NYAB

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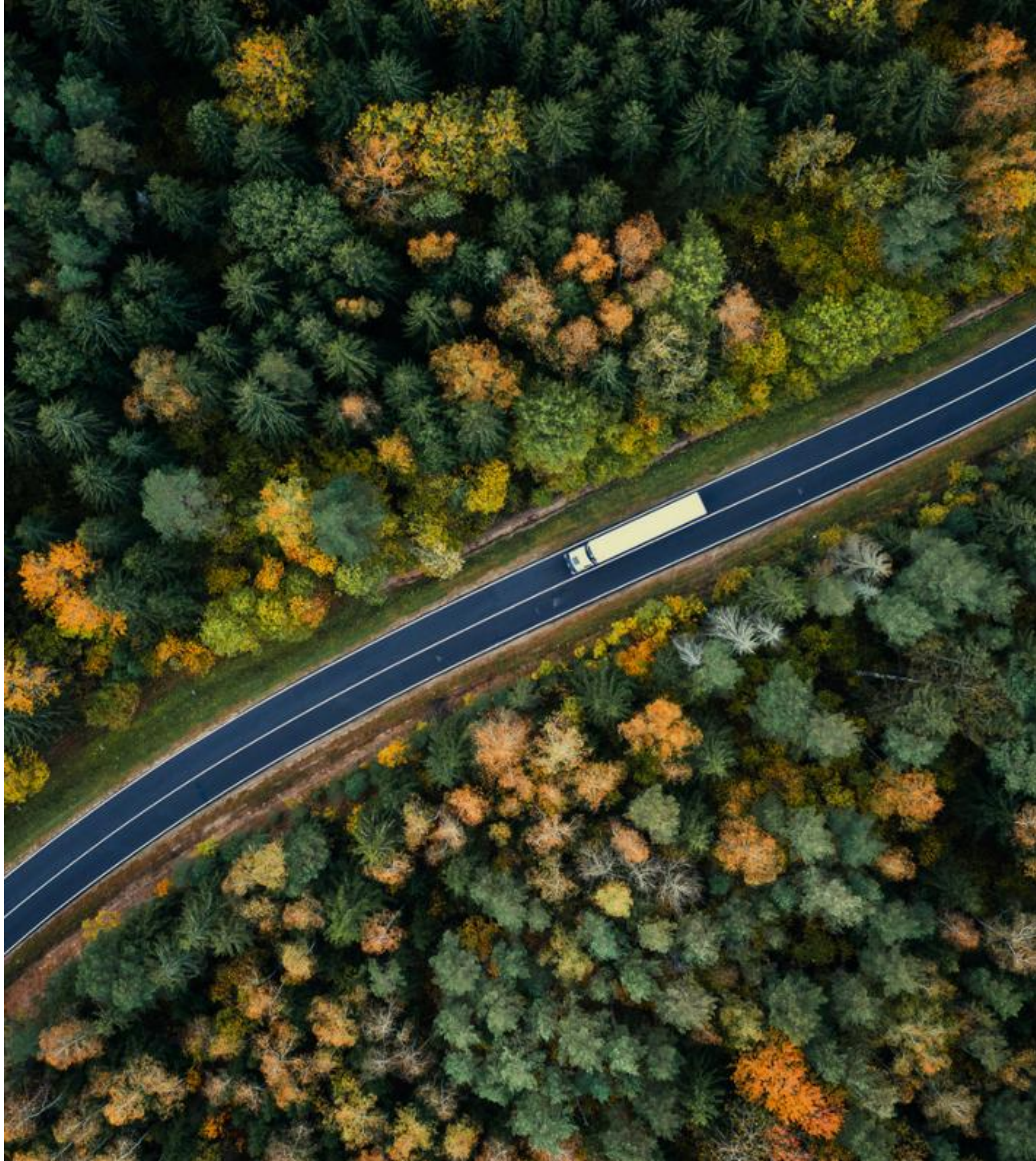
INDERES CORPORATE CUSTOMER

COMPANY REPORT



Strong execution across the board

NYAB's Q4 report was stronger than expected across the board. The market situation in Sweden remained favorable for NYAB's operations and the mild winter conditions in the Nordics had a positive effect on the overall business momentum. However, the order backlog growth lagged clearly behind revenue, partly due to the high volumes delivered in Q4. This, coupled with lower-than-expected revenue from the soon-to-be integrated businesses from Dovre, resulted in only minor estimate changes for the next years. That said, we continue to see the expected return at a very attractive level, driven primarily by the earnings growth we forecast for the coming years. Hence, we reiterate our Buy recommendation and maintain our target price of SEK 6.8.

Q4 exceeded our expectations

NYAB's revenue grew by 33% year-on-year in Q4 to 117 MEUR, which was well above our forecast (101 MEUR) and primarily driven by the realization of its strong order backlog, the completion of projects carried over from Q3, and favorable weather conditions. Geographically, Sweden continued to benefit from favorable market conditions and grew 48% year-on-year, while the development in Finland remained sluggish, with reported revenue down 1% year-on-year. The margin level (EBIT) also exceeded our expectations at 10.5% (Q4'23: 7.5%, Inderes est. 9.7%), reflecting the higher-than-expected volumes in the quarter combined with sustained cost efficiency. The company reiterated in the Q4 report that the market conditions in Sweden remain favorable, and that Finland is still experiencing some slowness (due to weak overall economic development and postponements of renewable energy investments) but also recently shown signs of improved activity. Furthermore, the company's dividend proposal of EUR 0.01 was in line with our estimates.

But changes in our estimates are limited

In light of the report, which clearly exceeded our expectations, and the current market outlook, the forecast changes were relatively minor. The primary reason behind this is the modest increase in the order backlog (+10% y/y) relative to revenue growth, as well as lower-than-expected revenue from the acquired Dovre businesses. For 2025, we expect the company's revenue to grow 41% (of which 11% organically) to 487 MEUR (was 494 MEUR, FY24: 330 MEUR). Adjusted EBIT remained unchanged at 33 MEUR, reflecting a slight increase in the EBIT margin to 6.8% (FY2024: 7.3%). The year-on-year decline in the EBIT margin is primarily due to the integration of the lower-margin Project Personnel business. Estimate changes for the coming years are also minimal at this stage. However, we recognize that the potential but yet-to-be-confirmed phase two order for the Uppsala Tramway project could put upward pressure on our current estimates if secured. Looking at the bigger picture, we expect NYAB to continue to grow at a decent pace beyond 2025 (26-28e: 9-6%). Similarly, we expect the margin to increase closer to the target level (26-28e adj. EBIT%: 6.8-6.9% vs. target >7.5%), driven, among others, by revenue growth and implemented measures to smooth out the seasonality.

We see a strong upside in the stock

Based on our estimates, the adjusted P/E ratios for 2025 and 2026 are 14x and 12x, while the corresponding EV/EBIT ratios are 10x and 8x. Given our accepted multiple range (P/E: 12x-16x, EV/EBIT: 11x-15x), we continue to see significant upside in current and next year's multiples, particularly on the EV-based multiple, which reflects the strong balance sheet. Our range of expected total returns over the medium term is also above our required return for the stock. Further support for the strong positive recommendation comes from our sum-of-the-parts model, which now stands at SEK 6.5-7.7 (prev. SEK 6.3-7.6).

Recommendation
Buy
(prev. Buy)

Target price:
SEK 6.80
(prev. 6.80 SEK)

Share price:
SEK 5.27

Business risk
●●●○○

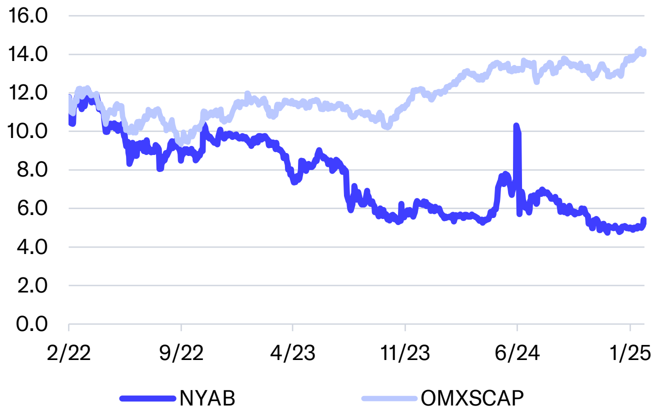
Valuation risk
●●●○○

	2024	2025e	2026e	2027e
Revenue	345.9	486.6	531.8	566.4
growth-%	23%	41%	9%	7%
EBIT adj.	26.4	33.1	36.4	39.2
EBIT-% adj.	7.6 %	6.8 %	6.8 %	6.9 %
Net Income	16.8	21.6	26.3	29.5
EPS (adj.)	0.03	0.03	0.04	0.04
P/E (adj.)	15.3	13.9	12.2	11.0
P/B	1.6	1.6	1.5	1.4
Dividend yield-%	2.3 %	2.5 %	3.0 %	3.4 %
EV/EBIT (adj.)	10.5	9.6	8.3	7.3
EV/EBITDA	9.1	8.6	7.5	6.5
EV/S	0.8	0.7	0.6	0.5

Source: Inderes

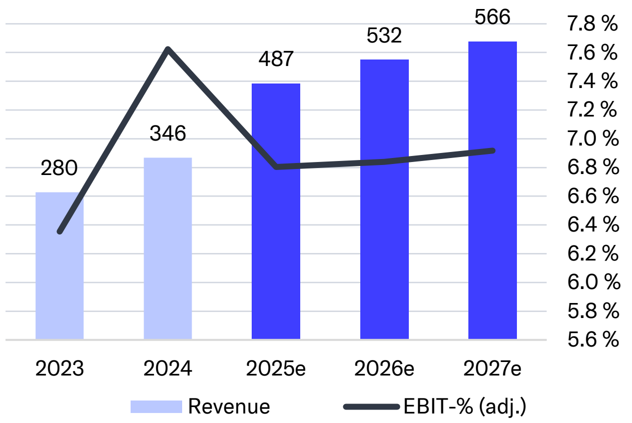
Guidance (No guidance)

Share price



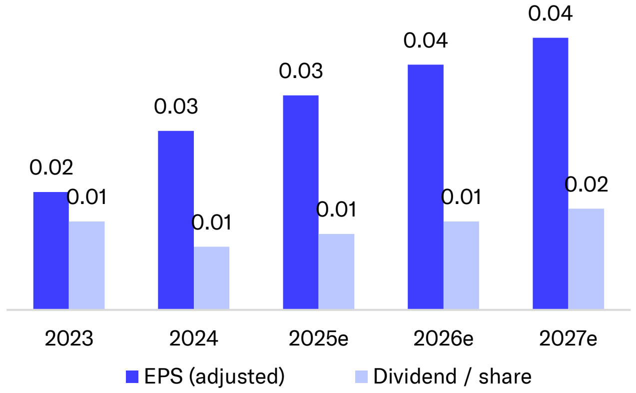
Source: Millistream Market Data AB

Revenue and EBIT-%



Source: Inderes

EPS and DPS



Source: Inderes

Value drivers

- Continued growth and higher profitability than competitors
- Strong market position in target markets, especially in the Norrbotten region
- The company is well positioned in the green transition and urbanization it offers, with promising growth prospects well into the future
- Focus on less cyclical and counter-cyclical construction sectors
- Sustainable improvement in the profitability of Finnish businesses
- Acquisitions that create value

Risk factors

- Fluctuations in demand in the construction market and general economic developments
- Pricing and project risks
- Tighter competition
- Personnel risks
- EUR/SEK currency pair (+/-) may swing reported figures
- Failure in acquisitions

Valuation	2025e	2026e	2027e
Share price	0.47	0.47	0.47
Number of shares, millions	713.0	713.0	713.0
Market cap	337	337	337
EV	317	302	284
P/E (adj.)	13.9	12.2	11.0
P/E	15.6	12.8	11.4
P/B	1.6	1.5	1.4
P/S	0.7	0.6	0.6
EV/Sales	0.7	0.6	0.5
EV/EBITDA	8.6	7.5	6.5
EV/EBIT (adj.)	9.6	8.3	7.3
Payout ratio (%)	39.7 %	38.0 %	38.7 %
Dividend yield-%	2.5 %	3.0 %	3.4 %

Source: Inderes

Q4 exceeded our expectations

Revenue clearly exceeded our estimates…

NYAB's revenue grew by 33% (y/y) in Q4 to 117 MEUR, significantly surpassing our 101 MEUR forecast. In our view, this strong performance was driven by effective execution of the order backlog and further boosted by timing factors (e.g., the holiday season) that had impacted the previous quarter. Additionally, mild winter conditions supported project execution, contributing positively to revenue growth.

Geographically, the decline in the Finnish business continued in the quarter, albeit at a slower pace than in previous quarters (Q4’24: -1% y/y, Q3’24: -7%, Q2’24: -19%). The weak revenue development in Finland throughout 2024 reflects a cooling of investments in renewable energy. Meanwhile, in Sweden, revenue increased by 48% (y/y), supported by strong market demand for energy projects and favorable weather conditions in Northern Sweden, which remains a significant revenue contributor for the Group. Currency effects had a minimal impact on growth.

In the Q4 report, the company reiterated that market conditions in Sweden remain favorable, while Finland is still experiencing some slowness (due to sluggish overall economic development and postponements of renewable energy investments), although there have been signs of improved activity recently. The order book declined ~60 MEUR quarter-on quarter and stood at 325 MEUR, representing a 10% growth year-on-year.

…and so did the operating result

The company reported an EBIT of 12.3 MEUR (Q4’23: 6.6 MEUR), which clearly exceeded our estimated 9.8 MEUR. The overperformance was largely driven by higher-than-expected volumes, while margins also came in slightly ahead of expectations, supported by a somewhat stronger gross margin and lower other operating expenses. However, relative to revenue, the cost structure remained well aligned with estimates, highlighting solid cost efficiency.

At the bottom line, net profit outperformed our estimates by nearly the same margin as EBIT, with income tax being the key deviation, reflecting the higher-than-expected operating result.

Strong profitability and seasonality improved FCFF

In Q4, NYAB's cash flow from operating activities was 18.3 MEUR, driven by favorable seasonal effects in working capital (3.5 MEUR) and improved profitability. Due to low investments during the quarter, free cash flow stood at 18.3 MEUR, reflecting a moderate improvement year-on-year (Q4’23: 16.8 MEUR). The company’s rolling 12-month free cash flow amounted to 28 MEUR (Q4’23: 24 MEUR). Overall, NYAB's financial position remained at a very strong level with an equity ratio of 73% (Q4'23: 73%) and a net debt/EBITDA ratio of -0.6x (LTM). With the finalization of the acquisition of Dovre’s businesses in Q1, we expect this ratio to increase over the next quarters, reflecting the company’s increased debt position, but remain at a low absolute level and compared to the target of below 1.5x.

Estimates	Q4'23	Q4'24	Q4'24e	Q4'24e	Consensus		Difference (%)	2024
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Actual
Revenue	87.8	117	101				16%	346
EBITA	7.6	12.5	10.0				25%	26.4
EBIT	6.6	12.3	9.8				25%	25.4
PTP	4.8	11.7	9.2				27%	20.9
Net income	3.6	9.3	7.8				18%	
Revenue growth-%	-2.1 %	33.3 %	15.0 %				18.3 pp	23.4 %
EBIT-% (adj.)	7.5 %	10.5 %	9.7 %				0.7 pp	7.3 %

Source: Inderes

NYAB Q4'24: Ending the year on a strong

Small changes in our forecasts

Estimate changes

- The Q4 report exceeded our expectations across the board. However, the relatively modest development in the order backlog (+10% y/y), which was partly due to the exceptionally strong growth in Q4, combined with the weaker-than-expected revenue for the acquired business from Dovre in 2024 resulted in limited estimated changes for the next years (~-1% in 25-26e).
- The increase in PPA amortization (+1.1 MEUR/annual) following the acquisition of Dovre's businesses and the expected one-off costs of 1 MEUR in Q1'25 (transactions costs related to the acquisition of Dovre's businesses) has had a fairly small impact on our earnings forecast. However, the positive revisions we made to our margin forecasts on the back of the Q4-report somewhat offset this impact and our overall earnings estimates changes are fairly limited.
- We have also made small adjustments to the financing costs and tax rows, but the absolute changes were very small.
- We have adjusted our 2025 dividend estimate to better align with the company's payout target while ensuring a smoother trajectory to anticipated increases in 2026 and beyond.
- In conjunction with the Q4 report, NYAB announced a new reporting structure and segment overview, effective from Q1'25. We will align our reporting with the new structure moving forward.

Operational earnings drivers

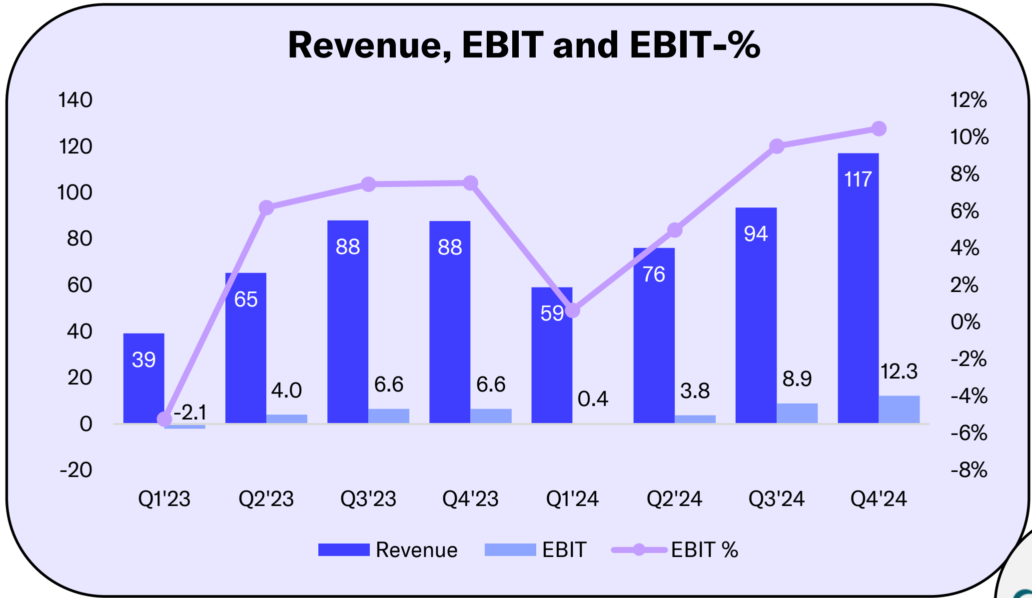
- NYAB's order book stood at 325 MEUR at the end of Q4, enabling further growth, although there is uncertainty about the exact timing of the order book.
- Several large multi-year contracts signed in the last 12 months are already giving the company visibility for next year's progress. They also improve the predictability of the business and reduce seasonality.
- Revenue growth slightly scales fixed costs
- Sustainable profitability improvement in Finnish businesses closer to the level of the Swedish business
- Successful execution in enhancing the profitability of acquired Dovre businesses
- Skarta Energy project development progress (including any development fees) or sale of ownership

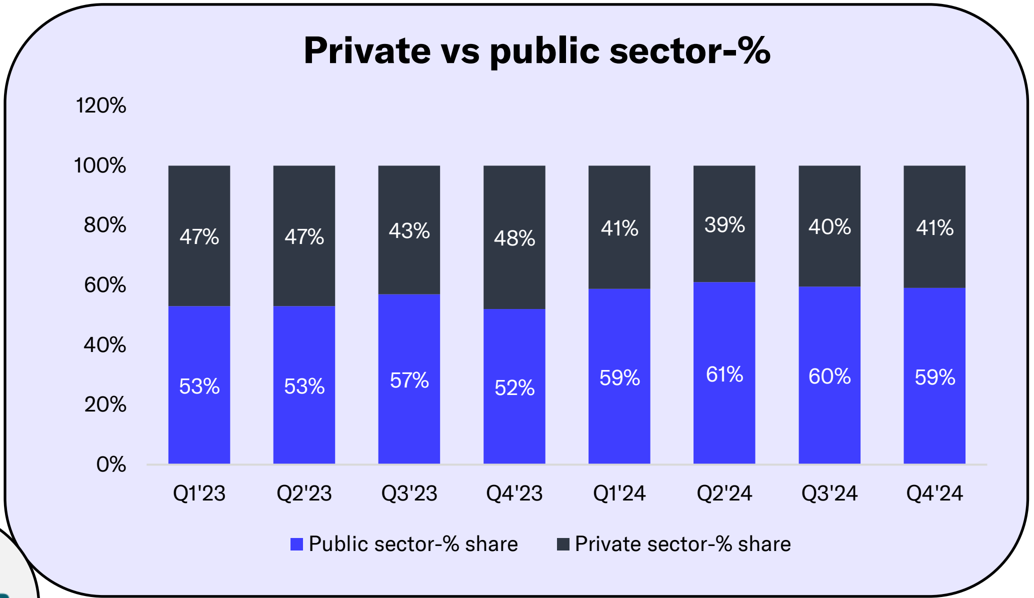
Estimate revisions MEUR / EUR	2024 Inderes	2024e Actualized	Change %	2025e Old	2025e New	Change %	2026e Old	2026e New	Change %
Revenue	330	346	5%	493	487	-1%	539	532	-1%
EBITDA	27.7	30.3	9%	37.8	36.7	-3%	41.3	40.2	-2%
EBIT (exc. NRIs)	23.8	26.4	11%	33.2	33.1	0%	36.4	36.4	0%
EBIT	22.9	25.4	11%	32.7	30.5	-7%	36.1	35.0	-3%
PTP	18.4	20.9	13%	29.4	26.9	-8%	33.8	32.7	-3%
EPS (excl. NRIs)	0.03	0.03	9%	0.03	0.03	-1%	0.04	0.04	1%
DPS	0.010	0.010	0%	0.015	0.012	-20%	0.018	0.014	-22%

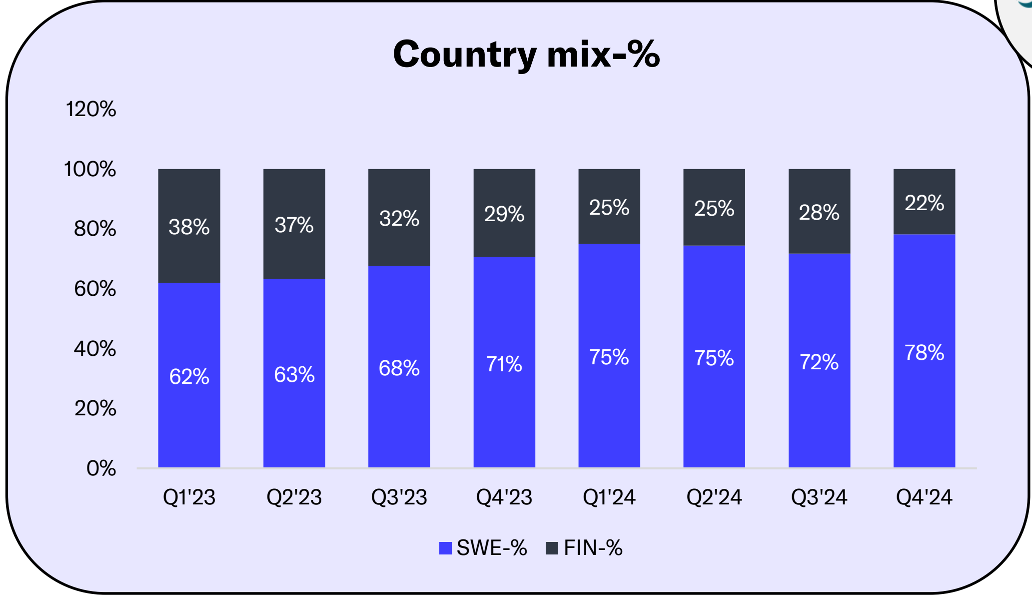
Source: Inderes

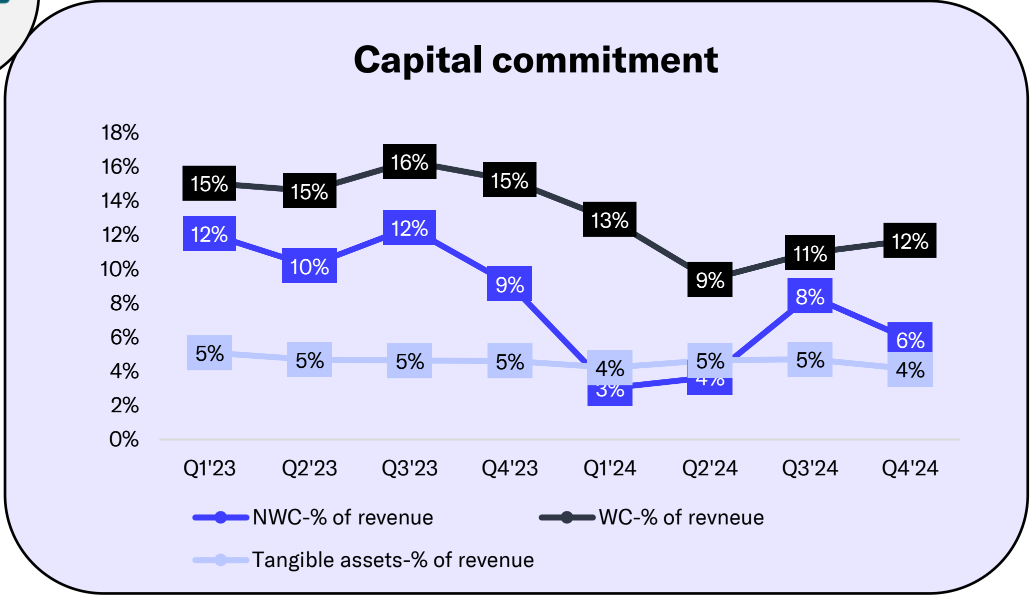
NYAB, Audiocast, Q4'24

Q4 at a glance

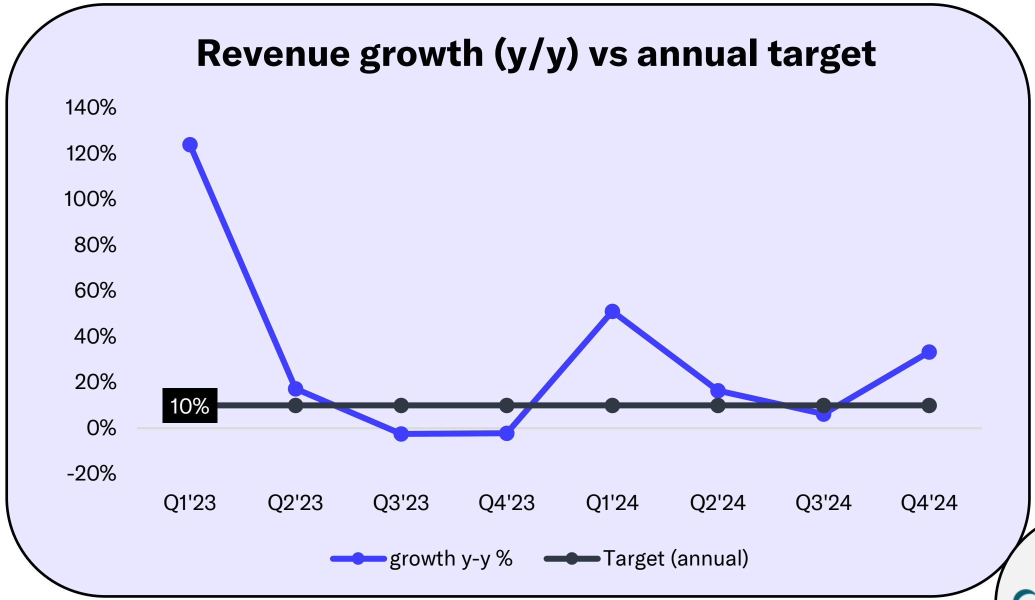




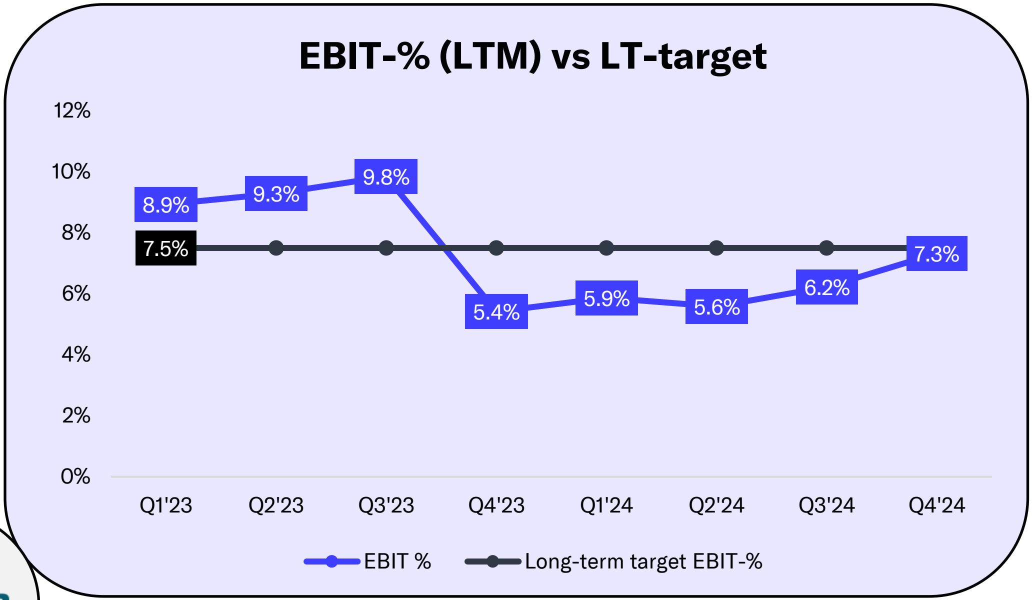




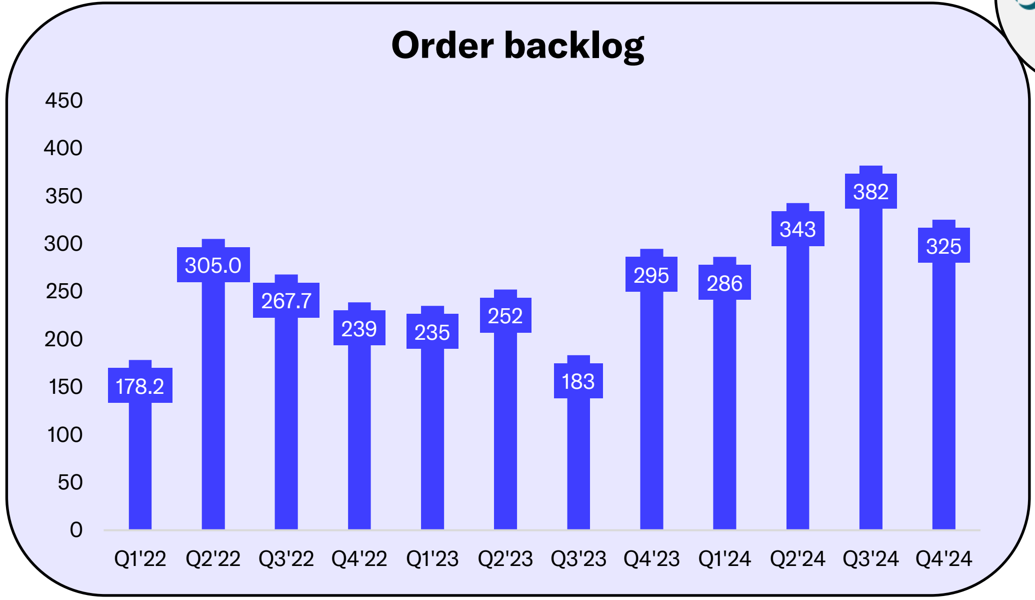
Key KPI's



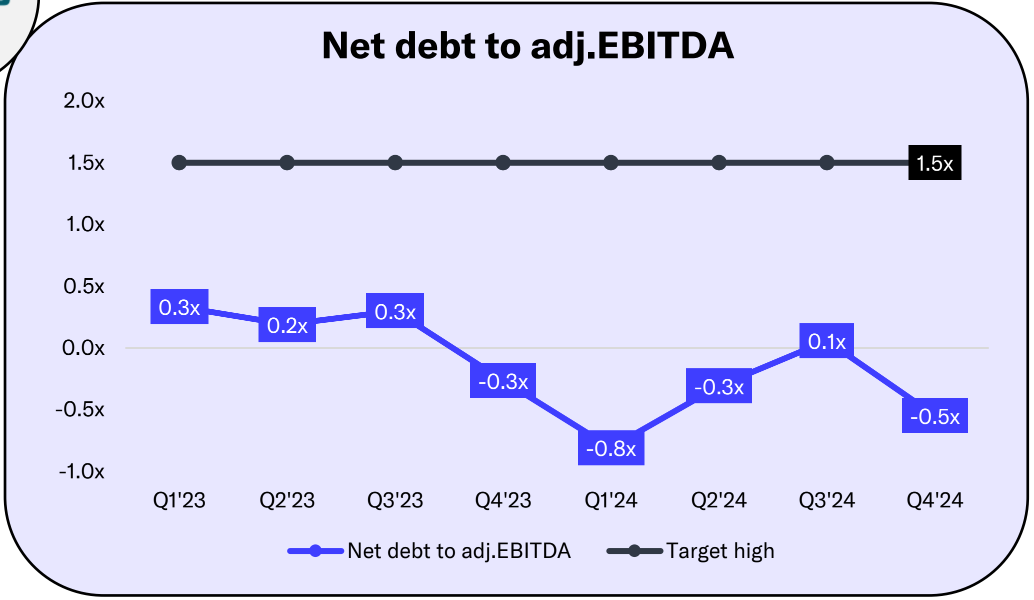
Revenue growth (y/y) vs annual target
140%
120%
100%
80%
60%
40%
20%
0%
-20%
10%
Q1'23
Q2'23
Q3'23
Q4'23
Q1'24
Q2'24
Q3'24
Q4'24
growth y-y %
Target (annual)



EBIT-% (LTM) vs LT-target
12%
10%
8%
6%
4%
2%
0%
8.9%
9.3%
9.8%
7.5%
5.4%
5.9%
5.6%
6.2%
7.3%
Q1'23
Q2'23
Q3'23
Q4'23
Q1'24
Q2'24
Q3'24
Q4'24
EBIT %
Long-term target EBIT-%



Order backlog
450
400
350
300
250
200
150
100
50
0
178.2
305.0
267.7
239
235
252
183
295
286
343
382
325
Q1'22
Q2'22
Q3'22
Q4'22
Q1'23
Q2'23
Q3'23
Q4'23
Q1'24
Q2'24
Q3'24
Q4'24



Net debt to adj.EBITDA
2.0x
1.5x
1.0x
0.5x
0.0x
-0.5x
-1.0x
1.5x
0.3x
0.2x
0.3x
-0.3x
-0.8x
-0.3x
0.1x
-0.5x
Q1'23
Q2'23
Q3'23
Q4'23
Q1'24
Q2'24
Q3'24
Q4'24
Net debt to adj.EBITDA
Target high

Valuation

Trading at attractive multiples

Based on our updated estimates, NYAB trades at an adjusted P/E ratio of 14x and an EV/EBIT ratio of 10x for 2025. Relative to our acceptable valuation range (P/E: 12-16, EV/EBIT: 11-15x), we believe the valuation for the current year to be on the low side. In addition, if estimated earnings growth materializes in line with our forecast, we see the multiples for 2026 falling to very attractive multiples (2026e: P/E 12x, EV/EBIT 8x), especially on EV-based multiples, which accounts for the strong balance sheet. Additionally, it is worth noting that we believe the company has the potential to accelerate its growth through acquisitions over time due to its strong balance sheet. However, in the short term, we believe larger M&A is unlikely as we expect the company to focus on the integration of Dovre's businesses.

With a strong order book, improved margin levels in 2024, and a positive demand outlook in Sweden, we also see the risk level related to earnings growth decreasing. However, we don't think it is justified for NYAB to be valued at the top of our acceptable valuation ranges at this time due to, for example, the continued weak outlook in Finland and potential integration risks accompanied with the recent acquisition of Dovre's businesses.

In addition, we expect the stock to offer a base dividend yield of around 3% over the next few years. Despite the acquisition, we expect the company's balance sheet to remain strong, which would allow it to pay a more generous dividend, supported by its strong cash flow. However, we will continue to monitor the company's decisions before raising our dividend forecasts.

Expected return for the coming years is also alluring

We have also looked at an investor's expected return over the next few years by simplifying the acceptable valuation and our 2027 earnings estimates. In our view, NYAB's business could be valued at 12x-14x EV/EBIT and around 13x-15x P/E at the end of 2027 based on our current estimates. However, this requires that the profitability improvement is still intact and there are no major changes in the company's growth outlook.

Based on this and our current estimates, we believe that NYAB could be valued at roughly SEK 7.1-8.2 per share at the end of 2027 (with the current EUR/SEK currency rate). At the current share price of SEK 5.3, the expected average annual return would be around 14%, and we expect the investor to receive an annual dividend yield of around 3%. The average annual expected total return is therefore well above the 9.6% return on equity we use.

SOTP in slight upward trend

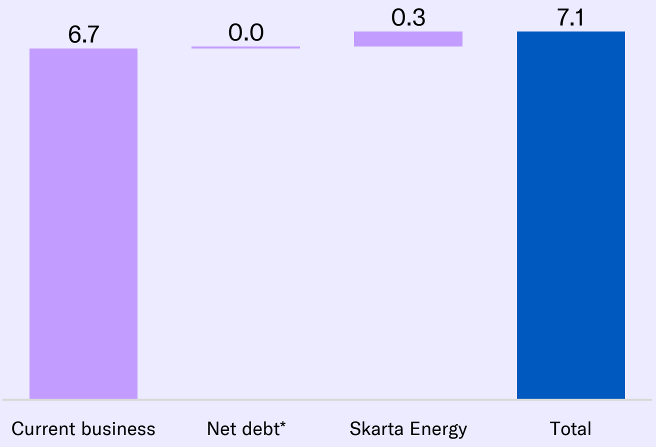
The indicative value of our sum-of-the-parts calculation (detailed parameters presented in our extensive report) is now set at 400-466 MEUR in our baseline scenario (was MEUR 376-437). At the current EUR/SEK exchange rate, this corresponds to a value of SEK 6.5-7.7 per share. The slight increase in the SOTP was mainly due to lower net debt assumptions for the Group in 2025.

Furthermore, our DCF model indicates a value of EUR 0.61 per share (SEK 6.8). Thus, the DCF value clearly exceeds the current share price. In addition, it should be noted our DCF it does not fully take into account Skarta Energy's long-term potential (value in the model is 16.8 MEUR). In conclusion, we see the expected return in the stock at attractive levels from a variety of angles.

Valuation	2025e	2026e	2027e
Share price	0.47	0.47	0.47
Number of shares, millions	713.0	713.0	713.0
Market cap	337	337	337
EV	317	302	284
P/E (adj.)	13.9	12.2	11.0
P/E	15.6	12.8	11.4
P/B	1.6	1.5	1.4
P/S	0.7	0.6	0.6
EV/Sales	0.7	0.6	0.5
EV/EBITDA	8.6	7.5	6.5
EV/EBIT (adj.)	9.6	8.3	7.3
Payout ratio (%)	39.7 %	38.0 %	38.7 %
Dividend yield-%	2.5 %	3.0 %	3.4 %

Source: Inderes

Midpoint of baseline scenario SOTP (SEK per share)

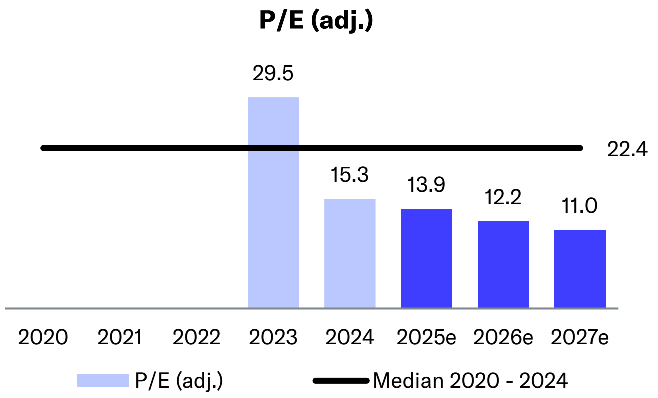


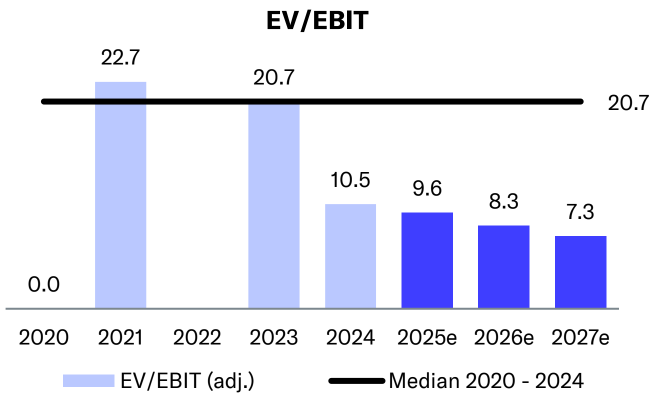
* Net debt at the end of 2025 adjusted for the acquisition

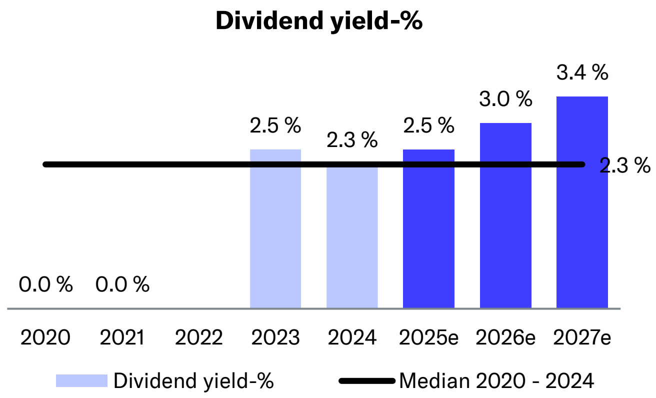
Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price				0.55	0.43	**0.47**	**0.47**	**0.47**	**0.47**
Number of shares, millions				706.7	713.0	**713.0**	**713.0**	**713.0**	**713.0**
Market cap				389	309	**337**	**337**	**337**	**337**
EV				369	276	**317**	**302**	**284**	**266**
P/E (adj.)				29.5	15.3	**13.9**	**12.2**	**11.0**	**10.2**
P/E				43.0	18.5	**15.6**	**12.8**	**11.4**	**10.6**
P/B				2.1	1.6	**1.6**	**1.5**	**1.4**	**1.3**
P/S				1.4	0.9	**0.7**	**0.6**	**0.6**	**0.6**
EV/Sales				1.3	0.8	**0.7**	**0.6**	**0.5**	**0.4**
EV/EBITDA				17.2	9.1	**8.6**	**7.5**	**6.5**	**5.8**
EV/EBIT (adj.)				20.7	10.5	**9.6**	**8.3**	**7.3**	**6.4**
Payout ratio (%)				109.3 %	42.6 %	**39.7 %**	**38.0 %**	**38.7 %**	**40.5 %**
Dividend yield-%				2.5 %	2.3 %	**2.5 %**	**3.0 %**	**3.4 %**	**3.8 %**

Source: Inderes







Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT 2025e	 2026e	EV/EBITDA 2025e	 2026e	EV/S 2025e	 2026e	P/E 2025e	 2026e	Dividend yield-% 2025e	 2026e	P/B 2025e
Peab	2181	3340	15.1	13.2	9.4	8.5	0.6	0.6	13.6	11.4	4.0	4.6	1.3
NCC	1755	1898	11.5	10.8	6.9	6.7	0.4	0.4	13.3	12.4	4.6	4.9	2.2
Skanska	9477	8312	10.9	10.1	8.5	8.0	0.5	0.5	14.4	13.4	3.5	3.8	1.6
YIT	536	1391	27.5	17.3	18.6	13.1	0.8	0.7		28.9	0.4	1.3	0.7
AF Gruppen	1375	1474	10.7	9.7	7.4	6.9	0.6	0.5	16.8	15.2	5.3	5.7	5.7
NRC Group	76	129	8.7	6.0	4.1	3.3	0.2	0.2	6.3	3.7	4.5	6.8	0.5
Veidekke	1659	1465	10.0	9.3	6.1	5.8	0.4	0.4	14.7	13.7	6.7	7.1	5.9
MT Hoejgaard Holding	323	321	6.5	6.4	4.5		0.3	0.3	8.9	8.6			1.9
Kreate	70	100	10.2	8.5	6.2	5.5	0.3	0.3	11.4	9.2	6.8	6.9	1.5
Sitowise	96	173	28.9	16.0	9.4	7.5	0.9	0.9		24.4	1.9	2.6	0.8
Sweco	6100	6560	20.8	19.0	16.1	14.9	2.2	2.1	26.0	23.3	2.0	2.2	5.2
AFRY	1958	2497	12.7	10.9	9.3	8.2	1.0	0.9	14.4	11.7	3.6	4.3	1.6
Enersense	42	84	4.3	8.0	2.4	4.2	0.2	0.2	3.3	16.9		2.0	1.0
Eltel	95	245	9.8	8.3	4.5	4.1	0.3	0.3	20.1	8.6			0.5
Dovre Group	34	38	5.4	12.6	5.4	12.6	0.4	0.4	16.0	5.3	3.1	3.1	1.5
Netel	54	121	6.6	5.7	4.9	4.3	0.4	0.4	5.5	4.3	5.5	7.0	0.5
Brunel International	526	498	7.5	6.4	5.5	4.8	0.3	0.3	12.2	10.2	6.3	7.2	1.6
Randstad	6853	8715	11.1	9.8	8.2	7.2	0.4	0.3	12.8	10.5	4.8	5.9	1.5
Eezy	21	77	15.3	10.2	6.1	5.1	0.4	0.4	21.0	5.6	6.0	9.5	0.2
Etteplan	281	352	12.3	10.8	7.2	6.5	0.9	0.9	13.9	11.7	3.3	4.0	2.1
Rejlers	328	381	12.1	10.5	7.5	6.7	0.9	0.9	13.2	11.2	3.3	3.7	1.8
Staffline Group	50	66	5.0	4.6	3.8	3.5	0.1	0.1	9.2	7.5			
Solwers	24	34	8.4	7.5	4.2	4.0	0.4	0.4	11.9	8.5	2.5	3.4	0.6
NYAB (Inderes)	**337**	**317**	**9.6**	**8.3**	**8.6**	**7.5**	**0.7**	**0.6**	**13.9**	**12.2**	**2.5**	**3.0**	**1.6**
Average			**11.8**	**10.1**	**7.2**	**6.9**	**0.6**	**0.5**	**13.3**	**12.0**	**4.1**	**4.8**	**1.8**
Median			**10.7**	**9.8**	**6.2**	**6.6**	**0.4**	**0.4**	**13.3**	**11.2**	**4.0**	**4.4**	**1.5**
Diff-% to median			***-11%***	***-15%***	***40%***	***14%***	***63%***	***46%***	***5%***	***8%***	***-36%***	***-33%***	***5%***

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	**280**	**59.2**	**76.1**	**93.6**	**117**	**346**	**91.6**	**112**	**137**	**146**	**487**	**532**	**566**	**598**
Group	280	59.2	76.1	93.6	117	346	91.6	112	137	146	487	532	566	598
EBITDA	**21.4**	**1.7**	**4.9**	**10.1**	**13.6**	**30.3**	**2.9**	**6.7**	**13.1**	**14.0**	**36.7**	**40.2**	**43.4**	**45.7**
Depreciation	-6.2	-1.4	-1.1	-1.2	-1.3	-5.0	-1.6	-1.6	-1.6	-1.6	-6.2	-5.3	-5.4	-5.5
EBIT (excl. NRI)	**17.8**	**0.9**	**3.9**	**9.0**	**12.5**	**26.4**	**2.7**	**5.6**	**12.0**	**12.9**	**33.1**	**36.4**	**39.2**	**41.4**
EBIT	**15.2**	**0.4**	**3.8**	**8.9**	**12.3**	**25.4**	**1.3**	**5.1**	**11.5**	**12.5**	**30.5**	**35.0**	**38.0**	**40.2**
Group	15.2	0.4	3.8	8.9	12.3	25.4	1.3	5.1	11.5	12.5	30.5	35.0	38.0	40.2
Share of profits in assoc. compan.	-1.8	0.1	-0.3	-0.2	-0.4	-0.8	-0.2	-0.2	-0.2	-0.2	-0.8	-0.3	0.4	0.3
Net financial items	-2.7	-1.0	-1.9	-0.6	-0.2	-3.7	-0.7	-0.7	-0.7	-0.7	-2.7	-2.0	-1.5	-0.9
PTP	**10.7**	**-0.5**	**1.5**	**8.1**	**11.7**	**20.9**	**0.4**	**4.3**	**10.6**	**11.6**	**26.9**	**32.7**	**36.9**	**39.6**
Taxes	-1.6	-0.1	-0.1	-1.4	-2.4	-4.1	-0.1	-0.9	-2.1	-2.3	-5.4	-6.4	-7.4	-7.9
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	**9.0**	**-0.6**	**1.4**	**6.7**	**9.3**	**16.8**	**0.3**	**3.4**	**8.5**	**9.3**	**21.6**	**26.3**	**29.5**	**31.7**
EPS (adj.)	**0.02**	**0.00**	**0.00**	**0.01**	**0.01**	**0.03**	**0.00**	**0.01**	**0.01**	**0.01**	**0.03**	**0.04**	**0.04**	**0.05**
EPS (rep.)	**0.01**	**0.00**	**0.00**	**0.01**	**0.01**	**0.02**	**0.00**	**0.00**	**0.01**	**0.01**	**0.03**	**0.04**	**0.04**	**0.04**

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-%						23.4 %	54.7 %	47.4 %	46.7 %	24.3 %	40.7 %	9.3 %	6.5 %	5.5 %
Adjusted EBIT growth-%	-34.5 %	-157.8 %	-13.9 %	26.6 %	63.6 %	48.0 %	205.5 %	41.4 %	32.1 %	3.0 %	25.5 %	9.9 %	7.7 %	5.7 %
EBITDA-%	7.6 %	2.9 %	6.4 %	10.8 %	11.6 %	8.8 %	3.1 %	6.0 %	9.5 %	9.6 %	7.5 %	7.6 %	7.7 %	7.6 %
Adjusted EBIT-%	6.4 %	1.5 %	5.2 %	9.7 %	10.7 %	7.6 %	3.0 %	5.0 %	8.7 %	8.8 %	6.8 %	6.8 %	6.9 %	6.9 %
Net earnings-%	3.2 %	-1.1 %	1.9 %	7.2 %	7.9 %	4.8 %	0.4 %	3.1 %	6.2 %	6.4 %	4.4 %	4.9 %	5.2 %	5.3 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	**158**	**161**	**182**	**182**	**182**
Goodwill	121	122	136	136	136
Intangible assets	1.6	0.8	4.3	3.8	3.3
Tangible assets	16.3	18.4	21.6	22.1	22.6
Associated companies	16.7	18.3	18.3	18.3	18.3
Other investments	2.5	1.5	1.5	1.5	1.5
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
Current assets	**108**	**124**	**152**	**172**	**199**
Inventories	1.4	11.2	3.9	4.3	4.0
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	83.8	82.1	124	136	144
Cash and equivalents	22.6	30.6	24.3	32.5	50.6
Balance sheet total	**266**	**285**	**334**	**354**	**381**

Source: Inderes

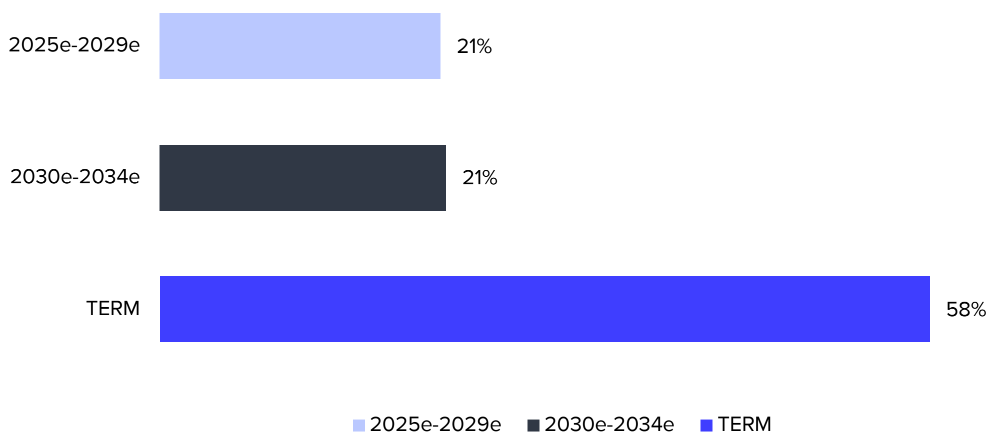
Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	**185**	**193**	**208**	**225**	**245**
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	50.1	67.2	81.7	99.4	119
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	135	126	126	126	126
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	**15.7**	**8.8**	**21.3**	**15.1**	**15.1**
Deferred tax liabilities	3.9	4.8	4.8	4.8	4.8
Provisions	0.2	0.2	0.2	0.2	0.2
Interest bearing debt	11.5	3.7	16.2	10.0	10.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.1	0.1	0.1	0.1	0.1
Current liabilities	**65.0**	**83.3**	**105**	**114**	**121**
Interest bearing debt	5.5	10.3	5.7	5.0	5.0
Payables	59.5	73.0	99.8	109	116
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	**266**	**285**	**334**	**354**	**381**

DCF-calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	23.4 %	40.7 %	9.3 %	6.5 %	5.5 %	4.5 %	4.0 %	3.5 %	3.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	7.3 %	6.3 %	6.6 %	6.7 %	6.7 %	6.5 %	6.4 %	6.2 %	6.0 %	6.0 %	6.0 %	6.0 %
EBIT (operating profit)	**25.4**	**30.5**	**35.0**	**38.0**	**40.2**	**40.6**	**41.6**	**41.7**	**41.5**	**42.4**	**43.2**	
+ Depreciation	5.0	6.2	5.3	5.4	5.5	5.5	5.7	5.7	5.9	5.9	5.9	
- Paid taxes	-3.3	-5.4	-6.4	-7.4	-7.9	-8.0	-8.2	-8.2	-8.2	-8.4	-8.5	
- Tax, financial expenses	-0.7	-0.5	-0.4	-0.3	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	
+ 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	5.3	-8.0	-2.6	-1.4	-1.8	-0.9	-0.7	-1.3	-1.1	-0.8	-0.8	
Operating cash flow	**31.7**	**22.8**	**30.8**	**34.3**	**35.8**	**37.0**	**38.1**	**37.7**	**37.9**	**38.9**	**39.6**	
+ 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	
- Gross CAPEX	-6.5	-26.9	-5.3	-5.4	-5.5	-5.6	-5.7	-5.8	-5.9	-5.9	-6.3	
Free operating cash flow	**25.1**	**-4.1**	**25.5**	**28.9**	**30.3**	**31.4**	**32.4**	**31.9**	**32.0**	**33.0**	**33.3**	
+/- Other	-1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	23.8	-4.1	25.5	28.9	30.3	31.4	32.4	31.9	32.0	33.0	33.3	518
Discounted FCFF		**-3.8**	**21.9**	**22.9**	**22.1**	**21.1**	**20.0**	**18.2**	**16.8**	**16.0**	**14.8**	**231**
Sum of FCFF present value		401	405	383	360	338	317	297	278	262	246	231
Enterprise value DCF		**401**										
- Interest bearing debt		-14.0										
+ Cash and cash equivalents		30.6										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		**434**										
Equity value DCF per share (EUR)		**0.61**										
Equity value DCF per share (SEK)		**6.80**										

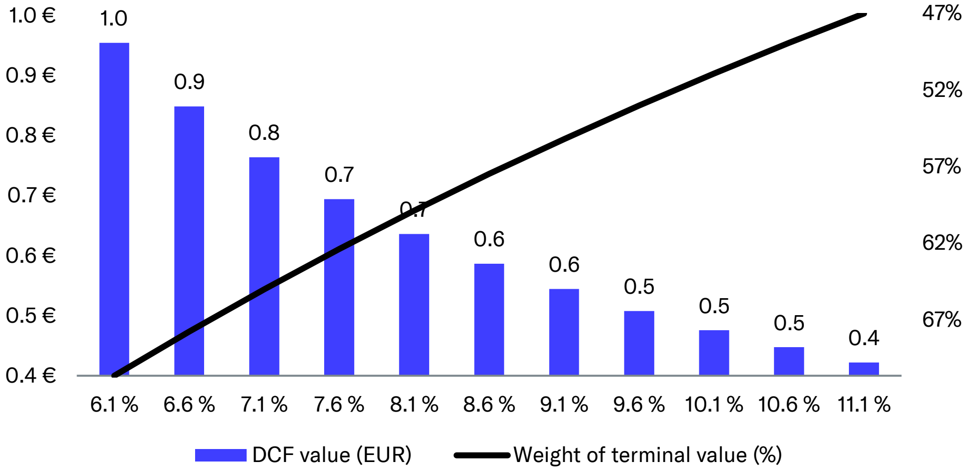
WACC	
Tax-% (WACC)	20.5 %
Target debt ratio (D/(D+E)	20.0 %
Cost of debt	5.5 %
Equity Beta	1.20
Market risk premium	4.75%
Liquidity premium	1.40%
Risk free interest rate	2.5 %
Cost of equity	**9.6 %**
Weighted average cost of capital (WACC)	**8.6 %**

Cash flow distribution

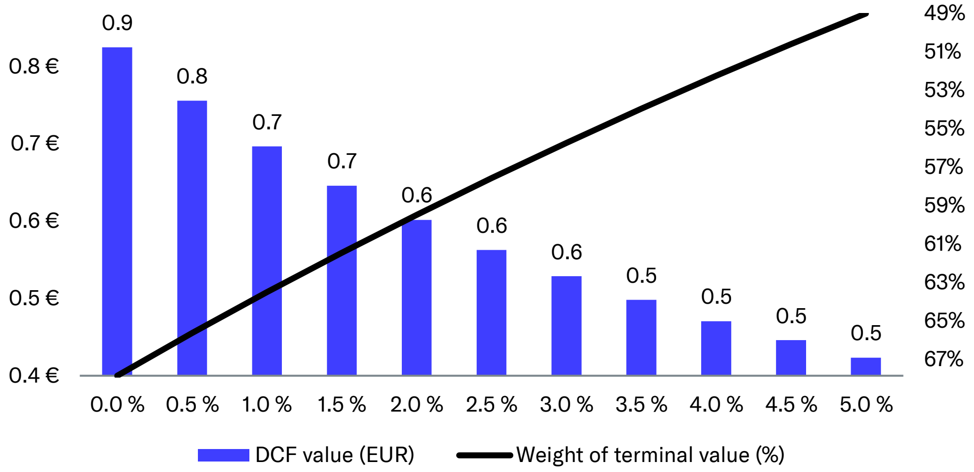


DCF sensitivity calculations and key assumptions in graphs

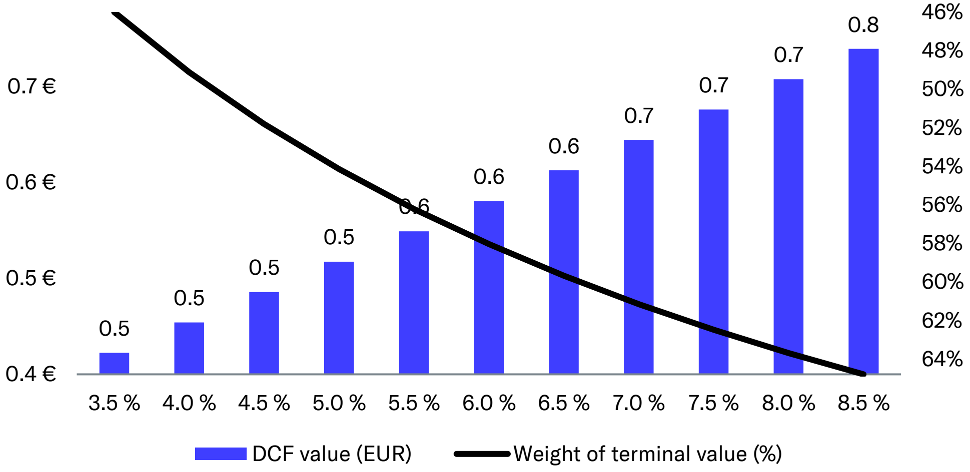
Sensitivity of DCF to changes in the WACC-%



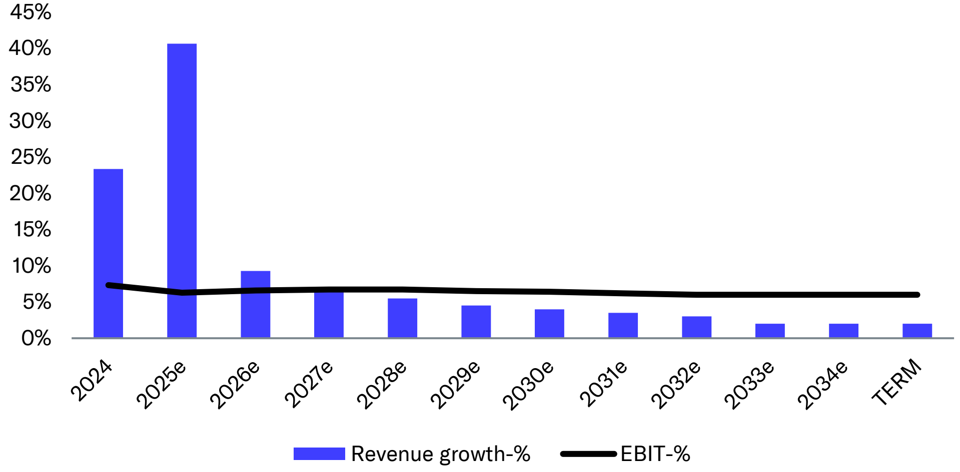
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



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
Revenue	280.4	345.9	486.6	531.8
EBITDA	21.4	30.3	36.7	40.2
EBIT	15.2	25.4	30.5	35.0
PTP	10.7	20.9	26.9	32.7
Net Income	9.0	16.8	21.6	26.3
Extraordinary items	-2.6	-1.0	-2.6	-1.4

Balance sheet	2023	2024	2025e	2026e
Balance sheet total	266.1	285.3	334.4	354.5
Equity capital	185.3	193.2	207.7	225.4
Goodwill	121.2	122.4	136.4	136.4
Net debt	-5.6	-16.6	-2.4	-17.5

Cash flow	2023	2024	2025e	2026e
EBITDA	21.4	30.3	36.7	40.2
Change in working capital	6.4	5.3	-8.0	-2.6
Operating cash flow	25.8	31.7	22.8	30.8
CAPEX	0.6	-6.5	-26.9	-5.3
Free cash flow	32.2	23.8	-4.1	25.5

Valuation multiples	2023	2024	2025e	2026e
EV/S	1.3	0.8	0.7	0.6
EV/EBITDA	17.2	9.1	8.6	7.5
EV/EBIT (adj.)	20.7	10.5	9.6	8.3
P/E (adj.)	29.5	15.3	13.9	12.2
P/B	2.1	1.6	1.6	1.5
Dividend-%	2.5 %	2.3 %	2.5 %	3.0 %

Source: Inderes

Per share data	2023	2024	2025e	2026e
EPS (reported)	0.01	0.02	0.03	0.04
EPS (adj.)	0.02	0.03	0.03	0.04
OCF / share	0.04	0.04	0.03	0.04
FCF / share	0.05	0.03	-0.01	0.04
Book value / share	0.26	0.27	0.29	0.32
Dividend / share	0.01	0.01	0.01	0.01

Growth and profitability	2023	2024	2025e	2026e
Revenue growth-%	0%	23%	41%	9%
EBITDA growth-%		42%	21%	10%
EBIT (adj.) growth-%		48%	26%	10%
EPS (adj.) growth-%		52%	20%	14%
EBITDA-%	7.6 %	8.8 %	7.5 %	7.6 %
EBIT (adj.)-%	6.4 %	7.6 %	6.8 %	6.8 %
EBIT-%	5.4 %	7.3 %	6.3 %	6.6 %
ROE-%	4.9 %	8.9 %	10.8 %	12.1 %
ROI-%	6.6 %	12.0 %	13.6 %	14.8 %
Equity ratio	73.0 %	70.7 %	64.4 %	65.8 %
Gearing	-3.0 %	-8.6 %	-1.2 %	-7.8 %

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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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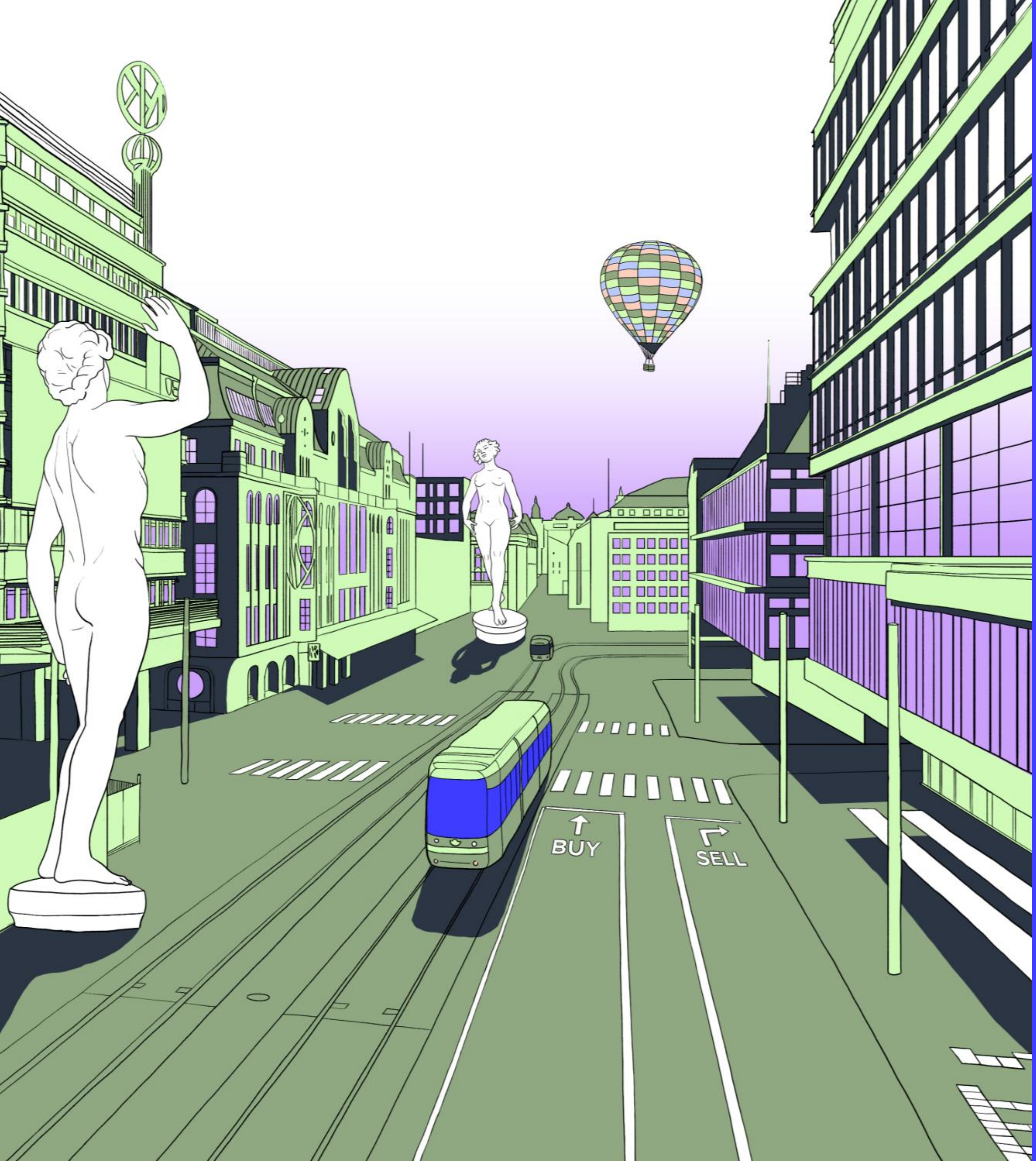
Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2023-04-25	Reduce	0.70 €	0.71 €
2023-05-15	Reduce	0.70 €	0.67 €
2023-07-28	Reduce	0.70 €	0.73 €
2023-08-11	Reduce	0.55 €	0.62 €
2023-08-28	Sell	0.55 €	0.63 €
2023-10-11	Reduce	0.55 €	0.51 €
2023-11-13	Reduce	0.50 €	0.49 €
2023-12-27	Sell	0.45 €	0.56 €
2024-02-26	Reduce	0.45 €	0.49 €
2024-02-29	Reduce	0.45 €	0.50 €
2024-05-06	Reduce	0.45 €	0.48 €
2024-05-10	Accumulate	0.55 €	0.49 €
Re-domiciliation and transfer of listing to Sweden 8/26/2024			
2024-08-15	Reduce	6,80 SEK	6,75 SEK
2024-11-04	Accumulate	6,80 SEK	5,93 SEK
2024-11-07	Accumulate	6,80 SEK	5,80 SEK
2024-12-03	Buy	6,80 SEK	5,20 SEK
2025-02-27	Buy	6,80 SEK	5,27 SEK



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Inderes operates in Finland, Sweden, Norway, and Denmark and is listed on the Nasdaq First North Growth Market.

Inderes was created by investors, for investors.

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