

ENENTO GROUP

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INDERES CORPORATE CUSTOMER COMPANY REPORT



Cautious optimism in the outlook

Enento's Q3 performance was largely in line with our expectations. Regarding the outlook, the company noted preliminary signs of improvement but also mentioned new regulatory threats in Finland as a downside. With the outlook looking slightly brighter, we believe a return to earnings growth is one step closer, which, combined with a moderate valuation, encourages us to keep a positive view of the stock. We reiterate our target price of EUR 17.0 and Accumulate recommendation.

Development quite as expected

Enento's Q3 revenue increased by 1.3% to 37.3 MEUR, in line with our forecast. As expected, growth was currency-driven, and comparable revenue remained stable. There was also expected development across business areas, with Consumer Insight remaining stable (comparable -1.4%) and Business Insight growing slightly (comparable +0.9%). Enento's adjusted EBIT in Q3 was 10.7 MEUR, which was also in line with our estimates (10.8 MEUR). The gross margin continued its negative trend (80.4% vs. Q3'24: 81.4%) due to increased data acquisition costs and the sales mix. In our assessment, the trend caused by the latter will not ease anytime soon, as the relative share of new product areas with low margins (e.g., real estate services) continues to grow. However, a recovery in consumer credit information could eventually reverse this trend and also positively impact the bottom-line development.

Guidance unchanged

Enento reiterated as expected its guidance for revenue of 150-156 MEUR and adjusted EBITDA of 50-55 MEUR. In our opinion, the guidance is achievable, though the lower end of the guidance range seems much more likely for EBITDA. We now expect revenue for 2025 to grow by 1.5% to 152.6 MEUR and adjusted EBITDA to be 51.0 MEUR. The company's outlook comments were more positive than before because there are signs of a budding recovery in the Finnish and Swedish

economies, which are the company's largest operating countries. This was encouraging to us and creates the conditions for the company to return to a clearer growth path next year. Conversely, regulatory threats have once again emerged, counterbalancing the improved outlook for the operating environment. In Finland, the government is proposing to expand the positive credit information register, which would require companies to check both positive and negative credit information on consumers. This could negatively impact Enento's positive credit information offering, though the proposal would also force new operators to check negative credit information, which, in turn, could support demand for the company's credit information services.

Valuation is moderate as the company returns to earnings growth

Our adjusted EV/EBIT ratios for 2025-2026 are slightly below 13x-12x, with corresponding P/E ratios of 17x-14x. This year's multiples are not yet particularly attractive, but EPS is still burdened by significant non-recurring items in the first half of the year (not adjusted in the P/E ratio) that are set to decline towards the end of the year. We believe next year's multiples are already moderate. However, these require the realization of the moderate earnings growth we anticipate, which would be supported by an upturn in the Finnish and Swedish economies and the stabilization of the Swedish credit information market. Once the company returns to earnings growth, we believe there is clear upside potential in the stock. There is no clear visibility on this yet, but considering the slightly improved outlook, we estimate that a return to steady earnings growth is one step closer. At current valuations, we thus feel that the risk/reward ratio is appealing in the current environment. While awaiting a clearer recovery, investors receive a solid dividend yield of over 6%. In addition to external factors, much also depends on the company's own actions and how it succeeds in commercializing and growing its new product areas.

Recommendation

Accumulate

(was Accumulate)

Target price:

EUR 17.00

(was EUR 17.00)

Share price:

EUR 15.08

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	150.4	152.6	157.4	163.3
growth-%	-4%	2%	3%	4%
EBIT adj.	39.6	39.6	41.5	45.1
EBIT-% adj.	26.4 %	26.0 %	26.4 %	27.6 %
Net Income	12.2	14.4	20.5	24.1
EPS (adj.)	0.78	0.87	1.11	1.25

P/E (adj.)	22.3	17.3	13.6	12.1
P/B	1.6	1.4	1.4	1.4
Dividend yield-%	5.7 %	6.6 %	6.6 %	7.0 %
EV/EBIT (adj.)	14.8	12.7	12.0	10.9
EV/EBITDA	12.6	11.2	9.9	9.2
EV/S	3.9	3.3	3.2	3.0

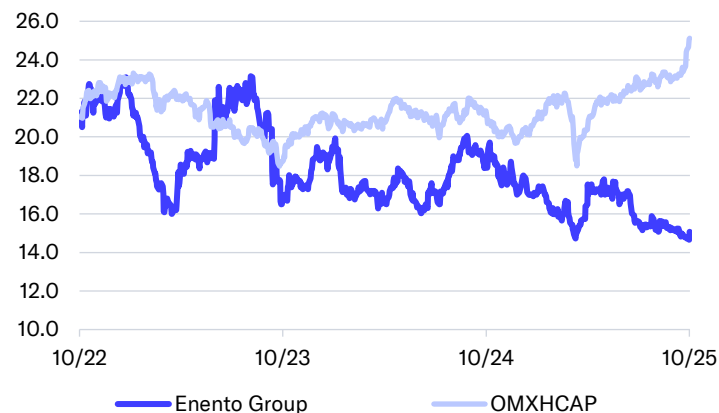
Source: Inderes

Guidance

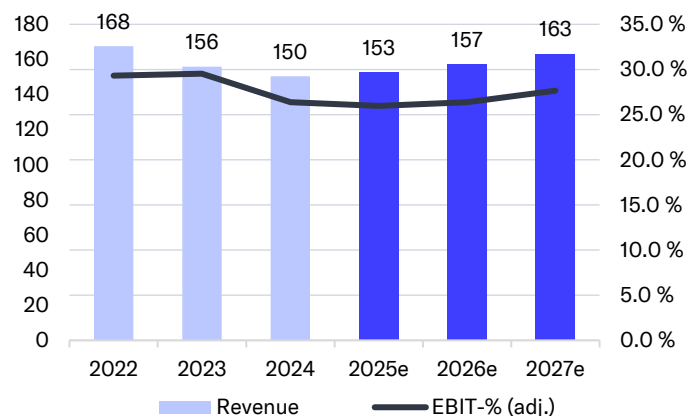
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Enento estimates that 2025 revenue will be around 150-156 MEUR and adjusted EBITDA around 50-55 MEUR.

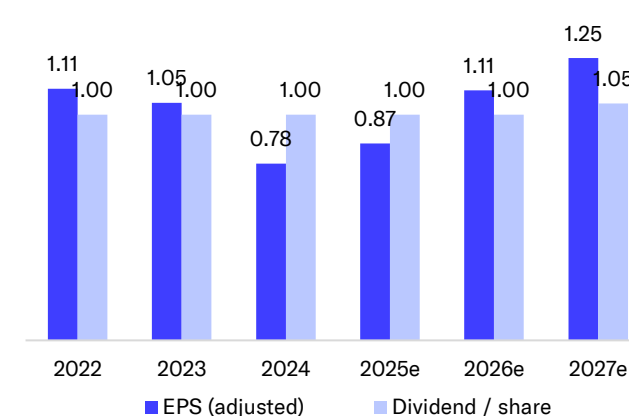
Share price



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	15.1	15.1	15.1
Number of shares, millions	23.7	23.7	23.7
Market cap	357	357	357
EV	503	497	491
P/E (adj.)	17.3	13.6	12.1
P/E	24.7	17.4	14.8
P/B	1.4	1.4	1.4
P/S	2.3	2.3	2.2
EV/Sales	3.3	3.2	3.0
EV/EBITDA	11.2	9.9	9.2
EV/EBIT (adj.)	12.7	12.0	10.9
Payout ratio (%)	163.8 %	115.5 %	103.2 %
Dividend yield-%	6.6 %	6.6 %	7.0 %

Source: Inderes

Expected development

Revenue development just in line with our estimates

Enento's Q3 revenue grew by 1.3% to 37.3 MEUR as reported, well in line with our estimate (37.4 MEUR). As expected, revenue remained stable when adjusted for exchange rate changes. Revenue increased slightly in Finland, where Business Insight, with its better performance, carries more weight. Slightly faster growth was seen in the company's smaller markets in Norway and Denmark, in particular. In Sweden, revenue development remained slightly negative despite the support provided by the currency.

Revenue development by business area was also well in line with expectations. Consumer Insight's revenue showed slight growth but decreased on a comparable basis (comparable growth -1.4%). The decline in consumer credit information services, especially in Sweden, continued to hamper development. In Sweden, challenges in the loan broker segment continued, particularly due to the challenging operating environment and regulatory challenges. On the positive side, the company has succeeded in growing in new customer verticals and

announced that it has again won a new operator customer. According to the company, the consumer credit market in Finland has become more active, and the company reported being in discussions with several financial sector operators considering re-entering the market.

Business Insight performed slightly better, as expected (comparable growth 0.9%). Positive product-specific drivers included strong growth in real estate information services and compliance services. Conversely, headwinds for growth were generated by Premium sales for SMEs, where we estimate that the business transformation in Sweden is having an adverse effect.

Result also close to our estimates

Enento's adjusted Q3 EBIT was 10.7 MEUR in Q3 (Q4'24: 10.9 MEUR), which was well in line with our forecast (10.8 MEUR) as well. Adjusted EBITDA (13.5 MEUR), on the other hand, was slightly below our estimates, and the difference in forecast accuracy between these two figures was due to a lower level of depreciation than estimated. Profitability remained under pressure from a weakened sales mix,

increased data acquisition prices, and cost and wage inflation, among other things. The first two factors were reflected in a weakening of the gross margin to 80.4%, which continued the negative trend (Q3'24: 81.4%). At the same time, profitability was to some extent supported by the continuous efficiency measures taken by the company.

Reported EBIT ended up at 8.2 MEUR, exceeding our estimate. This was due to lower-than-expected one-off costs (-0.6 MEUR). While these were expected to decline significantly, our forecasts were slightly too cautious in this regard. The reduction in one-off items was a bright spot in the otherwise expected result, as these have recently significantly weakened the quality of adjusted earnings figures. Despite financing costs being slightly higher than expected, reported earnings per share ultimately exceeded our estimate by a small margin (EUR 0.22 vs. estimated EUR 0.20).

Net debt to adjusted EBITDA ratio at the end of Q3 was 2.8x (Q3'24: 2.5x), rising as expected from the comparison period due to the company's weakened earnings performance and continued heavy dividend payments.

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	36.8	37.3	37.4	37.2	-	-	0%	153
EBITDA (adj.)	13.8	13.5	14.0	13.5	-	-	-3%	51.7
EBIT (adj.)	10.9	10.7	10.8	10.6	-	-	-1%	39.6
EBIT	7.2	8.2	7.5	7.8	-	-	8%	25.2
EPS (reported)	0.18	0.22	0.20	0.20	-	-	8%	0.61
Revenue growth-%	-1.3 %	1.3 %	1.5 %	1.0 %	-		-0.2 pp	1.5 %
EBIT-% (adj.)	29.7 %	28.7 %	28.9 %	28.5 %	-		-0.2 pp	26.0 %

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

Bright spots and threats posed by regulations in the outlook

Guidance reiterated

Enento reiterated its guidance, which forecasts for 2025 150-156 MEUR revenue and 50-55 MEUR adjusted EBITDA. We consider the guidance to be realistic for the company. Regarding revenue, we do not consider the guidance to be challenging and expect the company to reach a figure slightly below the midpoint. Regarding adjusted EBITDA, the guidance is more challenging. While we expect the company to reach its target, we believe the lower end is more likely than the upper end.

Encouraging signs in the outlook

Regarding the outlook, the company commented that it is "encouraged" by early signs of macroeconomic recovery. This was, in our opinion, the absolute bright spot of the report. Small positive signs have gradually emerged in the company's largest operating countries, Sweden and Finland, such as improving consumer confidence and

increasing loan demand. These should eventually support Enento's business as well. By business area, Enento commented that it expects demand for Business Insight to remain solid and for Consumer Insight's credit information volumes to stabilize. In our view, stabilization of the latter has been indicated before, but we believe that conditions now justify a slightly better outlook, especially since regulatory changes in Sweden are largely behind us and macroeconomic confidence indicators are improving.

New threats from regulation

The Finnish Government has proposed applying the Consumer Credit Directive (CCD2) in a way that would require companies to check their customers' income and debt information from a state-maintained positive credit register in the future. Enento itself commented on the proposal rather negatively. This could have a two-fold impact on the company, as it could limit the growth outlook for Enento's positive credit information services (a very

small portion of Enento's revenue), but, on the other hand, it could support the company's negative credit information outlook, as the directive would force all operators to check both positive and negative credit information. In addition to these direct impacts, the revision may also indirectly affect the company's customer base as a whole by increasing their cost burden.

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	153	153	0%	158	157	0%	164	163	-1%
EBITDA	43.8	44.9	3%	51.1	50.2	-2%	55.4	53.6	-3%
EBIT (exc. NRIs)	39.5	39.6	0%	42.6	41.5	-3%	45.9	45.1	-2%
EBIT	24.0	25.2	5%	32.4	32.3	0%	36.9	36.1	-2%
PTP	17.6	18.2	3%	27.2	25.9	-5%	31.7	30.0	-5%
EPS (excl. NRIs)	0.83	0.87	5%	1.15	1.11	-4%	1.31	1.25	-4%
DPS	1.00	1.00	0%	1.00	1.00	0%	1.05	1.05	0%

Source: Inderes

Minor revisions to estimates

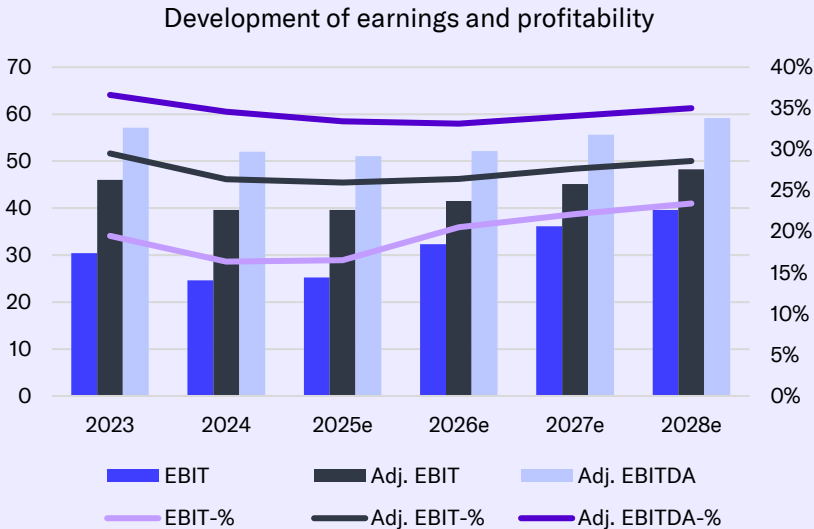
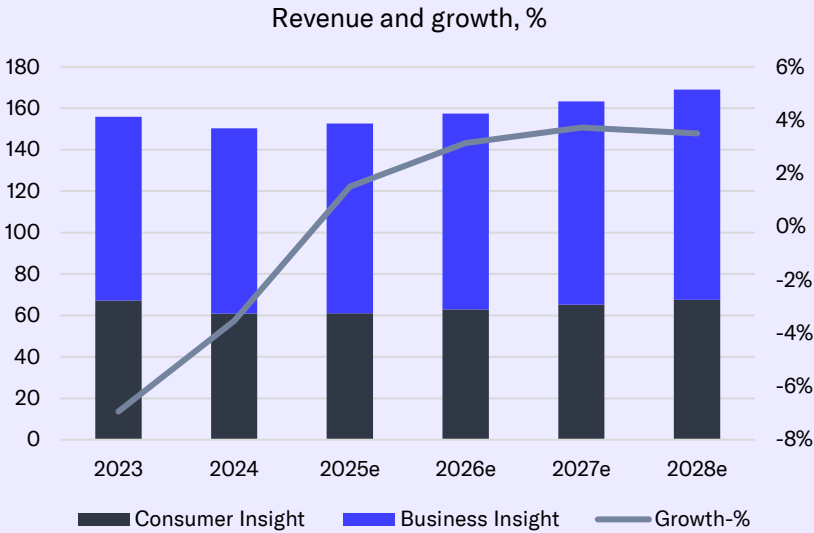
Estimate revisions and estimates in brief

We made minor adjustments to our estimates following Enento's Q3 report. The forecast changes for the current year were positive. However, our earnings forecasts for the coming years declined slightly, primarily because we reduced our gross margin forecasts, given that the share of lower-margin products in revenue continues to grow, and the outlook for a clearer recovery in consumer credit information remains uncertain. Additionally, we slightly increased our financing cost estimates, which affected our earnings per share estimates.

We expect Enento's revenue to reach 152.6 MEUR in 2025, slightly below the midpoint of the guidance range. We expect the company's growth to accelerate towards the end of the year (Q4 forecast +3%), but this growth will largely be driven by exchange rate tailwinds. We estimate that adjusted EBITDA will end up at 51.0 MEUR, near the lower end of the range. We anticipate a modest improvement in earnings for the remainder of the year (estimate 12.1 MEUR vs. Q4:24: 11.7 MEUR). Although the comparison period is relatively weak, there is no room for greater disappointment in terms of guidance.

Next year, we expect Enento's revenue growth to pick up to 3% as the economic environments in Finland and Sweden gradually recover. If economic growth were to take off for real, we believe that there would be potential for even stronger growth. Conversely, if the economy does not pick up from its current level, accelerating growth may prove more challenging. Our forecast also assumes that regulatory changes in the Swedish consumer information market and the transformation of the Premium business will

not cause significant headwinds. We expect adjusted EBITDA to increase moderately to 52.2 MEUR. Based on the reported earnings figures, our forecast anticipates greater earnings improvement as one-time items decline.



Moderate valuation as the company returns to earnings growth

Next year's valuation multiples already at a moderate level

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 amortization (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 17x-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, in our view. The dividend yield is high, at just over 6%, and thus accounts for a large part of the expected return.

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 18.5. 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.

Risk/reward ratio is attractive at current valuation

The last few years have been challenging for Enento, and its result has declined significantly from the company's

peak years, though the earnings trend is stabilizing this year. During the year, there has been occasional optimism about an improving outlook (Q1), followed by a return to reality (Q2). Nevertheless, we now believe that several indicators (incl. improved consumer confidence in Sweden and increased demand for loans in Finland) provide concrete evidence of an upturn in the outlook. Consequently, we believe that a return to clearer earnings growth is one step closer, and as the company returns to the path of earnings growth, we see clear potential in the stock at its current valuation. Regardless of developments in the economic environment, the company also continues to face regulatory risks (existing ones in Sweden and a new risk in Finland), but much of the regulatory challenges in Sweden, for example, should already be resolved. In the investment story, a lot is naturally also in the company's own hands, and how the company succeeds in commercializing and growing its new product areas plays a crucial role in the investment story. In any case, we find the stock's risk/reward ratio attractive at current valuations.

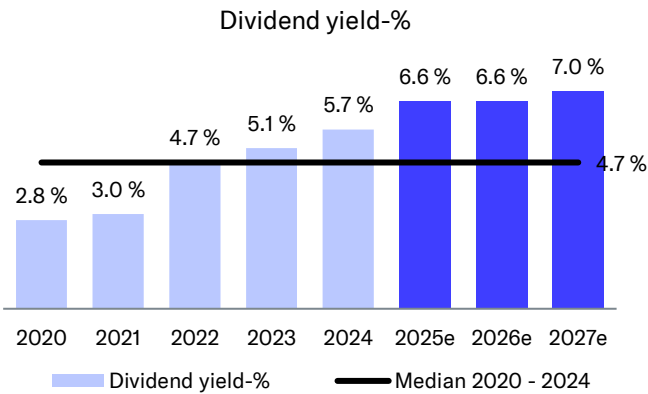
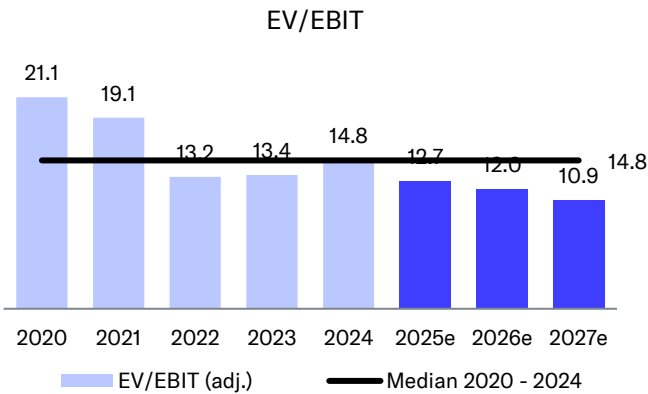
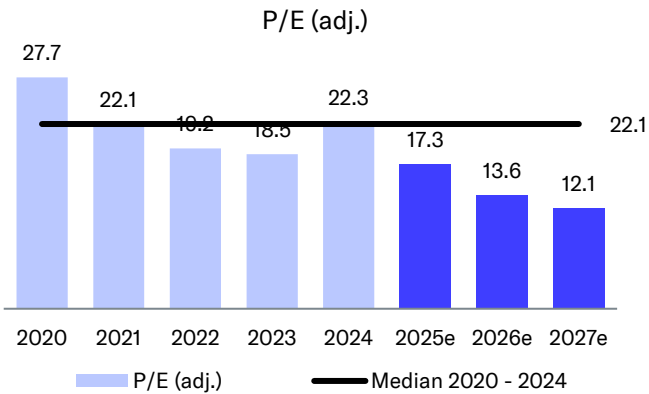
Valuation	2025e	2026e	2027e
Share price	15.1	15.1	15.1
Number of shares, millions	23.7	23.7	23.7
Market cap	357	357	357
EV	503	497	491
P/E (adj.)	17.3	13.6	12.1
P/E	24.7	17.4	14.8
P/B	1.4	1.4	1.4
P/S	2.3	2.3	2.2
EV/Sales	3.3	3.2	3.0
EV/EBITDA	11.2	9.9	9.2
EV/EBIT (adj.)	12.7	12.0	10.9
Payout ratio (%)	163.8 %	115.5 %	103.2 %
Dividend yield-%	6.6 %	6.6 %	7.0 %

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	15.1	15.1	15.1	15.1
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	357	357	357	357
EV	950	935	646	615	587	503	497	491	485
P/E (adj.)	27.7	22.1	19.2	18.5	22.3	17.3	13.6	12.1	11.1
P/E	41.5	30.7	29.6	26.4	34.0	24.7	17.4	14.8	13.3
P/B	2.6	2.5	1.7	1.6	1.6	1.4	1.4	1.4	1.4
P/S	5.3	4.9	3.1	3.0	2.8	2.3	2.3	2.2	2.1
EV/Sales	6.3	5.7	3.9	3.9	3.9	3.3	3.2	3.0	2.9
EV/EBITDA	19.3	16.1	11.6	12.1	12.6	11.2	9.9	9.2	8.5
EV/EBIT (adj.)	21.1	19.1	13.2	13.4	14.8	12.7	12.0	10.9	10.1
Payout ratio (%)	117.3 %	92.9 %	138.5 %	135.5 %	194.8 %	163.8 %	115.5 %	103.2 %	97.0 %
Dividend yield-%	2.8 %	3.0 %	4.7 %	5.1 %	5.7 %	6.6 %	6.6 %	7.0 %	7.3 %

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
Fair Isaac Corp	34315	36537	39.2	31.4	38.7	30.4	21.4	18.1	56.4	43.4			
Equifax Inc	23533	27618	25.6	21.5	16.6	14.8	5.3	4.9	29.5	25.4	0.8	0.9	5.6
Experian Plc	37986	42084	24.1	21.4	18.5	16.6	6.5	5.9	30.7	27.5	1.3	1.4	8.4
TransUnion	13813	17659	22.5	19.1	12.6	11.4	4.5	4.2	19.5	17.2	0.6	0.6	3.6
Moody's Corp	75098	79305	26.0	23.3	23.8	21.8	12.1	11.2	33.9	30.4	0.8	0.8	21.5
Intrum AB	556	4930	10.8	10.4	8.7	8.3	3.1	3.1	4.9	4.9			0.4
Credit Corp Group Ltd	562	770	8.3	7.5	6.3	7.1	2.5	2.3	10.6	9.5	4.8	5.3	1.1
Kruk S.A.	2153	3637	9.9	8.5	9.5	8.2	4.7	4.2	8.8	8.4	4.0	4.2	1.8
Alma Media	1211	1338	15.9	14.1	13.4	11.7	4.1	3.8	19.7	17.3	3.2	3.3	4.2
F-Secure	309	456	10.7	10.1	8.9	8.4	3.1	2.9	11.0	10.7	2.3	2.8	4.0
Enento Group (Inderes)	357	503	12.7	12.0	11.2	9.9	3.3	3.2	17.3	13.6	6.6	6.6	1.4
Average			19.3	16.7	15.7	13.9	6.7	6.1	22.5	19.5	2.2	2.4	5.6
Median			19.2	16.6	13.0	11.6	4.6	4.2	19.6	17.2	1.8	2.1	4.0
Diff-% to median			-34 %	-28 %	-14 %	-14 %	-29 %	-25 %	-12 %	-21 %	273 %	211 %	-65 %

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	156	37.3	38.5	36.8	37.8	150.4	37.7	38.6	37.3	39.0	152.6	157	163	169
Business Insight	88.6	22.2	23.0	21.5	22.8	89.5	22.8	23.4	21.9	23.5	91.6	94.5	98.1	102
Consumer Insight	67.3	15.1	15.4	15.4	15.0	60.9	14.8	15.2	15.4	15.5	61.0	62.9	65.2	67.5
Oikaistu käyttökate	57.1	12.4	14.1	13.8	11.7	52.0	12.4	13.0	13.5	12.1	51.0	52.2	55.6	59.2
Depreciation	-20.6	-5.1	-5.3	-5.0	-6.4	-21.9	-5.2	-4.9	-4.8	-4.8	-19.7	-17.8	-17.5	-17.6
EBIT (excl. NRI)	46.0	9.4	10.9	10.9	8.4	39.6	9.5	10.2	10.7	9.3	39.6	41.5	45.1	48.3
EBIT	30.4	5.2	7.8	7.2	4.3	24.6	5.2	5.0	8.2	6.9	25.2	32.3	36.1	39.6
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	-1.7	-1.6	-6.8	-6.2	-6.0	-6.0
PTP	22.2	3.9	5.6	5.1	1.1	15.8	2.8	3.7	6.4	5.3	18.2	25.9	30.0	33.4
Taxes	-4.7	-0.8	-1.3	-0.9	-0.6	-3.6	-0.6	-0.7	-1.3	-1.1	-3.8	-5.4	-5.9	-6.5
Net earnings	17.6	3.1	4.4	4.2	0.5	12.2	2.2	3.0	5.1	4.2	14.4	20.5	24.1	26.8
EPS (adj.)	1.05	0.20	0.26	0.24	0.09	0.78	0.16	0.19	0.28	0.24	0.87	1.11	1.25	1.36
EPS (rep.)	0.74	0.13	0.19	0.18	0.02	0.51	0.09	0.13	0.22	0.18	0.61	0.87	1.02	1.13

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-%	-6.9 %	-6.8 %	-3.0 %	-1.3 %	-2.9 %	-3.5 %	1.1 %	0.5 %	1.3 %	3.2 %	1.5 %	3.1 %	3.7 %	3.5 %
Adjusted EBIT growth-%	-6.3 %	-21.7 %	-7.5 %	-7.1 %	-19.9 %	-13.9 %	1.0 %	-6.5 %	-2.1 %	10.0 %	0.0 %	4.8 %	8.7 %	7.0 %
EBITDA-%	32.7 %	27.7 %	34.2 %	33.2 %	28.4 %	30.9 %	27.6 %	25.7 %	34.7 %	29.9 %	29.4 %	31.9 %	32.8 %	33.8 %
Oikaistu käyttökate-%	36.6 %	33.3 %	36.7 %	37.5 %	30.9 %	34.6 %	33.0 %	33.7 %	36.2 %	30.9 %	33.4 %	33.1 %	34.1 %	35.0 %
Adjusted EBIT-%	29.5 %	25.1 %	28.4 %	29.7 %	22.2 %	26.4 %	25.1 %	26.4 %	28.7 %	23.7 %	26.0 %	26.4 %	27.6 %	28.6 %
Net earnings-%	11.3 %	8.2 %	11.4 %	11.3 %	1.4 %	8.1 %	5.7 %	7.7 %	13.8 %	10.7 %	9.5 %	13.0 %	14.7 %	15.9 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	443	423	412	404	400
Goodwill	341	336	336	336	336
Intangible assets	88.7	78.5	67.8	60.5	56.2
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
Current assets	47.0	36.9	38.8	41.1	44.3
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	26.6	26.9	27.9
Cash and equivalents	17.4	11.3	12.2	14.2	16.3
Balance sheet total	490	460	451	445	444

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	283	263	254	251	251
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	55.8	44.4	35.2	32.0	32.4
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
Non-current liabilities	170	164	165	163	160
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	153	150	147
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
Current liabilities	37.0	32.1	31.2	31.4	33.3
Interest bearing debt	2.6	4.7	3.1	1.5	1.5
Payables	34.4	27.4	28.1	29.9	31.8
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	490	460	451	445	444

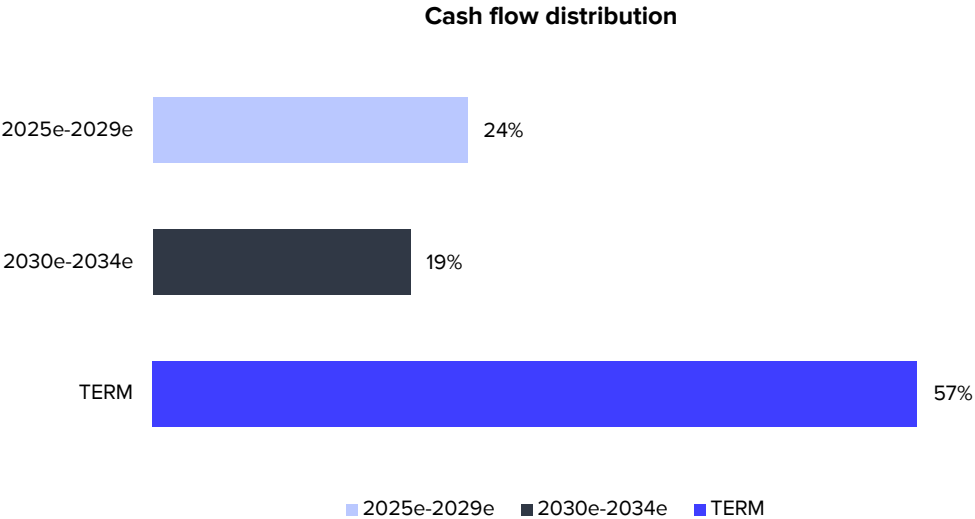
DCF-calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-3.5 %	1.5 %	3.1 %	3.7 %	3.5 %	3.8 %	3.7 %	3.7 %	3.5 %	3.5 %	2.2 %	2.2 %
EBIT-%	16.3 %	16.5 %	20.5 %	22.1 %	23.4 %	24.5 %	25.8 %	26.7 %	27.0 %	26.5 %	26.5 %	26.5 %
EBIT (operating profit)	24.6	25.2	32.3	36.1	39.6	43.0	46.9	50.4	52.7	53.6	54.7	
+ Depreciation	21.9	19.7	17.8	17.5	17.6	17.7	17.8	17.1	16.7	16.7	16.8	
- Paid taxes	-6.3	-3.8	-5.4	-5.9	-6.5	-7.4	-8.2	-8.8	-9.3	-9.5	-10.1	
- Tax, financial expenses	-1.4	-1.4	-1.3	-1.2	-1.2	-1.0	-1.0	-1.0	-1.0	-1.0	-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	-0.3	1.5	0.9	1.2	0.2	0.2	0.2	0.2	0.2	0.1	
Operating cash flow	35.9	39.4	44.9	47.5	50.6	52.5	55.8	57.8	59.3	60.0	61.0	
+ 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	-8.8	-10.4	-13.0	-15.0	-16.5	-17.0	-17.0	-17.0	-17.0	-17.1	
Free operating cash flow	32.7	30.0	34.5	34.5	35.6	36.0	38.8	40.8	42.3	43.0	43.9	
+/- 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	30.0	34.5	34.5	35.6	36.0	38.8	40.8	42.3	43.0	43.9	728
Discounted FCFF		29.6	31.4	29.0	27.6	25.7	25.6	24.9	23.8	22.3	21.0	348
Sum of FCFF present value		609	580	548	519	492	466	440	416	392	369	348
Enterprise value DCF		609										
- Interest bearing debt		-155.5										
+ Cash and cash equivalents		11.3										
-Minorities		0.0										
-Dividend/capital return		-23.7										
Equity value DCF		439										
Equity value DCF per share		18.6										

WACC

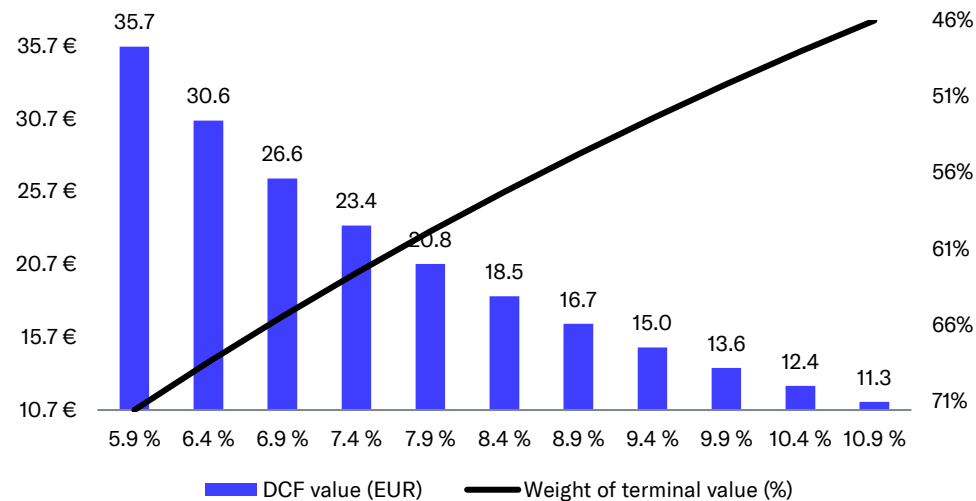
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	18.0 %
Cost of debt	5.0 %
Equity Beta	1.12
Market risk premium	4.75%
Liquidity premium	1.50%
Risk free interest rate	2.5 %
Cost of equity	9.3 %
Weighted average cost of capital (WACC)	8.4 %

Source: Inderes

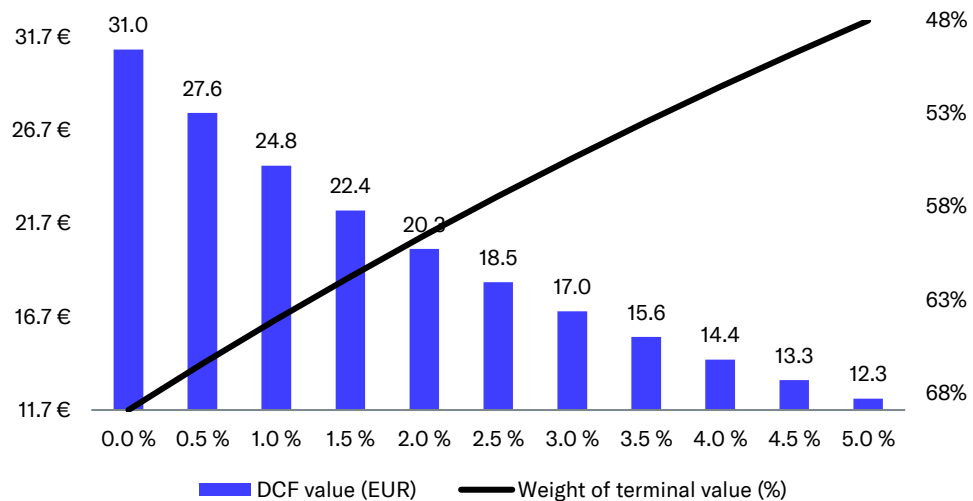


DCF sensitivity calculations and key assumptions in graphs

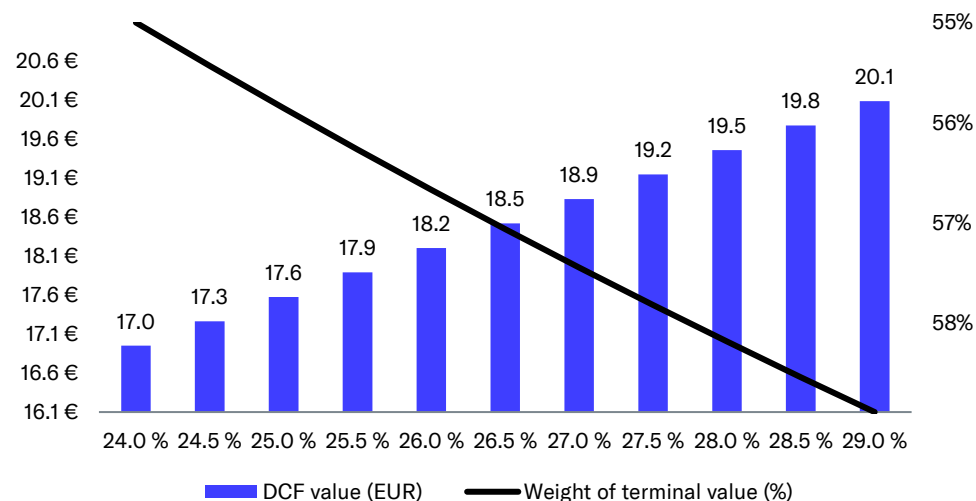
Sensitivity of DCF to changes in the WACC-%



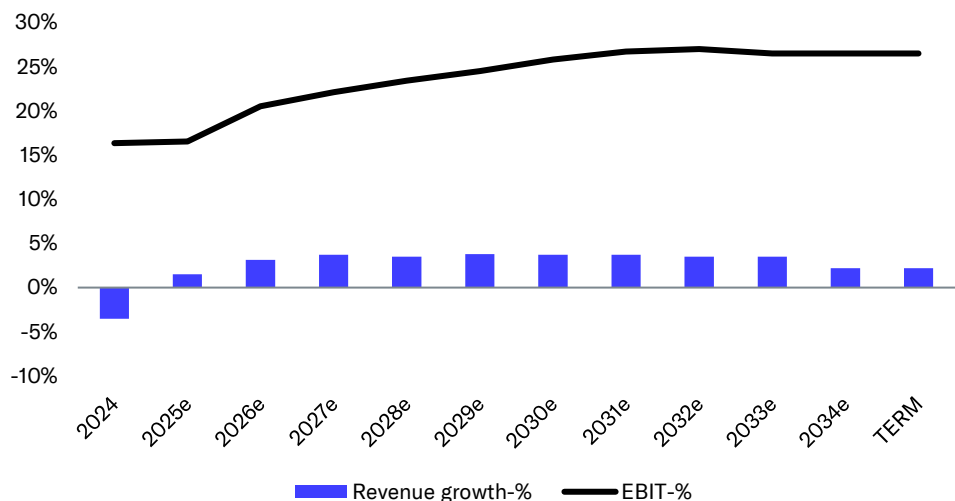
Sensitivity of DCF to changes in the risk-free rate



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	2023	2024	2025e	2026e	2027e	Per share data	2023	2024	2025e	2026e	2027e
Revenue	155.9	150.4	152.6	157.4	163.3	EPS (reported)	0.74	0.51	0.61	0.87	1.02
EBITDA	51.1	46.4	44.9	50.2	53.6	EPS (adj.)	1.05	0.78	0.87	1.11	1.25
EBIT	30.4	24.6	25.2	32.3	36.1	OCF / share	1.82	1.52	1.67	1.90	2.01
PTP	22.2	15.8	18.2	25.9	30.0	OFCF / share	0.95	1.22	1.27	1.46	1.46
Net Income	17.6	12.2	14.4	20.5	24.1	Book value / share	11.89	11.12	10.73	10.60	10.61
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	450.6	445.4	444.1	Revenue growth-%	-7%	-4%	2%	3%	4%
Equity capital	282.9	263.2	254.0	250.8	251.2	EBITDA growth-%	-8%	-9%	-3%	12%	7%
Goodwill	340.9	335.6	335.6	335.6	335.6	EBIT (adj.) growth-%	-6%	-14%	0%	5%	9%
Net debt	139.7	144.2	143.4	137.7	131.8	EPS (adj.) growth-%	-6%	-26%	12%	27%	13%
Cash flow	2023	2024	2025e	2026e	2027e	EBITDA-%	32.7 %	30.9 %	29.4 %	31.9 %	32.8 %
EBITDA	51.1	46.4	44.9	50.2	53.6	EBIT (adj.)-%	29.5 %	26.4 %	26.0 %	26.4 %	27.6 %
Change in working capital	0.7	-2.9	-0.3	1.5	0.9	EBIT-%	19.5 %	16.3 %	16.5 %	20.5 %	22.1 %
Operating cash flow	43.2	35.9	39.4	44.9	47.5	ROE-%	6.1 %	4.5 %	5.6 %	8.1 %	9.6 %
CAPEX	-15.9	-3.5	-8.8	-10.4	-13.0	ROI-%	6.7 %	5.2 %	6.0 %	7.9 %	9.0 %
Free cash flow	22.5	28.9	35.0	34.5	34.5	Equity ratio	58.9 %	58.6 %	56.4 %	56.3 %	56.6 %
Valuation multiples	2023	2024	2025e	2026e	2027e	Gearing	49.4 %	54.8 %	56.5 %	54.9 %	52.5 %
EV/S	3.9	3.9	3.3	3.2	3.0						
EV/EBITDA	12.1	12.6	11.2	9.9	9.2						
EV/EBIT (adj.)	13.4	14.8	12.7	12.0	10.9						
P/E (adj.)	18.5	22.3	17.3	13.6	12.1						
P/B	1.7	1.6	1.6	1.4	1.4						
Dividend-%	5.1 %	5.7 %	6.6 %	6.6 %	7.0 %						

Source: Inderes

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Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
9/1/2023	Accumulate	24.50 €	23.15 €
10/11/2023	Accumulate	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 €
5/28/2025	Reduce	17.50 €	17.80 €
7/16/2025	Reduce	17.00 €	16.54 €
9/5/2025	Accumulate	17.00 €	15.12 €
10/30/2025	Accumulate	17.00 €	15.08 €



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