0.4
EV/EBITDA	5.0	5.2	4.9
EV/EBIT (adj.)	6.5	6.9	6.4
Payout ratio (%)	49.8 %	59.4 %	63.1 %
Dividend yield-%	4.3 %	4.7 %	5.2 %

Source: Inderes

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	10.2	10.2	10.2	10.2	14.3	13.1	13.1	13.1	13.1
Number of shares, millions	39.8	41.2	40.7	39.9	41.0	41.0	41.0	41.0	41.0
Market cap	405	419	414	406	587	538	538	538	538
EV	403	414	354	317	341	363	360	347	336
P/E (adj.)	17.9	45.0	19.9	10.9	12.3	11.7	12.6	12.2	12.4
P/E	19.5	60.0	20.6	11.0	13.7	11.7	12.6	12.2	12.4
P/B	5.3	5.4	4.7	3.4	3.1	2.6	2.4	2.2	2.0
P/S	0.9	0.9	0.8	0.6	0.7	0.7	0.6	0.6	0.6
EV/Sales	0.9	0.9	0.6	0.4	0.4	0.4	0.4	0.4	0.4
EV/EBITDA	19.5	17.0	9.4	5.2	4.7	5.0	5.2	4.9	4.7
EV/EBIT (adj.)	17.8	30.2	14.2	7.0	5.9	6.5	6.9	6.4	6.2
Payout ratio (%)	27.9 %	94.4 %	33.3 %	22.1 %	50.5 %	49.8 %	59.4 %	63.1 %	75.0 %
Dividend yield-%	1.4 %	1.6 %	1.6 %	2.0 %	3.7 %	4.3 %	4.7 %	5.2 %	6.1 %

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.

Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
			2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
YIT	592	1334	19.3	12.3	14.1	10.2	0.7	0.7	40.5	13.9		0.7	0.9
Veidekke	2316	2067	11.4	10.6	7.2	6.8	0.5	0.5	16.2	15.1	6.1	6.3	6.8
NCC	1830	2116	11.1	10.0	6.7	6.2	0.4	0.4	12.0	10.7	5.2	5.8	2.2
Peab	2396	3302	11.8	11.1	7.8	7.4	0.6	0.6	11.1	10.3	4.6	5.0	1.4
Skanska	9799	8704	11.8	10.5	9.1	8.4	0.5	0.5	15.4	13.8	3.9	4.3	1.6
SRV	92	195	18.5	9.5	12.2	10.8	0.3	0.2	1080.0	15.7	1.7	2.5	0.8
Strabag	10868	7315	6.4	5.9	4.1	3.8	0.4	0.3	13.5	12.5	3.1	3.4	1.8
Koninklijke Heijmans N.V.	2373	2315	10.9	9.7	8.3	7.6	0.7	0.7	14.7	13.0	3.4	3.8	3.7
NRC Group	129	199	9.9	8.1	4.9	4.4	0.3	0.3	13.1	9.2		5.1	0.7
Kreate	162	207	10.1	9.3	6.5	6.1	0.4	0.4	12.8	10.4	5.0	5.3	3.0
NYAB	405	390	10.1	9.2	8.7	8.0	0.7	0.6	14.2	11.4	2.6	3.5	1.8
GRK Infra Oyj (Inderes)	538	363	6.5	6.9	5.0	5.2	0.4	0.4	11.7	12.6	4.3	4.7	2.6
Average			11.9	9.6	8.1	7.2	0.5	0.5	113.0	12.4	4.0	4.1	2.2
Median			11.1	9.7	7.8	7.4	0.5	0.5	14.2	12.5	3.9	4.3	1.8
Diff-% to median			-41%	-28%	-36%	-30%	-9%	-8%	-18%	1%	9%	11%	46%

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	728	174	232	257	209	872	112	212	258	237	819	835	864	898
Finland	395	78.5	122	142	101	444	74.0	106	115	97.0	392	452	461	480
Sweden	274	82.1	91.8	91.0	81.2	346	27.0	89.4	116	107	339	265	278	289
Estonia	72.1	16.3	21.6	30.6	32.6	101	12.7	19.7	30.6	37.1	100	130	136	142
Other operations and eliminations	-12.4	-2.6	-3.2	-6.5	-6.2	-18.4	-1.8	-3.2	-3.9	-3.6	-12.4	-12.0	-12.0	-12.5
Group (adj. EBIT)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	60.9	11.9	19.7	26.9	13.9	72.4	10.5	16.1	25.6	20.6	72.8	69.4	71.0	72.2
Depreciation	-15.7	-3.8	-4.0	-4.2	-7.0	-18.9	-4.6	-4.1	-4.3	-4.3	-17.2	-17.2	-17.2	-18.3
EBIT (excl. NRI)	45.6	8.7	16.5	23.4	9.7	58.2	5.9	12.0	21.3	16.4	55.6	52.2	53.8	53.9
EBIT	45.2	8.1	15.7	22.8	6.9	53.5	5.9	12.0	21.3	16.4	55.6	52.2	53.8	53.9
Group (adj. EBIT)	45.6	8.7	16.5	23.4	9.7	58.2	5.9	12.0	21.3	16.4	55.6	52.5	54.1	0.0
Adjustments	-0.4	-0.6	-0.7	-0.6	-2.8	-4.7	0.0	0.0	0.0	0.0	0.0	-0.3	-0.3	0.0
Share of profits in assoc. compan.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net financial items	0.6	-1.3	1.4	0.4	-1.2	-0.8	1.6	-0.1	-0.1	-0.1	1.2	0.0	0.1	-0.9
PTP	45.8	6.7	17.1	23.2	5.7	52.7	7.5	11.9	21.1	16.2	56.8	52.1	53.9	53.0
Taxes	-8.9	-1.3	-3.7	-3.9	-0.8	-9.7	-1.4	-2.3	-4.0	-3.1	-10.7	-9.4	-9.7	-9.5
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	36.9	5.4	13.4	19.3	4.9	43.0	6.1	9.7	17.1	13.2	46.1	42.7	44.2	43.5
EPS (adj.)	0.93	0.15	0.35	0.49	0.19	1.17	0.15	0.24	0.42	0.32	1.12	1.04	1.08	1.06
EPS (rep.)	0.93	0.13	0.33	0.47	0.12	1.05	0.15	0.24	0.42	0.32	1.12	1.04	1.08	1.06

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	33.4 %	61.2 %	-314.3 %	0.0 %	-71.4 %	19.8 %	-35.9 %	-8.6 %	0.1 %	13.8 %	-6.1 %	2.0 %	3.4 %	4.0 %
Adjusted EBIT growth-%	83.0 %				-78.7 %	27.7 %	-31.9 %	-26.9 %	-8.9 %	68.3 %	-4.5 %	-6.2 %	3.1 %	0.2 %
EBITDA-%	8.4 %	6.8 %	8.5 %	10.5 %	6.7 %	8.3 %	9.4 %	7.6 %	9.9 %	8.7 %	8.9 %	8.3 %	8.2 %	8.0 %
Adjusted EBIT-%	6.3 %	5.0 %	7.1 %	9.1 %	4.7 %	6.7 %	5.3 %	5.7 %	8.3 %	6.9 %	6.8 %	6.2 %	6.2 %	6.0 %
Net earnings-%	5.1 %	3.1 %	5.8 %	7.5 %	2.3 %	4.9 %	5.5 %	4.6 %	6.7 %	5.5 %	5.6 %	5.1 %	5.1 %	4.8 %

Source: Inderes

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

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	91.9	102	106	112	119
Goodwill	0.7	1.3	1.3	1.3	1.3
Intangible assets	0.5	1.2	2.1	3.1	4.1
Tangible assets	84.5	95.5	98.4	103	109
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	4.7	1.5	1.5	1.5	1.5
Deferred tax assets	1.4	2.7	2.7	2.7	2.7
Current assets	243	419	313	328	348
Inventories	6.7	8.7	8.2	8.3	8.6
Other current assets	47.2	0.2	0.2	0.2	0.2
Receivables	62.0	126	90.1	100	104
Cash and equivalents	127	284	215	219	236
Balance sheet total	334	521	419	440	467

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	119	190	209	229	248
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	81.0	116	141	161	179
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	38.2	73.7	68.2	68.2	68.2
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	30.5	32.4	37.8	37.8	39.8
Deferred tax liabilities	3.0	5.0	5.0	5.0	5.0
Provisions	2.4	2.4	2.4	2.4	2.4
Interest bearing debt	24.6	23.6	29.0	29.0	31.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.6	1.4	1.4	1.4	1.4
Current liabilities	185	298	173	173	180
Interest bearing debt	14.0	14.1	11.0	12.0	13.0
Payables	108	99.4	102	104	108
Other current liabilities	62.4	185	59.3	56.8	58.9
Balance sheet total	334	521	419	440	467

DCF-calculation

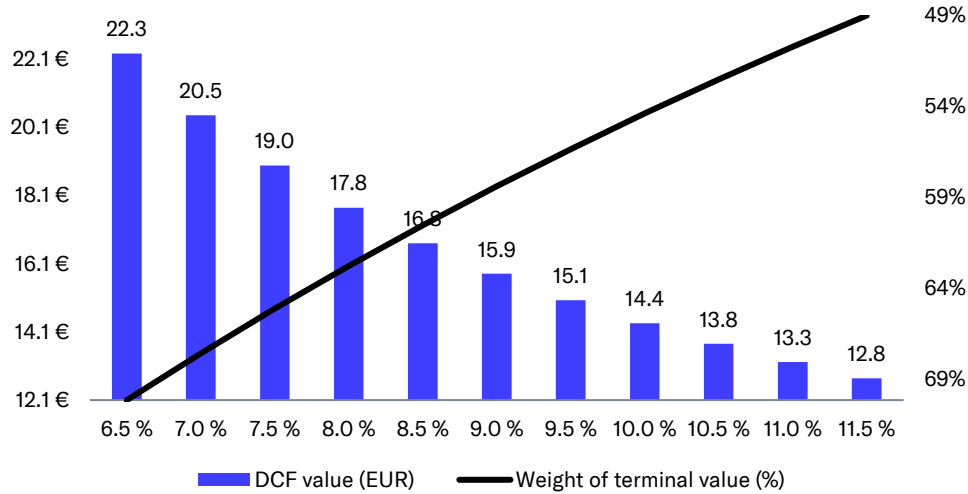
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	19.8 %	-6.1 %	2.0 %	3.4 %	4.0 %	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %	2.0 %	2.0 %
EBIT-%	6.1 %	6.8 %	6.2 %	6.2 %	6.0 %	6.0 %	5.9 %	5.5 %	5.0 %	5.0 %	5.0 %	5.0 %
EBIT (operating profit)	53.5	55.6	52.2	53.8	53.9	55.5	56.2	54.0	50.5	52.1	53.1	
+ Depreciation	18.9	17.2	17.2	17.2	18.3	20.1	21.1	21.8	22.3	22.8	23.2	
- Paid taxes	-8.9	-10.7	-9.4	-9.7	-9.5	-9.8	-10.0	-9.6	-9.0	-9.2	-9.4	
- Tax, financial expenses	-0.1	-0.2	-0.4	-0.4	-0.6	-0.6	-0.6	-0.6	-0.6	-0.6	-0.6	
+ Tax, financial income	0.0	0.5	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	
- Change in working capital	94.6	-86.2	-10.7	1.9	1.4	1.5	1.6	1.6	1.7	1.1	-0.1	
Operating cash flow	158	-23.8	49.3	63.3	63.9	67.1	68.8	67.7	65.4	66.6	66.6	
+ Change in other long-term liabilities	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-28.0	-21.1	-23.2	-24.3	-24.3	-25.4	-25.5	-25.5	-25.6	-25.7	-27.3	
Free operating cash flow	131	-45.0	26.1	39.0	39.6	41.7	43.3	42.1	39.8	40.9	39.3	
+/- Other	27.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	158	-45.0	26.1	39.0	39.6	41.7	43.3	42.1	39.8	40.9	39.3	573
Discounted FCFF		-42.5	22.6	31.0	28.9	27.9	26.6	23.8	20.6	19.4	17.1	250
Sum of FCFF present value		425	468	445	414	385	357	331	307	286	267	250
Enterprise value DCF		425										
- Interest bearing debt		-37.6										
+ Cash and cash equivalents		284										
+ 0		0.0										
-Minorities		0.0										
-Dividend/capital return		-21.7										
Equity value DCF		650										
Equity value DCF per share		15.9										

WACC

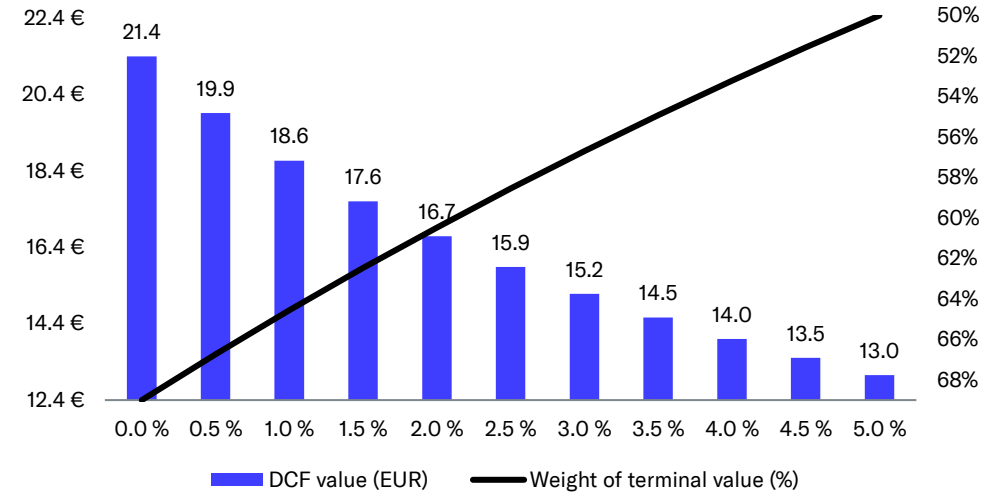
Tax-% (WACC)	18.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	4.0 %
Equity Beta	1.50
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	9.6 %
Weighted average cost of capital (WACC)	9.0 %

DCF sensitivity calculations and key assumptions in graphs

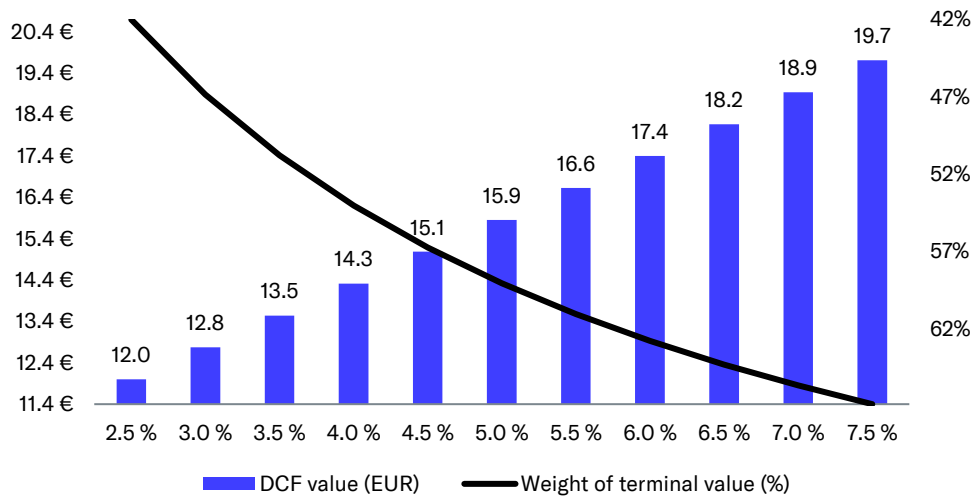
Sensitivity of DCF to changes in the WACC-%



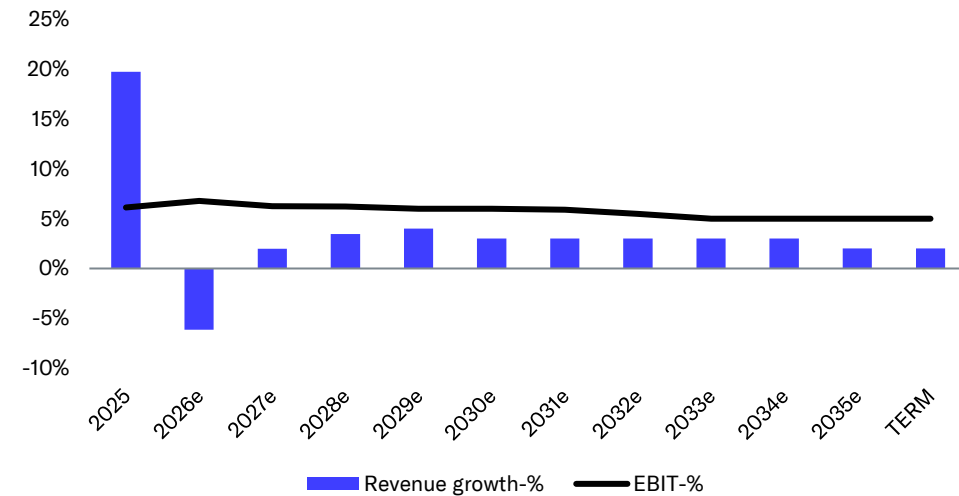
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



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

Summary

Income statement	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e
Revenue	546.2	728.4	872.3	818.7	834.9	EPS (reported)	0.49	0.93	1.05	1.12	1.04
EBITDA	37.7	60.9	72.4	72.8	69.4	EPS (adj.)	0.51	0.93	1.17	1.12	1.04
EBIT	24.2	45.2	53.5	55.6	52.2	OCF / share	1.95	1.43	3.86	-0.58	1.20
PTP	24.3	45.8	52.7	56.8	52.1	FCF / share	1.55	0.86	3.85	-1.10	0.64
Net Income	20.2	36.9	43.0	46.1	42.7	Book value / share	2.18	2.99	4.64	5.10	5.58
Extraordinary items	-0.7	-0.4	-4.7	0.0	0.0	Dividend / share	0.17	0.20	0.53	0.56	0.62
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	280.3	334.5	520.8	419.4	439.8	Revenue growth-%	21%	33%	20%	-6%	2%
Equity capital	88.9	119.3	190.1	209.0	228.8	EBITDA growth-%	55%	61%	19%	1%	-5%
Goodwill	0.7	0.7	1.3	1.3	1.3	EBIT (adj.) growth-%	82%	83%	28%	-5%	-6%
Net debt	-59.9	-88.0	-246.1	-174.9	-178.0	EPS (adj.) growth-%	127%	82%	25%	-3%	-7%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	6.9 %	8.4 %	8.3 %	8.9 %	8.3 %
EBITDA	37.7	60.9	72.4	72.8	69.4	EBIT (adj.)-%	4.6 %	6.3 %	6.7 %	6.8 %	6.2 %
Change in working capital	45.9	3.6	94.6	-86.2	-10.7	EBIT-%	4.4 %	6.2 %	6.1 %	6.8 %	6.2 %
Operating cash flow	79.5	56.9	158.0	-23.8	49.3	ROE-%	24.3 %	35.4 %	27.8 %	23.1 %	19.5 %
CAPEX	-17.0	-21.7	-28.0	-21.1	-23.2	ROI-%	20.0 %	31.8 %	27.7 %	24.4 %	20.9 %
Free cash flow	63.3	34.1	157.8	-45.0	26.1	Equity ratio	39.9 %	42.9 %	55.0 %	57.2 %	59.0 %
Valuation multiples	2023	2024	2025	2026e	2027e	Gearing	-67.4 %	-73.8 %	-129.4 %	-83.7 %	-77.8 %
EV/S	0.6	0.4	0.4	0.4	0.4		0	-1.6	-1.4	-3.4	-2.4
EV/EBITDA	9.4	5.2	4.7	5.0	5.2		0	-554.9	-97.5	95.4	-59.1
EV/EBIT (adj.)	14.2	7.0	5.9	6.5	6.9						
P/E (adj.)	19.9	10.9	12.3	11.7	12.6						
P/B	4.7	3.4	3.1	2.6	2.4						
Dividend-%	1.6 %	2.0 %	3.7 %	4.3 %	4.7 %						

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
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
5/28/2025	Accumulate	13.00 €	10.95 €
8/1/2025	Reduce	14.00 €	14.69 €
9/11/2025	Accumulate	14.00 €	12.93 €
10/22/2025	Accumulate	14.50 €	13.64 €
10/31/2025	Accumulate	14.50 €	13.36 €
2/13/2026	Accumulate	14.50 €	12.91 €
5/5/2026	Buy	15.00 €	13.14 €



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