

# ENENTO GROUP

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## INDERES CORPORATE CUSTOMER COMPANY REPORT



# Return to growth

Enento's growth and operating profitability in Q1 slightly exceeded our estimates, although large non-recurring items depressed reported figures. Regulatory changes in Sweden have not caused additional headwinds, and the outlook has stabilized somewhat. A major recovery is not yet expected this year due to the high economic uncertainty, but the market bottom may be behind as the company turns to growth after a two-year downward trend. The share valuation is not exactly cheap at this year's earnings level, but if the company slowly returns to a path of earnings growth, we think it is worth staying on board at this turning point. We raise our target price to EUR 17.5 (was EUR 16.5) and reiterate our Accumulate recommendation.

## Q1 development mainly exceeded our expectations

Enento's Q1 revenue grew by 1% to 37.7 MEUR, which exceeded our estimate expecting stable revenue. By business area, the development trends were largely in line with our expectations, with Consumer Insight's revenue still falling slightly (-1.5%) and Business Insight growing (2.9%). Growth in the latter is supported by, e.g., new product launches, and the company mentioned that growth in compliance services has been strong. By country, the company grew everywhere except in Sweden, and in Finland, it grew by as much as 5%. Enento's adjusted EBIT was largely at the level of the comparison period (EUR 9.5 MEUR vs. Q1'24: 9.4 MEUR), which was better than our and consensus expectations. The company has thus been quite successful in its operational efficiency improvements, although, e.g., material procurement costs still cause headwind to profitability. Non-recurring items, on the other hand, were higher than we predicted (should decrease in H2 as IT infrastructure projects end), and financing costs were up due to non-cash flow impacting FX losses. The reported EPS was EUR 0.09, which was below our forecast of EUR 0.13.

## Regulatory changes have no longer weakened the outlook

As expected, Enento reiterated its guidance for revenue of 150-156 MEUR and adjusted EBITDA of 50-55 MEUR. There was no greater drama in the outlook. The company has not seen any significant changes in the market in Sweden due to the regulation to prevent over-indebtedness that came into force at the beginning of March. We feel this is positive, as the risks of a continued market meltdown do not appear to be materializing, at least in the current situation. Stabilization has also been detected in the outlook for consumer credit information services in general, although no major recovery is in sight. The outlook for business information services is better, as numerous product areas are growing (e.g. compliance and real estate information services). The uncertainty in the economy caused by the trade war naturally increases the risks related to how the macro situation develops, but so far, the company has not seen this concretely affecting the behavior of its customers.

## We remain on board with the stock as the business stabilizes

Enento's adjusted EV/EBIT multiples for 2025-2026 are 13x-12x and the corresponding P/E multiples are 18x-14x. This year's multiples are not yet particularly attractive, but EPS is still depressed by significant non-recurring items in the first half of the year (not adjusted in the P/E ratio in our current model), and these should decrease towards the end of the year. In our opinion, Enento's Q1 report showed that the clear downward trend in revenue (and earnings) has now reversed. As the company returns to an earnings growth path, we believe it is worth staying on board despite the rather tight short-term valuation. The risk, of course, is that the uncertain economic environment caused by the trade war will prolong the recession in Finland and Sweden, which could make a turnaround difficult. However, we still find the risk/reward ratio interesting with the current valuation.

## Recommendation

**Accumulate**

(was Accumulate)

## Target price:

**EUR 17.50**

(was EUR 16.50)

## Share price:

EUR 16.40

## Business risk



## Valuation risk



	2024	2025e	2026e	2027e
Revenue	150.4	153.0	158.3	164.5
growth-%	-4%	2%	4%	4%
EBIT adj.	39.6	40.9	43.5	47.1
EBIT-% adj.	26.4 %	26.7 %	27.5 %	28.7 %
Net Income	12.2	16.5	22.2	26.4
EPS (adj.)	0.78	0.93	1.18	1.35
P/E (adj.)	22.3	17.6	13.9	12.1
P/B	1.6	1.5	1.5	1.5
Dividend yield-%	5.7 %	6.1 %	6.1 %	6.4 %
EV/EBIT (adj.)	14.8	13.1	12.2	11.1
EV/EBITDA	12.6	11.1	10.1	9.1
EV/S	3.9	3.5	3.3	3.2

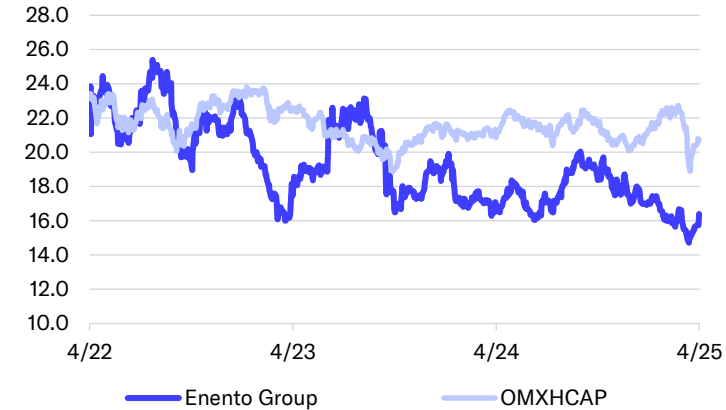
Source: Inderes

## Guidance

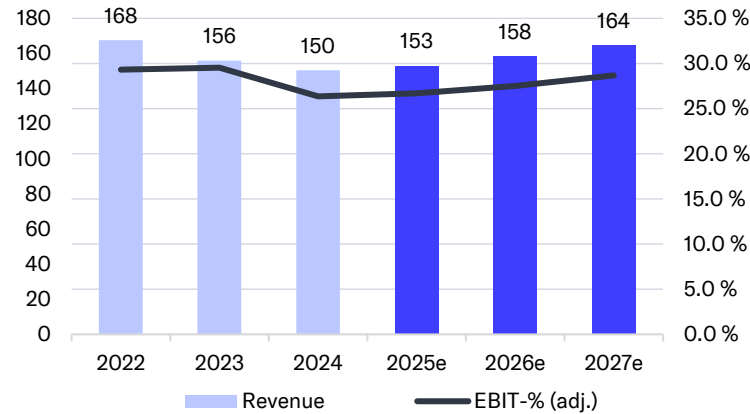
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Enento estimates that 2025 revenue will be around 150-156 MEUR and adjusted EBITDA around 50-55 MEUR.

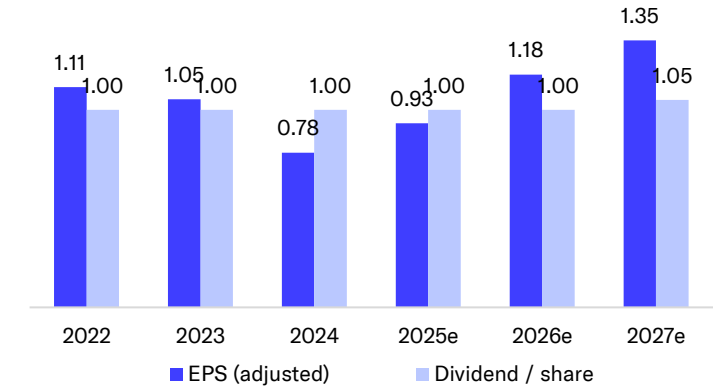
## Share price



## Revenue and EBIT-% (adj.)



## EPS and dividend



## Value drivers

- Stable growth and strong profitability
- Stable cash flow enables investments for growth
- Well-known and respected brands in the Nordic countries
- Income streams include counter-cyclical elements, which increase defensiveness
- Potential longer-term efficiency gains from building the new technology platform
- M&A option (potential buyer and target)

## Risk factors

- In the short term, the growth outlook is weak in a challenging market environment
- Dependence on the Nordic banking sector
- Failure in building a unified technology platform
- Regulatory changes can lead to changes in the operating environment

Valuation	2025e	2026e	2027e
Share price	16.4	16.4	16.4
Number of shares, millions	23.7	23.7	23.7
Market cap	388	388	388
EV	534	529	522
P/E (adj.)	17.6	13.9	12.1
P/E	23.5	17.5	14.7
P/B	1.5	1.5	1.5
P/S	2.5	2.5	2.4
EV/Sales	3.5	3.3	3.2
EV/EBITDA	11.1	10.1	9.1
EV/EBIT (adj.)	13.1	12.2	11.1
Payout ratio (%)	143.1 %	106.8 %	94.0 %
Dividend yield-%	6.1 %	6.1 %	6.4 %

Source: Inderes

# Cautiously encouraging development

## Revenue returned to growth

Enento’s revenue grew by 1% to 37.7 MEUR, which slightly exceeded our forecast expecting stable revenue. This was the first quarter in over two years in which the company's revenue grew, which was a significant milestone for Enento. The impact of exchange rates on growth in Q1 was very marginal, and the reported revenue gives a good picture of the development. By country, all countries, except Sweden, grew. In Finland, the company achieved almost 5% growth, which we find quite encouraging. By business area, the development was largely in line with our expectations, and both areas marginally exceeded our forecasts.

Consumer Insight’s revenue was still declining and fell by 1.5% from the comparison period to 14.8 MEUR. The decline in consumer credit information services in both Sweden and Finland was still the underlying reason. In Sweden, the development of the loan brokerage segment was still

weak, but in other areas, such as mortgages and other customer verticals, the company saw good growth in line with the Q4 trend. Business Insight's revenue grew by 2.9% to 22.8 MEUR. According to the company, compliance services in particular had a strong quarter.

## Adjusted earnings figures exceeded forecasts

Enento's adjusted Q1 EBIT was 9.5 MEUR in Q1 (Q4'24: 9.4 MEUR) exceeding our forecast of 8.8 MEUR. Also, the adjusted EBITDA (12.4 MEUR) exceeded our forecast largely in the same proportion. Profitability was pressured by, e.g., price increases in material procurement costs. At the same time, profitability was supported by moderate revenue growth and efficiency measures taken by the company. In the end, adjusted earnings figures remained largely at the level of the comparison period.

Non-recurring expenses were still slightly higher than our expectations (2.3 MEUR), which meant that the reported

EBIT (5.2 MEUR) was slightly below our and more clearly below consensus estimates. Non-recurring items of this magnitude should genuinely be non-recurring and should decrease after the completion of the IT infrastructure projects (from H2'25 onwards). Thus, we believe the Q1 performance in terms of operating profitability was encouraging.

In addition to higher-than-expected non-recurring items, financing costs in the lower lines of the income statement were higher than expected, resulting in reported EPS of EUR 0.09, falling relatively clearly short of our forecast of EUR 0.13. However, high financial items were explained by non-cash flow impacting FX losses, and the interest expenses on the company's loans have continued to decrease as interest rates have fallen.

Estimates	Q1'24	Q1'25	Q1'25e	Q1'25e	Consensus	Difference (%)	2025e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low High	Act. vs. Inderes	Inderes
Revenue	37.3	37.7	37.2	37.3	---	1%	153
Käyttökate (oik.)	12.4	12.4	11.8	11.8	---	6%	51.9
EBIT (adj.)	9.4	9.5	8.8	8.4	---	8%	40.9
EBIT	5.2	5.2	5.4	5.8	---	-4%	27.5
EPS (reported)	0.13	0.09	0.13	0.12	---	-30%	0.70
Revenue growth-%	-6.8 %	1.1 %	-0.2 %	0.1 %	-	1.3 pp	1.7 %
EBIT-% (adj.)	25.1 %	25.1 %	23.6 %	22.5 %	-	1.5 pp	26.7 %

Source: Inderes & Enento (6 analysts) (consensus)

## Enento Q1'25: Rowing through a heavy market





# Regulatory changes have not caused significant headwinds

## Guidance was reiterated and no major changes in outlook despite regulatory changes

As expected, Enento reiterated its guidance, and the company expects 2025 revenue to be 150-156 MEUR and adjusted EBITDA to be 50-55 MEUR. We believe the guidance looks very realistic after the Q1 result, and our forecasts are quite close to the midpoint of the guidance ranges.

The company has not yet seen any significant impacts in the Swedish market from the regulation that came into force in March. We find this positive, as larger negative scenarios are not materializing, at least not yet. However, the company was cautious in its comments, as the changes are still very recent and the full effects may not yet have been seen. However, the company also estimates that consumers will be more cautious about taking out unsecured loans despite the fall in interest rates, as the loan terms are less favorable (e.g. the abolition of the tax deduction of interest rates). In addition to the regulation that has already entered into force, the company claims the still uncertain banking license regulation is already visible,

e.g. in the growth activities and outlook of loan brokers in Sweden.

In general, the biggest downturn in the market (especially in consumer credit information services in Sweden) seems to be over, as indicated by revenue returning to moderate growth. However, a greater recovery of the company is not yet in sight.

## Updates to development projects

Enento's IT infrastructure server migration in Finland is already in the home stretch, and in Sweden, the transition is also progressing as planned towards completion during H1'25. With the completion of these projects, the company's non-recurring items should also decrease after Q2'25.

The renewal of the Swedish premium business is still in the planning phase, but the company's goal is to move to a new sales model with a larger share of own customers, new sales channels, and distributors. The business model will also change toward a subscription-based model. In the short term, the change may have negative effects on

revenue, but in the longer term, it should support profitability.

## Our 2025 forecasts are in line with the guidance

With the report, we only made minor positive forecast revisions. We expect Enento's revenue for 2025 to grow by just under 2% to 153 MEUR and adjusted EBIT to be 53.4 MEUR. By business area, we expect fairly stable growth of just under 3% from Business Insight over the year. We still expect Consumer Insight to contract in Q2 and turn to slight growth from Q3'25 onwards, mainly due to weak comparison periods.

## A new alternative performance measure

For the first time, the company reported adjusted earnings per share, which have been adjusted for the company's non-recurring expenses in addition to amortization of fair value of acquisitions (PPA). So far, we have not changed our modeling to reflect this new way. Thus, the company's non-recurring items have also been deducted from our adjusted earnings per share.

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	152	153	1%	157	158	1%	163	164	1%
EBITDA	47.6	48.2	1%	51.9	52.3	1%	56.7	57.1	1%
EBIT (exc. NRIs)	39.9	40.9	2%	42.8	43.5	2%	46.5	47.1	1%
EBIT	28.0	27.5	-2%	32.6	33.3	2%	37.5	38.1	2%
PTP	22.3	21.0	-6%	27.6	28.1	2%	32.5	32.9	1%
EPS (excl. NRIs)	0.96	0.93	-3%	1.16	1.18	1%	1.32	1.35	2%
DPS	1.00	1.00	0%	1.00	1.00	0%	1.05	1.05	0%

Source: Inderes

# Valuation

## Valuation multiples are not particularly attractive

Given the stable and mature nature of Enento's business, we opt for earnings-based adjusted EV/EBIT and P/E multiples for valuation. The usefulness of the EV/EBIT multiple is supported by the fact that it considers Enento's significant net debt. The P/E ratio is also worth looking at, as it considers the bottom lines of the income statement. It is good to note that adjusted EBIT excludes the company's one-off items in addition to PPA (adjusted P/E does not and is more useful in that sense).

We forecast Enento's adjusted P/E ratios for 2025-2026 to be 18x-14x and the corresponding adjusted EV/EBIT ratios to be 13x-12x. We do not find this year's multiples particularly attractive, but next year's P/E ratio is already moderate. A dividend yield of around 6% clearly supports the expected return. However, regarding the dividend, it is worth noting that to be on a sustainable basis, the level requires a moderate earnings recovery.

## DCF model supports valuation

We also rely on the DCF model, which in the big picture is still very useful due to Enento's highly predictable cash flows. Our DCF model indicates a share value of EUR 17.9. Thus, the model indicates a moderate upside. The cost of equity in our model is set at 9.3% and WACC at 8.4%, which we believe is a reasonable level in the current interest rate environment.

## The risk/reward ratio is interesting on the verge of a turnaround

The last few years have been challenging for Enento, with a clear downward trend in earnings. The public perception of the company's defensive business model has been tested. However, in our view, the Q1 report showed that the clear downward trend in revenue (and earnings) has now reversed. As the company returns to an earnings growth path, we feel it is worth staying on board despite the rather tight short-term valuation, as the valuation quickly becomes more attractive with fairly moderate growth. The risk is, of course, that the uncertain economic environment caused by the trade war will prolong the recession in Finland and Sweden, and in this case, the turn could prove difficult. Also, regulatory changes in Sweden still pose risks, although no major impacts have yet been seen from these. We still consider the risk/reward ratio interesting with the current valuation.

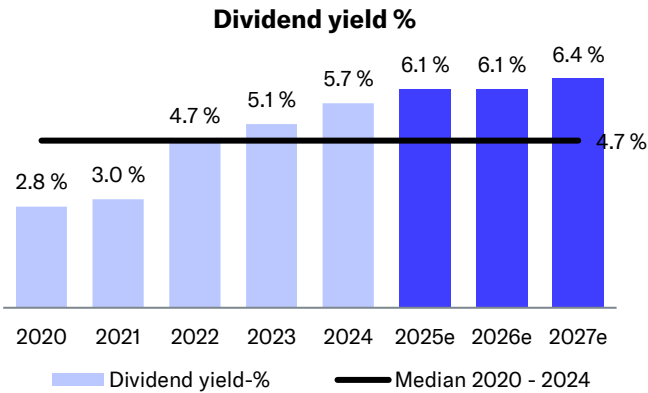
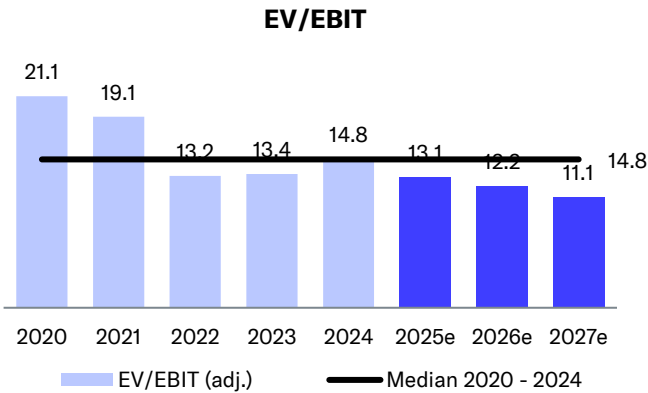
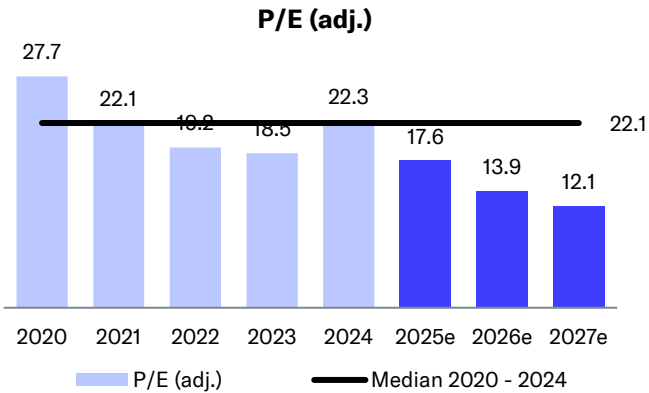
Valuation	2025e	2026e	2027e
Share price	16.4	16.4	16.4
Number of shares, millions	23.7	23.7	23.7
Market cap	388	388	388
EV	534	529	522
P/E (adj.)	17.6	13.9	12.1
P/E	23.5	17.5	14.7
P/B	1.5	1.5	1.5
P/S	2.5	2.5	2.4
EV/Sales	3.5	3.3	3.2
EV/EBITDA	11.1	10.1	9.1
EV/EBIT (adj.)	13.1	12.2	11.1
Payout ratio (%)	143.1 %	106.8 %	94.0 %
Dividend yield-%	6.1 %	6.1 %	6.4 %

Source: Inderes

# Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	33.6	33.0	21.4	19.5	17.5	16.4	16.4	16.4	16.4
Number of shares, millions	24.0	24.0	24.0	23.8	23.7	23.7	23.7	23.7	23.7
Market cap	807	793	514	464	414	388	388	388	388
EV	950	935	646	615	587	534	529	522	514
P/E (adj.)	27.7	22.1	19.2	18.5	22.3	17.6	13.9	12.1	11.2
P/E	41.5	30.7	29.6	26.4	34.0	23.5	17.5	14.7	13.2
P/B	2.6	2.5	1.7	1.6	1.6	1.5	1.5	1.5	1.5
P/S	5.3	4.9	3.1	3.0	2.8	2.5	2.5	2.4	2.3
EV/Sales	6.3	5.7	3.9	3.9	3.9	3.5	3.3	3.2	3.0
EV/EBITDA	19.3	16.1	11.6	12.1	12.6	11.1	10.1	9.1	8.6
EV/EBIT (adj.)	21.1	19.1	13.2	13.4	14.8	13.1	12.2	11.1	10.6
Payout ratio (%)	117.3 %	92.9 %	138.5 %	135.5 %	194.8 %	143.1 %	106.8 %	94.0 %	88.7 %
Dividend yield-%	2.8 %	3.0 %	4.7 %	5.1 %	5.7 %	6.1 %	6.1 %	6.4 %	6.7 %

Source: Inderes



# Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e
Dun & Bradstreet	3609	6550	9.3	9.3	7.9	7.7	3.1	3.0	9.0	8.8	2.2	2.3	1.2
Fair Isaac Corp	41932	43900	58.5	47.1	55.0	45.9	29.1	25.2	82.2	67.4			
Equifax Inc	28019	32333	28.4	27.1	19.9	18.8	6.4	6.1	35.3	33.9	0.7	0.7	6.2
Experian Plc	38972	43291	26.0	24.2	20.1	18.5	7.0	6.6	33.3	30.8	1.2	1.3	9.8
TransUnion	14087	18113	28.3	22.3	13.7	13.0	4.9	4.7	21.0	20.1	0.5	0.6	3.7
Moody's Corp	69407	73585	27.3	25.2	24.5	22.7	11.9	11.2	35.8	32.0	0.8	0.9	20.5
Intrum AB	354	4977	12.0	11.7	7.8	8.7	3.1	3.1	35.2	4.8			0.3
Credit Corp Group Ltd	476	680	10.1	7.1	8.9	5.4	2.5	2.2	12.0	9.0	4.1	5.7	1.1
Kruk S.A.	1764	3264	10.0	8.7	7.6	8.4	4.7	4.5	6.7	6.6	4.6	4.8	1.6
Alma Media	903	1029	13.4	14.0	11.3	11.4	3.3	3.4	16.2	16.9	4.2	4.0	3.8
F-Secure	312	479	10.1	10.1	9.2	8.9	3.3	3.1	10.9	10.8	2.2	2.7	5.1
Enento Group (Inderes)	388	534	13.1	12.2	11.1	10.1	3.5	3.3	17.6	13.9	6.1	6.1	1.5
Average			21.2	18.8	16.9	15.4	7.2	6.6	27.0	21.9	2.3	2.5	5.3
Median			13.4	14.0	11.3	11.4	4.7	4.5	21.0	16.9	2.2	2.3	3.7
Diff-% to median			-2 %	-13 %	-2 %	-11 %	-25 %	-25 %	-16 %	-18 %	180 %	171 %	-60 %

Source: Refinitiv / Inderes



# Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	156	37.3	38.5	36.8	37.8	150.4	37.7	38.9	37.6	38.9	153.0	158	164	171
Business Insight	88.6	22.2	23.0	21.5	22.8	89.5	22.8	23.7	22.0	23.5	92.0	95.2	98.9	103
Consumer Insight	67.3	15.1	15.4	15.4	15.0	60.9	14.8	15.2	15.5	15.4	61.0	63.1	65.6	67.9
Adj. EBITDA	57.1	12.4	14.1	13.8	11.7	52.0	12.4	15.0	13.6	12.3	53.4	55.3	59.1	61.0
Depreciation	-20.6	-5.1	-5.3	-5.0	-6.4	-21.9	-5.2	-5.2	-5.2	-5.2	-20.7	-19.1	-19.0	-19.2
EBIT (excl. NRI)	46.0	9.4	10.9	10.9	8.4	39.6	9.5	11.8	10.4	9.1	40.9	43.5	47.1	48.5
EBIT	30.4	5.2	7.8	7.2	4.3	24.6	5.2	8.0	7.8	6.5	27.5	33.3	38.1	40.8
Share of profits in assoc. compan.	-0.8	-0.2	-0.1	-0.1	-1.7	-2.1	-0.2	0.0	0.0	0.0	-0.2	-0.2	-0.2	-0.2
Net financial items	-7.4	-1.2	-2.1	-2.0	-1.5	-6.7	-2.2	-1.4	-1.4	-1.3	-6.3	-5.0	-5.0	-4.0
PTP	22.2	3.9	5.6	5.1	1.1	15.8	2.8	6.6	6.4	5.2	21.0	28.1	32.9	36.5
Taxes	-4.7	-0.8	-1.3	-0.9	-0.6	-3.6	-0.6	-1.4	-1.4	-1.1	-4.5	-5.9	-6.5	-7.2
Net earnings	17.6	3.1	4.4	4.2	0.5	12.2	2.2	5.2	5.0	4.1	16.5	22.2	26.4	29.4
EPS (adj.)	1.05	0.20	0.26	0.24	0.09	0.78	0.16	0.27	0.27	0.23	0.93	1.18	1.35	1.47
EPS (rep.)	0.74	0.13	0.19	0.18	0.02	0.51	0.09	0.22	0.21	0.17	0.70	0.94	1.12	1.24

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	-6.9 %	-6.8 %	-3.0 %	-1.3 %	-2.9 %	-3.5 %	1.1 %	1.1 %	1.9 %	2.8 %	1.7 %	3.5 %	3.9 %	3.8 %
Adjusted EBIT growth-%	-6.3 %	-21.7 %	-7.5 %	-7.1 %	-19.9 %	-13.9 %	1.0 %	8.0 %	-4.5 %	8.8 %	3.1 %	6.6 %	8.3 %	2.8 %
EBITDA-%	32.7 %	27.7 %	34.2 %	33.2 %	28.4 %	30.9 %	27.6 %	34.0 %	34.5 %	30.0 %	31.5 %	33.1 %	34.7 %	35.1 %
Adjusted EBITDA-%	36.6 %	33.3 %	36.7 %	37.5 %	30.9 %	34.6 %	33.0 %	38.6 %	36.3 %	31.8 %	34.9 %	34.9 %	36.0 %	35.7 %
Adjusted EBIT-%	29.5 %	25.1 %	28.4 %	29.7 %	22.2 %	26.4 %	25.1 %	30.4 %	27.8 %	23.5 %	26.7 %	27.5 %	28.7 %	28.4 %
Net earnings-%	11.3 %	8.2 %	11.4 %	11.3 %	1.4 %	8.1 %	5.7 %	13.5 %	13.4 %	10.5 %	10.8 %	14.0 %	16.1 %	17.2 %

Source: Inderes

# Balance sheet

Assets	2023	2024	2025e	2026e	2027e
<b>Non-current assets</b>	<b>443</b>	<b>423</b>	<b>415</b>	<b>410</b>	<b>406</b>
Goodwill	341	336	336	336	336
Intangible assets	88.7	78.5	70.8	65.8	61.9
Tangible assets	10.5	7.5	7.4	7.3	7.1
Associated companies	3.2	1.0	1.0	1.0	1.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.1	0.1	0.0	0.0	0.0
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
<b>Current assets</b>	<b>47.0</b>	<b>36.9</b>	<b>38.7</b>	<b>41.3</b>	<b>44.6</b>
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	29.7	25.6	26.5	27.1	28.1
Cash and equivalents	17.4	11.3	12.2	14.2	16.4
<b>Balance sheet total</b>	<b>490</b>	<b>460</b>	<b>454</b>	<b>451</b>	<b>450</b>

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
<b>Equity</b>	<b>283</b>	<b>263</b>	<b>256</b>	<b>255</b>	<b>257</b>
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	55.8	44.4	37.2	35.7	38.5
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	227	219	219	219	219
Minorities	0.0	0.0	0.0	0.0	0.0
<b>Non-current liabilities</b>	<b>170</b>	<b>164</b>	<b>165</b>	<b>164</b>	<b>159</b>
Deferred tax liabilities	15.6	12.9	12.9	12.9	12.9
Provisions	0.4	0.6	0.0	0.0	0.0
Interest bearing debt	154	151	152	151	146
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>37.0</b>	<b>32.1</b>	<b>32.2</b>	<b>32.4</b>	<b>34.4</b>
Interest bearing debt	2.6	4.7	3.1	1.5	1.5
Payables	34.4	27.4	29.1	30.9	32.9
Other current liabilities	0.0	0.0	0.0	0.0	0.0
<b>Balance sheet total</b>	<b>490</b>	<b>460</b>	<b>454</b>	<b>451</b>	<b>450</b>

# DCF-calculation

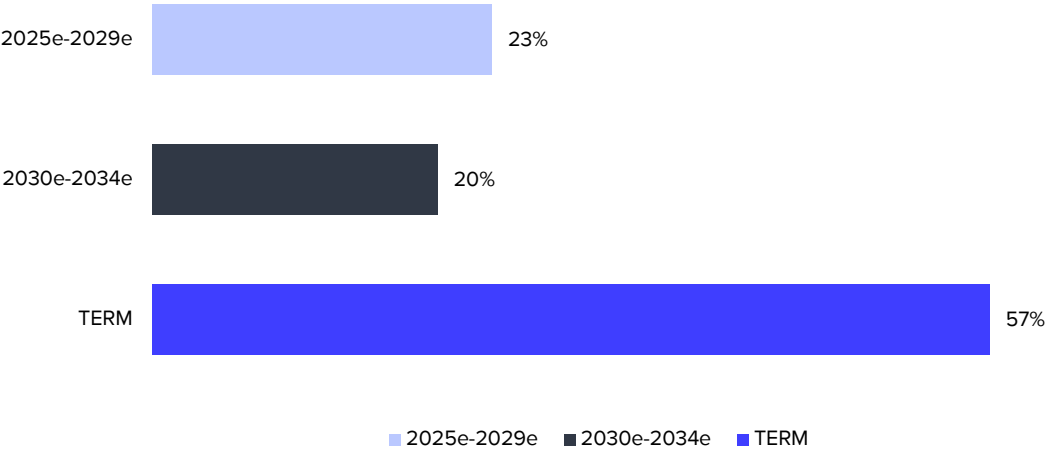
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-3.5 %	1.7 %	3.5 %	3.9 %	3.8 %	3.8 %	3.7 %	3.7 %	3.5 %	3.5 %	2.2 %	2.2 %
EBIT-%	16.3 %	18.0 %	21.0 %	23.2 %	23.9 %	24.5 %	25.8 %	26.7 %	27.0 %	26.5 %	26.5 %	26.5 %
<b>EBIT (operating profit)</b>	<b>24.6</b>	<b>27.5</b>	<b>33.3</b>	<b>38.1</b>	<b>40.8</b>	<b>43.4</b>	<b>47.4</b>	<b>50.9</b>	<b>53.3</b>	<b>54.1</b>	<b>55.3</b>	
+ Depreciation	21.9	20.7	19.1	19.0	19.2	19.3	19.0	17.9	17.3	17.2	17.1	
- Paid taxes	-6.3	-4.5	-5.9	-6.5	-7.2	-7.7	-8.5	-9.1	-9.6	-9.8	-10.2	
- Tax, financial expenses	-1.4	-1.3	-1.0	-1.0	-0.8	-0.8	-0.8	-0.8	-0.8	-0.8	-0.6	
+ 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	-2.9	0.7	1.2	1.0	0.4	0.2	0.2	0.2	0.2	0.2	0.1	
<b>Operating cash flow</b>	<b>35.9</b>	<b>43.1</b>	<b>46.6</b>	<b>50.7</b>	<b>52.4</b>	<b>54.4</b>	<b>57.4</b>	<b>59.1</b>	<b>60.4</b>	<b>60.9</b>	<b>61.7</b>	
+ Change in other long-term liabilities	0.3	-0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-3.5	-12.8	-13.9	-15.0	-16.5	-16.8	-17.0	-17.0	-17.0	-17.0	-17.1	
<b>Free operating cash flow</b>	<b>32.7</b>	<b>29.7</b>	<b>32.7</b>	<b>35.7</b>	<b>35.9</b>	<b>37.6</b>	<b>40.4</b>	<b>42.1</b>	<b>43.4</b>	<b>43.9</b>	<b>44.6</b>	
+/- Other	-3.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	28.9	29.7	32.7	35.7	35.9	37.6	40.4	42.1	43.4	43.9	44.6	740
<b>Discounted FCFF</b>		<b>28.2</b>	<b>28.6</b>	<b>28.8</b>	<b>26.7</b>	<b>25.8</b>	<b>25.6</b>	<b>24.6</b>	<b>23.4</b>	<b>21.9</b>	<b>20.5</b>	<b>340</b>
Sum of FCFF present value		594	566	538	509	482	456	431	406	383	361	340
<b>Enterprise value DCF</b>		<b>594</b>										
- Interest bearing debt		-155.5										
+ Cash and cash equivalents		11.3										
-Minorities		0.0										
-Dividend/capital return		-23.7										
<b>Equity value DCF</b>		<b>424</b>										
<b>Equity value DCF per share</b>		<b>17.9</b>										

## WACC

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	18.0 %
Cost of debt	5.0 %
Equity Beta	1.12
Market risk premium	4.75%
Liquidity premium	1.50%
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>9.3 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>8.4 %</b>

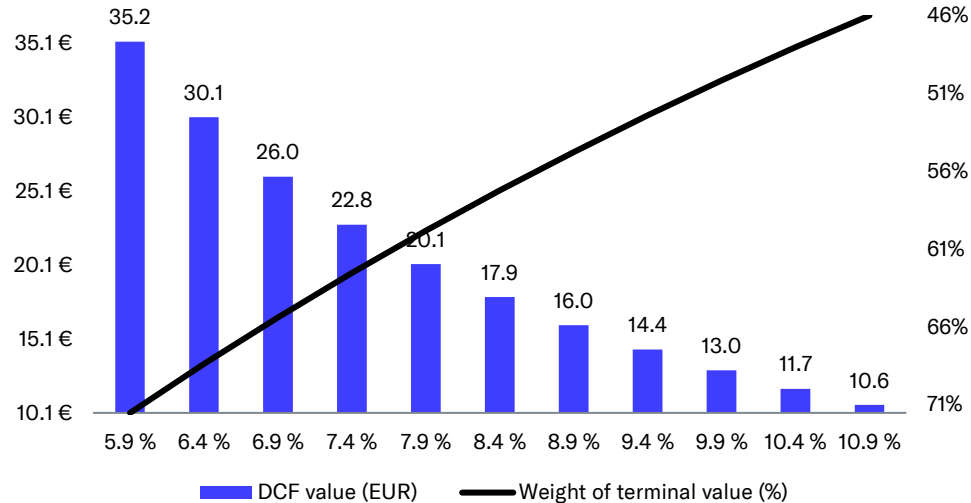
Source: Inderes

Cash flow distribution

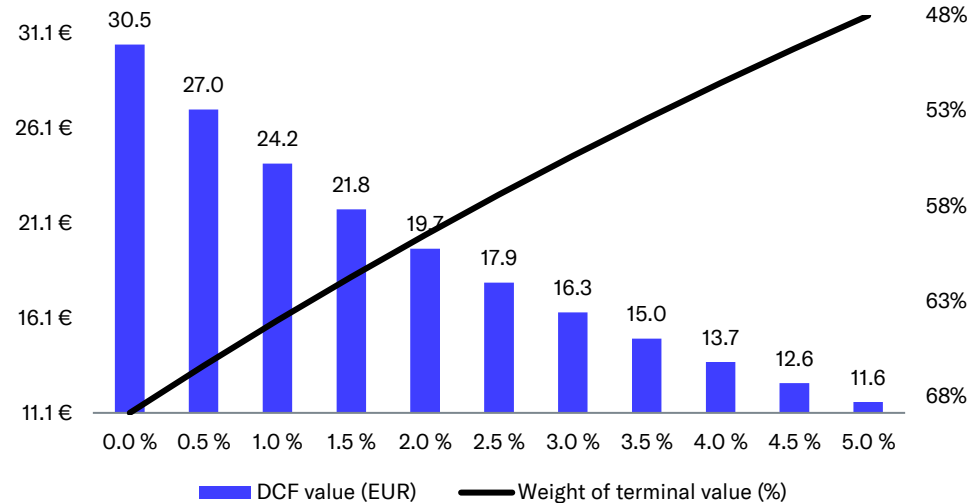


# DCF sensitivity calculations and key assumptions in graphs

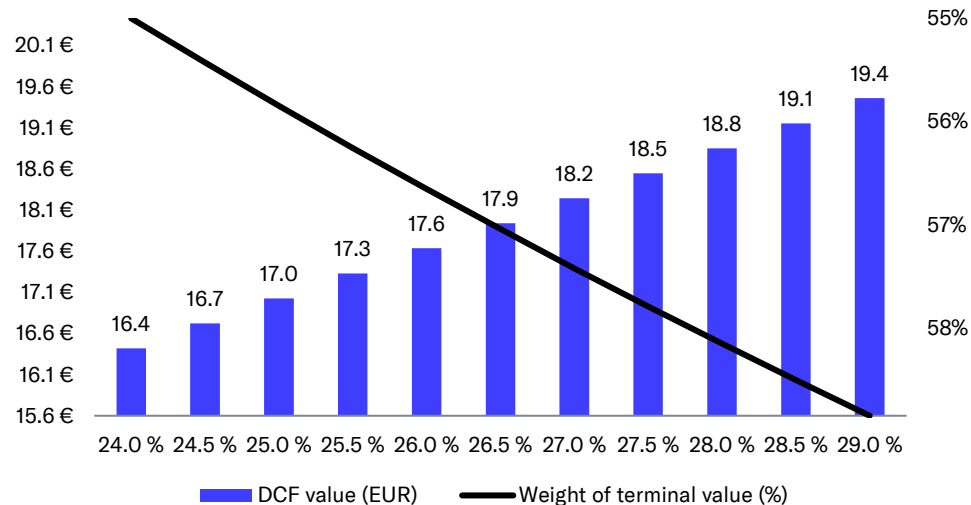
Sensitivity of DCF to changes in the WACC-%



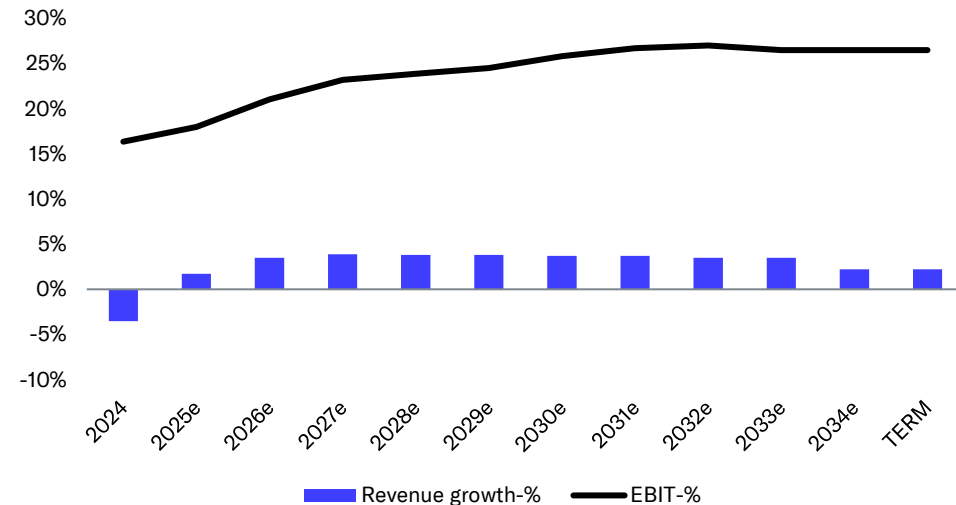
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



# Summary

Income statement	2023	2024	2025e	2026e	2027e	Per share data	2023	2024	2025e	2026e	2027e
Revenue	155.9	150.4	153.0	158.3	164.5	EPS (reported)	0.74	0.51	0.70	0.94	1.12
EBITDA	51.1	46.4	48.2	52.3	57.1	EPS (adj.)	1.05	0.78	0.93	1.18	1.35
EBIT	30.4	24.6	27.5	33.3	38.1	OCF / share	1.82	1.52	1.82	1.97	2.14
PTP	22.2	15.8	21.0	28.1	32.9	FCF / share	0.95	1.22	1.26	1.38	1.51
Net Income	17.6	12.2	16.5	22.2	26.4	Book value / share	11.89	11.12	10.82	10.75	10.87
Extraordinary items	-15.6	-4.2	-3.1	-3.7	-4.1	Dividend / share	1.00	1.00	1.00	1.00	1.05
Balance sheet	2023	2024	2025e	2026e	2027e	Growth and profitability	2023	2024	2025e	2026e	2027e
Balance sheet total	490.3	459.6	453.5	451.0	450.2	Revenue growth-%	-7%	-4%	2%	4%	4%
Equity capital	282.9	263.2	256.1	254.6	257.3	EBITDA growth-%	-8%	-9%	4%	9%	9%
Goodwill	340.9	335.6	335.6	335.6	335.6	EBIT (adj.) growth-%	-6%	-14%	3%	7%	8%
Net debt	139.7	144.2	143.3	138.4	130.6	EPS (adj.) growth-%	-6%	-26%	19%	27%	15%
Cash flow	2023	2024	2025e	2026e	2027e	EBITDA-%	32.7 %	30.9 %	31.5 %	33.1 %	34.7 %
EBITDA	51.1	46.4	48.2	52.3	57.1	EBIT (adj.)-%	29.5 %	26.4 %	26.7 %	27.5 %	28.7 %
Change in working capital	0.7	-2.9	0.7	1.2	1.0	EBIT-%	19.5 %	16.3 %	18.0 %	21.0 %	23.2 %
Operating cash flow	43.2	35.9	43.1	46.6	50.7	ROE-%	6.1 %	4.5 %	6.4 %	8.7 %	10.3 %
CAPEX	-15.9	-3.5	-12.8	-13.9	-15.0	ROI-%	6.7 %	5.2 %	6.6 %	8.1 %	9.3 %
Free cash flow	22.5	28.9	34.7	32.7	35.7	Equity ratio	58.9 %	58.6 %	56.5 %	56.4 %	57.2 %
Valuation multiples	2023	2024	2025e	2026e	2027e	Gearing	49.4 %	54.8 %	55.9 %	54.4 %	50.8 %
EV/S	3.9	3.9	3.5	3.3	3.2						
EV/EBITDA	12.1	12.6	11.1	10.1	9.1						
EV/EBIT (adj.)	13.4	14.8	13.1	12.2	11.1						
P/E (adj.)	18.5	22.3	17.6	13.9	12.1						
P/B	1.7	1.6	1.6	1.5	1.5						
Dividend-%	5.1 %	5.7 %	6.1 %	6.1 %	6.4 %						

Source: Inderes

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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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Date	Recommendation	Target	Share price
9/1/2023	Accumulate	24.50 €	23.15 €
10/11/2023	Lisää	21.00 €	18.22 €
10/30/2023	Buy	21.00 €	16.50 €
2/6/2024	Accumulate	21.00 €	19.34 €
2/12/2024	Accumulate	20.00 €	18.26 €
4/24/2024	Accumulate	19.00 €	16.82 €
7/17/2024	Accumulate	19.00 €	17.10 €
10/16/2024	Reduce	19.00 €	19.10 €
10/30/2024	Reduce	19.00 €	18.72 €
12/9/2024	Accumulate	19.00 €	17.52 €
2/17/2025	Reduce	17.00 €	16.60 €
4/15/2025	Accumulate	16.50 €	15.40 €
4/28/2025	Accumulate	17.50 €	16.40 €





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