

ELTEL

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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Contract wins recharge the upside

Eltel [announced](#) yesterday that it has signed the framework agreement with Vattenfall Eldistribution for the service and maintenance of the electricity network in the Roslagen and Uppland areas, now that the appeals process has concluded. The scope and value are unchanged from the June award: ~138 MEUR over the initial four-year period (~34 MEUR per year, ~4% of group revenue), rising to ~275 MEUR including four option years. Work starts in June 2027. Because the award had been appealed, we had kept the agreement out of our estimates. With the contract now signed, we add it to our forecasts and add the KONSTANT framework agreement in Denmark (73 MEUR over five years, starting in February 2027). Together with a higher Q4'26 estimate, this mainly lifts our outer-year estimates, raising 2028e EBIT by 7%. Following this, we now see an attractive risk/reward again. We therefore upgrade our recommendation to Accumulate (was Reduce) and raise our target price to SEK 18.5 (was SEK 15.4).

Growing contract base strengthens the investment case

In our view, Eltel's investment case rests on continuing its profitability turnaround toward the 5% adjusted EBITA target. This is supported by structurally rising demand for power grid construction and maintenance as the Nordics electrify and reinforce their networks. Having delivered twelve consecutive quarters of year-on-year margin improvement, we believe Eltel is structurally better positioned than in the past. It has a healthier contract structure with broad indexation protection, a gradual business-mix shift toward higher-margin Emerging services, and a more balanced capital structure. The margin trajectory remains the key positive driver, but the burden of proof is still on Eltel to show that the 5% target can be reached on its stated timeline, and execution is the main risk. A steady inflow of multi-year framework agreements (Telenor, Vattenfall, KONSTANT, Caruna, E.ON, Elisa) clearly improves visibility into the revenue base beyond 2027.

New contracts lift mainly 2028 estimates

At full run-rate, we estimate that the Vattenfall (~34 MEUR) and KONSTANT (~15 MEUR) agreements together add roughly 49 MEUR of annual revenue, or ~5% to our 2028e group revenue. Both are framework agreements, so the volumes are customer estimates rather than guarantees. We have therefore modeled slightly lower volumes and a ramp-up during 2027, as Vattenfall starts in June and KONSTANT in February. As a result, we raise our 2027e and 2028e revenue by 2% and 4%, respectively. We expect mobilization costs, such as recruiting new employees, ~40 new technicians in Denmark, and setting up local subcontractor partnerships, to absorb much of the short-term earnings uplift in 2027. Our 2027e EBIT therefore rises by only 1%, while the uplift becomes visible in 2028e (EBIT +7%, EPS +10%). We also raised our Q4'26 estimates, which we viewed as too conservative given the strong order backlog (Q2'26: 576 MEUR, +17% y/y), lifting our 2026e revenue and EBIT by around 1%. We now expect an adjusted EBIT margin of 3.6% in 2026, 4.0% in 2027 and 4.5% in 2028.

Risk/reward has turned positive again

Based on our updated estimates, Eltel's 2026 valuation (EV/EBITDA ~7x, EV/EBIT ~13x, P/E ~21x) is still above our acceptable ranges (EV/EBITDA 5-7x, EV/EBIT 8-11x, P/E 9-13x), and the 2027 multiples (~6x, ~11x and ~13x) sit at their upper end. As 2026 draws to a close and the new contracts mainly lift 2028, we are giving 2028 more weight in our assessment. On 2028e figures, the valuation looks attractive (EV/EBITDA ~5x, EV/EBIT ~8x, P/E ~10x), at the low end of or below our acceptable ranges. Our DCF model, where we have also raised the terminal EBIT margin to 3.0% (was 2.8%) given the improved contract base and our increased confidence in Eltel's margin trajectory, indicates a value of SEK 18.5 per share, in line with our new target price. The case still depends on Eltel continuing to improve its margins, but should the company reach its 5% target, our estimates (2028e adj. EBITA: 4.5%) would leave further upside.

Recommendation

Accumulate

(prev. Reduce)

Target price:

SEK 18.50

(prev. SEK 15.40)

Share price:

SEK 16.55

Business risk



Valuation risk



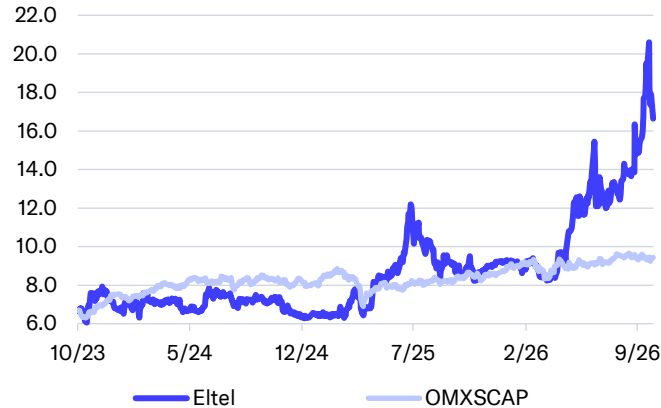
	2025	2026e	2027e	2028e
Revenue	817.8	847.7	893.3	947.3
growth-%	-1%	4%	5%	6%
EBIT adj.	20.7	30.8	35.6	43.0
EBIT-% adj.	2.5 %	3.6 %	4.0 %	4.5 %
Net Income	2.2	9.5	17.2	24.3
EPS (adj.)	0.01	0.07	0.11	0.15
P/E (adj.)	72.1	21.3	13.4	9.5
P/B	0.8	1.4	1.2	1.1
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	13.6	12.7	10.8	8.2
EV/EBITDA	5.7	6.7	5.8	4.8
EV/S	0.3	0.5	0.4	0.4

Source: Inderes

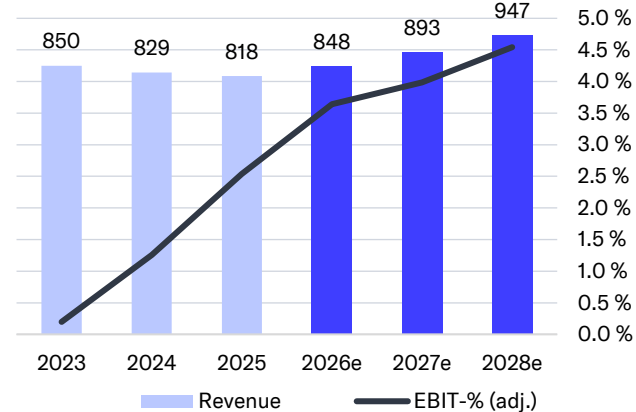
Guidance

(Eltel provides no guidance)

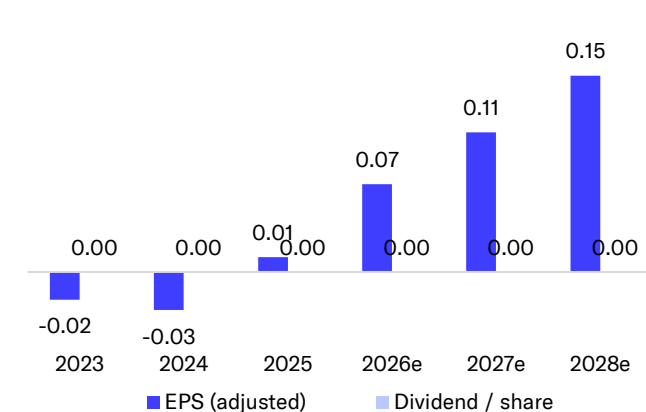
Share price



Revenue and EBIT-%



EPS and dividend



Value drivers

- Sustainable profitability improvement, which would also support the cash flow
- Long-term business growth drivers are healthy, especially in Power
- Expanding into new and adjacent markets and leveraging its geographical coverage
- Broadening the customer base

Risk factors

- Failure in the profitability turnaround
- Pricing and project risks
- Tight competitive situation and low barriers to entry
- Dependency on investments
- Scarce labor market and, thus difficulties to find skilled workforce
- A major customer facing challenges

Valuation	2026e	2027e	2028e
Share price (EUR)	1.48	1.48	1.48
Number of shares, millions	156.7	156.7	156.7
Market cap (MEUR)	231	231	231
EV (MEUR)	393	385	354
P/E (adj.)	21.3	13.4	9.5
P/E	24.4	13.4	9.5
P/B	1.4	1.2	1.1
P/S	0.3	0.3	0.2
EV/Sales	0.5	0.4	0.4
EV/EBITDA	6.7	5.8	4.8
EV/EBIT (adj.)	12.7	10.8	8.2
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Vattenfall and KONSTANT agreements now added to our estimates

Eltel was awarded the Vattenfall Eldistribution agreement in June, but the award was later appealed, so we did not include it in our estimates. Yesterday, Eltel announced that the appeals process has concluded and the agreement has been signed, with scope and value unchanged. The agreement covers maintenance, fault repair, customer-facing services, grid connections, projects and metering in Vattenfall's electricity and communications networks in the Roslagen and Uppland areas. The initial four-year period is worth ~138 MEUR (~34 MEUR per year), rising to ~275 MEUR including four option years. Work starts in June 2027, and Eltel will recruit new employees and set up partnerships with local subcontractors in the region. We have also taken the opportunity to add the KONSTANT agreement in Denmark, announced in September, to our estimates. That framework agreement is valued at 73 MEUR (~15 MEUR per year) for the initial five-year term starting on 1 February 2027 and it involves recruiting about 40 new technicians. Both agreements are new volume for Eltel's Swedish and Danish

Power units, rather than a defense of existing business.

Incremental volumes from 2027 onwards

At full run-rate, the two agreements add roughly 49 MEUR of annual revenue, or ~5% to our 2028e group revenue. As these are framework agreements, the volumes are customer estimates rather than guarantees, so we have modeled slightly lower volumes than the headline values imply. We also expect a gradual ramp-up during 2027, as the Vattenfall contract starts mid-year, before both contracts mature in 2028. As a result, we raise our 2027e and 2028e revenue by 2% and 4% to 893 MEUR and 947 MEUR, respectively. In addition, we have raised our Q4'26 estimates, which we felt were too conservative given the strong order backlog (Q2'26: 576 MEUR, +17% y/y), lifting our 2026e revenue by 1% to 848 MEUR.

Mobilization costs dampen 2027, uplift visible in 2028

We expect recruitment, fleet and operational set-up costs to absorb much of the short-term earnings uplift from the new contracts in 2027. Our 2027e adjusted EBIT therefore rises by only 1% to 35.6 MEUR (adj. EBIT margin 4.0%). Once the contracts mature, we expect them to carry a margin profile broadly in line with the group's 5% target, making the earnings uplift more visible in 2028e. There, we raise our adjusted EBIT by 7% to 43.0 MEUR (4.5% margin) and our adjusted EPS by 10%. The higher Q4'26 estimate lifts our 2026e adjusted EBIT by 1% to 30.8 MEUR. Beyond 2028, we have smoothed out the EBIT margin trajectory and raised our terminal EBIT margin to 3.0% (was 2.8%), as the recent contract wins, in our view, improve the long-term visibility and quality of Eltel's revenue base.

Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	842	848	1%	874	893	2%	913	947	4%
EBITDA	58.2	58.5	1%	66.5	66.8	0%	71.4	74.1	4%
EBIT (exc. NRIs)	30.5	30.8	1%	35.3	35.6	1%	40.3	43.0	7%
EBIT	29.2	29.5	1%	35.3	35.6	1%	40.3	43.0	7%
PTP	12.7	13.0	2%	21.3	21.7	1%	28.1	30.8	10%
EPS (excl. NRIs)	0.07	0.07	3%	0.11	0.11	1%	0.14	0.15	10%

*EBIT (exc. NRIs) refers to adjusted EBITA.

Risk/reward turns positive 1/3

Valuation methods

We value Eltel primarily on absolute valuation multiples, supported by a calculation of total expected return for the coming years and a DCF model. Thanks to the company's improved profitability, the valuation can be assessed using different earnings-based multiples. We favor EV-based multiples, as they better capture Eltel's balance sheet structure, but we also look at the P/E ratio. We look at multiples both in absolute terms and relative to a peer group. Visibility into Eltel's business has historically been limited by its volatile performance, so our valuation focuses on the near term (2026-2027). However, given the consistent profitability improvements, the approaching end of 2026, and the fact that the recently signed contracts mainly lift our 2028 estimates, we now give 2027 and 2028 increasing weight in our assessment.

Absolute valuation and valuation sensitivity to margins

Based on our updated estimates, we view the overall valuation as attractive again on a slightly longer time horizon. On our estimates, Eltel's 2026 EV/EBITDA is around 7x, with EV/EBIT and P/E at around 13x and 21x, which places the current year above our acceptable ranges. Due to the strong earnings growth we expect, our 2027e multiples fall to more reasonable levels (EV/EBITDA: ~6x; EV/EBIT: ~11x; P/E: ~13x), roughly at the upper end of our acceptable ranges (EV/EBITDA: 5x-7x, EV/EBIT: 8x-11x, P/E: 9x-13x). The added Vattenfall and KONSTANT volumes mainly support 2028. On those figures, our 2028e multiples (EV/EBITDA: ~5x; EV/EBIT: ~8x; P/E: ~10x) sit at the low end of or below our acceptable ranges. In our view, they now offer a sufficient valuation cushion to justify a more positive stance.

As always, the valuation depends heavily on whether profitability keeps improving in line with our expectations. Eltel has now

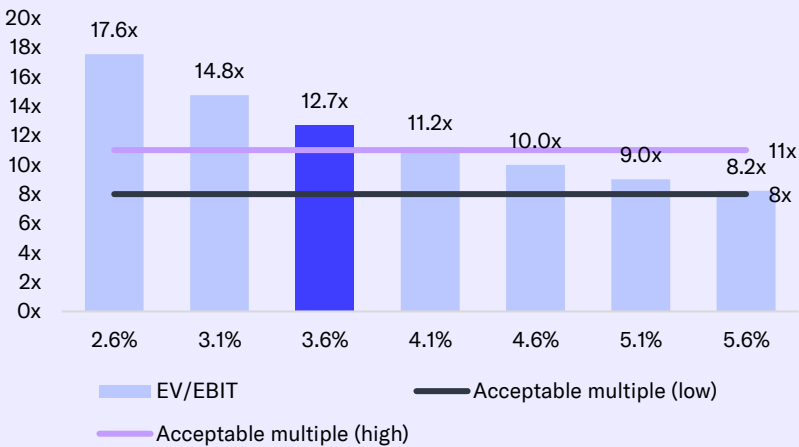
delivered twelve consecutive quarters of year-on-year profitability improvement, which strengthens our confidence in the turnaround. We believe the business is structurally more resilient than in previous cycles. It has a more flexible cost structure, better contractual protection through indexation, a broader customer base (top-5 customers down to ~40% of revenue from over 50% three years ago), and a growing share of higher-margin Emerging services. The recent run of multi-year framework agreements (Telenor, Vattenfall, KONSTANT) also improves revenue visibility well beyond 2027, in our view. Our estimates remain more conservative than management's stated 5% adjusted EBITA target. Should Eltel reach that level, the resulting earnings uplift would open further upside from current levels.

Because the valuation depends so heavily on continued margin improvement, we show how sensitive the forward multiples are to our EBIT margin estimates on the following page. Our base case of 3.6% in 2026, 4.0% in 2027 and 4.5% in 2028 translates into EV/EBIT multiples of around 13x, 11x and 8x, respectively. The 2026 multiple sits above our range, the 2027 multiple at the top of it, and the 2028 multiple at its low end. The sensitivity cuts both ways. In 2026, a 50-bps margin miss would push the multiple well above our range (15x), while 50 bps of upside would only bring it back toward the top of the range (11x). In 2027 (50-bps upside: ~10x vs 50-bps downside: ~12x), the current price still leaves limited room for disappointment. In 2028, however, even a 50-bps margin shortfall would keep the multiple within our range (~9x), while 50 bps of upside would lower it to ~7x. We also acknowledge that the margin path is not only a question of execution but also of external factors: macro uncertainty and swings in fuel and input costs could weigh on utilization and the cost base. In 2027, mobilization costs for the new contracts are an additional risk.

Valuation	2026e	2027e	2028e
Share price (EUR)	1.48	1.48	1.48
Number of shares, millions	156.7	156.7	156.7
Market cap (MEUR)	231	231	231
EV (MEUR)	393	385	354
P/E (adj.)	21.3	13.4	9.5
P/E	24.4	13.4	9.5
P/B	1.4	1.2	1.1
P/S	0.3	0.3	0.2
EV/Sales	0.5	0.4	0.4
EV/EBITDA	6.7	5.8	4.8
EV/EBIT (adj.)	12.7	10.8	8.2
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

EV/EBIT at different margin levels in 2026
vs acceptable multiples



Risk/reward turns positive 2/3

On balance, margin execution remains the central valuation driver. However, after our upward revisions and the recent pullback in the share price, we believe the valuation no longer fully discounts the improvement we forecast for 2028. This leaves the risk/reward looking moderately attractive.

Trading in line with peers after the re-rating

On our updated estimates, Eltel trades in line with its peer group on EV-based earnings multiples, but above it on P/E. For 2027, the peer group's median EV/EBITDA, EV/EBIT and P/E multiples are ~7x, 11x, and ~12x, respectively, against Eltel's roughly 6x, 11x and 13x. Following the contract additions, we expect Eltel's revenue growth to be broadly in line with peers (CAGR 26–28e: ~5% vs. 6%) and its EBIT growth to be clearly stronger (CAGR 26–28e: ~28% vs. 13%). However, Eltel has relatively higher leverage and a softer margin profile than its peers. Overall, we believe an in-line valuation relative to the peer group is justified, and we do not see the peer comparison as a significant source of upside or downside.

Expected return in the coming years

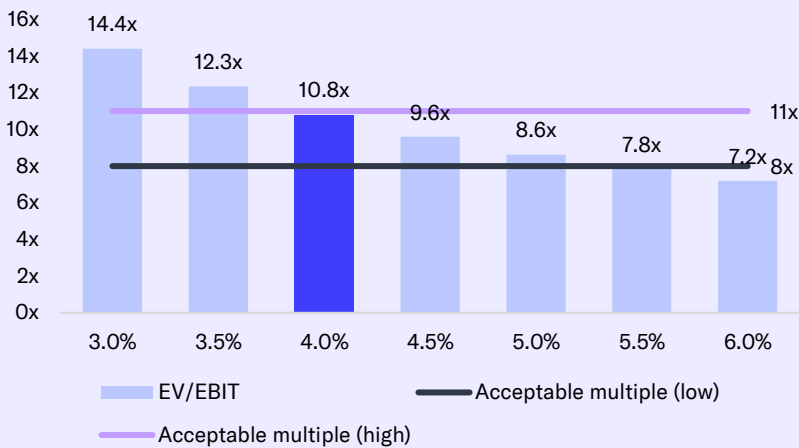
We have also estimated an investor's expected return over the next few years by applying our acceptable valuation multiples to our 2028 earnings estimates. Based on our current estimates, we think Eltel could be valued at 9x-11x EV/EBIT and around 11x-13x P/E at the end of 2028, provided the profitability improvement stays on track and there are no major changes in the company's growth outlook. These multiples would be broadly in line with the peer group's current valuation. Based on this, we believe Eltel could be valued at roughly SEK 19.3-24.1 per share at the end of 2028 (at the current EUR/SEK rate). At the current share price of SEK 16.55, this implies an expected annual return of around 12-13%, and thus, above the cost of equity we use. We do not expect investors to receive any base return from dividends in the

medium term. The return is also back-loaded and relies on an EV-based valuation, which adds further uncertainty, for example around the capital structure, which we find difficult to forecast over a longer period. Importantly, this calculation rests on our estimate of a 4.5% adjusted EBITA margin in 2028 (was 4.4%). Should Eltel reach or exceed management's 5% target, the 2028 earnings base and the corresponding fair value would be higher, and the expected return would look clearly attractive.

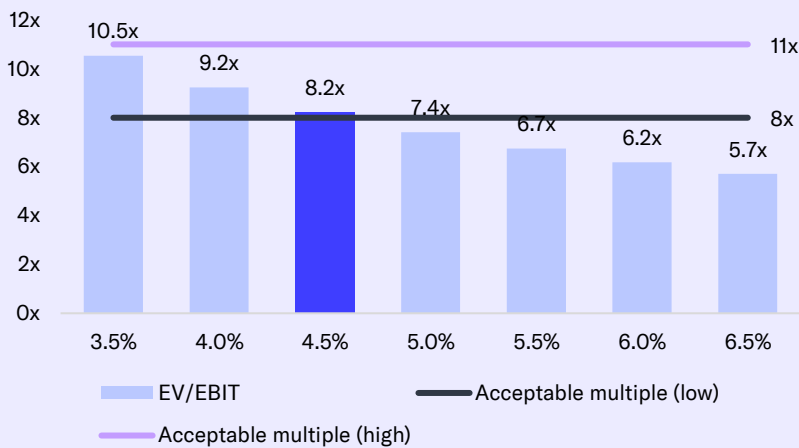
DCF model

As mentioned in our updated extensive report (Oct 2025), we place slightly more weight on the DCF model in the valuation, given Eltel's gradual and steady improvement in profitability in recent years. The model is very sensitive to terminal period variables, but we believe our assumptions for these are sufficiently conservative compared to the industry context. We expect low single-digit growth (CAGR 26–30e: ~4%) and further margin expansion until 2028, after which we have smoothed out the margin trajectory, and top-line growth gradually tapers toward the 2% terminal growth rate. Given the improved contract base, we have raised our terminal EBIT margin to 3.0% (was 2.8%), which we still consider conservative relative to Eltel's 5% target and our 2028e margin of 4.5%. The terminal period accounts for 52% of the value in the model, which we consider reasonable. Our DCF model indicates a value of EUR 1.65 per share (SEK 18.5, was SEK 15.4). We have gone through the assumptions of the DCF model and the expected return for the coming years in more detail in our [updated extensive report](#).

EV/EBIT at different margin levels in 2027
vs acceptable multiples



EV/EBIT at different margin levels in 2028
vs acceptable multiples

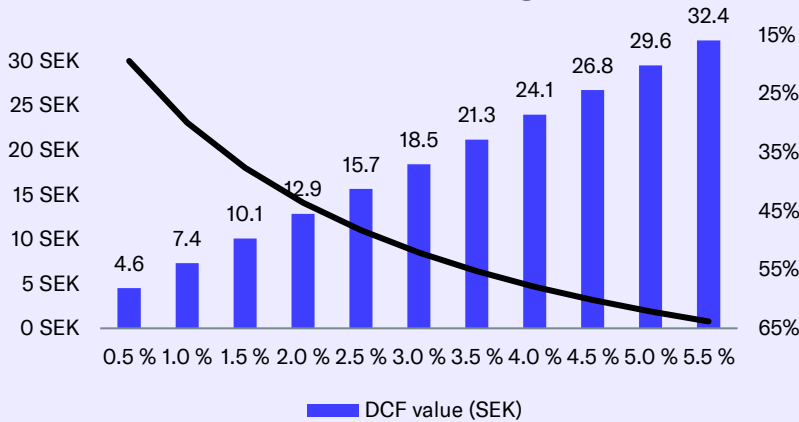


Risk/reward turns positive 3/3

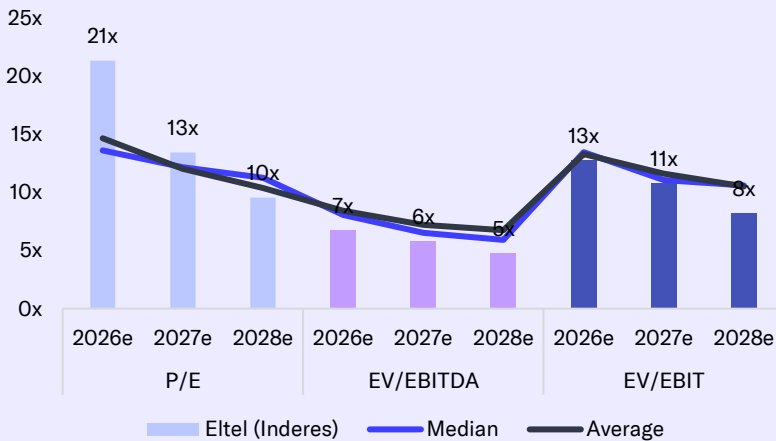
We upgrade our recommendation to Accumulate

Reflecting this overall picture, the signed Vattenfall agreement, and the addition of KONSTANT to our estimates, we now see the risk-adjusted expected return of the share over the next 12 months as exceeding the cost of equity we use. We therefore upgrade our recommendation to Accumulate (was Reduce) and raise our target price to SEK 18.5 (was SEK 15.4), in line with our DCF value. Near-term multiples are still not cheap, but the new contracts substantially improve visibility, and on our 2028 estimates the valuation looks attractive. Our estimates also remain below management's 5% margin target, which in our view offers further upside if the turnaround continues as planned.

Sensitivity of DCF to changes in the terminal EBIT margin



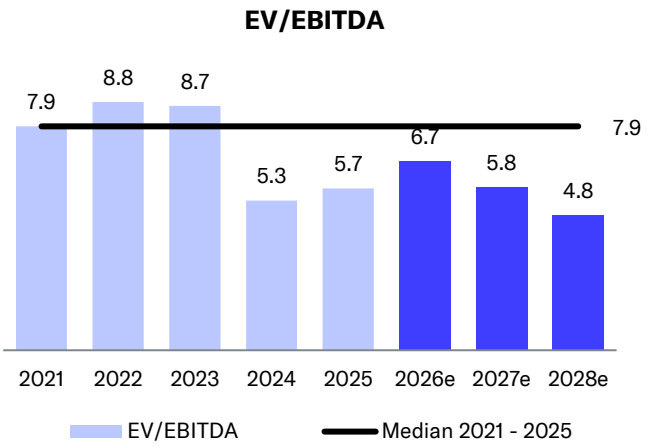
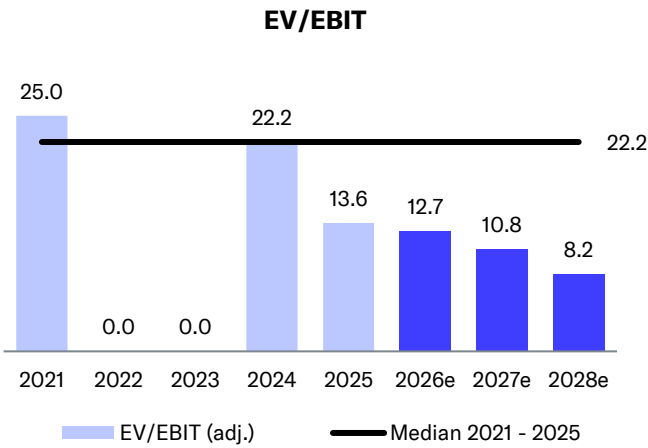
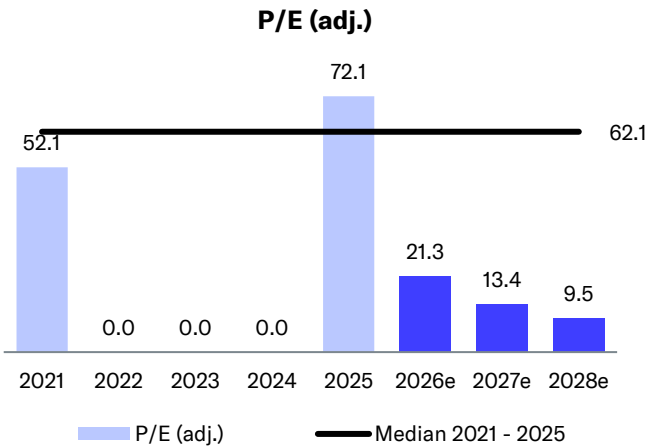
Eltel vs peer group
2026-2028e



Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	1.53	0.74	0.55	0.56	0.85	1.48	1.48	1.48	1.48
Number of shares, millions	156.6	156.7	156.7	156.7	156.7	156.7	156.7	156.7	156.7
Market cap (MEUR)	239	115	86	88	133	231	231	231	231
EV (MEUR)	369	245	214	231	282	393	385	354	329
P/E (adj.)	52.1	neg.	neg.	neg.	72.1	21.3	13.4	9.5	8.8
P/E	55.7	neg.	neg.	neg.	>100	24.4	13.4	9.5	8.8
P/B	1.1	0.6	0.5	0.6	0.8	1.4	1.2	1.1	1.0
P/S	0.3	0.1	0.1	0.1	0.2	0.3	0.3	0.2	0.2
EV/Sales	0.5	0.3	0.3	0.3	0.3	0.5	0.4	0.4	0.3
EV/EBITDA	7.9	8.8	8.7	5.3	5.7	6.7	5.8	4.8	4.4
EV/EBIT (adj.)	25.0	neg.	>100	22.2	13.6	12.7	10.8	8.2	7.5
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

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 Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
			2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
Bravida Holding	2660	2949	16.8	14.5	12.7	11.3	1.1	1.0	20.5	17.2	2.8	3.0	3.0
Enersense International	106	148	14.8	10.6	8.1	6.5	0.5	0.4		17.2		0.5	3.1
Instalco	984	1346	15.6	12.4	10.1	8.5	1.0	0.9	18.3	13.2	1.7	2.2	3.0
Netel Holding	13	107	11.3	9.9	6.5	6.0	0.4	0.4	9.1	4.0			0.1
Spie SA	7083	9586	12.1	11.1	8.5	7.8	0.9	0.8	13.6	12.2	3.0	3.3	3.0
Transtema	17	63		14.1	6.7	4.2	0.3	0.3		9.7			0.4
Vinci Energies	63293	88927	9.1	8.7	6.3	6.1	1.2	1.1	11.8	10.7	4.9	5.4	1.9
Eltel (Inderes)	231	393	12.7	10.8	6.7	5.8	0.5	0.4	21.3	13.4	0.0	0.0	1.4
Average			13.3	11.6	8.4	7.2	0.8	0.7	14.6	12.0	3.1	2.9	2.1
Median			13.5	11.1	8.1	6.5	0.9	0.8	13.6	12.2	2.9	3.0	3.0
Diff-% to median			-5%	-2%	-17%	-12%	-46%	-45%	57%	10%	-100%	-100%	-54%

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	829	170	201	208	239	818	191	199	212	245	848	893	947	970
Finland	358	62.1	85.0	102	102	351	80.1	83.0	103	108	374	383	396	403
Sweden	212	53.1	58.3	53.0	74.8	239	54.3	58.6	55.5	74.8	243	256	275	285
Norway	115	23.3	25.8	24.4	26.5	100.0	23.8	27.4	25.2	28.4	105	122	138	141
Denmark & Germany	130	30.5	31.4	28.7	35.0	126	32.2	29.7	27.3	33.6	123	130	136	139
Other business	24.3	1.9	2.4	2.4	2.6	9.3	1.9	2.4	2.4	2.6	9.3	9.1	8.9	8.7
Eliminations	-9.7	-1.3	-1.9	-1.9	-2.3	-7.4	-1.0	-1.6	-1.5	-2.0	-6.1	-7.0	-7.0	-7.0
EBITDA	16.6	7.2	9.7	16.2	16.0	49.1	10.3	11.4	18.7	18.1	58.5	66.8	74.1	74.1
Depreciation	-34.7	-6.9	-7.7	-7.4	-7.7	-29.7	-7.2	-7.2	-7.3	-7.3	-29.0	-31.2	-31.1	-30.4
EBIT (excl. NRI)	10.4	0.9	2.5	9.1	8.3	20.7	3.1	5.5	11.4	10.8	30.8	35.6	43.0	43.6
EBIT	-18.1	0.3	2.0	8.8	8.3	19.4	3.1	4.2	11.4	10.8	29.5	35.6	43.0	43.6
Finland	15.7	1.7	3.4	8.8	6.4	20.3	2.7	5.2	9.5	7.1	24.4	25.8	27.5	27.4
Sweden	6.1	1.5	1.3	1.0	3.9	7.7	1.8	1.8	2.2	4.2	9.9	11.1	13.2	13.4
Norway	-5.7	-1.8	-0.4	0.4	0.0	-1.8	0.3	1.4	1.1	1.0	3.7	4.4	6.6	6.8
Denmark & Germany	6.5	2.4	1.5	1.1	0.9	5.9	1.1	0.4	0.7	1.0	3.1	4.3	6.0	6.1
Other business	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
Group functions	-12.2	-2.9	-3.3	-2.3	-2.9	-11.4	-2.8	-3.1	-2.0	-2.4	-10.3	-10.0	-10.3	-10.1
Items affecting comparability	-28.5	-0.6	-0.5	-0.2	0.0	-1.3	0.0	-1.4	0.0	0.0	-1.4	0.0	0.0	0.0
Acquisition-related amortization	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 financial items	-12.7	-2.4	-2.7	-4.9	-4.2	-14.1	-4.6	-3.8	-4.1	-4.0	-16.5	-14.0	-12.2	-10.1
PTP	-30.8	-2.1	-0.7	3.9	4.1	5.3	-1.5	0.4	7.3	6.8	13.0	21.7	30.8	33.5
Taxes	1.6	-0.6	-0.2	-0.9	-0.4	-2.1	-0.4	-0.8	-1.0	-1.0	-3.1	-4.0	-6.2	-6.7
Minority interest	-0.6	-0.1	-0.2	-0.4	-0.3	-1.0	-0.1	-0.1	-0.1	-0.1	-0.4	-0.4	-0.4	-0.4
Net earnings	-29.8	-2.8	-1.0	2.6	3.4	2.2	-2.0	-0.4	6.2	5.7	9.5	17.2	24.3	26.4
EPS (adj.)	-0.03	-0.02	-0.01	0.02	0.02	0.01	-0.01	0.01	0.04	0.04	0.07	0.11	0.15	0.17
EPS (rep.)	-0.21	-0.02	-0.01	0.02	0.02	0.00	-0.01	0.00	0.04	0.04	0.06	0.11	0.15	0.17

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	-2.5 %	-3.8 %	-6.9 %	-1.0 %	5.7 %	-1.3 %	12.8 %	-0.8 %	1.9 %	2.5 %	3.7 %	5.4 %	6.0 %	2.4 %
Adjusted EBIT growth-%	519.0 %	122.7 %	455.6 %	10.4 %	44.9 %	99.4 %	244.4 %	121.2 %	25.9 %	30.6 %	48.7 %	15.5 %	20.8 %	1.4 %
EBITDA-%	2.0 %	4.2 %	4.8 %	7.8 %	6.7 %	6.0 %	5.4 %	5.7 %	8.8 %	7.4 %	6.9 %	7.5 %	7.8 %	7.6 %
Adjusted EBIT-%	1.3 %	0.5 %	1.2 %	4.3 %	3.5 %	2.5 %	1.6 %	2.8 %	5.4 %	4.4 %	3.6 %	4.0 %	4.5 %	4.5 %
Net earnings-%	-3.6 %	-1.6 %	-0.5 %	1.2 %	1.4 %	0.3 %	-1.0 %	-0.2 %	2.9 %	2.3 %	1.1 %	1.9 %	2.6 %	2.7 %

Source: Inderes

*EBIT (exc. NRIs) refers to adjusted EBITA.

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	380	387	389	389	389
Goodwill	249	254	254	254	254
Intangible assets	30.3	31.6	31.7	31.8	31.9
Tangible assets	59.4	59.1	61.1	60.9	60.9
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	13.4	15.3	15.3	15.3	15.3
Deferred tax assets	27.2	27.3	27.3	27.3	27.3
Current assets	206	269	259	272	310
Inventories	19.3	38.3	28.0	25.9	24.2
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	165	187	191	199	209
Cash and equivalents	21.3	43.8	40.3	47.2	77.0
Balance sheet total	585	656	648	661	699

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	189	169	178	196	220
Share capital	162	1.6	1.6	1.6	1.6
Retained earnings	-423.7	-426.4	-416.9	-399.7	-375.4
Hybrid bonds	25.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	418	585	585	585	585
Minorities	8.0	8.5	8.5	8.5	8.5
Non-current liabilities	106	203	206	192	192
Deferred tax liabilities	10.7	12.0	10.7	10.7	10.7
Provisions	5.2	5.9	5.9	5.9	5.9
Interest bearing debt	51.8	161	165	165	165
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	37.9	24.2	24.2	10.2	10.2
Current liabilities	290	283	264	274	288
Interest bearing debt	83.2	24.7	25.0	25.0	25.0
Payables	203	256	236	246	260
Other current liabilities	3.8	3.1	3.1	3.1	3.1
Balance sheet total	585	656	648	661	699

DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	-1.3 %	3.7 %	5.4 %	6.0 %	2.4 %	2.4 %	2.4 %	2.4 %	2.4 %	2.4 %	2.0 %	2.0 %
EBIT-%	2.4 %	3.5 %	4.0 %	4.5 %	4.5 %	4.4 %	4.3 %	4.0 %	3.8 %	3.0 %	3.0 %	3.0 %
EBIT (operating profit)	19.4	29.5	35.6	43.0	43.6	43.7	43.8	41.7	40.6	32.8	33.5	
+ Depreciation	29.7	29.0	31.2	31.1	30.4	30.7	30.9	31.2	31.5	31.2	31.1	
- Paid taxes	-0.8	-4.4	-4.0	-6.2	-6.7	-7.0	-7.0	-6.6	-6.4	-4.9	-5.1	
- Tax, financial expenses	-2.8	-4.1	-2.7	-2.6	-2.2	-2.0	-2.0	-2.0	-2.0	-2.0	-2.0	
+ Tax, financial income	0.0	0.1	0.1	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.4	
- Change in working capital	11.2	-13.7	3.6	5.5	-1.8	0.6	1.6	1.7	0.7	2.9	1.0	
Operating cash flow	56.6	36.3	63.8	71.0	63.6	66.3	67.5	66.2	64.7	60.4	58.9	
+ Change in other long-term liabilities	-13.0	0.0	-14.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-36.9	-31.1	-31.1	-31.1	-31.1	-31.1	-31.6	-31.9	-31.1	-31.1	-31.1	
Free operating cash flow	6.7	5.2	18.7	39.9	32.5	35.2	35.9	34.3	33.6	29.3	27.8	
+/- Other	-3.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	3.6	5.2	18.7	39.9	32.5	35.2	35.9	34.3	33.6	29.3	27.8	450
Discounted FCFF		5.1	17.0	33.4	25.1	25.1	23.6	20.9	18.8	15.2	13.3	215
Sum of FCFF present value		412	407	390	357	332	306	283	262	243	228	215
Enterprise value DCF		412										
- Interest bearing debt		-185.8										
+ Cash and cash equivalents		43.8										
+ Associated companies		0.0										
-Minorities		-11.6										
-Dividend/capital return		0.0										
Equity value DCF		259										
Equity value DCF per share		1.65										
Equity value DCF per share (SEK)		18.5										
WACC												
Tax-% (WACC)		20.0 %										
Target debt ratio (D/(D+E))		45.0 %										
Cost of debt		7.8 %										
Equity Beta		1.28										
Market risk premium		4.75%										
Liquidity premium		1.50%										
Risk free interest rate		2.5 %										
Cost of equity		10.1 %										
Weighted average cost of capital (WACC)		8.4 %										

Cash flow distribution

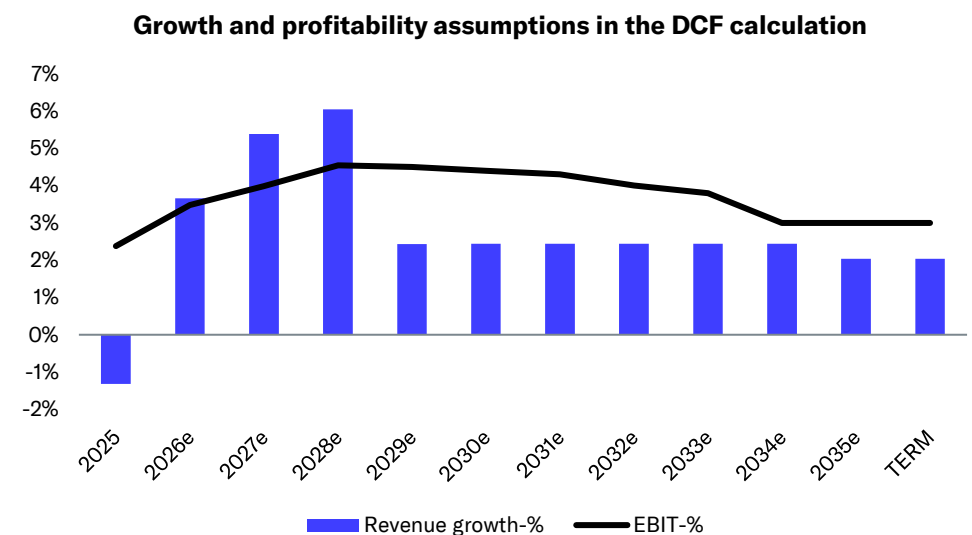
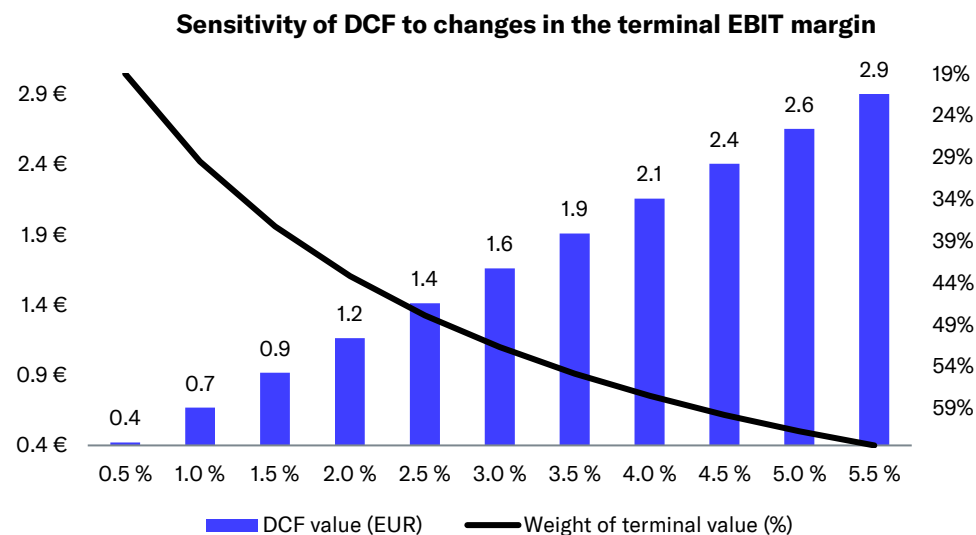
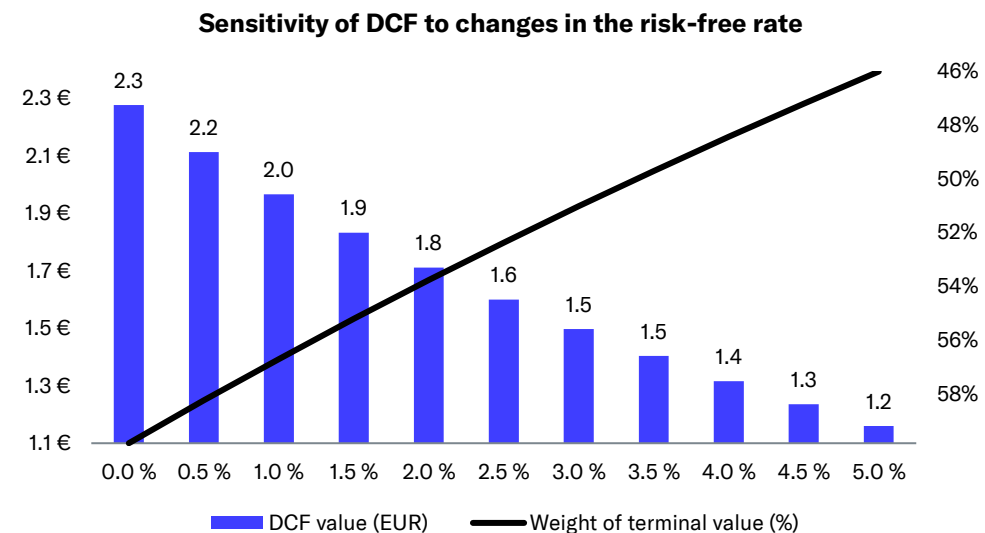
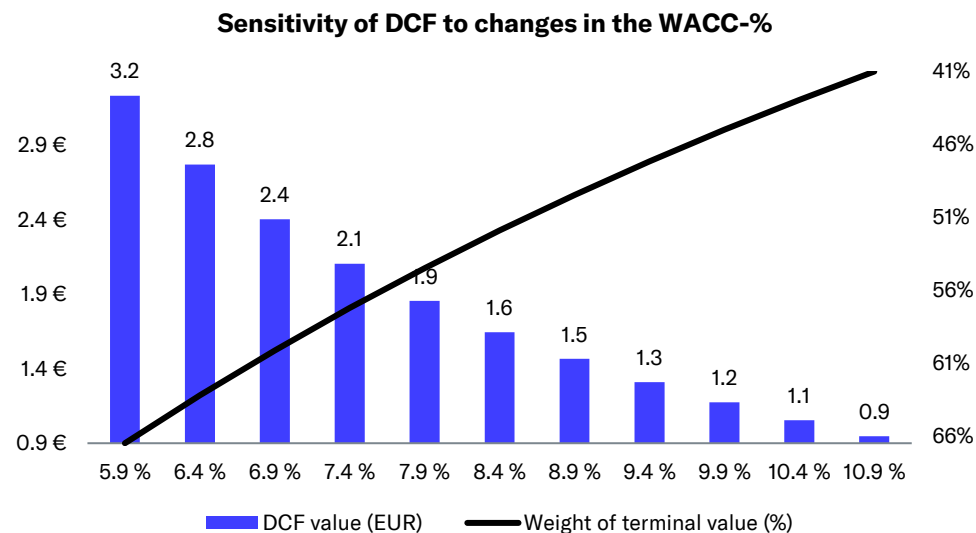
2026e-2030e	26%
2031e-2035e	22%
TERM	52%

2026e-2030e

2031e-2035e

TERM

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	Per share data	2023	2024	2025	2026e	2027e
Revenue	850.1	828.7	817.8	847.7	893.3	EPS (reported)	-0.07	-0.21	0.00	0.06	0.11
EBITDA	24.8	16.6	49.1	58.5	66.8	EPS (adj.)	-0.02	-0.03	0.01	0.07	0.11
EBIT	-5.3	-18.1	19.4	29.5	35.6	OCF / share	0.30	-0.01	0.36	0.23	0.41
PTP	-18.0	-30.8	5.3	13.0	21.7	OFCF / share	0.10	0.02	0.02	0.03	0.12
Net Income	-8.0	-29.8	2.2	9.5	17.2	Book value / share	1.38	1.16	1.02	1.08	1.19
Extraordinary items	-7.0	-28.5	-1.3	-1.4	0.0	Dividend / share	0.00	0.00	0.00	0.00	0.00
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	624.2	585.4	655.5	648.0	661.2	Revenue growth-%	3%	-3%	-1%	4%	5%
Equity capital	223.6	189.4	168.9	178.4	195.6	EBITDA growth-%	-11%	-33%	196%	19%	14%
Goodwill	253.6	249.3	253.7	253.7	253.7	EBIT (adj.) growth-%	191%	519%	99%	49%	15%
Net debt	100.2	113.7	142.0	149.7	142.8	EPS (adj.) growth-%	77%	-36%	139%	490%	59%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	2.9 %	2.0 %	6.0 %	6.9 %	7.5 %
EBITDA	24.8	16.6	49.1	58.5	66.8	EBIT (adj.)-%	0.2 %	1.3 %	2.5 %	3.6 %	4.0 %
Change in working capital	25.8	-19.3	11.2	-13.7	3.6	EBIT-%	-0.6 %	-2.2 %	2.4 %	3.5 %	4.0 %
Operating cash flow	47.7	-1.6	56.6	36.3	63.8	ROE-%	-3.8 %	-15.0 %	1.3 %	5.8 %	9.7 %
CAPEX	-33.2	-28.4	-36.9	-31.1	-31.1	ROI-%	-1.4 %	-5.4 %	5.7 %	8.3 %	9.6 %
Free cash flow	15.0	3.5	3.6	5.2	18.7	Equity ratio	39.6 %	35.5 %	28.0 %	29.9 %	32.1 %
Valuation multiples	2023	2024	2025	2026e	2027e	Gearing	44.8 %	60.0 %	84.1 %	83.9 %	73.0 %
EV/S	0.3	0.3	0.3	0.5	0.4	Net debt/EBITDA	4.0	6.8	2.9	2.6	2.1
EV/EBITDA	8.7	5.3	5.7	6.7	5.8	EBITDA/net financials	2.0	1.3	3.5	3.5	4.8
EV/EBIT (adj.)	>100	22.2	13.6	12.7	10.8						
P/E (adj.)	neg.	neg.	72.1	21.3	13.4						
P/B	0.5	0.6	0.8	1.4	1.2						
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %						

Source: Inderes

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
5/30/2024	Reduce	SEK 7.20	SEK 6.60
7/26/2024	Reduce	SEK 7.20	SEK 7.50
11/1/2024	Reduce	SEK 7.20	SEK 7.38
2/17/2025	Reduce	SEK 7.20	SEK 6.48
5/2/2025	Accumulate	SEK 9.00	SEK 7.88
7/25/2025	Reduce	SEK 9.70	SEK 10.45
10/16/2025	Accumulate	SEK 9.70	SEK 8.52
10/31/2025	Accumulate	SEK 9.90	SEK 8.90
2/16/2026	Accumulate	SEK 10.20	SEK 9.20
5/4/2026	Accumulate	SEK 11.20	SEK 9.74
6/25/2026	Reduce	SEK 13.80	SEK 14.35
7/17/2026	Accumulate	SEK 14.00	SEK 12.20
7/22/2026	Accumulate	SEK 13.90	SEK 12.25
9/9/2026	Reduce	SEK 15.40	SEK 16.35
10/14/2026	Accumulate	SEK 18.50	SEK 16.55



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