ENERSENSE

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INDERES CORPORATE CUSTOMER

COMPANY REPORT

Pace of strategy period accelerates

Enersense's Q1 operating result exceeded our estimates in the seasonally slowest quarter. The company made no changes to its earnings guidance for the current year but raised its growth target for the strategy period on the results day. We believe this strengthens confidence in the company's medium-term market outlook. As a result, we raised our revenue forecasts for the coming years, but they are still below the target level. We believe that the expected return from earnings growth in the coming years remains at a very attractive level. Reflecting this, we reiterate our Buy recommendation for the stock. On the back of estimate changes, we revise our target price back to EUR 5.2 (was EUR 5.0) and reiterate our Buy recommendation.

Q1 earnings beat estimates

Enersense's adjusted EBITDA was 1.5 MEUR in Q1, exceeding our 0.9 MEUR estimate. The order book also continued to grow, reaching 413 MEUR at the end of Q1 (Q4'25: 392 MEUR). The development was supported especially by the Power segment's order book, which rose to a record level. The company had again made progress in its Value Uplift efficiency program and raised its overall target for the annual earnings improvement rate to 8.0 MEUR by the end of H1'26 (was 6.5 MEUR). 7.5 MEUR). A shadow over an otherwise positive report was cash flow, which was clearly in the red. This was mainly due to the payment of 12.5 MEUR in VAT liabilities, which, according to the company, was a one-off change in liabilities. However, we will continue to monitor the development of cash flow as the year progresses.

We raised our growth estimates coming years, led by Power

The company reiterated its guidance for the current year, estimating its adjusted EBITDA to be 19–23 MEUR. Enersense estimates that earnings and growth will improve especially in H2, reflecting project timings. However, it expects the market situation to remain good in all key market segments of its strategy. In our assessment, Power has the strongest demand situation among the business units, driven by the construction needs of energy infrastructure. In connection with the results, the company also raised its growth target for the 2025–2028 strategy period. The company is now targeting average annual growth of 6-7% (was 4-5%). According to the company, the update reflects favorable market development and a significantly increased order book. We consider the raised target a positive sign that strengthens confidence in the company's ability to benefit from the energy transition and digitalization.

Reflecting the market commentary and updated growth target, we raised our growth forecasts for the coming years, driven by Power. Following the forecast upgrades, we expect revenue to reach the previous target level of 398 MEUR in 2028 (was 376 MEUR) and the EBITDA margin to rise to 6.6% (unchanged, target over 7%), close to the target level. We estimate that revenue growth, strategic measures, and Value Uplift will support earnings improvement. However, our adj. EBITDA forecast for the current year remained almost unchanged (21.0 MEUR vs. previous 20.6 MEUR).

Valuation has turned very low

With our estimates, the share's current year EV-based multiples (hybrid bond included as debt) are, in our opinion, moderate (2026e EV/EBIT 8x, EV/EBITDA 5x) and at the lower end of the levels we consider neutral (EV/EBIT 8x-12x, EV/EBITDA 5x-7x). Looking ahead to next year, the multiples fall to very low levels (2027e EV/EBIT 6x, EV/EBITDA 4x), and we see clear upside in the earnings-based valuation. We believe the valuation of the stock is weighed down, partly justifiably, by several recent non-recurring items related to restructuring and strategy, which have led to very volatile reported earnings development for the company. At the same time, in our opinion, this has partly overshadowed the measures taken on the operational side and the favorable underlying market outlook. As the earnings turnaround progresses roughly as we expect and cash flow strengthens, we see clear upside drivers for the valuation. Our view of the stock's significant upside is also supported by other methods (e.g. DCF EUR ~5.6/share).

Recommendation

Buy
(was Buy)

Target price:

EUR 5.20
(was EUR 4.90)

Share price:

EUR 3.55

Business risk

●●●●○

Valuation risk

●●●○○

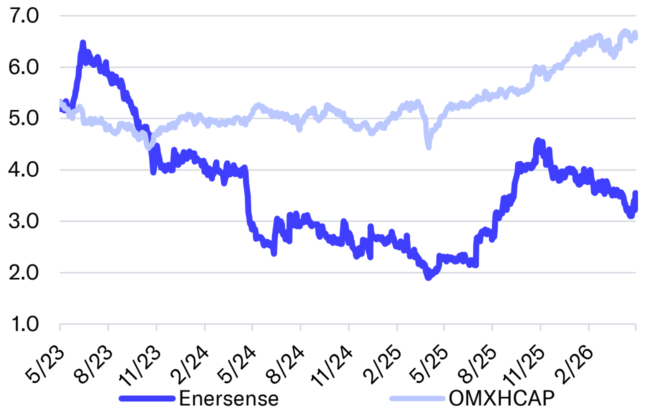
	2025	2026e	2027e	2028e
Revenue	307	329	374	398
growth-%	-28%	7%	14%	6%
EBIT adj.	9.9	12.9	16.2	18.0
EBIT-% adj.	3.2 %	3.9 %	4.3 %	4.5 %
Net income	1.2	4.5	10.7	13.6
EPS (adj.)	-0.35	0.22	0.54	0.67
P/E (adj.)	neg.	16.1	6.6	5.3
P/B	2.9	2.3	1.8	1.4
Dividend yield-%	0.0 %	0.0 %	2.8 %	5.6 %
EV/EBIT (adj.)	10.0	7.8	5.5	4.4
EV/EBITDA	5.2	4.8	3.6	3.0
EV/S	0.3	0.3	0.2	0.2

Source: Inderes

Guidance (Unchanged)

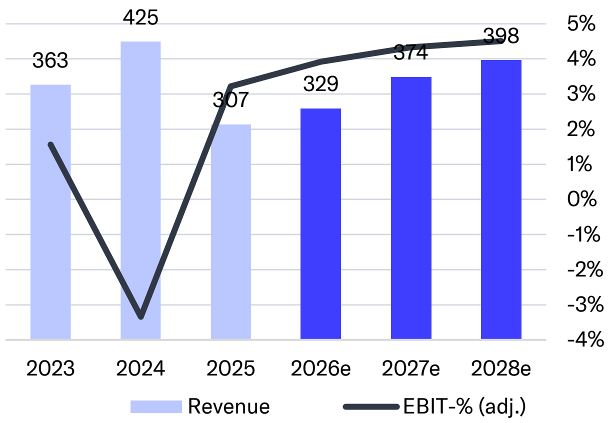
Enersense expects its adjusted EBITDA to be 19-23 MEUR (2025: 18.8 MEUR) in 2026.

Share price



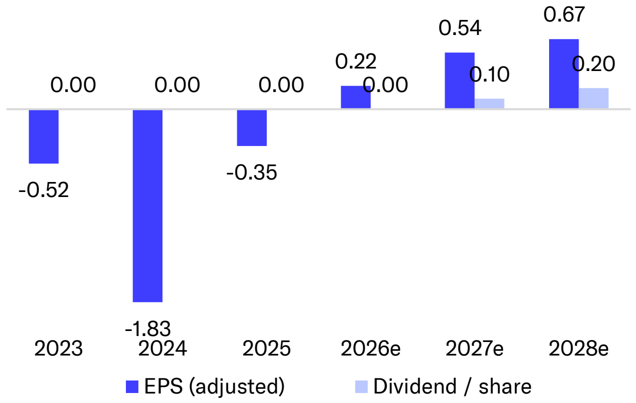
Source: Millistream Market Data AB

Revenue and EBIT % (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Successful implementation of the strategy and a stronger transition to a lifecycle partner, which would increase the share of recurring and more stable revenue
- Improving profitability, which would also support cash flow
- The energy transition in industry supports growth prospects
- Investment outlook for the Power business

Risk factors

- Low entry barrier and tight competition in many of the company's markets
- Contractual and credit loss risks
- Failure in project pricing and fluctuation in profitability
- Revenue dependence on investments
- Weak transparency in contract structures and project pipeline development

Valuation	2026e	2027e	2028e
Share price	3.55	3.55	3.55
Number of shares, millions	16.5	16.5	16.5
Market cap	59	59	59
EV	101	89	79
P/E (adj.)	16.1	6.6	5.3
P/E	27.1	7.3	5.3
P/B	2.3	1.8	1.4
P/S	0.2	0.2	0.1
EV/Sales	0.3	0.2	0.2
EV/EBITDA	4.8	3.6	3.0
EV/EBIT (adj.)	7.8	5.5	4.4
Payout ratio (%)	0.0 %	15.5 %	24.3 %
Dividend yield-%	0.0 %	2.8 %	5.6 %

Source: Inderes

Q1 earnings beat estimates

Revenue development in line with our expectations

The company's reported revenue declined sharply, as expected, reflecting the impact of divested or discontinued operations in the comparison period. Adjusted for these, however, revenue development (61.1 MEUR vs. Q1'25: 62.3 MEUR) was in line with our forecast (61.4 MEUR). By business unit, Power's revenue (+2% y/y) grew slightly compared to the comparison period, while Connectivity's remained stable. In contrast, Energy Transition's comparable revenue decreased by 14%. The performance of the Power and Connectivity business units exceeded our forecasts, while Energy Transition fell short of them. However, due to the lack of updated quarterly comparable figures for the business units, there is some uncertainty in the forecasts at the unit level.

The company's order book rose to 413 MEUR at the end of Q1, growing compared to the end of the year (392 MEUR) and the comparison period (373 MEUR). The development was supported especially by the Power segment's order book, which rose to a record level.

Operating result exceeded expectations

Enersense's adjusted EBITDA, in turn, amounted to 1.5 MEUR, exceeding our 0.9 MEUR estimate. The results for the Power and Energy Transition business units were in line with our expectations, while Connectivity seasonally fell slightly more into the red. Thus, the forecast beat came especially from items not allocated to business areas (act. +0.3 MEUR). Due to revisions made to reporting, comparing the business units' figures against our estimates is not entirely straightforward.

Reported EBITDA settled at 1.4 MEUR, exceeding our estimate due to lower non-recurring costs (-0.7 MEUR; Value Uplift and ERP project) and a small non-recurring gain (+0.6 MEUR; reversal of provisions related to sold businesses). Reported financial expenses were higher than we expected due to a non-cash flow related 0.8 MEUR entry from the wind power portfolio sold to Fortum. Adjusted for this, financial expenses were in line with our expectations. In our view, similar entries may continue to cause fluctuations in financial expenses, but they have no cash flow impact. After deducting hybrid bond interest, the company's reported EPS fell to EUR -0.19, but was less negative than we had estimated.

Operating cash flow significantly in the red

The company's Q1 net cash flow from operating activities, after lease liability payments, was as low as -16.7 MEUR, partly reflecting seasonality. The development was driven by an increase in working capital, mainly due to 12.5 MEUR in paid VAT liabilities, which the company stated was a one-time change in liabilities. However, we will continue to monitor the development of cash flow in 2026.

Reflecting the cash flow development, the company's interest-bearing net debt (excluding the hybrid bond) was 18.1 MEUR at the end of Q1. Relative to the EBITDA for the previous 12 months, this corresponded to 2.0x (covenant 2.5x). Thus, the ratio was at a reasonable level, but in our view, strengthening operational cash flow is also central to the investment case.

Estimates	Q1'25	Q1'26	Q1'26e	Q1'26e	Consensus		Difference (%)	2026e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	69.7	61.1	61.4				-1%	329
EBITDA	21.2	1.4	-0.7				305%	19.2
EBITDA (adj.)	1.9	1.5	0.9				63%	21.0
EBIT	18.9	-0.6	-2.7				79%	11.1
PTP	17.2	-2.5	-3.9				37%	6.2
EPS (reported)	1.04	-0.19	-0.27				30%	0.13
Revenue growth-%	-29.0 %	-12.4 %	-11.9 %				-0.5 pp	7.3 %
EBITDA-% (adj.)	2.7 %	2.5 %	1.5 %				1 pp	6.4 %

Source: Inderes

We raised our growth estimates for the coming years, led by Power

Guidance and outlook reiterated

Enersense reiterated its guidance for the current year, as we expected, and estimates its adjusted EBITDA to be 19–23 MEUR (2025: 18.8 MEUR). The company expects earnings and growth to improve, especially in the second half of the year, reflecting project timings. Regarding the Value Uplift efficiency program, the company had achieved an annual earnings improvement rate of 6.9 MEUR by the end of Q1 and raised the total target to 8.0 MEUR (from 7.5 MEUR) by the end of H1'26.

The company's market commentary remained unchanged, and it expects the situation to remain good in its key strategic market segments. Currently, data center investments, in particular, are increasing capacity needs. In our interpretation, the strongest market situation is currently in Power, but Connectivity also benefits from data center investments. In our view, the situation in Energy Transition is more subdued for now, but large maintenance contracts, for example, could change this.

Growth target for the strategy period was raised

In connection with its earnings release, Enersense raised its growth target for the 2025–2028 strategy period. The company is now targeting average annual growth of 6-7% (was 4-5%). Based on our calculations, the new target corresponds to a revenue of 425-440 MEUR in 2028 (previously ~400 MEUR). According to the company, the update reflects favorable market development and a significantly increased order book. We consider the raised target a positive sign that strengthens confidence in the company's ability to benefit from the energy transition and digitalization. In terms of profitability, the company now targets an EBITDA margin of over 7%, which corresponds to the previous target (EBIT-% > 5%).

Growth forecasts for the next few years on the rise

Reflecting market commentary and the updated growth target, we raised our growth forecasts for the coming years, especially for Power and more moderately for Connectivity. Instead, we lowered our forecasts for Energy Transition, as we believe clearer, more concrete signs of an improving market situation for the business unit (e.g., a more robust strengthening of the order book) are still pending. We also made minor adjustments to the business units' margin forecasts, Group expenses, and non-recurring items. However, their impact on the Group's near-term margin forecasts was minor. Following the forecast upgrades, we estimate the company's revenue in 2028 to reach its previous target of 398 MEUR, and the EBITDA margin to rise to nearly the target level of 6.6%. In our view, achieving the growth target is possible, especially if the growth rate of Energy Transition accelerates beyond our current expectations. The most significant risks to the profitability target are intensifying competition, the realization of project risks, the loss of a key customer, and a weakening investment outlook. We now expect the current year's adjusted EBITDA to be 21.0 MEUR (was 20.6 MEUR).

Estimate revisions MEUR / EUR	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %	2028e Old	2028e New	Change %
Revenue	326	329	1%	353	374	6%	376	398	6%
EBITDA	16.9	19.2	14%	22.2	23.5	6%	24.9	26.4	6%
EBIT (exc. NRIs)	12.4	12.9	4%	15.0	16.2	8%	16.4	18.0	9%
EBIT	8.7	11.1	28%	14.0	15.2	9%	16.4	18.0	9%
PTP	4.5	6.2	38%	11.7	12.6	8%	14.9	16.2	8%
EPS (excl. NRIs)	0.23	0.22	-4%	0.49	0.54	10%	0.60	0.67	11%
DPS	0.00	0.00		0.10	0.10	0%	0.20	0.20	0%

Source: Inderes

Enersense, Webcast, Q1'26

The valuation is very attractive

Valuation has turned low

In our view, Enersense should be valued primarily using earnings-based multiples and sum-of-the-parts calculations, which also consider assets outside the core business. We consider an acceptable valuation of the share to be, for the time being, around 10x-14x P/E, 8x-12x EV/EBIT and 5x-7x EV/EBITDA. We estimate that an acceptable valuation currently settles around the midpoint of the ranges, as this year's guidance also indicates the earnings growth we expect. In our opinion, an increase in the acceptable valuation above this level requires concrete additional evidence of an earnings turnaround, for which cleaner figures should be given this year.

With our estimates, this year's EV-based multiples (hybrid bond included as debt) are, in our opinion, moderate and clearly at the lower end or below the levels we consider neutral (2026e EV/EBIT 8x, EV/EBITDA 4x). The P/E ratio, on the other hand, is elevated (16x). In our view, this earnings-based valuation reflects an absolutely rather low net profit, which makes net income-based multiples very sensitive to even small changes in forecasts. In addition, non-cash financial items may impact net income. However, the company has not disclosed these in more detail in its continuous reporting, and thus we have not adjusted for their impact on the P/E ratio. In contrast, we see clear upside in the EV-based valuation already looking at this year. Looking to next year, the multiples fall to a very low level as the company's earnings development progresses in line with our expectations (2027e P/E 7x, EV/EBIT 6x). We estimate that the current valuation of the stock is weighed down, partly justifiably, by several recent non-recurring items related to restructuring and strategy, which have led to very volatile reported earnings development for the company. At the same time, this has partly overshadowed the measures taken on the operational side. However, as the earnings turnaround (incl. cash flow) progresses as expected and non-recurring items decrease, we see clear upside drivers for the valuation.

Our sum-of-the-parts also supports our positive view

In our view, Enersense's valuation and fair value can also be assessed through a sum-of-the-parts calculation, the more detailed parameters of which we have discussed in our extensive report. With our updated estimates, we arrive at a value of 76.7 MEUR, or EUR 4.6 per share, for the core businesses (at an EV/EBITDA multiple of 6x). However, the calculation does not take into account our forecast earnings growth for the coming years. Similarly, considering items outside the core businesses, the value would be EUR 5.8 per share. However, we do not rely on the realization of the value of these assets in the short term, even though we believe the P2X ownership is not part of the company's core business. On the other hand, Enersense's reduction of influence in the company could also indicate that the company might be willing to divest its ownership, at least in the medium term. Overall, the sum of the parts supports our view of the clear upside in the share.

DCF model is clearly above the current share price

Our positive stance on the share is also supported by our DCF model, which provides an indication of longer-term potential and is currently well above the current share price of around EUR 5.6 per share. We therefore see the stock as very attractively priced from several angles, provided that our earnings growth estimate materializes at least close to our expectations.

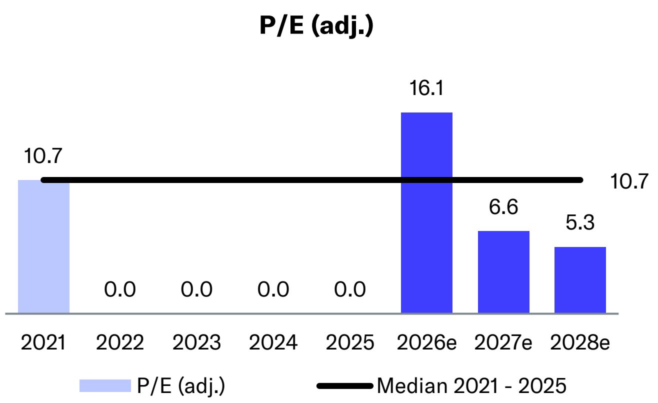
Valuation	2026e	2027e	2028e
Share price	3.55	3.55	3.55
Number of shares, millions	16.5	16.5	16.5
Market cap	59	59	59
EV	101	89	79
P/E (adj.)	16.1	6.6	5.3
P/E	27.1	7.3	5.3
P/B	2.3	1.8	1.4
P/S	0.2	0.2	0.1
EV/Sales	0.3	0.2	0.2
EV/EBITDA	4.8	3.6	3.0
EV/EBIT (adj.)	7.8	5.5	4.4
Payout ratio (%)	0.0 %	15.5 %	24.3 %
Dividend yield-%	0.0 %	2.8 %	5.6 %

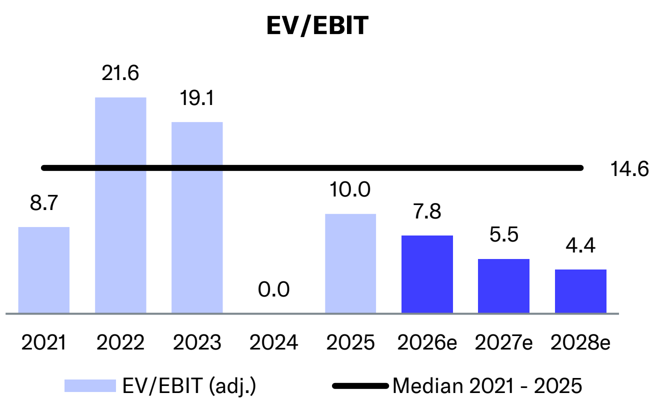
Source: Inderes

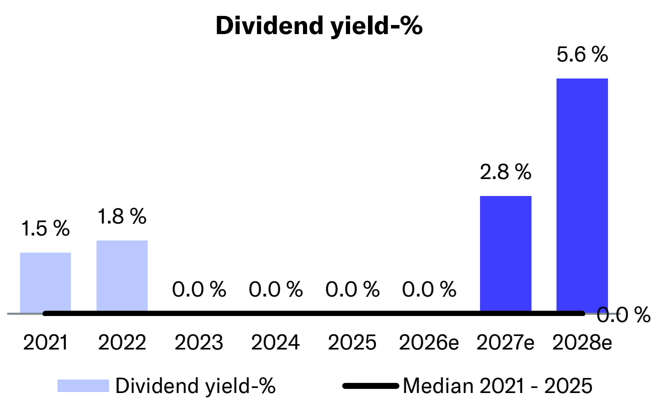
Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	6.84	5.69	4.35	2.65	4.00	**3.55**	**3.55**	**3.55**	**3.55**
Number of shares, millions	13	16	16	16.5	16.5	**16.5**	**16.5**	**16.5**	**16.5**
Market cap	92	94	72	44	66	**59**	**59**	**59**	**59**
EV	95	106	109	74	99	**101**	**89**	**79**	**68**
P/E (adj.)	10.7	neg.	neg.	neg.	neg.	**16.1**	**6.6**	**5.3**	**4.1**
P/E	23.1	neg.	neg.	neg.	65.2	**27.1**	**7.3**	**5.3**	**4.1**
P/B	1.9	1.5	1.4	1.9	2.9	**2.3**	**1.8**	**1.4**	**1.1**
P/S	0.4	0.3	0.2	0.1	0.2	**0.2**	**0.2**	**0.1**	**0.1**
EV/Sales	0.4	0.4	0.3	0.2	0.3	**0.3**	**0.2**	**0.2**	**0.2**
EV/EBITDA	5.7	8.7	7.4	5.1	5.2	**4.8**	**3.6**	**3.0**	**2.5**
EV/EBIT (adj.)	8.7	21.6	19.1	neg.	10.0	**7.8**	**5.5**	**4.4**	**3.6**
Payout ratio (%)	33.7 %	neg.	0.0 %	0.0 %	0.0 %	**0.0 %**	**15.5 %**	**24.3 %**	**28.8 %**
Dividend yield-%	1.5 %	1.8 %	0.0 %	0.0 %	0.0 %	**0.0 %**	**2.8 %**	**5.6 %**	**7.0 %**

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	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	**MEUR**	**MEUR**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**
Bilfinger SE	3858	3667	10.7	8.9	7.8	6.8	0.6	0.6	16.9	13.8	2.9	3.4	2.7
Bravida Holding	2115	2359	14.0	12.6	10.5	9.6	0.9	0.9	16.9	14.9	3.6	3.8	2.4
Eltel AB	156	306	10.7	9.0	5.1	4.7	0.4	0.4	14.2	8.7	2.0	4.0	0.9
Instalco	971	1322	15.7	13.0	9.8	8.7	1.0	0.9	16.3	12.9	1.9	2.5	2.9
Netel	17	111	14.5	10.6	7.5	6.5	0.4	0.4	10.3	4.6			0.2
Spie SA	8764	10141	13.0	11.8	8.9	8.2	0.9	0.9	17.2	15.1	2.4	2.7	3.6
Transtema Group	22	72	10.7	8.6	3.9	3.6	0.3	0.3	4.8	3.6			0.3
Viafin Service	72	65	9.3	9.3	8.1	7.2	0.7	0.6	13.9	12.5	4.0	4.1	2.4
Vinci SA	77731	100193	10.2	9.8	7.1	6.9	1.3	1.3	14.4	13.1	4.0	4.4	2.3
Enersense (Inderes)	**59**	**101**	**7.8**	**5.5**	**4.8**	**3.6**	**0.3**	**0.2**	**16.1**	**6.6**	**0.0**	**2.8**	**2.3**
Average			**12.1**	**10.4**	**7.6**	**6.9**	**0.7**	**0.7**	**13.9**	**11.0**	**3.0**	**3.6**	**2.0**
Median			**10.7**	**9.8**	**7.8**	**6.9**	**0.7**	**0.6**	**14.4**	**12.9**	**2.9**	**3.8**	**2.4**
Diff-% to median			**-27%**	**-44%**	**-38%**	**-47%**	**-54%**	**-62%**	**11%**	**-49%**	**-100%**	**-26%**	**-2%**

Source: Refinitiv / Inderes

Income statement

Income statement	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	**69.7**	**76.9**	**81.1**	**79.2**	**307**	**61.1**	**79.6**	**93.3**	**95.5**	**329**	**374**	**398**	**414**
Energy Transition	22.3	21.9	21.8	17.7	83.7	13.1	18.6	20.7	20.2	73	83	93	98
Power	37.1	35.3	34.3	32.3	139	36.7	38.5	46.3	48.2	170	199	213	225
Connectivity	10.3	19.7	25.0	29.2	84.3	11.3	22.5	26.3	27.1	87.1	92.4	92.4	90.6
EBITDA	**21.2**	**2.9**	**5.8**	**-4.6**	**25.3**	**1.4**	**3.1**	**7.7**	**7.0**	**19.2**	**23.5**	**26.4**	**27.6**
Depreciation	-2.3	-2.6	-2.0	-2.0	-8.9	-2.0	-2.1	-2.1	-2.1	-8.1	-8.3	-8.5	-8.8
EBIT (excl. NRI)	**-0.4**	**0.9**	**7.2**	**2.3**	**9.9**	**-0.5**	**1.7**	**6.1**	**5.5**	**12.9**	**16.2**	**18.0**	**18.8**
EBIT	**18.9**	**0.2**	**3.8**	**-6.6**	**16.4**	**-0.6**	**1.0**	**5.6**	**5.0**	**11.1**	**15.2**	**18.0**	**18.8**
Net financial items	-1.8	-2.5	-2.2	-7.6	-14.0	-1.9	-1.1	-1.0	-0.9	-4.9	-2.6	-1.8	-1.3
PTP	**17.2**	**-2.2**	**1.6**	**-14.1**	**2.4**	**-2.5**	**-0.1**	**4.6**	**4.1**	**6.2**	**12.6**	**16.2**	**17.6**
Taxes	0.0	0.2	0.0	-1.5	-1.2	-0.2	0.1	-0.8	-0.8	-1.7	-2.0	-2.6	-3.2
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
Net earnings	**17.2**	**-2.0**	**1.6**	**-15.6**	**1.170**	**-2.7**	**0.1**	**3.8**	**3.3**	**4.5**	**10.7**	**13.6**	**14.3**
EPS (adj.)	**-0.13**	**-0.09**	**0.29**	**-0.42**	**-0.35**	**-0.19**	**0.00**	**0.22**	**0.19**	**0.22**	**0.54**	**0.67**	**0.86**
EPS (rep.)	**1.04**	**-0.12**	**0.10**	**-0.96**	**0.06**	**-0.20**	**-0.03**	**0.20**	**0.17**	**0.13**	**0.49**	**0.67**	**0.86**

Key figures	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	-29.0 %	-23.7 %	-27.3 %	-30.7 %	-27.7 %	-12.4 %	3.5 %	15.0 %	20.6 %	7.3 %	13.7 %	6.4 %	3.9 %
Adjusted EBIT growth-%					169.7 %	-4.3 %	102.6 %	-14.9 %	142.5 %	30.4 %	25.6 %	10.8 %	4.9 %
EBITDA-%	30.4 %	3.7 %	7.1 %	-5.8 %	8.2 %	2.3 %	3.9 %	8.2 %	7.4 %	5.8 %	6.3 %	6.6 %	6.7 %
Adjusted EBIT-%	-0.6 %	1.1 %	8.9 %	2.9 %	3.2 %	-0.7 %	2.2 %	6.6 %	5.8 %	3.9 %	4.3 %	4.5 %	4.6 %
Net earnings-%	24.7 %	-2.6 %	2.0 %	-19.7 %	0.4 %	-4.4 %	0.1 %	4.1 %	3.5 %	1.4 %	2.8 %	3.4 %	3.5 %

Source: Inderes

Full-year earnings per share are calculated using the number of shares at year-end.

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	**75.3**	**90.8**	**91.8**	**92.8**	**93.8**
Goodwill	26.1	26.1	26.1	26.1	26.1
Intangible assets	11.1	6.7	5.4	4.3	3.5
Tangible assets	20.1	14.9	17.2	19.2	21.0
Associated companies	13.1	1.0	1.0	1.0	1.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	3.7	39.4	39.4	39.4	39.4
Deferred tax assets	1.3	2.7	2.7	2.7	2.7
Current assets	**119**	**91.5**	**87.9**	**100.0**	**108**
Inventories	15.8	19.8	16.5	18.7	19.9
Other current assets	20.9	0.0	0.0	0.0	0.0
Receivables	62.6	48.3	51.7	58.8	62.5
Cash and equivalents	19.8	23.4	19.8	22.5	25.9
Balance sheet total	**194**	**182**	**180**	**193**	**202**

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	**22.5**	**52.4**	**54.6**	**62.6**	**71.9**
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	-40.3	-39.1	-37.0	-28.9	-19.6
Hybrid bonds	0.0	29.4	29.4	29.4	29.4
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	62.7	62.1	62.1	62.1	62.1
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	**42.2**	**24.7**	**23.9**	**18.0**	**13.7**
Deferred tax liabilities	4.7	1.3	1.3	1.3	1.3
Provisions	3.6	2.2	2.2	2.2	2.2
Interest bearing debt	7.7	21.0	20.2	14.3	10.0
Convertibles	26.0	0.0	0.0	0.0	0.0
Other long-term liabilities	0.3	0.2	0.2	0.2	0.2
Current liabilities	**130**	**105**	**101**	**112**	**117**
Interest bearing debt	16.7	5.8	12.3	9.2	7.0
Payables	111	99.4	88.9	103	110
Other current liabilities	2.5	0.0	0.0	0.0	0.0
Balance sheet total	**195**	**182**	**180**	**193**	**202**

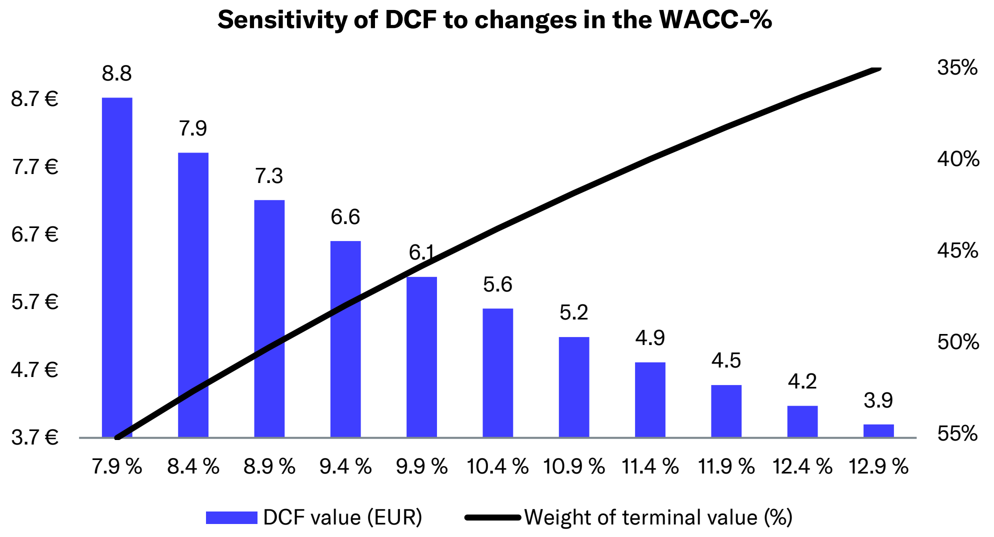
DCF calculation

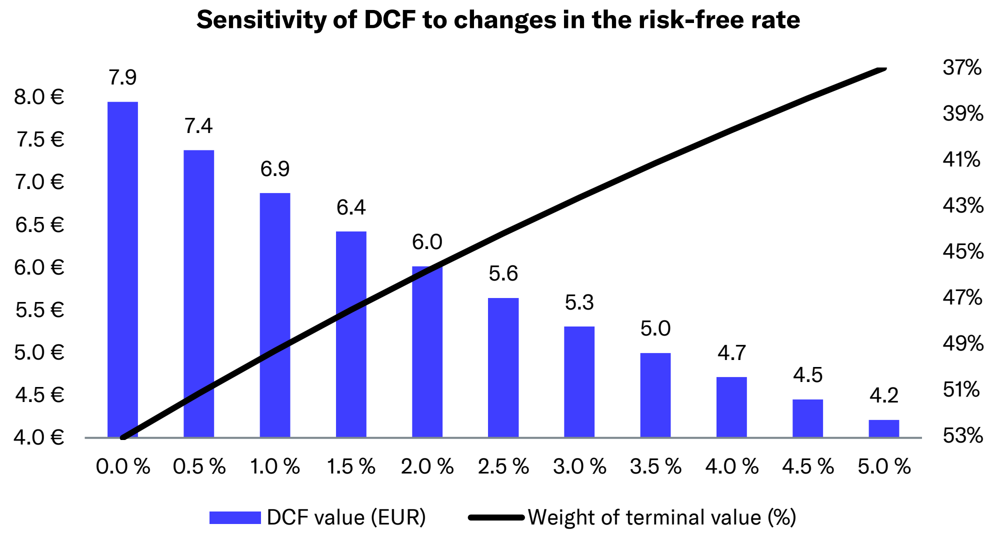
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	-27.7 %	7.3 %	13.7 %	6.4 %	3.9 %	2.8 %	2.5 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	5.3 %	3.4 %	4.1 %	4.5 %	4.6 %	4.3 %	3.7 %	3.2 %	3.0 %	3.0 %	3.0 %	3.0 %
EBIT (operating profit)	**16.4**	**11.1**	**15.2**	**18.0**	**18.8**	**18.3**	**16.1**	**14.2**	**13.6**	**13.9**	**14.2**	
+ Depreciation	8.9	8.1	8.3	8.5	8.8	9.0	9.1	9.4	9.6	9.7	9.8	
- Paid taxes	-6.1	-1.7	-2.0	-2.6	-3.2	-3.1	-2.8	-2.5	-2.3	-2.4	-2.4	
- Tax, financial expenses	-2.6	-1.3	-0.4	-0.3	-0.2	-0.3	-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	17.5	-10.5	4.7	1.6	1.1	0.8	0.7	0.6	0.6	0.6	0.6	
Operating cash flow	**34.1**	**5.7**	**25.9**	**25.2**	**25.2**	**24.7**	**23.0**	**21.6**	**21.3**	**21.6**	**21.9**	
+ Change in other long-term liabilities	-1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-35.0	-9.1	-9.3	-9.5	-9.6	-9.7	-9.8	-9.9	-9.9	-9.9	-10.0	
Free operating cash flow	**-2.3**	**-3.4**	**16.6**	**15.7**	**15.6**	**15.0**	**13.2**	**11.7**	**11.4**	**11.7**	**11.9**	
+/- Other	4.3	-0.6	-0.4	-0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	2.0	-4.0	16.2	15.3	15.6	15.0	13.2	11.7	11.4	11.7	11.9	
Discounted FCFF		**-3.8**	**13.7**	**11.7**	**10.9**	**9.5**	**7.5**	**6.0**	**5.3**	**5.0**	**4.6**	**55.4**
Sum of FCFF present value		126	130	116	104	93.3	83.8	76.3	70.3	64.9	60.0	55.4
Enterprise value DCF		**126**										
- Interest bearing debt		-56										
+ Cash and cash equivalents		23.4										
+ Associated companies		0.0										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		**93.1**										
Equity value DCF per share		**5.6**										

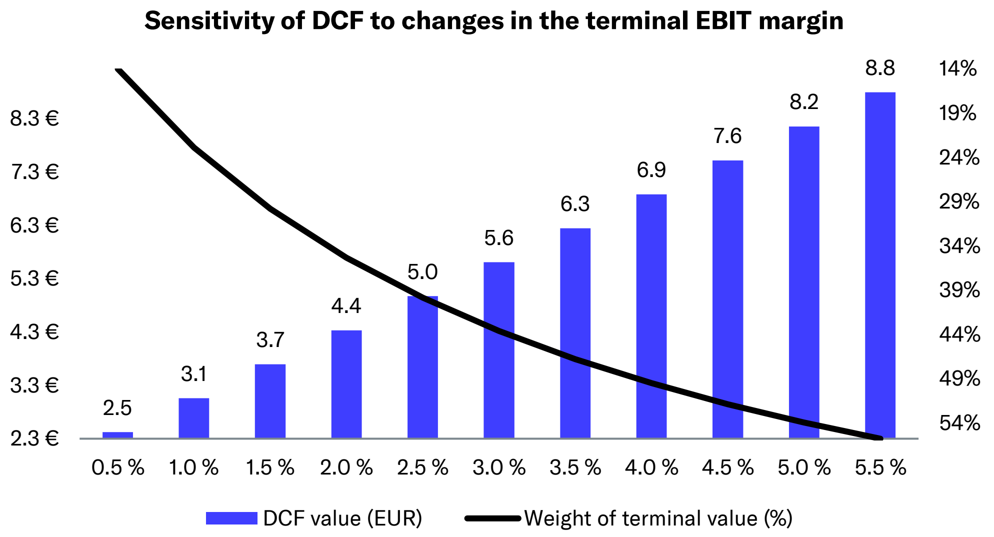
WACC	
Tax-% (WACC)	18.5 %
Target debt ratio (D/(D+E)	20.0 %
Cost of debt	8.0 %
Equity Beta	1.45
Market risk premium	4.75%
Liquidity premium	2.00%
Risk free interest rate	2.5 %
Cost of equity	**11.4 %**
Weighted average cost of capital (WACC)	**10.4 %**

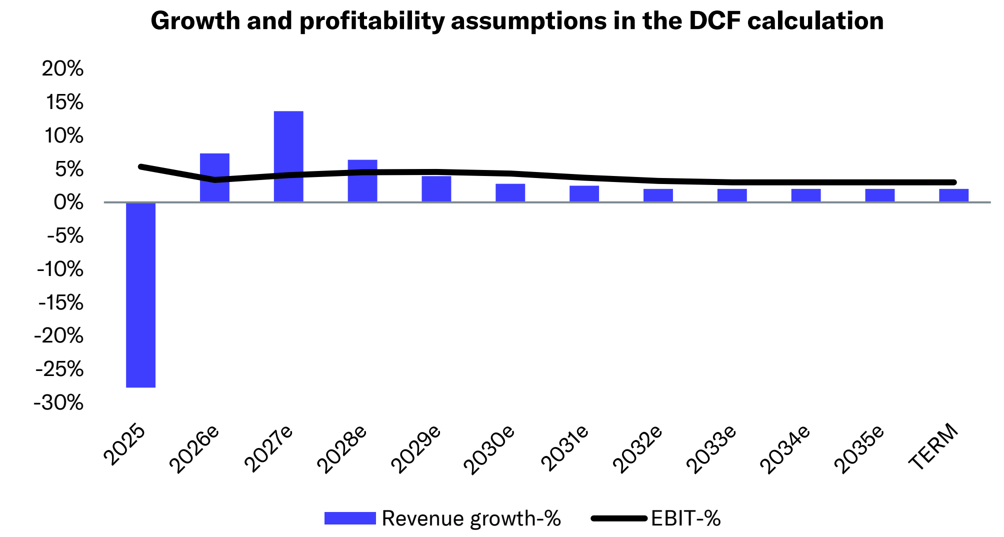
Source: Inderes

DCF sensitivity calculations and key assumptions in graphs









Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2023	2024	2025	2026e	2027e
Revenue	363.3	424.7	306.9	**329.4**	**374.4**
EBITDA	14.7	14.5	25.3	**19.2**	**23.5**
EBIT	5.3	-14.1	16.4	**11.1**	**15.2**
PTP	-8.5	-28.4	2.4	**6.2**	**12.6**
Net Income	-8.9	-30.2	1.2	**4.5**	**10.7**
Extraordinary items	-0.4	0.1	6.5	**-1.8**	**-1.0**

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	213.7	194.5	182.3	**179.7**	**192.7**
Equity capital	52.1	22.5	52.4	**54.6**	**62.6**
Goodwill	27.8	26.1	26.1	**26.1**	**26.1**
Net debt	36.6	30.6	3.4	**12.7**	**1.0**

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	14.7	14.5	25.3	**19.2**	**23.5**
Change in working capital	-13.8	0.6	17.5	**-10.5**	**4.7**
Operating cash flow	0.7	13.6	34.1	**5.7**	**25.9**
CAPEX	-5.7	4.0	-35.0	**-9.1**	**-9.3**
Free cash flow	-16.3	5.7	2.0	**-4.0**	**16.2**

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S	0.3	0.2	0.3	**0.3**	**0.2**
EV/EBITDA	7.4	5.1	5.2	**4.8**	**3.6**
EV/EBIT (adj.)	19.1	neg.	10.0	**7.8**	**5.5**
P/E (adj.)	neg.	neg.	neg.	**16.1**	**6.6**
P/B	1.4	1.9	2.9	**2.3**	**1.8**
Dividend-%	0.0 %	0.0 %	0.0 %	**0.0 %**	**2.8 %**

Source: Inderes

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	-0.54	-1.83	0.06	**0.13**	**0.49**
EPS (adj.)	-0.52	-1.83	-0.35	**0.22**	**0.54**
OCF / share	0.04	0.83	2.07	**0.35**	**1.57**
OFCF / share	-0.99	0.35	0.12	**-0.24**	**0.98**
Book value / share	3.15	1.36	3.18	**3.31**	**3.80**
Dividend / share	0.00	0.00	0.00	**0.00**	**0.10**

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	29%	17%	-28%	**7%**	**14%**
EBITDA growth-%	20%	-1%	74%	**-24%**	**22%**
EBIT (adj.) growth-%	15%	-350%	170%	**30%**	**26%**
EPS (adj.) growth-%	-10%	-255%	81%	**163%**	**144%**
EBITDA-%	4.0 %	3.4 %	8.2 %	**5.8 %**	**6.3 %**
EBIT (adj.)-%	1.6 %	-3.3 %	3.2 %	**3.9 %**	**4.3 %**
EBIT-%	1.4 %	-3.3 %	5.3 %	**3.4 %**	**4.1 %**
ROE-%	-15.6 %	-81.1 %	3.1 %	**8.5 %**	**18.2 %**
ROI-%	4.9 %	-16.3 %	21.6 %	**13.4 %**	**17.6 %**
Equity ratio	26.0 %	12.7 %	32.1 %	**34.0 %**	**36.1 %**
Gearing	70.2 %	136.2 %	6.5 %	**23.4 %**	**1.6 %**
Net debt/EBITDA	2.5	2.1	0.1	**0.7**	**0.0**
EBITDA/net financials	1.1	1.0	1.8	**3.9**	**9.0**

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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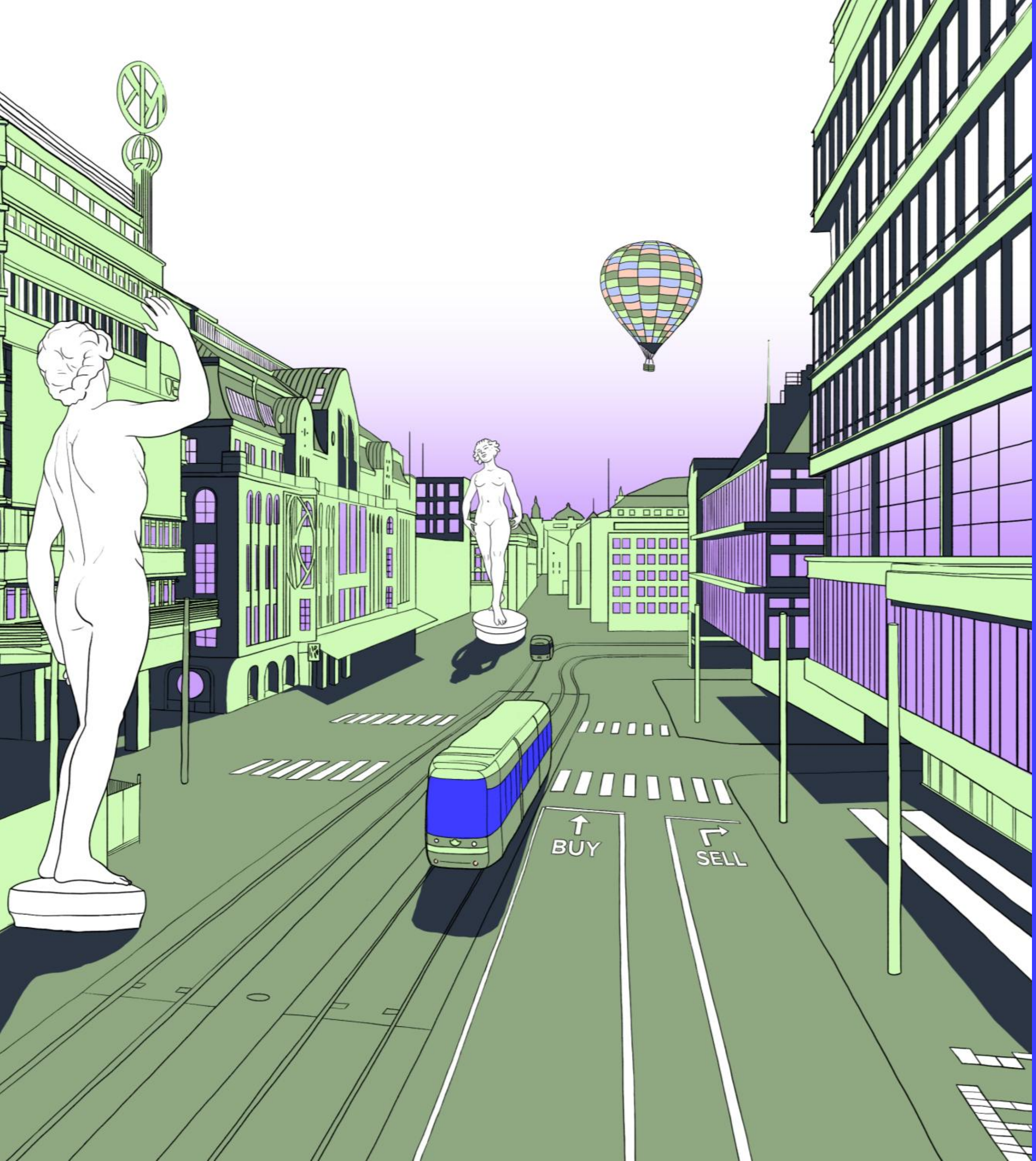
Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
3/16/2021	Accumulate	9.00 €	8.50 €
5/5/2021	Accumulate	10.50 €	9.60 €
5/17/2021	Buy	10.50 €	8.94 €
8/16/2021	Buy	12.00 €	10.15 €
9/23/2021	Accumulate	11.00 €	9.56 €
11/3/2021	Reduce	8.00 €	7.88 €
12/21/2021	Reduce	7.00 €	6.54 €
12/23/2021	Accumulate	7.00 €	6.36 €
3/1/2022	Reduce	7.00 €	6.94 €
5/2/2022	Reduce	7.00 €	7.64 €
7/28/2022	Sell	5.00 €	6.40 €
8/5/2022	Sell	5.00 €	6.20 €
Analyytikko vaihtuu			
10/13/2022	Reduce	6.00 €	6.00 €
10/31/2022	Reduce	6.00 €	6.12 €
1/19/2023	Reduce	6.00 €	6.26 €
1/24/2023	Reduce	6.00 €	6.74 €
2/28/2023	Reduce	6.00 €	6.09 €
5/9/2023	Accumulate	6.00 €	5.32 €
8/4/2023	Reduce	6.00 €	6.10 €
10/30/2023	Reduce	4.70 €	4.47 €
3/1/2024	Reduce	4.40 €	4.15 €
4/29/2024	Reduce	4.20 €	3.74 €
5/6/2024	Reduce	3.10 €	2.96 €
8/5/2024	Accumulate	3.40 €	2.92 €
10/29/2024	Accumulate	3.40 €	2.95 €
12/20/2024	Accumulate	3.60 €	2.90 €
1/29/2025	Accumulate	3.20 €	2.80 €
3/3/2025	Reduce	2.70 €	2.43 €
4/23/2025	Accumulate	2.40 €	2.01 €
4/29/2025	Buy	2.80 €	2.15 €
8/8/2025	Buy	3.50 €	2.64 €
8/13/2025	Buy	3.70 €	2.84 €
10/10/2025	Accumulate	4.70 €	4.00 €
11/3/2025	Accumulate	5.20 €	4.50 €
12/29/2025	Buy	5.20 €	3.85 €
2/13/2026	Buy	5.20 €	3.76 €
4/28/2026	Buy	4.90 €	3.10 €
5/8/2026	Buy	5.20 €	3.55 €



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