

TAALERI

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This is a translated version of "Koko konserni lähes
Garantian hintalapulla" report, published on 4/7/2025



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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Whole group almost at the price of Garantia

We reiterate our target price of EUR 9.0 for Taaleri and raise our recommendation to Buy (was Accumulate) following the sharp fall in the share price. Taaleri's valuation level has fallen exceptionally low, and the entire group can now be acquired for almost the price of Garantia. Although there is great uncertainty about the realization of value in the parts, the current huge markdown relative to the sum-of-the-parts offers an exceptionally large margin of safety.

Estimates updated to reflect new reporting structure

We have changed our estimates to reflect Taaleri's updated reporting structure published on Friday. The most important change in reporting is that Investments will be its own segment going forward. We think the change is excellent as it clarifies the group structure. Another clear change is that going forward, group overheads will be reported in the Other segment and will no longer be allocated to the operating segments. In addition, there have been many minor technical changes in the reporting, but these are not materially important to investors.

As for our operating estimates, we have reduced the amount of future bioindustry investments. This also has a direct impact on earnings, as we have modeled bioindustry investments simply by multiplying the book value of the investments by Taaleri's cost of capital. In addition, we have revised Garantia's investment income downward for Q1. Overall, our earnings estimates for the next few years have decreased by 7-9%, but the big picture in terms of estimates remains unchanged.

The fall CMD should provide a roadmap for unlocking value

Taaleri is currently updating its strategy, and the results are expected to be announced at the Capital Markets Day in the fall. The company undeniably has significant value in its parts, and our conservative sum-of-the-parts calculation gives a value of EUR 10 per share. Taaleri has three very different and separate businesses (Private Asset Management, Investments

and Garantia), and we believe that keeping them under one roof is questionable. In our view, in addition to the general market decline, the company's conglomerate structure and uncertainty about the strategy's bioindustry investments (aiming to invest at least 100 MEUR in these by the end of 2026) explain the current drastic undervaluation relative to the share price.

In our view, the company's updated strategy should focus on outlining a roadmap for unbundling the value. In practice, this would mean spinning off some part of the company, as it is difficult to see the value of the parts being fully realized with the current structure. Also, changes in capital allocation and a commitment to a more aggressive return of capital through profit distribution (dividend/share buybacks) would serve as a route to unlock the value of the parts. In our opinion, already in the current situation, the company should consider share buybacks as a tool for unlocking value, given the huge markdown relative to the SOTP.

The stock is exceptionally cheap

The current market capitalization of roughly 180 MEUR is very close to our estimate of Garantia's market cap of 170 MEUR. In practice, investors are getting the Renewable Energy operations almost for free (we estimate the value at 85 MEUR), a 90 MEUR investment portfolio (including cash and already recognized performance fees from old wind funds) and a net present value of -67 MEUR for group overheads. In our view, the current share price already offers an exceptionally large margin of safety, and if the company were to commit to unlocking value in its strategy, the expected return would be excellent. If the strategy were to continue on its current path, the expected return should still be at least reasonable through a high dividend and the dismantling of the most blatant sum-of-the-parts markdown. Due to the exceptionally beaten-down valuation, the stock's risk/reward ratio is exceptionally good.

Recommendation

Buy
(was Accumulate)

Target price:

EUR 9.00
(was EUR 9.00)

Share price:

EUR 6.40

Business risk



Valuation risk



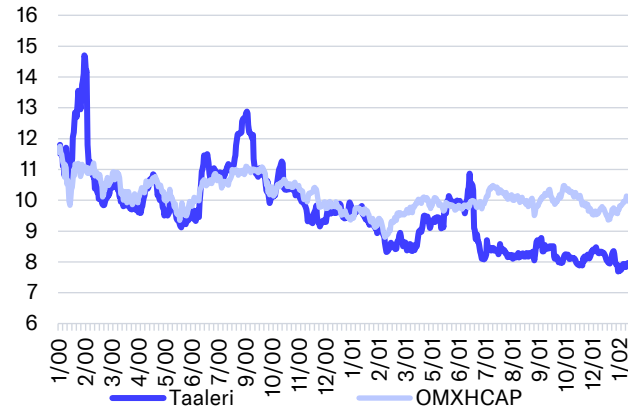
	2024	2025e	2026e	2027e
Revenue	72.6	64.1	66.4	72.5
growth-%	11%	-12%	4%	9%
EBIT adj.	38.1	29.4	30.3	33.8
EBIT-% adj.	52.4 %	45.8 %	45.6 %	46.6 %
Net Income	28.0	19.6	22.5	25.0
EPS (adj.)	0.99	0.69	0.79	0.87
P/E (adj.)	8.1	9.3	8.1	7.4
P/B	1.1	0.8	0.8	0.8
Dividend yield-%	6.2 %	6.5 %	7.4 %	8.3 %
EV/EBIT (adj.)	6.0	5.2	4.9	4.7
EV/EBITDA	5.8	5.0	4.9	4.7
EV/S	3.1	2.4	2.2	2.2

Source: Inderes

Guidance

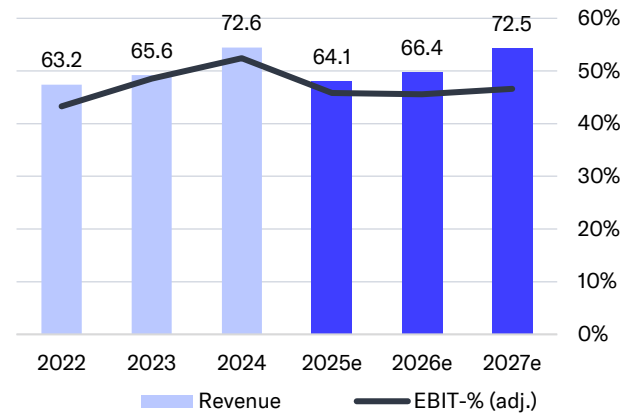
No guidance

Stock price 2022-2025



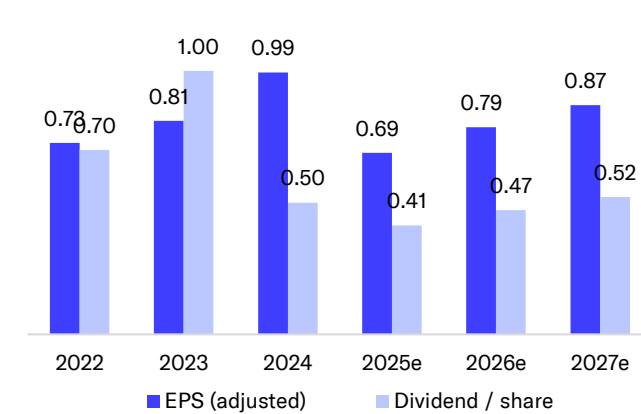
Source: Millstream Market Data AB

Revenue and EBIT %



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Scaling of Energy
- Ramping up Other private equity funds
- Garantia's profitable growth
- Balance sheet bioindustry investments
- M&A transactions
- Performance fees for funds

Risk factors

- Success in fund investments
- Success of bioindustry investments
- Success of ramping up Other private equity funds
- Scalability of costs and improving cost-efficiency
- Garantia's guarantee risks

Valuation	2025e	2026e	2027e
Share price	6.40	6.40	6.40
Number of shares, millions	28.4	28.6	28.8
Market cap	182	182	182
EV	151	149	159
P/E (adj.)	9.3	8.1	7.4
P/E	9.3	8.1	7.4
P/B	0.8	0.8	0.8
P/S	2.8	2.7	2.5
EV/Sales	2.4	2.2	2.2
EV/EBITDA	5.0	4.9	4.7
EV/EBIT (adj.)	5.2	4.9	4.7
Payout ratio (%)	60.0 %	60.0 %	60.0 %
Dividend yield-%	6.5 %	7.4 %	8.3 %

Source: Inderes

Estimate revisions

We would like to note that the estimates revisions are mainly due to changes in the reporting structure. Operative estimate cuts are mainly due to the postponement of the schedule for biotechnology investments and the decrease in the amount of investments made in them.

In the coming years, the stable development of Taaleri's operating businesses is, in our forecasts, supported by non-recurring income (capital gains and investments). We expect the profitability of private equity funds to gradually improve along with the growth in AUM, but the timing and

amount of non-recurring fees will sway annual earnings somewhat. We expect Garantia to return to stable growth as the housing market gradually recovers from 2026 onwards. Bioindustry investments are a significant variable in the company's investment case, but the schedule (and realization) of these are still question marks. Overall, we expect Taaleri to deliver stable earnings development in the coming years, with operating profit (EBIT) in the range of 30-40 MEUR (the result will fluctuate with non-recurring income).

The dividend stream is reasonable in the next few years, with the main focus of capital allocation on own balance sheet investments.

Estimate revisions	2025	2025	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	63.3	64.1	1%	65.4	66.4	2%	72.1	72.5	0%
Private Asset Management	41.2	38.4	-7%	43.0	38.3	-11%	48.9	40.0	-18%
Garantia	19.6	17.5	-10%	20.1	20.0	0%	21.0	20.9	0%
Other	2.5	1.5	-39%	2.3	1.5	-35%	2.2	1.5	-32%
Investments (since 2024)	0.0	6.6		0.0	6.6		0.0	10.0	
EBIT	31.7	29.4	-7%	32.3	30.3	-6%	36.7	33.8	-8%
Private Asset Management	16.4	13.5	-18%	17.1	12.3	-28%	21.1	12.1	-43%
Garantia	18.6	16.5	-11%	19.0	18.9	0%	19.8	19.7	0%
Other	-3.3	-6.6	-99%	-3.8	-6.9	-81%	-4.2	-7.2	-71%
Investments (since 2024)	0.0	5.9		0.0	6.0		0.0	9.2	
Profit before tax	31.3	29.0	-8%	32.0	30.0	-6%	36.4	33.5	-8%
EPS (adjusted)	0.75	0.69	-9%	0.84	0.79	-7%	0.95	0.87	-9%
DPS	0.45	0.41	-9%	0.51	0.47	-7%	0.57	0.52	-9%

Source: Inderes

Valuation beaten to a pulp

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 serves as the best valuation method. However, we note that based on the latest strategy update, the value of the sum of the parts cannot be assumed to be unwound through various arrangements but must be derived from the cash flows of the businesses. Our estimate of Taaleri's SOTP value is unchanged at around 288 MEUR, or around EUR 10 per share.

Share price under the SOTP value

In our calculations, the current value of Taaleri consists of Garantia (170 MEUR, based on DDM), Renewable Energy (85 MEUR, based on peer calculation), balance sheet investment assets (70 MEUR, including performance fee receivables from old wind funds and investment tax liabilities), net cash (19 MEUR) and group expenses (-67 MEUR). The value contribution of Other private asset management is marginal (12 MEUR), as the business remains loss-making in our forecasts and profitability requires considerable success in new sales. In our view, our SOTP calculation is quite conservative and even with very small changes, the value could be EUR 1-2/share higher. In our opinion, it is clear that the company's parts have significant value, and the share is grossly below this after the recent price decline.

The share is also very cheap in absolute terms (2024 P/E 8x, 2025e P/E 9x, EV/EBIT ~6x) and this supports our view of cheap pricing. The P/B ratio has also fallen well below 1x the level, which is difficult to consider to be justified.

The key question (and challenge) is the timeframe for realizing the potential. Under the current strategy, the value in the parts cannot be expected to be released through

restructuring (e.g., a spin-off) or profit distribution, and therefore the value must eventually be reflected in the income statement (i.e., the result). The timelines for own-balance-sheet investments in the bioindustry are long, and the potential is not likely to be realized until the end of the decade. Therefore, it is likely to be a long time before the potential is realized, and until we see concrete signs of this, we think it is understandable that the market is pricing the company below the sum of its parts.

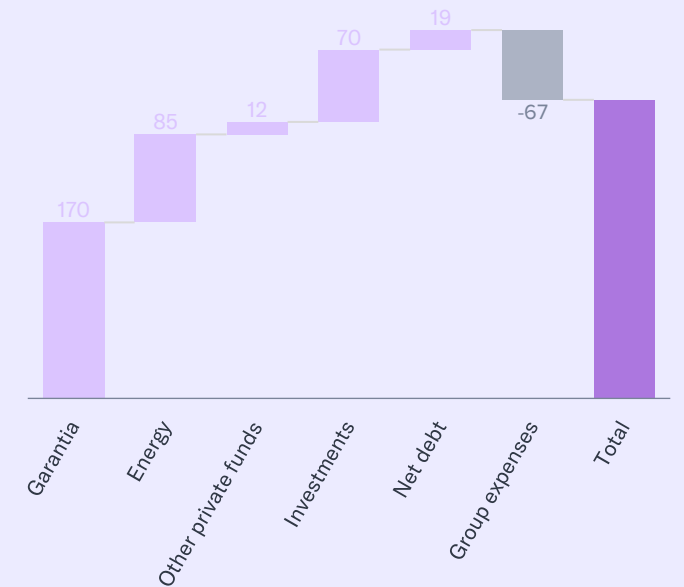
Capital allocation is decisive

The company's current investment story increasingly boils down to the management's ability to successfully allocate balance sheet investments. We remind investors that Taaleri's track record of capital allocation is actually very good. The key successes we like to highlight are Finsilva, Garantia and Ficolo. The company's return on capital figures are at an excellent level, both in the long term (previous 10 years 24%) and in the short term (previous 5 years 24%).

In the bioindustry, the company has accumulated significant expertise, but in our view, the market environment has deteriorated significantly from what it was a couple of years ago. The company has also progressed with its biotechnology investments clearly slower than previously stated, and the 100 MEUR investments by the end of 2026 seem unrealistic. We consider it very likely that the company will make changes to its biotechnology investment strategy at its fall CMD. If this were the case, the question would remain as to the use of excess capital, as the company still has plenty of excess cash and is also generating good earnings in the coming years.

Valuation	2025e	2026e	2027e
Share price	6.40	6.40	6.40
Number of shares, millions	28.4	28.6	28.8
Market cap	182	182	182
EV	151	149	159
P/E (adj.)	9.3	8.1	7.4
P/E	9.3	8.1	7.4
P/B	0.8	0.8	0.8
P/S	2.8	2.7	2.5
EV/Sales	2.4	2.2	2.2
EV/EBITDA	5.0	4.9	4.7
EV/EBIT (adj.)	5.2	4.9	4.7
Payout ratio (%)	60.0 %	60.0 %	60.0 %
Dividend yield-%	6.5 %	7.4 %	8.3 %

Source: Inderes



Why should the value now emerge?

As we stated on the previous page, we find it difficult to see the value inherent in Taaleri's parts being fully realized under the current structure. For example, Garantia, the most valuable part of the group, remains completely on the sidelines in the company's investor story, while the focus is on private equity funds. For the value to be fully realized under the current structure, the following would need to happen: improved earnings predictability, significant clarification of the strategy, confidence in bioindustry investments, and better visibility into the use of the balance sheet. We consider this unlikely, and thus materializing the value would require structural measures.

So why do we now believe that the value could be unlocked, for example, within the next two years?

To begin with, it is worth noting that the company itself has all the tools to unlock the value inherent in its parts. In our view, the probability of this has gradually increased due to the weak share price performance.

The company has all the tools to unlock value

The most logical catalyst for materializing value would be for the company itself to decide to unlock the value inherent in its parts. This would be relatively easy to implement, for example, through a spin-off or some other major arrangement.

Another option for the company to unlock value through its own actions would be a change in its capital allocation strategy. If, for example, the company announced that it would start distributing its entire financial year's earnings as dividends and/or otherwise gave a clear indication of unwinding the balance sheet's overcapitalization through profit distribution, the markdown relative to the SOTP would quickly decrease as value is gradually unlocked

through profit distribution.

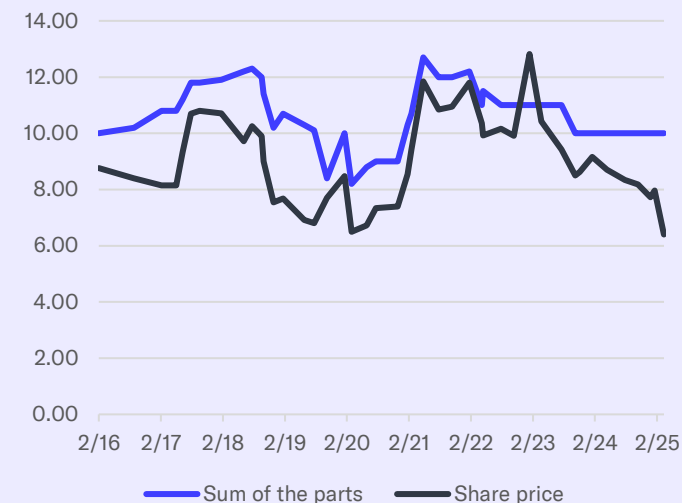
Value can also be unlocked through other avenues

We also note that a catalyst for value unlocking could also come from outside the company. In practice, this would mean that someone would make a sufficiently attractive offer for Energy or Garantia. We consider this unlikely for Garantia, but we see Energy as a very attractive acquisition target. We believe that Energy is attracting broad interest among companies in the sector, both in Finland and abroad.

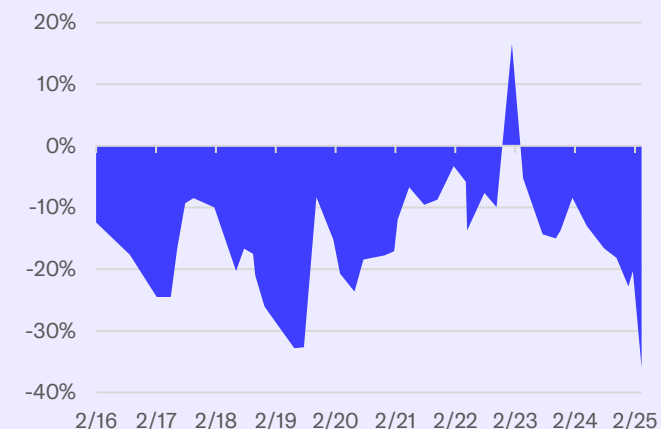
We also note that the release of value through the implementation of the current strategy is also possible. At the core of this would be successful exits from Fintoil and Biocoal (building a track record) as well as subsequent investments in the sector. In addition, the release of capital from other investments would also help unlock value. However, even in the best-case scenario, this scenario would probably take years, and in this scenario, there would be a clear risk that the value of the parts would not be fully reflected due to the conglomerate structure.

Overall, we assign a probability of more than 50% to the company's parts unlocking their value within the next two years. In this scenario, the annual return offered by the share would be excellent. As for the company's own actions, all eyes are on the fall CMD, where the company should provide a clear roadmap for unlocking value. If the company's message at the CMD is that it will continue with a slightly refined current strategy, the probability of value unlocking would decrease. Even in this scenario, however, we consider it realistic that the current historically large undervaluation relative to the sum-of-the-parts would close at least partially. Furthermore, even in this scenario, the stock's expected return would be moderate.

Share price and SOTP (Inderes estimate)



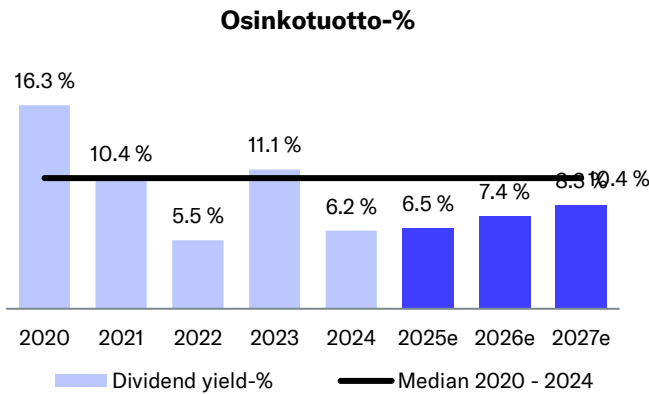
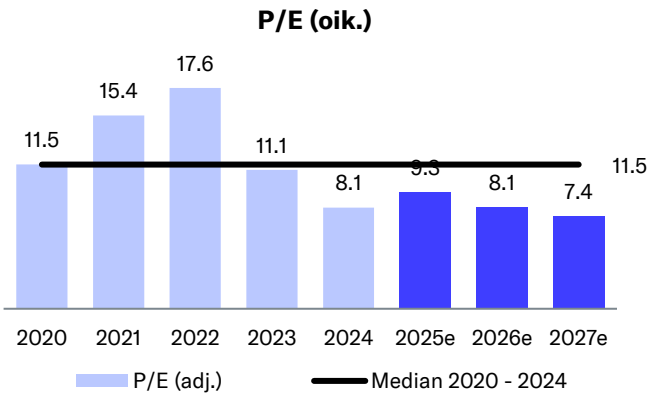
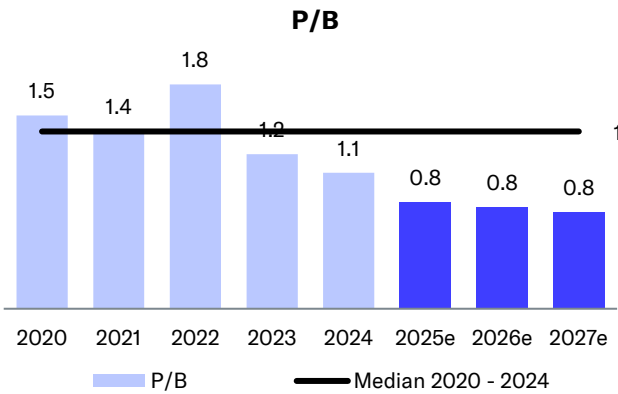
Discount/premium in relation to the SOTP value



Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	8.12	11.5	12.8	8.99	8.03	6.40	6.40	6.40	6.40
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	182	182	182	182
EV	289	308	331	234	227	151	149	159	146
P/E (adj.)	11.5	15.4	17.6	11.1	8.1	9.3	8.1	7.4	6.7
P/E	11.5	2.4	17.6	11.1	8.1	9.3	8.1	7.4	6.7
P/B	1.5	1.4	1.8	1.2	1.1	0.8	0.8	0.8	0.7
P/S	2.7	4.7	5.7	3.9	3.1	2.8	2.7	2.5	2.4
EV/Sales	3.3	4.4	5.2	3.6	3.1	2.4	2.2	2.2	1.9
EV/EBITDA	10.7	2.1	11.6	7.2	5.8	5.0	4.9	4.7	3.9
EV/EBIT (adj.)	11.8	10.7	12.1	7.3	6.0	5.2	4.9	4.7	3.9
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 %	6.5 %	7.4 %	8.3 %	9.2 %

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
Aktia	662								7.4	7.7	9.2	9.5	0.9
Alexandria	93	88	7.2	6.4	6.1	5.5	1.7	1.6	10.0	9.1	9.6	10.0	2.7
CapMan	297	266	7.8	6.7	7.5	6.5	4.0	3.7	12.1	11.0	9.0	9.6	1.5
Evli	446	447	10.4	9.2	9.5	8.5	4.1	3.9	13.9	12.3	7.2	7.4	2.9
eQ	418	382	10.7	8.4	10.4	8.2	5.7	4.7	14.8	11.9	7.1	8.7	5.3
Titanium	69	57	8.2	9.1	7.5	8.2	2.8	2.8	12.7	13.8	8.2	7.6	4.4
United Bankers	181	165	10.6	8.3	9.2	7.5	3.0	2.7	15.8	12.4	7.0	7.3	2.9
Taaleri (Inderes)	182	151	5.2	4.9	5.0	4.9	2.4	2.2	9.3	8.1	6.5	7.4	0.8
Average			9.1	8.0	8.3	7.4	3.6	3.2	12.4	11.2	8.2	8.6	2.9
Median			9.3	8.4	8.3	7.8	3.5	3.2	12.7	11.9	8.2	8.7	2.9
Diff-% to median			-45%	-41%	-40%	-38%	-33%	-30%	-27%	-32%	-21%	-15%	-71%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	65.6	17.2	12.6	22.2	20.7	72.6	11.4	21.6	13.5	17.6	64.1	66.4	72.5	76.8
Private equity funds	42.3	6.5	6.8	6.6	9.5	29.4	7.5	15.8	7.6	7.6	38.4	38.3	40.0	43.5
Garantia	17.9	8.7	4.7	6.8	5.3	25.5	2.9	4.8	4.9	4.9	17.5	20.0	20.9	21.8
Others	6.1	0.9	0.6	0.3	0.2	2.0	0.4	0.4	0.4	0.4	1.5	1.5	1.5	1.5
EBITDA	32.4	9.8	4.6	14.9	9.6	39.0	3.2	12.9	6.0	8.1	30.2	30.6	34.1	37.8
Depreciation	-0.5	-0.2	-0.2	-0.2	-0.2	-0.9	-0.2	-0.2	-0.2	-0.2	-0.8	-0.3	-0.3	-0.3
EBIT (excl. NRI)	31.9	9.6	4.4	14.7	9.4	38.1	3.0	12.7	5.8	7.9	29.4	30.3	33.8	37.4
EBIT	31.9	9.6	4.4	14.7	9.4	38.1	3.0	12.7	5.8	7.9	29.4	30.3	33.8	37.4
Private equity funds	14.9	1.1	1.2	2.1	3.1	7.4	1.4	9.4	2.2	0.6	13.5	12.3	12.1	15.3
Garantia	16.5	8.5	4.7	6.3	4.8	24.3	2.6	4.6	4.7	4.7	16.5	18.9	19.7	20.5
Others	0.5	-0.9	-1.1	-1.5	-2.1	-5.7	-1.5	-1.7	-1.6	-1.9	-6.6	-6.9	-7.2	-7.5
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	2.9	12.6	5.7	7.8	29.0	30.0	33.5	37.1
Taxes	-4.2	-1.9	-0.8	-1.4	-0.7	-4.7	-0.6	-2.7	-1.2	-1.6	-6.1	-6.0	-6.7	-7.4
Minority interest	-3.6	-0.1	-0.3	-2.2	-1.8	-4.4	-0.3	-1.0	-1.0	-1.0	-3.3	-1.5	-1.7	-1.8
Net earnings	22.9	7.4	3.1	11.0	6.6	28.0	2.0	9.0	3.5	5.1	19.6	22.5	25.0	27.9
EPS (adj.)	0.81	0.26	0.11	0.39	0.23	0.99	0.07	0.32	0.12	0.18	0.69	0.79	0.87	0.96
EPS (rep.)	0.81	0.26	0.11	0.39	0.23	0.99	0.07	0.32	0.12	0.18	0.69	0.79	0.87	0.96

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	3.8 %	69.1 %	-46.9 %	64.7 %	13.4 %	10.6 %	-33.5 %	71.1 %	-39.1 %	-15.1 %	-11.7 %	3.6 %	9.1 %	6.0 %
Adjusted EBIT growth-%	16.5 %	515.7 %	-75.2 %	156.3 %	36.3 %	19.4 %	-68.7 %	190.5 %	-60.9 %	-16.2 %	-22.9 %	3.1 %	11.6 %	10.8 %
EBITDA-%	49.3 %	57.3 %	36.2 %	67.5 %	46.5 %	53.6 %	28.0 %	59.8 %	44.1 %	45.9 %	47.0 %	46.0 %	47.0 %	49.2 %
Adjusted EBIT-%	48.6 %	55.9 %	34.7 %	66.4 %	45.4 %	52.4 %	26.3 %	58.9 %	42.6 %	44.8 %	45.8 %	45.6 %	46.6 %	48.7 %
Net earnings-%	35.0 %	43.0 %	24.4 %	49.4 %	32.0 %	38.6 %	17.4 %	41.6 %	25.7 %	29.2 %	30.5 %	33.9 %	34.6 %	36.3 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	221	224	222	234	256
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	1.4	1.5	1.7
Associated companies	51.6	55.4	53.6	66.0	88.0
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	79.0	78.6	69.7
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	19.2	16.6	18.1
Cash and equivalents	38.3	19.6	50.4	52.7	42.3
Balance sheet total	308	292	301	313	326

Source: Inderes

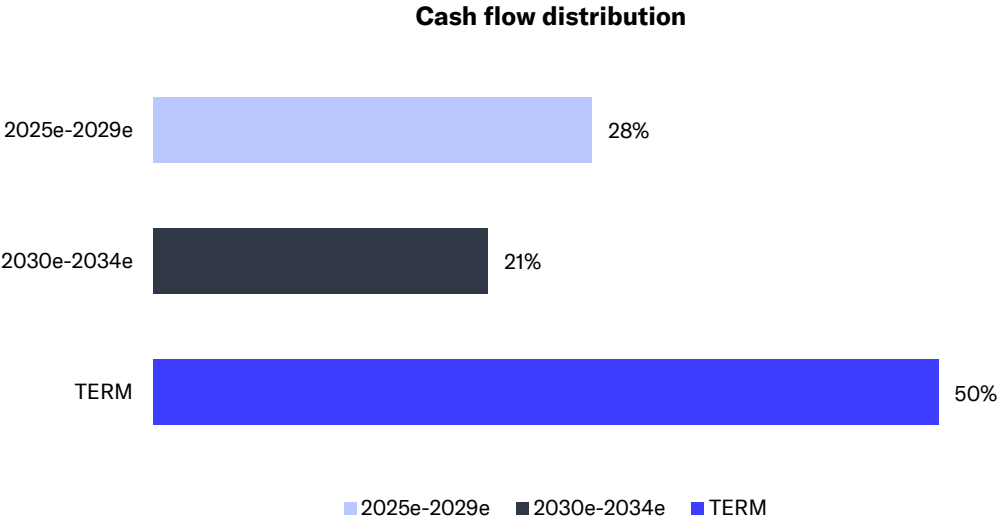
Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	209	215	224	236	250
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	187	190	195	206	218
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	18.8	18.8	18.8	18.8	18.8
Other equity	0.0	0.0	0.0	0.0	0.0
Minorities	2.5	6.6	9.9	11.4	13.1
Non-current 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	301	313	326

DCF-calculation

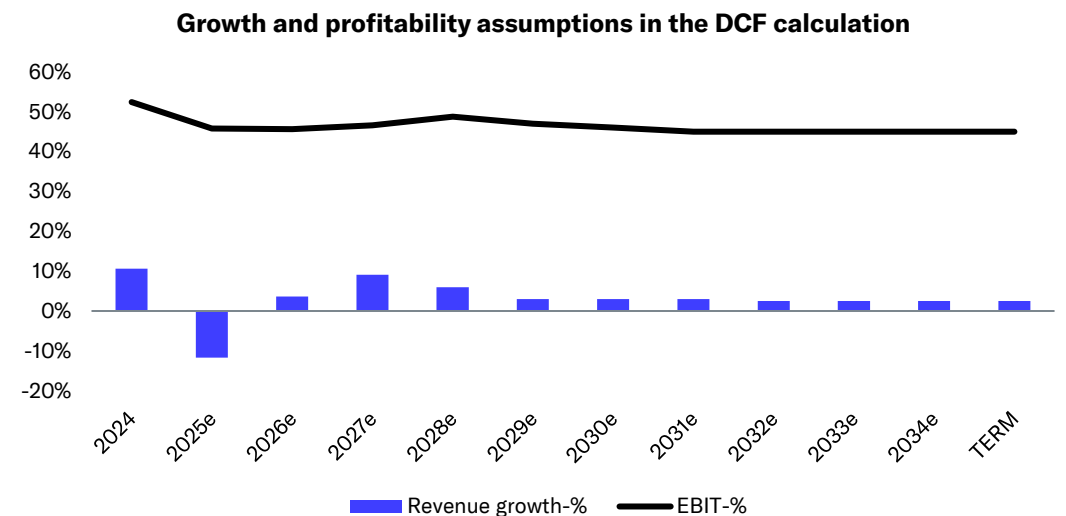
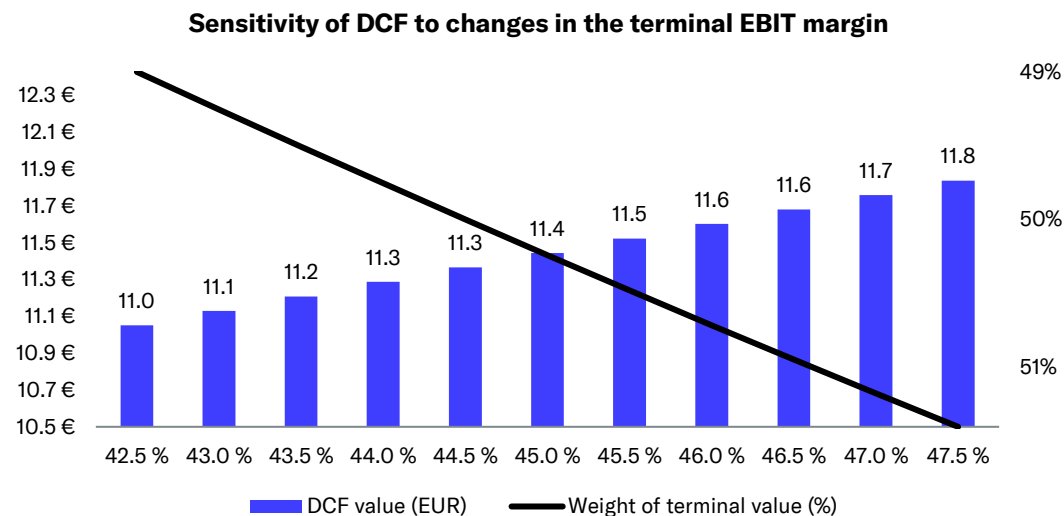
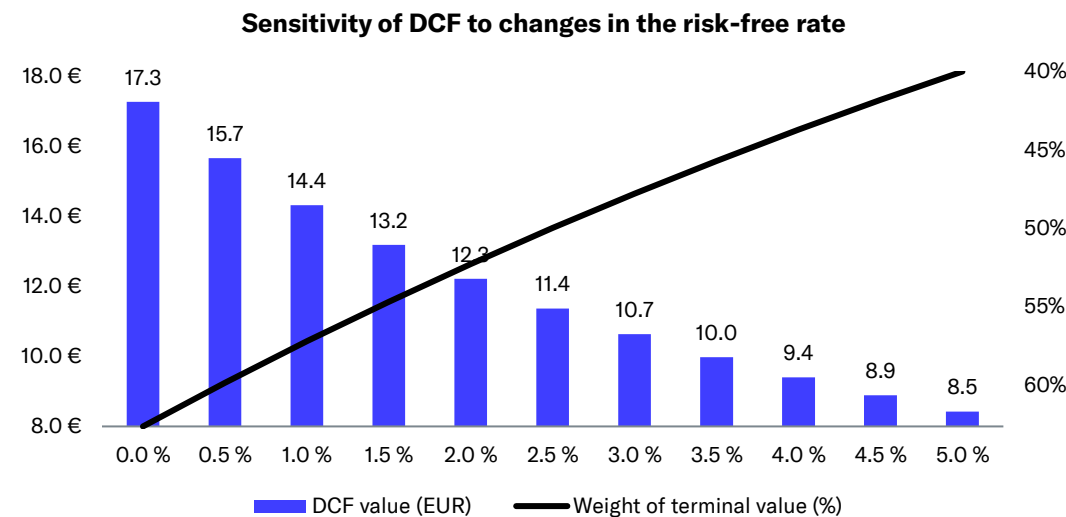
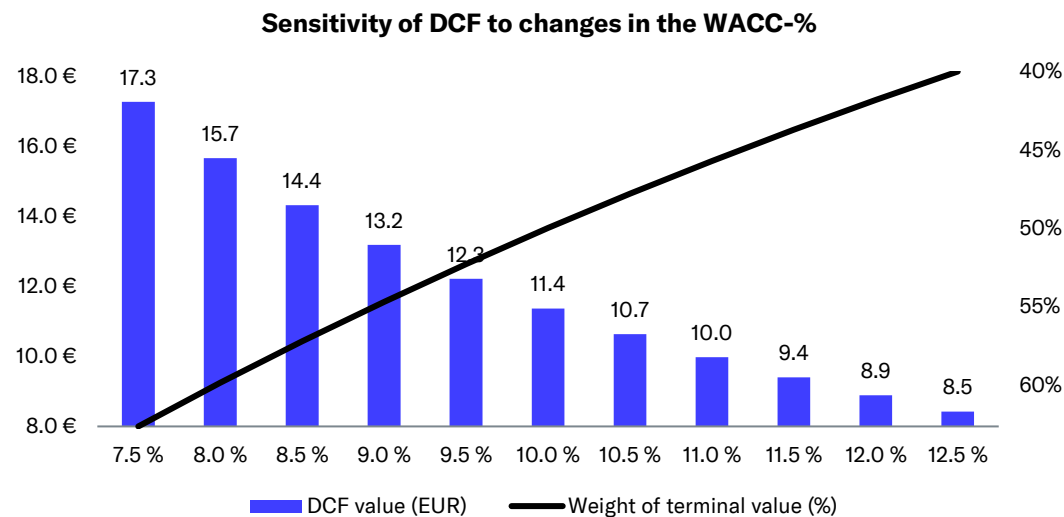
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	10.6 %	-11.7 %	3.6 %	9.1 %	6.0 %	3.0 %	3.0 %	3.0 %	2.5 %	2.5 %	2.5 %	2.5 %
EBIT-%	52.4 %	45.8 %	45.6 %	46.6 %	48.7 %	47.0 %	46.0 %	45.0 %	45.0 %	45.0 %	45.0 %	45.0 %
EBIT (operating profit)	38.1	29.4	30.3	33.8	37.4	37.2	37.5	37.8	38.7	39.7	40.7	
+ Depreciation	0.9	0.8	0.3	0.3	0.3	0.4	0.4	0.5	0.5	0.5	0.6	
- Paid taxes	-11.4	-6.1	-6.0	-6.7	-7.4	-7.4	-7.4	-7.5	-7.7	-7.9	-8.1	
- 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	19.8	2.6	-1.5	-1.1	-0.6	-0.6	-0.6	-0.5	-0.5	-0.6	
Operating cash flow	27.3	43.7	27.1	25.8	29.2	29.5	29.8	30.0	30.9	31.7	32.6	
+ 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	43.4	26.7	25.3	28.7	29.0	29.2	29.4	30.2	31.0	31.8	
+/- Other	-3.8	1.8	-12.4	-22.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	22.7	45.2	14.3	3.3	28.7	29.0	29.2	29.4	30.2	31.0	31.8	432
Discounted FCFF		42.2	12.1	2.6	20.1	18.4	16.9	15.4	14.4	13.4	12.5	171
Sum of FCFF present value		339	296	284	282	262	243	226	211	196	183	171
Enterprise value DCF		339										
- Interest bearing debt		0.0										
+ Cash and cash equivalents		19.6										
-Minorities		-20.0										
-Dividend/capital return		-14.1										
Equity value DCF		324										
Equity value DCF per share		11.4										

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



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	64.1	66.4	EPS (reported)	0.73	0.81	0.99	0.69	0.79
EBITDA	28.6	32.4	39.0	30.2	30.6	EPS (adj.)	0.73	0.81	0.99	0.69	0.79
EBIT	27.4	31.9	38.1	29.4	30.3	OCF / share	0.58	0.06	0.97	1.54	0.95
PTP	26.4	30.7	37.1	29.0	30.0	FCF / share	2.04	0.22	0.81	1.59	0.50
Net Income	20.6	22.9	28.0	19.6	22.5	Book value / share	7.16	7.28	7.40	7.54	7.87
Extraordinary items	0.0	0.0	0.0	0.0	0.0	Dividend / share	0.70	1.00	0.50	0.41	0.47
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	300.8	307.9	291.9	300.6	312.9	Revenue growth-%	-9%	4%	11%	-12%	4%
Equity capital	202.7	208.7	215.3	224.1	236.3	EBITDA growth-%	-80%	13%	20%	-23%	1%
Goodwill	0.3	0.3	0.3	0.3	0.3	EBIT (adj.) growth-%	-5%	16%	19%	-23%	3%
Net debt	-31.9	-23.4	-19.6	-50.4	-52.7	EPS (adj.) growth-%	-2%	11%	23%	-31%	14%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	45.2 %	49.3 %	53.6 %	47.0 %	46.0 %
EBITDA	28.6	32.4	39.0	30.2	30.6	EBIT (adj.)-%	43.3 %	48.6 %	52.4 %	45.8 %	45.6 %
Change in working capital	-6.8	-23.5	-0.1	19.8	2.6	EBIT-%	43.3 %	48.6 %	52.4 %	45.8 %	45.6 %
Operating cash flow	16.5	1.6	27.3	43.7	27.1	ROE-%	9.5 %	11.2 %	13.5 %	9.3 %	10.2 %
CAPEX	15.0	-9.7	2.1	-0.4	-0.4	ROI-%	11.8 %	14.5 %	17.3 %	13.4 %	13.1 %
Free cash flow	57.7	6.2	22.7	45.2	14.3	Equity ratio	67.4 %	67.8 %	73.8 %	74.5 %	75.5 %
						Gearing	-15.8 %	-11.2 %	-9.1 %	-22.5 %	-22.3 %
Valuation multiples	2022	2023	2024	2025e	2026e						
EV/S	5.2	3.6	3.1	2.4	2.2						
EV/EBITDA	11.6	7.2	5.8	5.0	4.9						
EV/EBIT (adj.)	12.1	7.3	6.0	5.2	4.9						
P/E (adj.)	17.6	11.1	8.1	9.3	8.1						
P/B	1.8	1.2	1.1	0.8	0.8						
Dividend-%	5.5 %	11.1 %	6.2 %	6.5 %	7.4 %						

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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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 €



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