

TAALERI

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Sauli Vilén
358440258908
sauli.vilen@inderes.fi

INDERES CORPORATE CUSTOMER
COMPANY REPORT



Activity in the balance sheet

We reiterate our EUR 8.5 target price and Accumulate recommendation for Taaleri. Despite the strong result, the Q3 report was largely in line with our operational expectations and forecast changes have remained limited. The stock is cheap by all measures, but short-term price drivers are scarce. The key short-term driver is the company's balance sheet movements, and we cautiously await increased activity in this area.

Strong Q3 report in terms of figures

Taaleri's Q3 result was significantly better than our expectations due to fair value changes in its own balance sheet. Operationally, the quarter was largely in line with our expectations, and the report did not contain any major surprises, with the exception of performance fees. The biggest event of the quarter was naturally the CMD at the beginning of September, where the company updated its strategy. Our CMD comment can be found [here](#). We also commented on the Q3 results in more detail on Tuesday morning, and the comment can be read [here](#).

Minor positive adjustments to estimates

We have made many changes to our forecasts, as per usual. However, the changes are mainly explained by the timing of one-off revenues, and the underlying operational forecasts have not materially changed. Next year will be a very strong one for Taaleri in terms of earnings, as the company is expected to exit several major projects (Texas, Fintoil and old wind funds). A major event in 2027 is the first closing of the SolarWind4 fund, which should significantly increase earnings based on recurring fees and improve the earnings mix. Overall, we expect the company to generate just over 30 MEUR in EBIT per year in the coming years. However, it is currently difficult to see a clear upward trend in earnings. Our dividend forecasts are cautious, as we expect the company to prioritize investments.

There will be a lot of movement in the balance sheet

A key variable in our forecasts continues to be the company's

balance sheet investments. The company has clearly taken a more active approach to balance sheet investments than before, and it has significant firepower on its balance sheet for investments, as significant performance fee receivables (~27 MEUR) are expected to be realized within the next 24 months. In addition, the company is likely to exit all three of its largest balance sheet investments (Fintoil, Texas and Toriparkki). Thus, the company has an investment capacity of over 100 MEUR over the next 24 months, provided that the divestments materialize as expected. The company's message at the CMD and in connection with Q3 was quite clear – these funds are to be invested. Modeling investments is difficult, and we have taken a conservative approach to this. However, it is clear that changes in the company's investment activities will be the most significant driver for the share in the short term.

The share is cheap but drivers are in short supply

Our conservative sum-of-the-parts calculation has risen marginally, but it is still around EUR 10 per share. The majority of the value is derived from the insurance company Garantia, with the remainder practically divided between Renewable Energy and balance sheet investments. Although Taaleri left the door open for larger structural arrangements at the CMD, we do not believe it is actively pursuing them itself. Thus, we cannot assume that the sum-of-the-parts value will materialize, and we therefore consider it justified for now to price the company below its sum-of-the-parts. Taaleri has historically been valued at a 15-20% discount relative to its sum-of-the-parts valuation, and we consider this level justified for now. Absolutely, the stock's valuation is cheap, but we note that the significant share of non-recurring revenues weighs on the acceptable valuation. Overall, we consider Taaleri's stock to be very inexpensive from virtually all possible angles, but the problem is the lack of share price drivers. However, we find it difficult to see the market correcting the undervaluation without concrete actions. The company's investment portfolio and its movements, both on the buy and sell side, will again play a key role here.

Recommendation

Accumulate

(was Accumulate)

Target price:

EUR 8.50

(was EUR 8.50)

Share price:

EUR 7.27

Business risk



Valuation risk



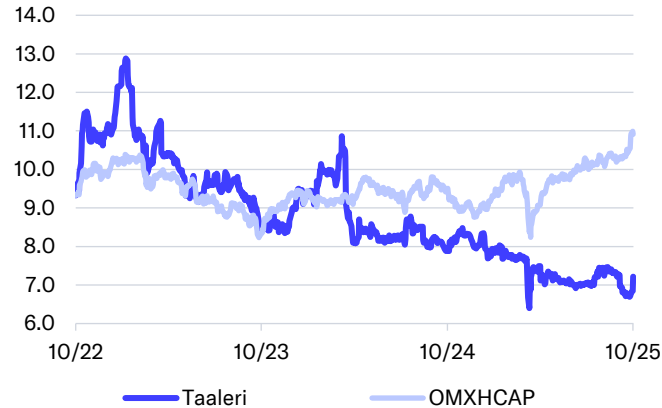
	2024	2025e	2026e	2027e
Revenue	72.6	60.0	64.2	65.3
growth-%	11%	-17%	7%	2%
EBIT adj.	38.1	25.1	37.4	32.9
EBIT-% adj.	52.4 %	41.8 %	58.2 %	50.4 %
Net income	28.0	17.2	26.8	24.4
EPS (adj.)	0.99	0.61	0.94	0.85
P/E (adj.)	8.1	12.0	7.7	8.6
P/B	1.1	1.0	0.9	0.9
Dividend yield-%	6.2 %	5.0 %	7.7 %	7.0 %
EV/EBIT (adj.)	6.0	8.3	4.0	4.4
EV/EBITDA	5.8	8.0	4.0	4.4
EV/S	3.1	3.5	2.4	2.2

Source: Inderes

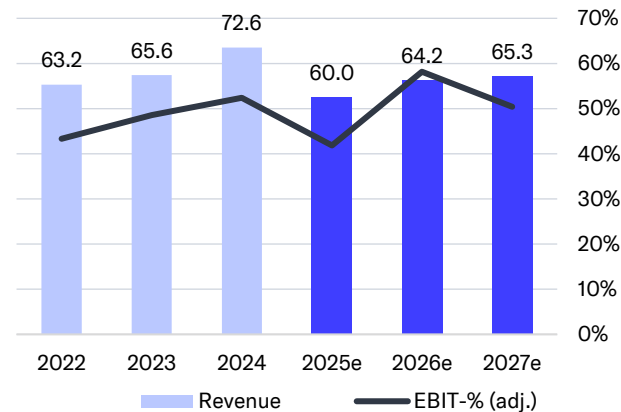
Guidance

No guidance

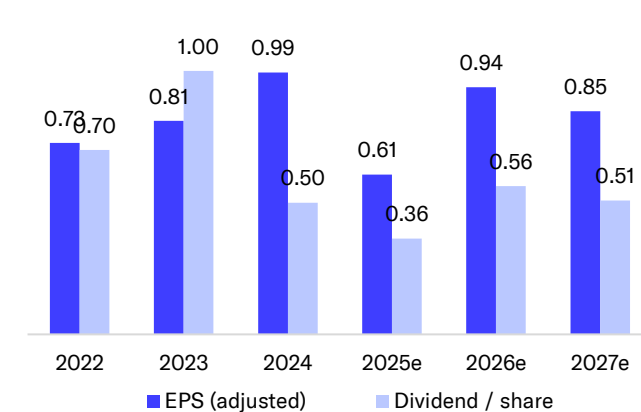
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

- Scaling of Energia
- Ramping up Other private equity funds
- Garantia's profitable growth
- Own balance sheet investments
- M&A transactions
- Performance fees for funds

Risk factors

- Success in fund investments
- Failures in own balance sheet investments
- Success of ramping up Other Private Asset Management
- Scalability of costs and improving cost-efficiency
- Garantia's guarantee risks

Valuation	2025e	2026e	2027e
Share price	7.27	7.27	7.27
Number of shares, millions	28.4	28.6	28.8
Market cap	206	208	209
EV	208	151	147
P/E (adj.)	12.0	7.7	8.6
P/E	12.0	7.7	8.6
P/B	1.0	0.9	0.9
P/S	3.4	3.2	3.2
EV/Sales	3.5	2.4	2.2
EV/EBITDA	8.0	4.0	4.4
EV/EBIT (adj.)	8.3	4.0	4.4
Payout ratio (%)	60.0 %	60.0 %	60.0 %
Dividend yield-%	5.0 %	7.7 %	7.0 %

Source: Inderes

Sharp earnings beat through changes in the fair values of the investment portfolio

Taaleri's EBIT was 15.4 MEUR, fiercely exceeding our 5.9 MEUR estimate. During Q3, Taaleri made an exceptional number of changes to the valuations of its investment portfolio, which resulted in a net positive result of around 8 MEUR. In addition, Garantia's investment portfolio returns were also a notch better than we expected. Thus, the entire earnings beat came from investment income, and EBIT from continuing earnings (Q3'25: 3.9 MEUR) was well in line with our expectations. The tax rate remained low due to changes in the fair value of investments, which significantly boosted EPS.

Private Equity Funds proceeded as expected

In Private Equity Funds, development was in line with our estimates and recurring fees (6.7 MEUR) were exactly at our forecasted level, growing by 7% year-on-year, driven by SolarWind III. Renewable Energy recorded a 1.7 MEUR non-recurring item of re-billable expenses related to divestment processes in its revenue during the review period, which is why the reported revenue superficially shows strong growth. However, the corresponding expense entry for this item is found in the expenses, and it has no operational

impact. The result of Private Equity Funds was also fully in line with our expectations, and thanks to the strong performance of Renewable Energy, the segment is handsomely profitable. The performance fees of old wind funds, recognized front-loaded, remained unchanged on the balance sheet, which we consider positive as their value is tested every quarter.

Another excellent performance from Garantia

Garantia's performance was very strong, in line with our expectations. The company's guarantee portfolio continued its cautious growth, and insurance premium income also increased year-on-year. The company benefits from the turnaround in the housing market, but its own actions have also strengthened its market position. The insurance technical result was again strong, and claims costs clearly decreased from the previous quarter. Investment income was, as expected, at a good level thanks to the favorable capital market momentum. Overall, Garantia's performance was excellent once again.

Major plays in the investment portfolio during the quarter

As expected, the company reiterated its segment-specific outlook for the current year. The most interesting aspect of the report was the company's comments regarding its investment activities. Based on the report, the company has rolled up its sleeves and taken a clearly more active approach to its investment activities. The company has established a separate investment team to manage the Group's investments, and in the report, the company also provided more insight into the development of key holdings than before. We are naturally positive about a more active approach, as we believe that own balance sheet investment activities will be a key driver for the share in the coming years. The Canadian biochar project moved forward again as it progressed to financing negotiations. Significant changes were made to the valuations of the investment portfolio, and the biggest change was the fair value recognition of the Texas wind farm project, which resulted in a positive earnings impact of just under 8 MEUR. The most significant write-down was seen in WasteWise Group, which saw its value decrease to near zero.

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	22.2	23.6	13.5				75%	60.0
EBIT (adj.)	14.7	15.4	5.9				159%	25.1
EPS (adj.)	0.39	0.43	0.13				235%	0.61
Revenue growth-%	64.7 %	6.6 %	-39.2 %				45.7 pp	-17.4 %
EBIT-% (adj.)	66.4 %	65.0 %	44.0 %				21 pp	41.8 %

Source: Inderes

Taaleri Q3'25: Strong report (English subtitles)



The shifting of non-recurring revenues sways earnings estimates

Many changes in forecasts as usual

The changes are mainly related to one-off revenues and their timing, and operational forecasts have remained largely unchanged. The key operational forecast change relates to the Bioindustry2 fund. We have moderated our expectations regarding the fund size and fundraising schedule, mainly due to the difficult market.

The biggest change for 2025 is the postponement of the Texas project exit to 2026. However, our estimated return on this exit has decreased, as the company made a larger write-up in connection with Q3 than we expected on the value of its Texas wind farm ownership. We have also reduced the amount of performance fees from old wind funds, as we believe the risk of some kind of write-down of already recognized (~14 MEUR) performance fees has increased due to the weak electricity market price development. We still expect the company to exit old wind funds during 2026 and record a small performance fee from this. In addition, we expect Fintoil's exit in 2026, and

the performance fees and investment income to be recorded from it. We also expect performance fees from the Aurinkotuuli 1 fund for 2026, and overall, 2026 is shaping up to be an excellent year for Taaleri in terms of results. However, the earnings mix is still modest, with the majority of earnings coming from investment income and other non-recurring fees.

In 2027, we expect the company to exit Toriparkki, which should also generate significant non-recurring income. In addition, 2027 earnings will receive significant support from the SolarWind4 fund, the first closing of which we expect to take place in early 2027. The earnings mix will improve significantly in 2027 as a result of the SolarWind4 fund ramp-up.

There will be a lot of movement in the balance sheet

A key variable in our forecasts continues to be the company's balance sheet investments. The company has clearly taken a more active approach to balance sheet

investments than before, and we expect to see significant activity in balance sheet investments over the next ~24 months. The company has significant firepower on its balance sheet for investments, as significant performance fee receivables (~27 MEUR) should be recognized on the balance sheet within the next ~24 months, and the company is also likely to exit all three of its largest balance sheet investments (Fintoil, Texas and Toriparkki). Thus, the company has an investment capacity of over 100 MEUR in the next 24 months, provided that the exits materialize as expected. The company's message at the CMD and in connection with Q3 was quite clear – these funds are to be invested. We expect moderate investments in our forecasts, and the size of the investment portfolio will remain approximately at its current level. However, we have modeled the returns on these investments very conservatively, and in our modeling, the company's liquidity swells to an extreme level (net cash 2028 +80 MEUR), which is, of course, not realistic.

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	Uusi	%	Old	New	%	Old	New	%
Revenue	53.6	60.0	12%	63.4	64.2	1%	64.7	65.3	1%
EBIT (exc. NRIs)	19.2	25.1	30%	34.5	37.4	8%	31.6	32.9	4%
EBIT	19.2	25.1	30%	34.5	37.4	8%	31.6	32.9	4%
EPS (excl. NRIs)	0.41	0.61	49%	0.91	0.94	3%	0.82	0.85	3%
DPS	0.24	0.36	49%	0.54	0.56	3%	0.49	0.51	3%

Source: Inderes

Taaleri Interim Statement for the period January–September 2025



More detailed estimates for Private Equity

Private Asset Management	2022	2023	2024	2025e	2026e	2027e	2028e	2029e
Recurring fees	20.7	24.4	25.5	28.8	26.5	29.2	30.9	31.9
Performance fees	19.4	1.5	1.8	0.0	7.5	4.0	3.0	3.0
Investment operations	2.5	13.5	0.0	0.0	0.0	0.0	0.0	0.0
Other income	0.0	0.0	2.1	3.2	1.8	1.8	1.8	1.8
Revenue	42.6	39.4	29.4	32.0	35.8	35.0	35.7	36.7
Commission expenses	-8.3	-6.5	-6.0	-6.3	-4.7	-3.4	-2.9	-1.9
Personnel expenses	-10.0	-11.6	-10.9	-11.3	-12.1	-13.2	-14.1	-14.9
Other direct expenses	-5.2	-5.8	-3.4	-2.8	-3.0	-3.2	-3.4	-3.6
Other costs	-0.4	-0.6	-0.1	0.0	-0.1	-0.1	-0.1	-0.1
EBIT	18.6	14.9	7.4	8.6	14.4	13.5	13.7	14.6
EBIT-%	44%	38%	25%	27%	40%	39%	38%	40%
Non-recurring income*	21.9	15.0	1.9	0.0	7.5	4.0	3.0	3.0
Operating profit excluding non-recurring income	-3.2	-0.1	5.5	8.6	6.9	9.5	10.7	11.6
Operating profit excluding non-recurring income %	-16%	0%	22%	30%	26%	33%	35%	36%
Headcount	72	78	86	84	89	93	97	101
*Performance fees + investment income								

Assets under management (GAV)	2516	2640	2697	2760	2532	2837	2955	2933
Renewable Energy	1379	1649	1714	1777	1364	1629	1747	1715
Real Estate	816	675	681	699	899	919	939	959
Bioindustry	163	164	164	164	189	239	239	239
Other	158	152	138	120	80	50	30	20
Recurring fees/AUM %	0.82%	0.92%	0.95%	1.04%	1.05%	1.03%	1.05%	1.09%

Renewable Energy revenue	25.8	35.3	23.3	25.9	27.4	27.2	27.7	28.4
Recurring fees	14.6	18.1	19.8	22.9	19.9	21.7	23.2	23.9
Performance fees	10.3	0.0	1.8	0.0	6.0	4.0	3.0	3.0
Investment operations	0.9	14.3	0.0	0.0	0.0	0.0	0.0	0.0
Other Private Asset Management revenue	16.8	7.0	6.1	6.1	8.4	7.8	8.0	8.3
Recurring fees	6.1	6.2	5.7	5.9	6.5	7.5	7.7	8.0
Performance fees	9.0	1.5	0.1	0.0	1.5	0.0	0.0	0.0
Investment operations	1.6	-0.8	0.0	0.0	0.0	0.0	0.0	0.0
Renewable Energy EBIT	10.2	14.7	8.9	9.6	19.6	13.9	14.4	15.6
Renewable Energy EBIT-%	40%	41%	38%	37%	71%	51%	52%	55%
EBIT excluding non-recurring income	0.3	2.0	7.1	9.6	7.6	9.9	11.4	12.6
EBIT excluding non-recurring income -%	2%	11%	36%	42%	38%	46%	49%	53%
Other Private Asset Management EBIT	6.7	-4.2	-1.5	-1.0	0.8	-0.4	-0.7	-1.0
Other Private Asset Management EBIT-%	40%	-60%	-24%	-16%	10%	-5%	-9%	-11%
EBIT excluding non-recurring income	-3.5	-2.1	-1.6	-1.0	-0.7	-0.4	-0.7	-1.0
EBIT excluding non-recurring income -%	-58%	-34%	-28%	-16%	-11%	-5%	-9%	-12%

More detailed estimates for Garantia

Garantia MEUR	2022	2023	2024	2025e	2026e	2027e	2028e	2029e
Insurance revenue	19.1	19.0	18.9	19.1	19.7	20.6	21.4	22.3
Claims incurred	-0.4	-0.9	0.2	-2.1	-1.6	-1.6	-1.7	-1.8
Operating costs	-3.9	-4.1	-4.1	-4.0	-4.1	-4.2	-4.3	-4.5
Net income from reinsurance contracts	-0.7	-0.5	-0.4	-0.3	-0.4	-0.4	-0.4	-0.4
Insurance service result	14.1	13.6	14.2	12.2	13.6	14.3	15.0	15.6
Financial income and expenses	-0.4	0.0	-0.6	-0.6	-0.6	-0.6	-0.6	-0.6
Net investment income	-8.5	4.7	11.9	7.3	7.8	8.1	8.2	8.3
Revenue	5.3	18.3	25.5	18.9	20.8	21.8	22.5	23.3
Personnel expenses	0.0	-1.4	-1.2	-0.6	-1.0	-1.2	-1.3	-1.3
Other costs	-0.6	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0
EBIT	4.6	16.8	24.3	18.4	19.8	20.6	21.2	22.0
Profit or loss at fair value of investments	-5.5	23.6	27.9	19.8	19.8	20.6	21.2	22.0
Dividend (MEUR)	10.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
ROE	-3.7%	17.0%	18.8%	13.2%	12.7%	13.1%	13.4%	13.6%
Insurance portfolio, MEUR	1862	1749	1679	1763	1863	1943	2023	2103
Incurred claim ratio %	2.1%	4.5%	-0.9%	10.9%	8.0%	8.0%	8.0%	8.0%
Expense ratio %	20.6%	21.5%	21.8%	20.8%	20.9%	20.5%	20.3%	20.1%
Reinsurance ratio %	3.5%	2.7%	1.9%	1.6%	2.0%	1.9%	1.9%	1.8%
Combined ratio %	26.2%	28.7%	22.8%	33.3%	30.9%	30.5%	30.2%	29.9%
Investment portfolio income %	-12.0%	6.9%	10.0%	6.0%	5.0%	5.0%	5.0%	5.0%
Value of investment portfolio (MEUR)	155.0	164.0	158.1	161.0	161.9	163.3	165.3	167.9
Solvency ratio %	231%	246%	263%	249%	242%	238%	236%	234%

The sum of the parts has significant value

Sum of the parts as a basis for valuation

Since the profiles of Taaleri's different parts are very different, the sum of the parts is a good starting point for determining the company's value. However, according to its strategy reform, the company does not seek to unlock the value of its parts through restructuring, so the value of the parts must be reflected in the cash flows of business operations. Our estimate of Taaleri's SOTP value has risen slightly to around 290 MEUR (was 279 MEUR), which means around EUR 10 per share.

In our calculations, the current value of Taaleri consists of Garantia (170 MEUR, based on DDM), Renewable Energy (95 MEUR, based on peer calculation), balance sheet investment assets (80 MEUR, including performance fee receivables from old energy and investment tax liabilities), net cash (25 MEUR) and group expenses (-91 MEUR). The value contribution of Other private asset management is marginal (12 MEUR), as business operations development is very modest in our forecasts. In our view, our SOTP calculation is conservative and even with very small changes, the value could be EUR 1-2/share higher. It is therefore clear that there is significant value in the parts of the company, and the stock is priced well below this level. Also, the P/B ratio hovering around 1x indicates clear value in the shares.

Value of parts unlikely to become apparent with current structure

In our view, the key question for Taaleri remains how to better highlight the value inherent in the company's parts. Although the company left the door open for larger structural changes at the CMD, we do not believe that it is actively pursuing these, so when evaluating Taaleri, we must assume that it will continue with its current structure

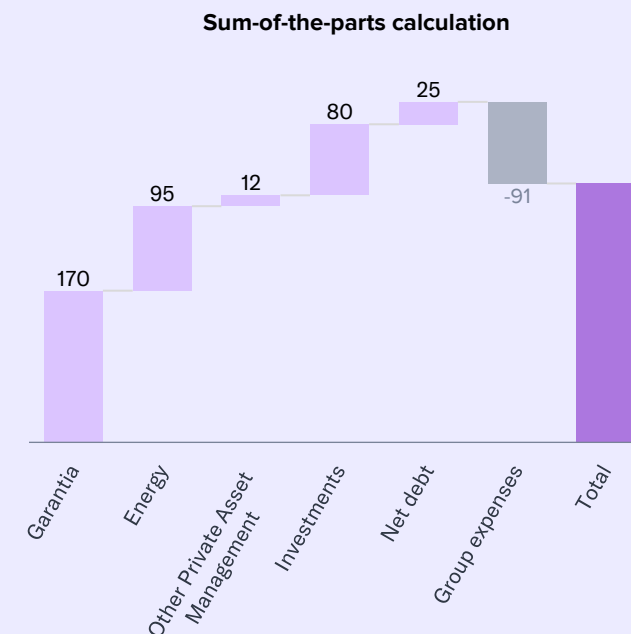
for the time being. As we have stated several times, we do not believe that Taaleri's parts will realize their full value under the current conglomerate structure. The group's most valuable part, Garantia, is inevitably relegated to a supporting role in the investor story, as the core lies in private equity funds. Furthermore, investment activities on the own balance sheet are difficult to value from an investor's perspective due to their low visibility. For the value of the company's parts to be better reflected in the share price, at least the following should occur:

- improved predictability of the result (especially improvement in the result mix)
- better visibility into the company's own balance sheet investment activities (scale and targets)
- better visibility into the use of the balance sheet (profit distribution vs. investments)

In our view, visibility into the use of the balance sheet has improved slightly, as the company clearly wants to put its balance sheet to work. Regarding investment activities, we are still awaiting concrete signs of how the company will deploy its capital. The Canadian biochar project is quite likely to materialize in our view, and Taaleri will probably make a significant investment in it. In addition, we do not rule out the possibility that the company would increase its ownership in Fintoil in connection with its divestment/refinancing. As we noted on the previous page, the company's balance sheet firepower will increase significantly over the next 24 months as substantial capital is released. The reinvestment of this capital will be an absolutely key value driver for the share. Naturally, successful exits from old investments also increase investors' confidence in the company's investment operations.

Valuation	2025e	2026e	2027e
Share price	7.27	7.27	7.27
Number of shares, millions	28.4	28.6	28.8
Market cap	206	208	209
EV	208	151	147
P/E (adj.)	12.0	7.7	8.6
P/E	12.0	7.7	8.6
P/B	1.0	0.9	0.9
P/S	3.4	3.2	3.2
EV/Sales	3.5	2.4	2.2
EV/EBITDA	8.0	4.0	4.4
EV/EBIT (adj.)	8.3	4.0	4.4
Payout ratio (%)	60.0 %	60.0 %	60.0 %
Dividend yield-%	5.0 %	7.7 %	7.0 %

Source: Inderes



Share price drivers are missing

A key challenge in the company's own balance sheet investment activities is the weak continuity. Although the company's track record, especially in larger arrangements, is undeniably excellent (10-year ROE ~24%), it is understandably difficult for investors to rely on this, as past successes ultimately have very little to do with new investment targets. Cutting a few corners, one could say that buying Garantia or Finsilva at a discount does not indicate the company's ability to find real industrial-scale technological breakthroughs in the bioindustry. In this sense, we see a significant risk that the company's investment assets will continue to be priced at a substantial discount, and the potential value of the investments will occasionally be realized in the form of significant one-off returns. In connection with Q3, the company began to provide more detailed information on the development of its largest investments, which is naturally an excellent thing and may in the future slightly reduce the discount associated with the investments.

Share justified to be priced below the sum of the parts

Historically, Taaleri has been priced at a 15-20% discount relative to the sum of its parts as defined by us. We consider this level justified for the time being until we gain additional visibility on capital allocation and/or the unwinding of value. The company is currently valued at a discount of approximately 25% relative to the SOTP, and this also supports our view of the stock's reasonable upside potential.

The valuation multiples are very low

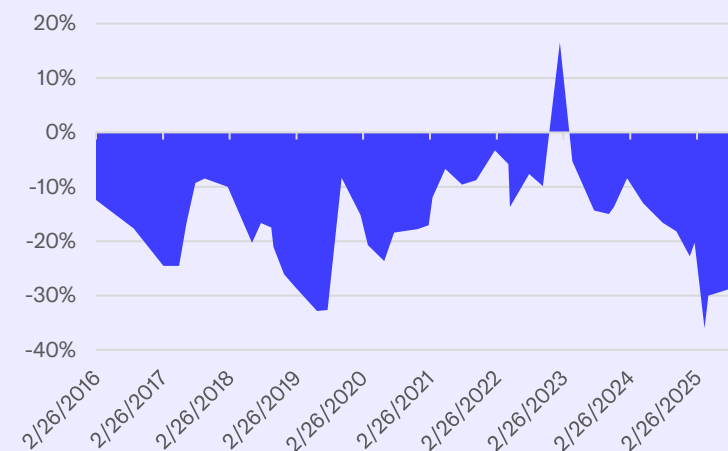
Since Taaleri appears to be maintaining its current structure, traditional valuation multiples can be used to value Taaleri. We consider the acceptable valuation multiples for Taaleri to be quite low due to the earnings

being weighted towards non-recurring income and the significant role of the investment portfolio as part of its value. In our opinion, an acceptable valuation multiple could be in the 10-13x range, which is below the historical level of companies in the sector. Taaleri's own forward-looking P/E ratio during its stock exchange history has been around 13x, but over the last 3 years it has been around 11x. Based on 2025 earnings, we believe the stock is neutrally priced, but with 2026-2027 multiples, the stock is cheap (P/E < 10x). We note that the earnings mix is weighted towards non-recurring income, and thus a clear discount to peers' earnings-based valuation is justified. However, with 2026 multiples, the discount is very large (40-50%), and we believe a smaller valuation gap is justified. Thus, once the earnings improvement comes through next year, there should be upside in the stock.

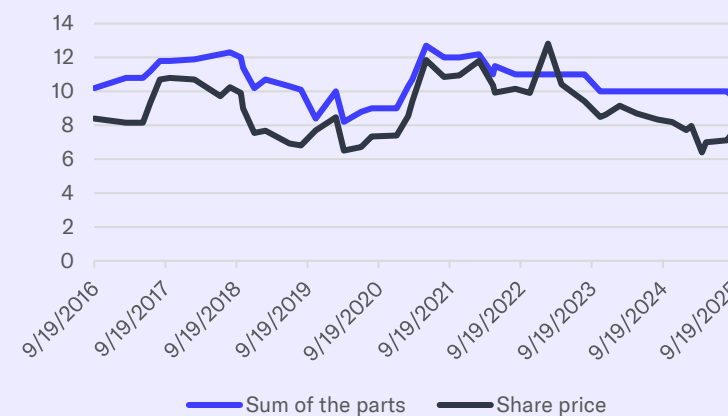
The share is cheap, but the drivers are missing

Overall, we consider Taaleri's stock to be very inexpensive from virtually all possible angles. For the current price to be justified, it would practically mean that the company's future investments will systematically destroy capital, which is naturally not a reasonable assumption. However, it is difficult for us to see the market correcting the undervaluation without concrete actions. The company's investment portfolio and its movements, both on the buy and sell side, will again play a key role here. We are reasonably confident that significant changes will occur in the company's balance sheet over the next ~24 months, and in the best-case scenario, these changes could lead to a situation where investors are willing to re-price Taaleri closer to its SOTP value. However, we believe that relying on this is overly optimistic, and we will continue with a cautious approach, awaiting further evidence.

Discount/premium relative to the sum of the parts



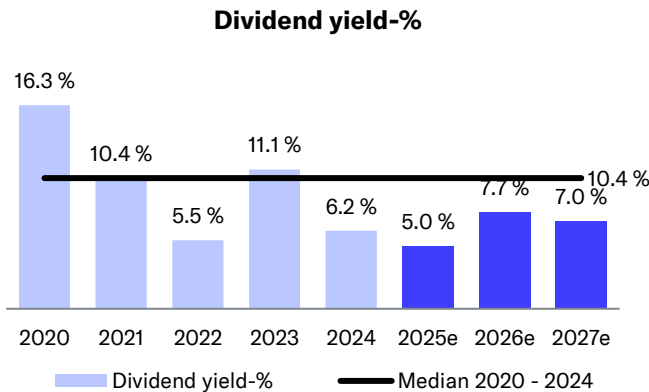
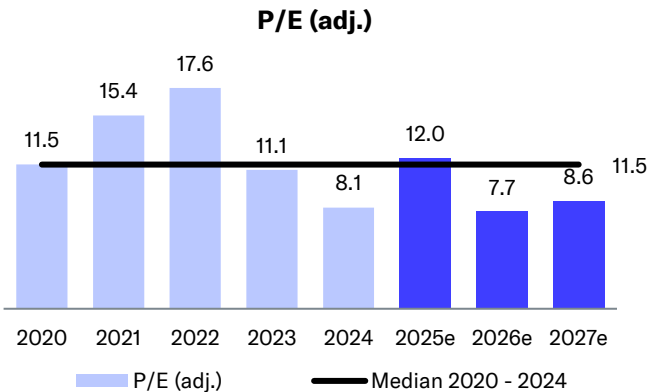
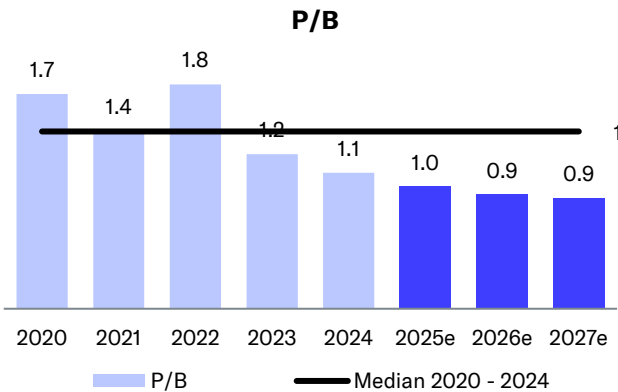
Share price and SOTP (Inderes estimate, EUR/share)



Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	8.12	11.5	12.8	8.99	8.03	7.27	7.27	7.27	7.27
Number of shares, millions	28.4	28.4	28.4	28.3	28.2	28.4	28.6	28.8	29.0
Market cap	230	326	363	254	226	206	208	209	211
EV	289	308	331	234	227	208	151	147	138
P/E (adj.)	11.5	15.4	17.6	11.1	8.1	12.0	7.7	8.6	9.3
P/E	11.5	2.4	17.6	11.1	8.1	12.0	7.7	8.6	9.3
P/B	1.7	1.4	1.8	1.2	1.1	1.0	0.9	0.9	0.9
P/S	2.7	4.7	5.7	3.9	3.1	3.4	3.2	3.2	3.3
EV/Sales	3.3	4.4	5.2	3.6	3.1	3.5	2.4	2.2	2.1
EV/EBITDA	10.7	2.1	11.6	7.2	5.8	8.0	4.0	4.4	4.4
EV/EBIT (adj.)	11.8	10.7	12.1	7.3	6.0	8.3	4.0	4.4	4.5
Payout ratio (%)	187.2 %	25.0 %	96.3 %	123.3 %	50.3 %	60.0 %	60.0 %	60.0 %	60.0 %
Dividend yield-%	16.3 %	10.4 %	5.5 %	11.1 %	6.2 %	5.0 %	7.7 %	7.0 %	6.4 %

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
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e
Aktia	762								9.0	9.6	8.0	8.6	1.1
Alexandria	112	108	9.9	8.1	8.0	7.0	2.1	2.0	14.2	11.4	7.6	8.5	3.4
CapMan	325	318	10.4	7.6	10.0	7.3	5.0	4.2	16.0	11.7	8.2	8.7	1.7
Evli	587	584	11.6	10.8	10.8	10.2	4.9	4.8	17.4	15.3	5.5	5.9	3.7
eQ	477	466	16.9	11.7	16.2	11.3	7.8	6.1	21.9	16.1	4.6	6.2	6.3
Titanium	65	53	8.4	8.8	7.6	8.1	2.7	2.7	13.0	13.3	7.3	7.4	4.1
United Bankers	194	176	9.9	9.1	8.7	8.1	3.1	2.8	14.3	13.5	6.5	6.8	3.0
Mandatum	3052	2651	15.4	17.2	15.4	17.2	16.2	16.7	21.9	21.6	16.5	11.5	2.9
Taaleri (Inderes)	206	208	8.3	4.0	8.0	4.0	3.5	2.4	12.0	7.7	5.0	7.7	1.0
Average			11.8	10.5	11.0	9.9	6.0	5.6	16.0	14.1	8.0	7.9	3.3
Median			10.4	9.1	10.0	8.1	4.9	4.2	15.1	13.4	7.5	7.9	3.2
Diff-% to median			-20%	-55%	-20%	-51%	-29%	-44%	-21%	-42%	-33%	-2%	-70%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue	65.6	17.2	12.6	22.2	20.7	72.6	9.3	13.5	23.6	13.6	60.0	64.2	65.3	64.2
Private Equity Funds	42.3	6.5	6.8	6.6	9.5	29.4	6.5	8.9	8.5	8.1	32.0	35.8	35.0	35.7
Garantia	17.9	8.7	4.7	6.8	5.3	25.5	2.4	5.1	6.4	5.0	18.9	20.8	21.8	22.5
Others	6.1	0.9	0.6	0.3	0.2	2.0	0.3	0.2	0.2	0.4	1.1	1.5	1.5	1.5
EBITDA	32.4	9.8	4.6	14.9	9.6	39.0	0.7	4.9	15.6	4.9	26.1	37.6	33.2	31.1
Depreciation	-0.5	-0.2	-0.2	-0.2	-0.2	-0.9	-0.2	-0.4	-0.3	-0.2	-1.0	-0.2	-0.3	-0.3
EBIT (excl. NRI)	31.9	9.6	4.4	14.7	9.4	38.1	0.5	4.5	15.4	4.7	25.1	37.4	32.9	30.8
EBIT	31.9	9.6	4.4	14.7	9.4	38.1	0.5	4.5	15.4	4.7	25.1	37.4	32.9	30.8
Private Equity Funds	14.9	1.1	1.2	2.1	3.1	7.4	1.4	3.0	2.1	2.1	8.6	20.4	13.5	13.7
Garantia	16.5	8.5	4.7	6.3	4.8	24.3	2.1	5.0	6.5	4.8	18.4	19.8	20.6	21.2
Others	0.5	-0.9	-1.1	-1.5	-2.1	-5.7	-2.1	-1.9	-1.6	-1.9	-7.4	-6.7	-7.0	-7.3
Net financial items	-1.2	-0.2	-0.2	-0.2	-0.2	-0.9	-0.1	-0.1	-0.1	-0.1	-0.4	-0.3	-0.3	-0.3
PTP	30.7	9.4	4.2	14.5	9.1	37.1	0.4	4.4	15.3	4.6	24.7	37.1	32.6	30.5
Taxes	-4.2	-1.9	-0.8	-1.4	-0.7	-4.7	0.4	-2.3	-1.2	-1.0	-4.2	-7.4	-6.0	-5.6
Minority interest	-3.6	-0.1	-0.3	-2.2	-1.8	-4.4	-0.2	-0.2	-1.9	-1.0	-3.3	-2.8	-2.2	-2.3
Net earnings	22.9	7.4	3.1	11.0	6.6	28.0	0.6	1.9	12.1	2.7	17.2	26.8	24.4	22.6
EPS (adj.)	0.81	0.26	0.11	0.39	0.23	0.99	0.02	0.07	0.43	0.09	0.61	0.94	0.85	0.78
EPS (rep.)	0.81	0.26	0.11	0.39	0.23	0.99	0.02	0.07	0.43	0.09	0.61	0.94	0.85	0.78

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	3.8 %	69.1 %	-46.9 %	64.7 %	13.4 %	10.6 %	-45.7 %	6.6 %	6.6 %	-34.4 %	-17.4 %	7.2 %	1.7 %	-1.7 %
Adjusted EBIT growth-%	16.5 %	515.7 %	-75.2 %	156.3 %	36.3 %	19.4 %	-94.9 %	2.7 %	4.3 %	-49.4 %	-34.1 %	49.0 %	-11.9 %	-6.3 %
EBITDA-%	49.3 %	57.3 %	36.2 %	67.5 %	46.5 %	53.6 %	7.0 %	36.2 %	66.2 %	36.5 %	43.6 %	58.5 %	50.8 %	48.5 %
Adjusted EBIT-%	48.6 %	55.9 %	34.7 %	66.4 %	45.4 %	52.4 %	5.2 %	33.4 %	65.0 %	35.0 %	41.8 %	58.2 %	50.4 %	48.0 %
Net earnings-%	35.0 %	43.0 %	24.4 %	49.4 %	32.0 %	38.6 %	6.2 %	14.0 %	51.2 %	19.7 %	28.7 %	41.8 %	37.4 %	35.2 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	221	224	229	215	220
Goodwill	0.3	0.3	0.3	0.3	0.3
Intangible assets	0.2	0.2	0.2	0.2	0.2
Tangible assets	2.4	1.8	1.2	1.4	1.6
Associated companies	51.6	55.4	61.0	47.4	51.4
Other investments	161	159	159	159	159
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	5.1	7.6	7.6	7.6	7.6
Current assets	87.3	67.9	69.4	102	108
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	17.2	9.3	9.3	9.3	9.3
Receivables	31.8	39.0	42.0	16.1	16.3
Cash and equivalents	38.3	19.6	18.1	76.8	82.8
Balance sheet total	308	292	298	318	328

Source: Inderes

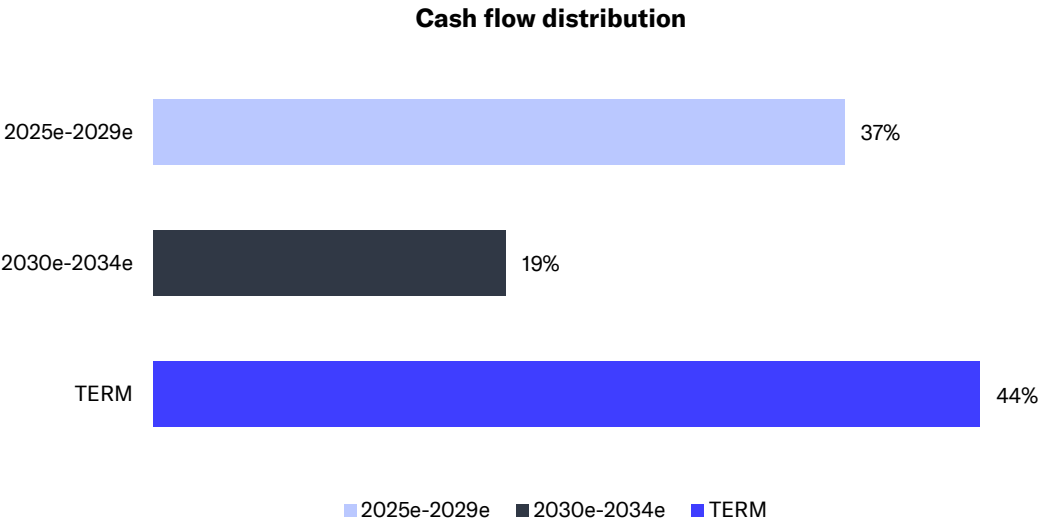
Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	209	215	222	241	252
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	187	190	193	209	218
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	18.8	18.8	18.8	18.8	18.8
Other equity	0.0	0.0	0.0	0.0	0.0
Minorities	2.5	6.6	9.9	12.7	14.9
Non-current liabilities	77.8	55.9	55.9	55.9	55.9
Deferred tax liabilities	16.5	12.3	12.3	12.3	12.3
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	14.9	0.0	0.0	0.0	0.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	46.4	43.6	43.6	43.6	43.6
Current liabilities	21.5	20.7	20.7	20.7	20.7
Interest bearing debt	0.0	0.0	0.0	0.0	0.0
Payables	0.0	0.0	0.0	0.0	0.0
Other current liabilities	21.5	20.7	20.7	20.7	20.7
Balance sheet total	308	292	298	318	328

DCF calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	10.6 %	-17.4 %	7.2 %	1.7 %	-1.7 %	3.0 %	3.0 %	3.0 %	2.5 %	2.5 %	2.5 %	2.5 %
EBIT-%	52.4 %	41.8 %	58.2 %	50.4 %	48.0 %	47.0 %	46.0 %	45.0 %	45.0 %	45.0 %	45.0 %	45.0 %
EBIT (operating profit)	38.1	25.1	37.4	32.9	30.8	31.1	31.3	31.6	32.4	33.2	34.0	
+ Depreciation	0.9	1.0	0.2	0.3	0.3	0.4	0.4	0.4	0.5	0.5	0.6	
- Paid taxes	-11.4	-4.2	-7.4	-6.0	-5.6	-5.7	-5.7	-5.8	-5.9	-6.1	-6.3	
- Tax, financial expenses	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	0.0	
+ 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	-0.1	-3.0	25.9	-0.3	0.3	-0.5	-0.5	-0.5	-0.4	-0.4	-0.5	
Operating cash flow	27.3	18.9	56.0	26.8	25.7	25.2	25.4	25.7	26.4	27.1	27.8	
+ Change in other long-term liabilities	-2.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	2.1	-0.4	-0.4	-0.5	-0.5	-0.6	-0.6	-0.7	-0.7	-0.8	-0.8	
Free operating cash flow	26.5	18.5	55.6	26.4	25.2	24.6	24.8	25.0	25.7	26.3	27.1	
+/- Other	-3.8	-5.6	13.6	-4.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	22.7	12.9	69.2	22.4	25.2	24.6	24.8	25.0	25.7	26.3	27.1	368
Discounted FCFF		12.7	61.9	18.2	18.6	16.5	15.1	13.8	12.9	12.1	11.3	153
Sum of FCFF present value		346	334	272	253	235	218	203	189	176	164	153
Enterprise value DCF		346										
- Interest bearing debt		0.0										
+ Cash and cash equivalents		19.6										
-Minorities		-20.0										
-Dividend/capital return		-14.1										
Equity value DCF		332										
Equity value DCF per share		11.7										

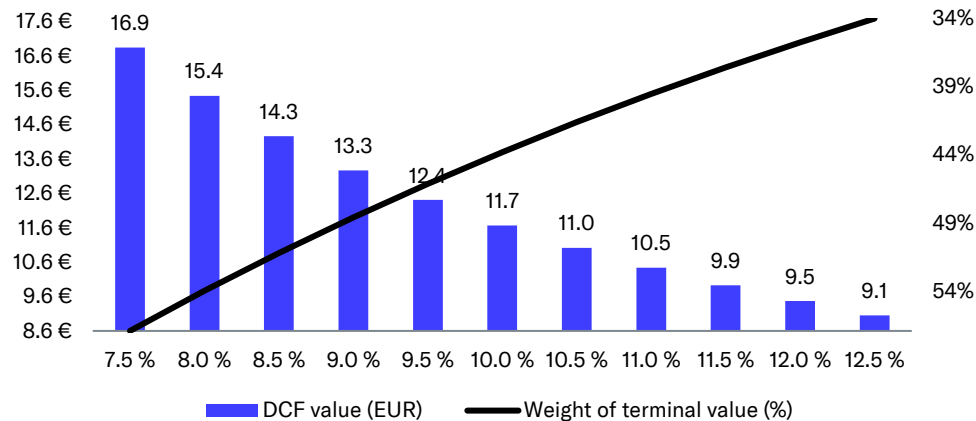
WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	0.0 %
Cost of debt	5.0 %
Equity Beta	1.38
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	2.5 %
Cost of equity	10.0 %
Weighted average cost of capital (WACC)	10.0 %

Source: Inderes

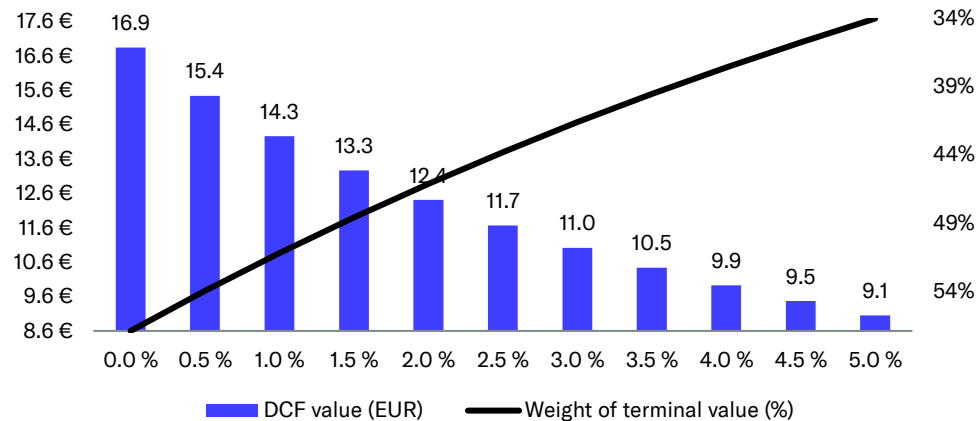


DCF sensitivity calculations and key assumptions in graphs

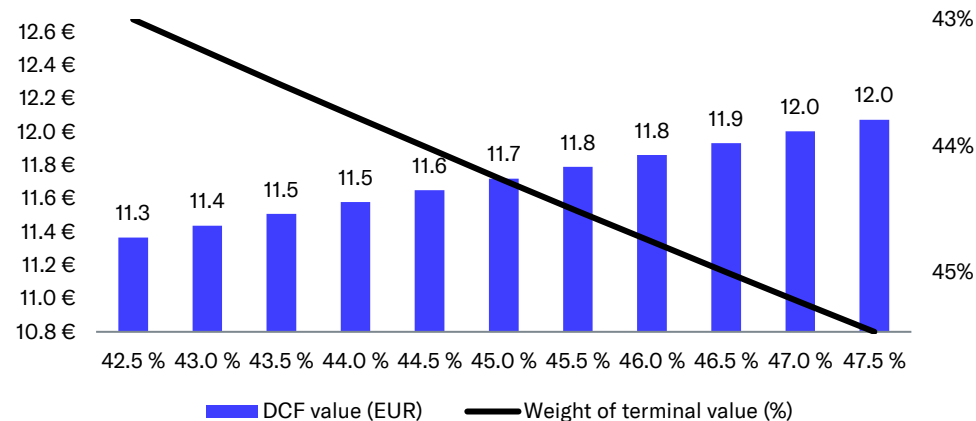
Sensitivity of DCF to changes in the WACC-%



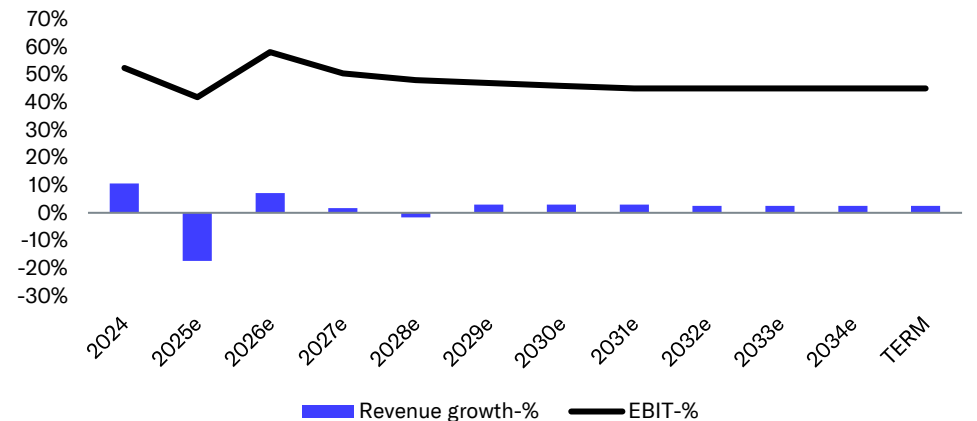
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. 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	63.2	65.6	72.6	60.0	64.2	EPS (reported)	0.73	0.81	0.99	0.61	0.94
EBITDA	28.6	32.4	39.0	26.1	37.6	EPS (adj.)	0.73	0.81	0.99	0.61	0.94
EBIT	27.4	31.9	38.1	25.1	37.4	OCF / share	0.58	0.06	0.97	0.67	1.96
PTP	26.4	30.7	37.1	24.7	37.1	OFCF / share	2.04	0.22	0.81	0.46	2.42
Net Income	20.6	22.9	28.0	17.2	26.8	Book value / share	7.16	7.28	7.40	7.46	7.99
Extraordinary items	0.0	0.0	0.0	0.0	0.0	Dividend / share	0.70	1.00	0.50	0.36	0.56
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	300.8	307.9	291.9	298.3	317.6	Revenue growth-%	-9%	4%	11%	-17%	7%
Equity capital	202.7	208.7	215.3	221.8	241.1	EBITDA growth-%	-80%	13%	20%	-33%	44%
Goodwill	0.3	0.3	0.3	0.3	0.3	EBIT (adj.) growth-%	-5%	16%	19%	-34%	49%
Net debt	-31.9	-23.4	-19.6	-18.1	-76.8	EPS (adj.) growth-%	-2%	11%	23%	-39%	55%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	45.2 %	49.3 %	53.6 %	43.6 %	58.5 %
EBITDA	28.6	32.4	39.0	26.1	37.6	EBIT (adj.)-%	43.3 %	48.6 %	52.4 %	41.8 %	58.2 %
Change in working capital	-6.8	-23.5	-0.1	-3.0	25.9	EBIT-%	43.3 %	48.6 %	52.4 %	41.8 %	58.2 %
Operating cash flow	16.5	1.6	27.3	18.9	56.0	ROE-%	9.5 %	11.2 %	13.5 %	8.2 %	12.2 %
CAPEX	15.0	-9.7	2.1	-0.4	-0.4	ROI-%	11.8 %	14.5 %	17.3 %	11.5 %	16.1 %
Free cash flow	57.7	6.2	22.7	12.9	69.2	Equity ratio	67.4 %	67.8 %	73.8 %	74.3 %	75.9 %
						Gearing	-15.8 %	-11.2 %	-9.1 %	-8.2 %	-31.9 %
Valuation multiples	2022	2023	2024	2025e	2026e						
EV/S	5.2	3.6	3.1	3.5	2.4						
EV/EBITDA	11.6	7.2	5.8	8.0	4.0						
EV/EBIT (adj.)	12.1	7.3	6.0	8.3	4.0						
P/E (adj.)	17.6	11.1	8.1	12.0	7.7						
P/B	1.8	1.2	1.1	1.0	0.9						
Dividend-%	5.5 %	11.1 %	6.2 %	5.0 %	7.7 %						

Source: Inderes

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Inderes' recommendation policy is based on the following distribution relative to the 12-month risk-adjusted expected total shareholder return.

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

The assessment of the 12-month risk-adjusted expected total shareholder return based on the above-mentioned definitions is company-specific and subjective. Consequently, similar 12-month expected total shareholder returns between different shares may result in different recommendations, and the recommendations and 12-month expected total shareholder returns between different shares should not be compared with each other. The counterpart of the expected total shareholder return is Inderes' view of the risk taken by the investor, which varies considerably between companies and scenarios. Thus, a high expected total shareholder return does not necessarily lead to positive performance when the risks are exceptionally high and, correspondingly, a low expected total shareholder return does not necessarily lead to a negative recommendation if Inderes considers the risks to be moderate.

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Inderes has made an agreement with the issuer and target of this report, which entails compiling a research report.

Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
5/10/2021	Accumulate	11.50 €	10.65 €
5/24/2021	Accumulate	12.50 €	11.65 €
6/1/2021	Accumulate	11.50 €	11.20 €
8/20/2021	Accumulate	11.50 €	10.85 €
11/8/2021	Accumulate	11.50 €	10.95 €
12/2/2021	Reduce	11.50 €	11.50 €
2/17/2022	Reduce	12.00 €	11.80 €
5/2/2022	Reduce	11.00 €	10.38 €
5/9/2022	Accumulate	11.00 €	9.92 €
8/22/2022	Accumulate	11.00 €	10.16 €
10/31/2022	Accumulate	11.00 €	9.35 €
11/7/2022	Accumulate	11.00 €	9.91 €
2/7/2023	Sell	11.00 €	12.82 €
2/17/2023	Reduce	11.00 €	11.34 €
4/17/2023	Reduce	11.00 €	10.42 €
5/4/2023	Reduce	11.00 €	10.40 €
8/14/2023	Accumulate	11.00 €	9.42 €
8/17/2023	Accumulate	11.00 €	9.65 €
11/2/2023	Accumulate	10.00 €	8.50 €
11/30/2023	Accumulate	10.00 €	8.63 €
2/12/2024	Accumulate	10.00 €	9.16 €
2/15/2024	Reduce	10.00 €	9.70 €
5/8/2024	Reduce	9.50 €	8.70 €
8/21/2024	Accumulate	9.50 €	8.34 €
11/6/2024	Accumulate	9.50 €	8.18 €
1/17/2025	Accumulate	9.00 €	7.72 €
2/13/2025	Accumulate	9.00 €	7.97 €
4/8/2025	Buy	9.00 €	6.40 €
4/30/2025	Buy	9.00 €	7.12 €
8/14/2025	Buy	9.00 €	7.20 €
9/3/2025	Accumulate	8.50 €	7.40 €
10/29/2025	Accumulate	8.50 €	7.27 €



CONNECTING INVESTORS AND COMPANIES.

Inderes democratizes financial information by connecting investors and listed companies. For investors, we are an investing community and a trusted source of financial information and equity research. For listed companies, we are a partner in delivering high-quality investor relations. Over 500 listed companies in Europe use our investor relations products and equity research services to provide better investor communications to their shareholders.

Our goal is to be the most investor-minded company in finance. Inderes was founded in 2009 by investors, for investors. As a Nasdaq First North-listed company, we understand the day-to-day reality of our customers.

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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