

# MODULIGHT

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INDERES CORPORATE CUSTOMER  
**COMPANY REPORT**



# Decreased costs improved profitability

Modulight's Q1 revenue declined year-on-year and missed our estimate. On the other hand, earnings and cash flow were better than we expected due to lower costs. The product development pipeline grew to 36 projects with three new customers, and Pay-Per-Treatment (PPT) business invoicing more than doubled year-on-year. The company recently issued guidance for the current year: the company expects revenue and EBITDA to grow from the 2025 comparison year. Our view remains unchanged with moderate estimate revisions, so we reiterate our Reduce recommendation and target price of EUR 1.2.

## Revenue miss, but guidance points to an upward trajectory for the rest of the year

Modulight's Q1 revenue amounted to 1.50 MEUR, decreasing 7% from the comparison period (Q1'25: 1.61 MEUR). Revenue was also below our estimate (1.79 MEUR). According to the company's comments, the increase in customer activity that began last summer has started to materialize in orders, but these did not yet fully impact Q1 revenue and will instead support revenue later in the year. Procedure-based PPT revenue grew by over 100% year-on-year, although in absolute terms, the business is still relatively small (over 1 MEUR in 2025). The company noted that the progress of clinical trials may bring volatility to revenue between quarters in the future. Last week, the company provided guidance for 2026, based on which revenue and EBITDA are expected to grow. The guidance indicates at least a moderate pick-up in revenue growth as the year progresses.

## Profitability improved thanks to lower costs

Q1 EBITDA was 0.33 MEUR (Q1'25: -0.58 MEUR) and the margin rose to 22.1% (-36.2%). When interpreting EBITDA, it is important to consider the capitalization of R&D expenses on the balance sheet, which directly improves it. These expenses amounted to 0.95 MEUR in Q1 (reported as own-use production in the income

statement). Q1 EBIT was -1.06 MEUR exceeding our estimate of -1.28 MEUR. Better-than-expected earnings are explained by lower operating expenses than we estimated: the number of personnel decreased to 62 (Q1'25: 70), and other operating expenses (0.63 MEUR) also decreased significantly (Q1'25: 0.9 MEUR). Operating expenses vary from quarter to quarter, but Modulight appears to have achieved greater cost savings than we expected as a result of last year's change negotiations. Cash flow after investments was -0.17 MEUR, which was positively impacted by a one-off reduction in working capital (0.38 MEUR). Cash equivalents amounted to 9.1 MEUR at the end of the period (Q1'25: 14.6 MEUR), and net cash was 6.59 MEUR (Q1'25: 10.6 MEUR). The outlook for cash sufficiency has improved with decreasing costs, but we believe the financing risk remains elevated.

## We are revising revenue and costs downwards

We are revising our estimates downwards for both revenue and costs. Based on Q1, revenue development is likely to be slightly slower than our previous expectations, and on the other hand, the cost level appears to be quite clearly lower than our previous estimates. Revisions regarding costs are fairly significant, particularly based on headcount development.

## Risks outweigh potential in the valuation

The valuation of the share is uncertain due to the unpredictability of earnings and cash flow turnaround. The valuation relies heavily on future projections, which carry a high degree of forecasting risk. EV/S multiples are 5.x-4.3x for 2026-27, which we consider cautiously attractive based on the growth and profitability potential. On the other hand, financial risk and growth-related uncertainties are elevated. The DCF model (EUR 1.2) indicates that the upside in the stock is limited. Potential positive surprises could also quickly turn the valuation picture more attractive.

## Recommendation

### Reduce

(was Reduce)

## Target price:

### EUR 1.20

(was EUR 1.20)

## Share price:

EUR 1.17

## Business risk



## Valuation risk



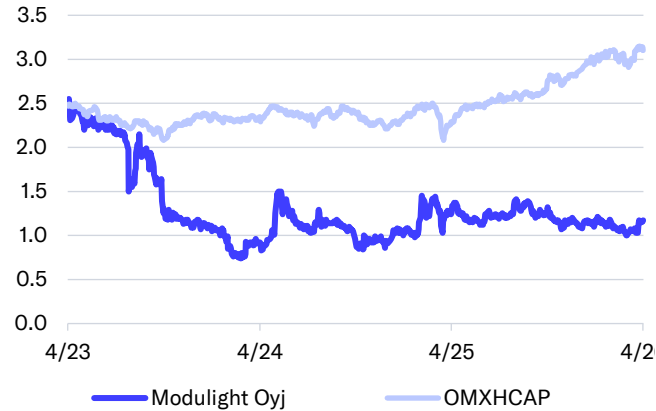
	2025	2026e	2027e	2028e
<b>Revenue</b>	7.1	8.0	11.0	14.0
<b>growth-%</b>	73%	13%	38%	27%
<b>EBIT adj.</b>	-4.6	-3.9	-2.2	0.2
<b>EBIT-% adj.</b>	-65.8 %	-48.9 %	-20.4 %	1.8 %
<b>Net Income</b>	-4.6	-3.1	-1.9	0.1
<b>EPS (adj.)</b>	-0.11	-0.07	-0.05	0.00
<b>P/E (adj.)</b>	neg.	neg.	neg.	>100
<b>P/B</b>	1.1	1.2	1.3	1.3
<b>Dividend yield-%</b>	0.0 %	0.0 %	0.0 %	0.1 %
<b>EV/EBIT (adj.)</b>	neg.	neg.	neg.	>100
<b>EV/EBITDA</b>	neg.	78.3	40.9	12.4
<b>EV/S</b>	5.8	5.6	4.3	3.4

Source: Inderes

## Guidance

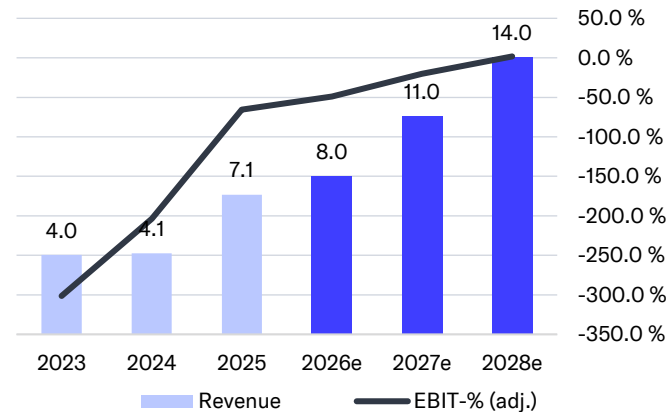
Modulight does not provide any guidance.

## Share price



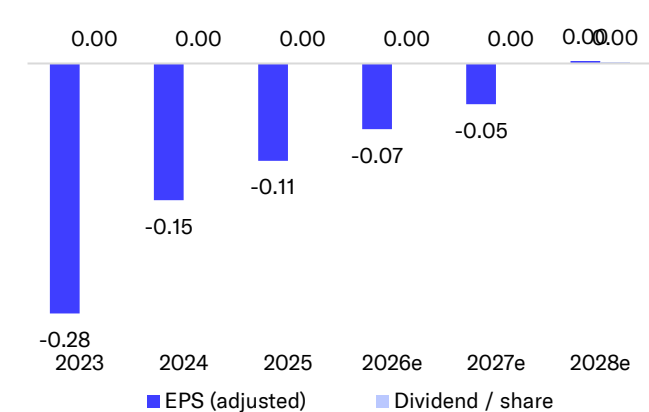
Source: Millstream Market Data AB

## Revenue and EBIT % (adj.)



Source: Inderes

## EPS and dividend



Source: Inderes

## Value drivers

- A defensive market with growth well into the future
- Technological expertise, ability to tailor products and build cloud services gives Modulight a competitive advantage
- A model based on license fees and pay-per-treatment pricing can be highly scalable if successful

## Risk factors

- Medical development projects progress slowly, and their commercialization is uncertain.
- Growth is poorly predictable
- Low visibility of projects and their progress
- Immature and concentrated customer base brings more risk

Valuation	2026e	2027e	2028e
<b>Share price</b>	1.17	1.17	1.17
<b>Number of shares, millions</b>	42.6	42.6	42.6
<b>Market cap</b>	50	50	50
<b>EV</b>	45	47	48
<b>P/E (adj.)</b>	neg.	neg.	>100
<b>P/E</b>	neg.	neg.	>100
<b>P/B</b>	1.2	1.3	1.3
<b>P/S</b>	6.2	4.5	3.6
<b>EV/Sales</b>	5.6	4.3	3.4
<b>EV/EBITDA</b>	78.3	40.9	12.4
<b>EV/EBIT (adj.)</b>	neg.	neg.	>100
<b>Payout ratio (%)</b>	0.0 %	0.0 %	50.0 %
<b>Dividend yield-%</b>	0.0 %	0.0 %	0.1 %

Source: Inderes

# Revenue missed, earnings beat

## Estimates vs. outcome

- Revenue declined year-on-year and quarter-on-quarter, missing our estimate.
- According to Modulight, recurring PPT revenue grew by over 100% y/y. PPT revenue exceeded 1 MEUR in 2025.
- In its comments, the company referred to the volatile income from clinical trials. Revenue is generated most during the active treatment phase of studies and less when patients move into the phase of observing the treatment's effect.
- EBIT amounted to -1.06 MEUR. The loss was lower than we expected (-1.28 MEUR). The earnings beat was due to low costs: the number of employees has decreased significantly, and other operating expenses have also been cut to a lower level than before.
- Cash flow from operating and investing activities was -0.17 MEUR, which was improved by a one-off decrease in working capital of 0.38 MEUR. Cash flow was a positive surprise compared to historical figures.
- Net cash was 6.6 MEUR (Q1'25: 10.6 MEUR) and cash assets 9.1 MEUR (14.6 MEUR).
- Visibility for cash sufficiency has improved due to cost-cutting. In the short term, a moderate revenue level (of around 2.3–2.5 MEUR per quarter) would be sufficient for cash flows to turn around. In the longer term, the company must also cover maintenance investments for equipment, which we suspect are currently not high because the production facility is new.

## Operational earnings drivers

- Modulight's recurring PPT revenue is primarily generated from ophthalmology treatments in the US (Visudyne treatment) and cancer treatments in clinical trials.
- Of these, we believe ophthalmic treatments are more stable, and clinical trial activity depends on the number of studies, their maturity (phases), and the progress of individual studies.
- Good research results can lead to regulatory approval and defensive revenue once actual patient treatments begin.
- Otherwise, the company's business is currently mainly project- and piloting-based, but the company has communicated opportunities to move towards mass production in certain projects in the near future.
- Modulight has succeeded in raising its gross margin to around 80%, which corresponds to the excellent pre-listing level.
- After the change negotiations at the end of 2025, the company's cost level and headcount appear to have decreased, which supports profitability and cash flow.

Estimates MEUR / EUR	Q1'25	Q1'26	Q1'26e	Q1'26e	Consensus		Difference (%)	2026e
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. Inderes	Inderes
Revenue	1.61	1.50	1.79				-17%	8.0
EBIT	-1.58	-1.06	-1.28				17%	-3.9
EPS (reported)	-0.04	-0.02	-0.03				21%	-0.07
Revenue growth-%	51.5 %	-6.9 %	11.6 %				-18,5 pp	13.1 %
EBIT-% (adj.)	-98.4 %	-71.2 %	-71.7 %				0,5 pp	-48.9 %

Source: Inderes

# Small revenue and larger cost revisions downwards

## Estimate revisions

- Based on the Q1 report, revenue development appears slightly slower than we previously expected. We are therefore moderately cutting our revenue estimates for the coming years.
- We cut our cost estimates based on a lower headcount than we expected (Q1'26: 62). In the comparison period, the number of employees was 70.
- Other operating expenses were also lower than our estimate. The company's costs in the previous Q4'25 quarter were pushed very low, and we expected costs to return to a higher level, which partially materialized.
- Modulight's operating costs vary to some extent quarter-on-quarter, and it is still difficult to precisely define the new normal level after cost savings. However, it appears the company has successfully cut costs efficiently, so we are lowering our cost estimates for the coming years.
- We note that the company capitalizes development costs of around 0.8-1.0 MEUR on its balance sheet per quarter. EBITDA therefore paints a clearly more positive picture of the earnings performance than cash flow. We believe EBIT is a better measure of financial performance and is more in line with cash flow.
- We did not make any changes to our long-term estimates in connection with this update.

## Underlying assumptions of estimates

- Increased use of the PPT model (pay-per-treatment pricing).
- The therapeutic driver of the PPT model is currently the treatment of age-related macular degeneration in the US.
- Maturation of the project portfolio: an increase in the number of projects and their gradual development towards approved patient treatments or large-scale industrial production.
- Success in other high-value-added solutions, such as quantum computing.

Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	8.4	8.0	-5%	12.0	11.0	-8%	15.1	14.0	-7%
EBITDA	0.3	0.6	76%	0.9	1.2	32%	3.6	3.8	6%
EBIT	-4.2	-3.9	6%	-2.5	-2.2	11%	0.0	0.2	475%
EPS (excl. NRIs)	-0.08	-0.07	7%	-0.05	-0.05	11%	0.00	0.00	360%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

# Valuation scales turn cautious

## EV/S ratios are neutral and require continued growth

Because of the loss-making business, we cannot use earnings-based multiples in valuation but instead rely on revenue-based EV/S ratios and DCF calculation that models the present value of future cash flows. The valuation is inherently imprecise as it is based on forecasts with little visibility, although we believe the situation has improved. It is difficult to assess the earnings turnaround, which poses challenges for fair value measurement.

With our updated estimates, EV/S ratios for 2026-27 are 5.6x and 4.3x. Typically, the stock has been valued at around 8x current-year multiples. The multiples require continuous growth, the progression of which involves considerable uncertainty. The multiples are still high compared to Lumibird SA, which we consider the most suitable peer (2026e EV/S: 3.1x), although the gap has narrowed significantly due to both a decrease in Modulight's multiples and an increase in Lumibird's multiples. We find the EV/S multiples cautiously attractive given the growth and profitability potential. On the other hand, there is high uncertainty regarding the realization of growth, and the Q1 report was slightly below our growth estimates. Quarterly growth has also slowed since Q2'25. The risk/reward is further weakened by concerns about cash sufficiency, even though cost-saving measures have improved the outlook. The stock's valuation would require continued good performance, which would justify the relatively high absolute multiples. Admittedly, the low starting point supports the possibility of strong relative revenue growth. An unexpected positive turnaround could also quickly shift the EV/S valuation to an attractive level.

## Our DCF valuation for the share is EUR 1.2

The baseline case in our DCF calculation gives the stock a value of EUR 1.2. We use a cost of capital of 11.5% corresponding to the risk profile. The model thus suggests that the stock is fully priced. In the positive scenario, the DCF is EUR 2.4 and in the negative scenario EUR 0.3. The main factor explaining the differences between the scenarios is revenue growth, which is followed by profitability. In particular, the higher terminal profitability (EBIT of 30%) in the positive scenario has a clear upward effect on the value. In the negative scenario, terminal profitability remains at 20%. We note that the scenarios do not represent our view of the best and worst possible path for the business but are intended to provide investors with a perspective on the sensitivity of the valuation assumptions used, which in the case of Modulight is high. More information on the scenarios can be found [in our extensive report](#).

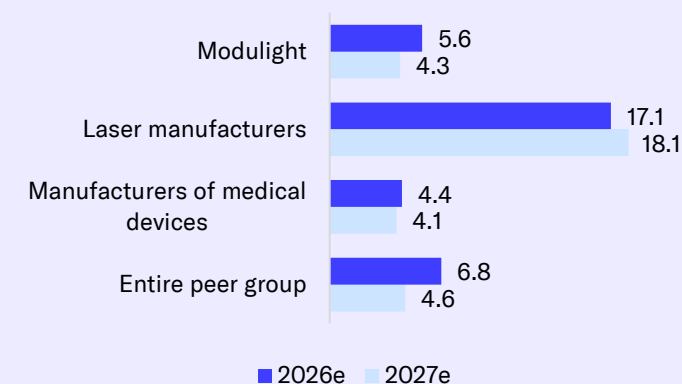
## We reiterate our recommendation and target price

We reiterate our recommendation (Reduce) and target price of EUR 1.2. The net effect of our estimate changes in connection with this report is neutral, so our view of the share remains unchanged. Central to our view are the EV/S multiple and the DCF model with its scenarios, as well as an assessment of the reliability and risks of the revenue growth prospects. The DCF suggests a significant upside or downside for the share in high and low growth scenarios. In case the low estimate materializes, the risk of permanently losing capital is considerable. On the other hand, potential commercial breakthroughs could quickly lead to an improvement in revenue growth prospects and a re-pricing of the share at higher multiples.

Valuation	2026e	2027e	2028e
Share price	1.17	1.17	1.17
Number of shares, millions	42.6	42.6	42.6
Market cap	50	50	50
EV	45	47	48
P/E (adj.)	neg.	neg.	>100
P/E	neg.	neg.	>100
P/B	1.2	1.3	1.3
P/S	6.2	4.5	3.6
EV/Sales	5.6	4.3	3.4
EV/EBITDA	78.3	40.9	12.4
EV/EBIT (adj.)	neg.	neg.	>100
Payout ratio (%)	0.0 %	0.0 %	50.0 %
Dividend yield-%	0.0 %	0.0 %	0.1 %

Source: Inderes

## EV/S ratios



# Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	11.4	2.95	0.90	1.10	1.12	<b>1.17</b>	<b>1.17</b>	<b>1.17</b>	<b>1.17</b>
Number of shares, millions	42.6	42.6	42.6	42.6	42.6	<b>42.6</b>	<b>42.6</b>	<b>42.6</b>	<b>42.6</b>
Market cap	484	126	38	47	48	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>
EV	430	90	20	34	41	<b>45</b>	<b>47</b>	<b>48</b>	<b>47</b>
P/E (adj.)	neg.	neg.	neg.	neg.	neg.	<b>neg.</b>	<b>neg.</b>	<b>&gt;100</b>	<b>63.1</b>
P/E	neg.	neg.	neg.	neg.	neg.	<b>neg.</b>	<b>neg.</b>	<b>&gt;100</b>	<b>63.1</b>
P/B	6.4	1.9	0.7	1.0	1.1	<b>1.2</b>	<b>1.3</b>	<b>1.3</b>	<b>1.2</b>
P/S	53.3	27.3	9.5	11.4	6.8	<b>6.2</b>	<b>4.5</b>	<b>3.6</b>	<b>2.8</b>
EV/Sales	47.4	19.6	4.9	8.3	5.8	<b>5.6</b>	<b>4.3</b>	<b>3.4</b>	<b>2.7</b>
EV/EBITDA	>100	neg.	neg.	neg.	neg.	<b>78.3</b>	<b>40.9</b>	<b>12.4</b>	<b>9.8</b>
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.	<b>neg.</b>	<b>neg.</b>	<b>&gt;100</b>	<b>44.3</b>
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	<b>0.0 %</b>	<b>0.0 %</b>	<b>50.0 %</b>	<b>75.0 %</b>
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	<b>0.0 %</b>	<b>0.0 %</b>	<b>0.1 %</b>	<b>1.2 %</b>

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 2026e
			2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	
Carl Zeiss Meditech	2367	2861	7.8	12.2	6.4	9.0	1.4	1.4	8.8	14.1	4.1	3.3	1.1
Coherent Corp	56065	60625	73.0	102.0	58.2	71.7	13.9	15.2	113.5	203.7			7.4
IPG Photonics Corp	4516	3799	18.0		13.7	212.0	3.5	4.6	26.6				2.4
Lumentum	53776	55597	190.5	1834.3	134.3	457.4	36.9	48.1	195.1	899.6			39.3
Lumibird SA	547	632	29.0	48.6	16.5	19.1	3.1	3.0	49.7	81.2			2.6
Medtronic	91385	108408	15.5	15.4	13.6	13.6	4.1	3.9	15.8	16.0	3.3	3.3	2.1
Nexstim	66	67		16.9		16.9	9.6	4.2		19.5			23.5
nLIGHT	3652	3555					20.2	21.0					
Optomed	50	43					2.7	2.9					2.0
Revenio Group	434	419	16.0	16.1	14.0	13.6	4.4	4.1	22.0	22.9	2.3	2.4	4.3
Stryker	107153	117198	28.2	24.4	25.7	22.1	6.8	6.1	31.5	27.2	0.9	1.0	6.7
Theralase	63	63					97.6	130.5					39.0
Xvivo Perfusion	822	806	193.3	77.1	89.5	49.0	14.2	10.6	245.6	60.2			4.6
<b>Modulight Oyj (Inderes)</b>	<b>50</b>	<b>45</b>	<b>-11.5</b>	<b>-21.0</b>	<b>78.3</b>	<b>40.9</b>	<b>5.6</b>	<b>4.3</b>	<b>-16.1</b>	<b>-25.9</b>	<b>0.0</b>	<b>0.0</b>	<b>1.2</b>
<b>Average</b>			<b>63.5</b>	<b>238.5</b>	<b>41.3</b>	<b>88.4</b>	<b>16.8</b>	<b>19.7</b>	<b>78.7</b>	<b>149.4</b>	<b>2.6</b>	<b>2.5</b>	<b>11.2</b>
<b>Median</b>			<b>28.2</b>	<b>24.4</b>	<b>16.5</b>	<b>20.6</b>	<b>6.8</b>	<b>4.6</b>	<b>31.5</b>	<b>27.2</b>	<b>2.8</b>	<b>2.8</b>	<b>4.4</b>
<b>Diff-% to median</b>			<b>-141%</b>	<b>-186%</b>	<b>376%</b>	<b>98%</b>	<b>-17%</b>	<b>-7%</b>	<b>-151%</b>	<b>-195%</b>	<b>-100%</b>	<b>-100%</b>	<b>-73%</b>

Source: Refinitiv / Inderes

# Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
<b>Revenue</b>	<b>4.1</b>	<b>1.6</b>	<b>2.0</b>	<b>1.8</b>	<b>1.7</b>	<b>7.1</b>	<b>1.5</b>	<b>1.9</b>	<b>2.2</b>	<b>2.5</b>	<b>8.0</b>	<b>11.0</b>	<b>14.0</b>	<b>17.7</b>
Group	4.1	1.6	2.0	1.8	1.7	7.1	1.5	1.9	2.2	2.5	8.0	11.0	14.0	17.7
<b>EBITDA</b>	<b>-5.6</b>	<b>-0.6</b>	<b>0.0</b>	<b>-0.2</b>	<b>0.6</b>	<b>-0.2</b>	<b>-0.1</b>	<b>-0.3</b>	<b>0.3</b>	<b>0.6</b>	<b>0.6</b>	<b>1.2</b>	<b>3.8</b>	<b>4.8</b>
Depreciation	-2.7	-1.0	-1.0	-1.0	-1.4	-4.5	-1.0	-1.0	-1.0	-1.4	-4.5	-3.4	-3.6	-3.8
<b>EBIT</b>	<b>-8.3</b>	<b>-1.6</b>	<b>-1.1</b>	<b>-1.2</b>	<b>-0.8</b>	<b>-4.6</b>	<b>-1.1</b>	<b>-1.3</b>	<b>-0.7</b>	<b>-0.9</b>	<b>-3.9</b>	<b>-2.2</b>	<b>0.2</b>	<b>1.1</b>
Net financial items	1.9	0.0	-0.1	0.0	0.1	0.0	0.2	0.2	0.2	0.2	0.8	-0.1	-0.1	-0.1
<b>PTP</b>	<b>-6.5</b>	<b>-1.6</b>	<b>-1.1</b>	<b>-1.2</b>	<b>-0.7</b>	<b>-4.6</b>	<b>-0.9</b>	<b>-1.1</b>	<b>-0.5</b>	<b>-0.7</b>	<b>-3.1</b>	<b>-2.3</b>	<b>0.1</b>	<b>1.0</b>
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0	-0.2
<b>Net earnings</b>	<b>-6.5</b>	<b>-1.6</b>	<b>-1.1</b>	<b>-1.2</b>	<b>-0.7</b>	<b>-4.6</b>	<b>-0.9</b>	<b>-1.1</b>	<b>-0.5</b>	<b>-0.7</b>	<b>-3.1</b>	<b>-1.9</b>	<b>0.1</b>	<b>0.8</b>
<b>EPS (adj.)</b>	<b>-0.15</b>	<b>-0.04</b>	<b>-0.03</b>	<b>-0.03</b>	<b>-0.02</b>	<b>-0.11</b>	<b>-0.02</b>	<b>-0.03</b>	<b>-0.01</b>	<b>-0.02</b>	<b>-0.07</b>	<b>-0.05</b>	<b>0.00</b>	<b>0.02</b>
<b>EPS (rep.)</b>	<b>-0.15</b>	<b>-0.04</b>	<b>-0.03</b>	<b>-0.03</b>	<b>-0.02</b>	<b>-0.11</b>	<b>-0.02</b>	<b>-0.03</b>	<b>-0.01</b>	<b>-0.02</b>	<b>-0.07</b>	<b>-0.05</b>	<b>0.00</b>	<b>0.02</b>

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
<b>Revenue growth-%</b>	1.7 %	51.5 %	103.3 %	175.8 %	21.3 %	72.6 %	-6.9 %	-4.6 %	22.0 %	42.6 %	13.1 %	38.0 %	27.2 %	26.4 %
<b>Adjusted EBIT growth-%</b>	-31.3 %	-20.1 %	-48.5 %	-41.8 %	-64.3 %	-44.2 %	-32.7 %	21.9 %	-43.2 %	9.3 %	-16.0 %	-42.5 %	-111.0 %	329.0 %
<b>EBITDA-%</b>	-136.7 %	-36.1 %	-2.2 %	-10.7 %	37.0 %	-2.4 %	-4.3 %	-14.7 %	15.9 %	23.0 %	7.2 %	10.4 %	27.4 %	27.2 %
<b>Adjusted EBIT-%</b>	-203.5 %	-98.4 %	-53.8 %	-69.5 %	-45.3 %	-65.8 %	-71.2 %	-68.7 %	-32.3 %	-34.7 %	-48.9 %	-20.4 %	1.8 %	6.0 %
<b>Net earnings-%</b>	-157.5 %	-100.3 %	-56.5 %	-69.7 %	-37.5 %	-65.1 %	-57.8 %	-58.0 %	-23.0 %	-26.7 %	-38.8 %	-17.4 %	0.9 %	4.5 %

Source: Inderes

# Balance sheet

Assets	2024	2025	2026e	2027e	2028e
<b>Non-current assets</b>	<b>35.2</b>	<b>35.0</b>	<b>34.6</b>	<b>35.4</b>	<b>35.9</b>
Goodwill	0.0	0.0	0.0	0.0	0.0
Intangible assets	10.9	12.3	13.5	16.3	18.7
Tangible assets	24.3	22.7	21.1	19.0	17.2
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
<b>Current assets</b>	<b>21.1</b>	<b>14.2</b>	<b>8.1</b>	<b>5.8</b>	<b>5.9</b>
Inventories	2.3	2.2	1.8	1.7	1.7
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	1.4	2.4	1.3	1.3	1.7
Cash and equivalents	17.4	9.7	5.1	2.8	2.5
<b>Balance sheet total</b>	<b>56.3</b>	<b>49.1</b>	<b>42.7</b>	<b>41.1</b>	<b>41.8</b>

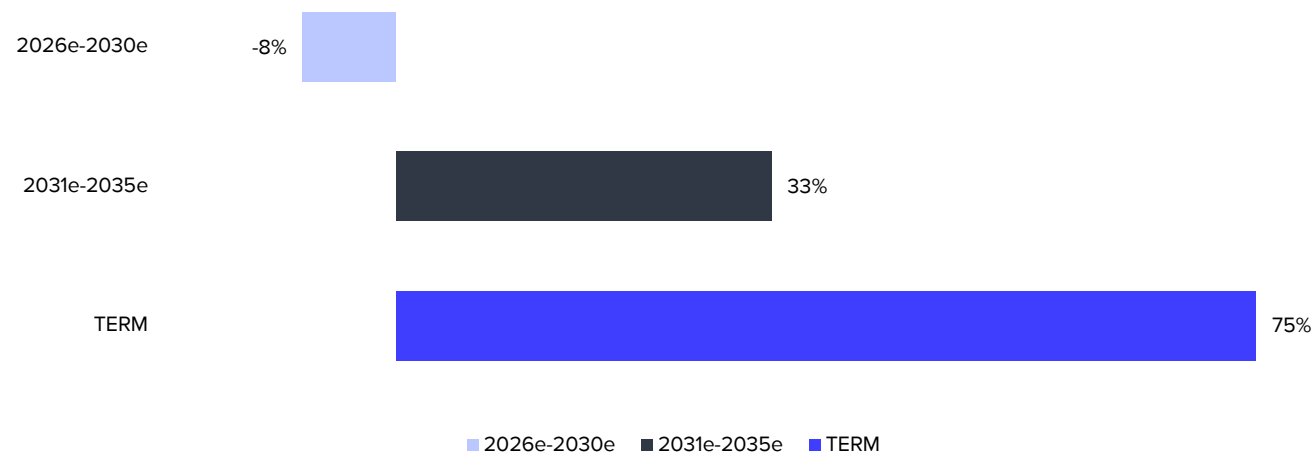
Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
<b>Equity</b>	<b>49.2</b>	<b>44.7</b>	<b>41.6</b>	<b>39.7</b>	<b>39.8</b>
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	-26.2	-30.7	-33.8	-35.7	-35.6
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	75.3	75.3	75.3	75.3	75.3
Minorities	0.0	0.0	0.0	0.0	0.0
<b>Non-current liabilities</b>	<b>2.8</b>	<b>1.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.3</b>
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	2.8	1.3	0.0	0.0	0.3
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>4.2</b>	<b>3.2</b>	<b>1.1</b>	<b>1.4</b>	<b>1.7</b>
Interest bearing debt	1.8	1.5	0.0	0.0	0.0
Payables	2.5	1.7	1.1	1.4	1.7
Other current liabilities	0.0	0.0	0.0	0.0	0.0
<b>Balance sheet total</b>	<b>56.3</b>	<b>49.1</b>	<b>42.7</b>	<b>41.1</b>	<b>41.8</b>

# DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	TERM
Revenue growth-%	72.6 %	13.1 %	38.0 %	27.2 %	26.4 %	25.0 %	25.0 %	20.0 %	16.0 %	8.0 %	4.0 %	3.0 %	3.0 %
EBIT-%	-65.8 %	-48.9 %	-20.4 %	1.8 %	6.0 %	12.0 %	18.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %	22.0 %
<b>EBIT (operating profit)</b>	<b>-4.6</b>	<b>-3.9</b>	<b>-2.2</b>	<b>0.2</b>	<b>1.1</b>	<b>2.7</b>	<b>5.0</b>	<b>7.3</b>	<b>8.5</b>	<b>9.2</b>	<b>9.5</b>	<b>9.8</b>	
+ Depreciation	4.5	4.5	3.4	3.6	3.8	3.9	4.1	4.2	4.2	4.0	4.1	4.2	
- Paid taxes	0.0	0.0	0.4	0.0	-0.2	-0.5	-0.9	-1.3	-1.5	-1.6	-1.7	-1.8	
- Tax, financial expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	0.0	
- Change in working capital	-1.6	0.9	0.4	-0.1	0.1	-0.5	-0.1	-0.3	-0.4	-0.2	-0.1	-0.1	
<b>Operating cash flow</b>	<b>-1.8</b>	<b>1.5</b>	<b>1.9</b>	<b>3.7</b>	<b>4.7</b>	<b>5.6</b>	<b>8.0</b>	<b>9.9</b>	<b>10.8</b>	<b>11.3</b>	<b>11.8</b>	<b>12.2</b>	
+ Change in other long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-4.3	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-4.0	-4.0	-4.0	-4.1	
<b>Free operating cash flow</b>	<b>-6.0</b>	<b>-2.6</b>	<b>-2.2</b>	<b>-0.5</b>	<b>0.6</b>	<b>1.5</b>	<b>4.0</b>	<b>5.8</b>	<b>6.7</b>	<b>7.3</b>	<b>7.8</b>	<b>8.1</b>	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-6.0	-2.6	-2.2	-0.5	0.6	1.5	4.0	5.8	6.7	7.3	7.8	8.1	98.3
<b>Discounted FCFF</b>		<b>-2.5</b>	<b>-1.8</b>	<b>-0.3</b>	<b>0.4</b>	<b>0.9</b>	<b>2.1</b>	<b>2.8</b>	<b>2.9</b>	<b>2.8</b>	<b>2.7</b>	<b>2.5</b>	<b>30.8</b>
Sum of FCFF present value		43.5	46.0	47.8	48.1	47.7	46.8	44.7	41.9	38.9	36.1	33.4	30.8
<b>Enterprise value DCF</b>		<b>43.5</b>											
- Interest bearing debt		-2.8											
+ Cash and cash equivalents		9.7											
-Minorities		0.0											
-Dividend/capital return		0.0											
<b>Equity value DCF</b>		<b>50.4</b>											
<b>Equity value DCF per share</b>		<b>1.2</b>											

Cash flow distribution



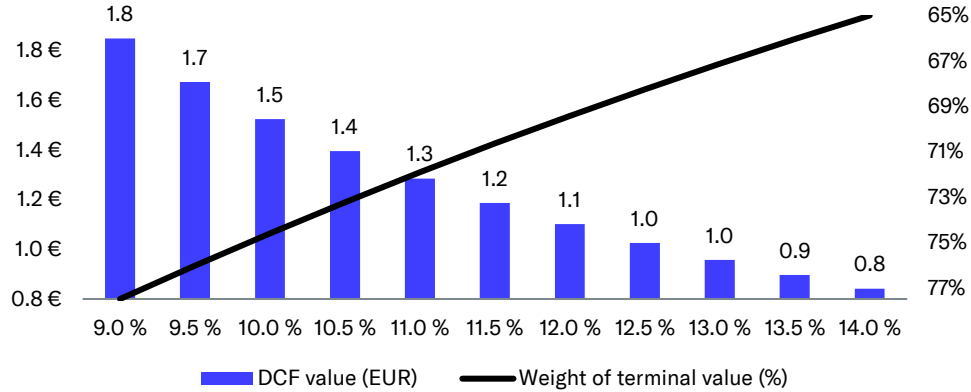
## WACC

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	8.0 %
Equity Beta	1.90
Market risk premium	4.75%
Liquidity premium	0.50%
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>12.0 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>11.5 %</b>

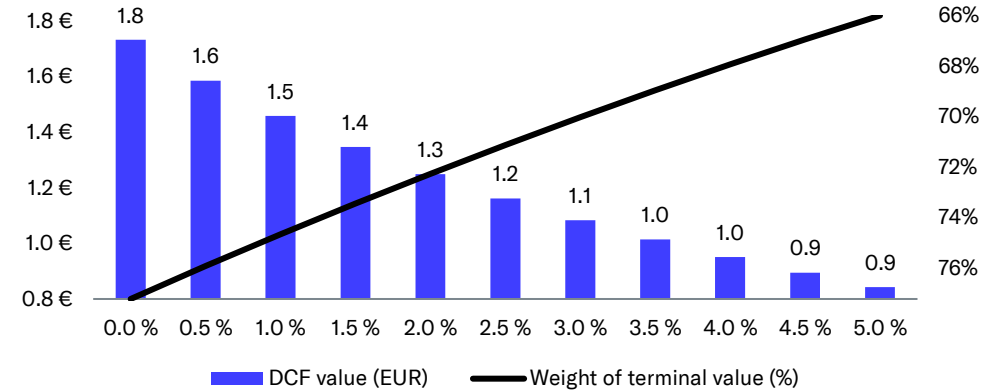
Source: Inderes

# DCF sensitivity calculations and key assumptions in graphs

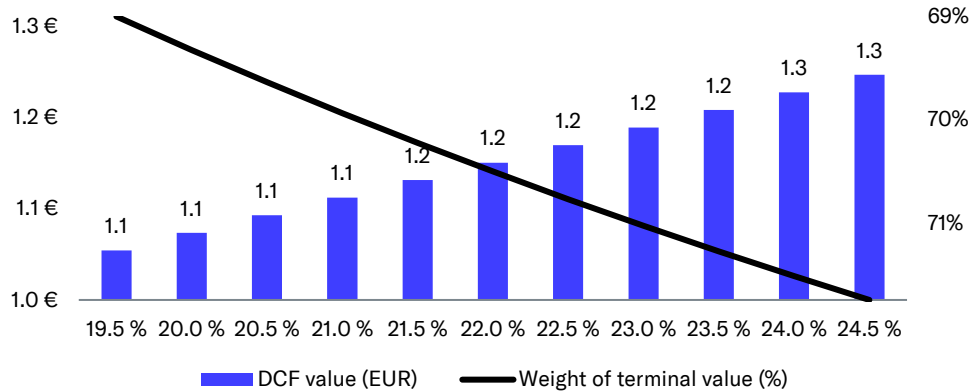
Sensitivity of DCF to changes in the WACC-%



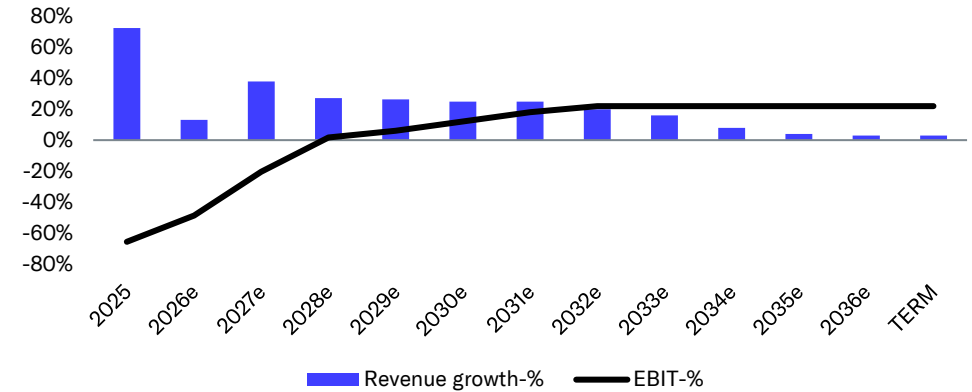
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



# Summary

Income statement	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e
Revenue	4.0	4.1	7.1	<b>8.0</b>	<b>11.0</b>	EPS (reported)	-0.28	-0.15	-0.11	<b>-0.07</b>	<b>-0.05</b>
EBITDA	-8.5	-5.6	-0.2	<b>0.6</b>	<b>1.2</b>	EPS (adj.)	-0.28	-0.15	-0.11	<b>-0.07</b>	<b>-0.05</b>
EBIT	-12.1	-8.3	-4.6	<b>-3.9</b>	<b>-2.2</b>	OCF / share	-0.18	-0.08	-0.04	<b>0.04</b>	<b>0.05</b>
PTP	-11.8	-6.5	-4.6	<b>-3.1</b>	<b>-2.3</b>	FCF / share	-0.41	-0.18	-0.14	<b>-0.06</b>	<b>-0.05</b>
Net Income	-11.8	-6.5	-4.6	<b>-3.1</b>	<b>-1.9</b>	Book value / share	1.31	1.16	1.05	<b>0.98</b>	<b>0.93</b>
Extraordinary items	0.0	0.0	0.0	<b>0.0</b>	<b>0.0</b>	Dividend / share	0.00	0.00	0.00	<b>0.00</b>	<b>0.00</b>
<b>Balance sheet</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026e</b>	<b>2027e</b>	<b>Growth and profitability</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026e</b>	<b>2027e</b>
Balance sheet total	64.0	56.3	49.1	<b>42.7</b>	<b>41.1</b>	Revenue growth-%	-12%	2%	73%	<b>13%</b>	<b>38%</b>
Equity capital	55.7	49.2	44.7	<b>41.6</b>	<b>39.7</b>	EBITDA growth-%	44%	-34%	-97%	<b>-438%</b>	<b>101%</b>
Goodwill	0.0	0.0	0.0	<b>0.0</b>	<b>0.0</b>	EBIT (adj.) growth-%	56%	-31%	-44%	<b>-16%</b>	<b>-42%</b>
Net debt	-18.6	-12.9	-6.9	<b>-5.1</b>	<b>-2.8</b>	EPS (adj.) growth-%	38%	-45%	-29%	<b>-32%</b>	<b>-38%</b>
<b>Cash flow</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026e</b>	<b>2027e</b>	EBITDA-%	-212.0 %	-136.7 %	-2.4 %	<b>7.2 %</b>	<b>10.4 %</b>
EBITDA	-8.5	-5.6	-0.2	<b>0.6</b>	<b>1.2</b>	EBIT (adj.)-%	-301.4 %	-203.5 %	-65.8 %	<b>-48.9 %</b>	<b>-20.4 %</b>
Change in working capital	1.0	2.1	-1.6	<b>0.9</b>	<b>0.4</b>	EBIT-%	-301.4 %	-203.5 %	-65.8 %	<b>-48.9 %</b>	<b>-20.4 %</b>
Operating cash flow	-7.5	-3.5	-1.8	<b>1.5</b>	<b>1.9</b>	ROE-%	-19.1 %	-12.3 %	-9.8 %	<b>-7.2 %</b>	<b>-4.7 %</b>
CAPEX	-9.7	-4.1	-4.3	<b>-4.1</b>	<b>-4.1</b>	ROI-%	-17.6 %	-14.4 %	-9.2 %	<b>-8.8 %</b>	<b>-5.5 %</b>
Free cash flow	-17.3	-7.6	-6.0	<b>-2.6</b>	<b>-2.2</b>	Equity ratio	87.1 %	87.5 %	90.9 %	<b>97.4 %</b>	<b>96.5 %</b>
<b>Valuation multiples</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026e</b>	<b>2027e</b>	Gearing	-33.4 %	-26.1 %	-15.4 %	<b>-12.1 %</b>	<b>-7.0 %</b>
EV/S	4.9	8.3	5.8	<b>5.6</b>	<b>4.3</b>						
EV/EBITDA	neg.	neg.	neg.	<b>78.3</b>	<b>40.9</b>						
EV/EBIT (adj.)	neg.	neg.	neg.	<b>neg.</b>	<b>neg.</b>						
P/E (adj.)	neg.	neg.	neg.	<b>neg.</b>	<b>neg.</b>						
P/B	0.7	1.0	1.1	<b>1.2</b>	<b>1.3</b>						
Dividend-%	0.0 %	0.0 %	0.0 %	<b>0.0 %</b>	<b>0.0 %</b>						

Source: Inderes

The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years. Per-share figures are calculated using the number of shares at year-end.

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

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Date	Recommendation	Target	Share price
3/15/2023	Reduce	2.30 €	2.42 €
5/2/2023	Reduce	2.30 €	2.31 €
8/11/2023	Reduce	2.30 €	2.15 €
8/21/2023	Reduce	1.60 €	1.50 €
20.10.23	Reduce	1.50 €	1.39 €
1/2/2023	Reduce	1.20 €	1.17 €
2/26/2024	Reduce	0.90 €	0.85 €
4/29/2024	Reduce	0.90 €	0.83 €
8/19/2024	Reduce	0.90 €	1.14 €
10/22/2024	Reduce	0.90 €	0.99 €
2/24/2025	Accumulate	1.30 €	1.15 €
4/28/2025	Accumulate	1.50 €	1.34 €
7/1/2025	Accumulate	1.50 €	1.22 €
8/25/2025	Accumulate	1.60 €	1.39 €
10/27/2025	Reduce	1.30 €	1.32 €
2/23/2026	Reduce	1.20 €	1.18 €
4/27/2026	Reduce	1.20 €	1.17 €



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