

Market: First North DK

Ticker: WMA

Share price (DKK): 7.28

Market cap (DKK): 105.7

Net debt (DKK): 60.3 (H1 2024)

Enterprise value (DKK): 166.0

## Share information



YTD: 60.4% 1 year: 69.3%  
1 month: 5.2% Since IPO\*: -30.1%

Note: \*WindowMaster's IPO date was 27 October 2020 (subscription price of DKK 10.42). We apply the closing price from 12 December 2024 (Source: Capital IQ).

## Financials

(DKKm)	2023	2024E*	2025E*
Revenue	238.0	283.0-286.0	290.0-310.0
Revenue growth	-1%	19-20%	1-10%
EBITDA	19.3	34.0-36.0	36.0-41.0
EBITDA margin	8%	12-13%	12-14%
Net income	-11.1	N/A	N/A
Net income margin	-5%	N/A	N/A
Cash	2.5	N/A	N/A
Interest-bearing debt	67.2	N/A	N/A

Note: Interest-bearing debt include lease liabilities.  
\*WindowMaster's new 2024 and 2025 guidance.

## Valuation multiples

	2023	2024E*	2025E*
P/S (x)	0.3	0.4	0.4
EV/Sales (x)	0.5	0.6	0.6
EV/EBITDA (x)	6.8	4.7	4.3
EV/EBIT (x)	-97.7	N/A	N/A
P/E (x)	-5.9	N/A	N/A
P/B (x)	2.5	N/A	N/A
P/CF (x)	3.1	N/A	N/A

Note: Multiples for 2023 are based on historical numbers. \*Multiples for 2024E and 2025E are based on midpoints in WindowMaster's new guidance ranges.

## Company description

Founded in 1990, WindowMaster is a CleanTech company that provides natural ventilation solutions and heat and smoke ventilation solutions, primarily for larger buildings and for commercial use. With production in Germany and sales offices across Europe and North America, WindowMaster has a global presence. In 2015, the CEO and major shareholder Erik Boyter made a management buy-in. The company was listed in 2020.

## Investment case

Buildings account for approx. 40% of Europe's energy consumption and approx. 72% hereof originate from heating, ventilation, and lightning. WindowMaster's natural ventilation solutions support the transition to net-zero emission buildings, which also is a focus area in the EU Green Deal Industrial Plan.

WindowMaster is less cyclical than other building-related companies due to its exposure to secular growth trends. This is supported by a strong momentum in 2024 and a solid high order intake. In 2024, WindowMaster has upgraded its guidance four times, implying that the company now guides revenue growth to be in the range of approx. 19-20% and the EBITDA margin is guided to be in the range of approx. 12-13%.

Looking into 2025, WindowMaster guides growth below 10%, primarily due to a high level of uncertainty in the Nordic and German markets, yet with a slightly higher EBITDA margin based on the midpoints in the current guidance ranges.

WindowMaster trades at EV/EBITDA multiples of 4.7x (2024E) and 4.3x (2025E), if WindowMaster delivers on the new guidance ranges (midpoints). This is below the peer group median of 8.4x EV/EBITDA (2024E) and 7.4x EV/EBITDA (2025E). The peer group is based on larger Danish building-related companies. Being less cyclical than the peer group may justify a premium to WindowMaster's multiples. On the other hand, investors may demand a discount on WindowMaster due to its less liquid shares and smaller size.

## Key investment reasons

WindowMaster's high operational gearing has been confirmed by its recent results and guidance upgrades. In 2024, WindowMaster expects to achieve an EBITDA margin of approx. 12-13% (vs. 8% in 2023).

Based on the expected 2024 results and the capital structure by the end of 2024, the Board of Directors expects to propose a total dividend payout of DKK 5m (DKK 0.34 per share). The dividend yield is approx. 4.67% (based on share price DKK 7.28), which is a strong signal and a solid level after a significant improved cash flow.

After several guidance upgrades in 2024, WindowMaster expects to deliver 19-20% revenue growth driven by strong markets, and also momentum in its integrated offerings, combining the sale of products with services such as project management. Looking into the 2025 guidance, a large part of the new revenue guidance range is covered by WindowMaster's high order intake and order book.

## Key investment risks

The future growth and demand for WindowMaster's natural ventilation solutions are somewhat dependent on the continued political focus on green building regulations. Potential postponements of new regulations could lead to lower-than-expected growth rates in the future.

Despite being less cyclical due to secular trends from energy renovation and public investment commitments as well as recurring revenue from service contracts, WindowMaster is still dependent on the building activity and thus also macroeconomic risk. WindowMaster also highlights that the outlook on the Nordic and German markets is uncertain due to lower expected activity in 2025, especially in the first half of 2025.

Regarding macro risks, there remains some uncertainty about interest rate cycles, and the potential impact on WindowMaster's business, particularly within the newbuilding segment.

## Peer group

Company	Price (DKK)	Total return YTD	Market cap (DKK)	Latest net debt (DKK)	EV/Sales		EV/EBITDA		Revenue growth (CAGR) 2022-2025E	EBITDA growth (CAGR) 2022-2025E
					2024E	2025E	2024E	2025E		
Rockwool	2,640.0	33.6%	55,664.6	-3,393.0	1.8	1.8	7.5	7.4	0.6%	14.0%
H+H International	78.6	-12.2%	1,274.4	841.0	0.8	0.7	8.9	5.7	-7.6%	-17.3%
TCM Group	64.6	42.0%	674.5	287.7	0.8	0.8	8.4	7.4	3.3%	4.3%
<b>Median of selected companies</b>		<b>33.6%</b>	<b>1,274.4</b>	<b>287.7</b>	<b>0.8</b>	<b>0.8</b>	<b>8.4</b>	<b>7.4</b>	<b>0.6%</b>	<b>4.3%</b>
<b>WindowMaster</b>	<b>7.3</b>	<b>60.4%</b>	<b>105.7</b>	<b>60.3</b>	<b>0.6</b>	<b>0.6</b>	<b>4.7</b>	<b>4.3</b>	<b>7.5%</b>	<b>19.1%</b>

Note: Being in a B2B niche market with high exposure to the green agenda, there is no direct peer to WindowMaster. For perspective, however, the peer group consists of Danish building-related companies, which are Rockwool, H+H International, and TCM Group (larger companies). We apply the midpoint in WindowMaster's 2024E and 2025E guidance ranges, and Capital IQ consensus mean estimates for all peers in 2024E and 2025E. Data is extracted on 12 December 2024. Source: Capital IQ, WindowMaster, and HC Andersen Capital.