

HARVIA

05/07/2026 19:05 EEST

This is a translated version of the "Vahva alku vuoteen, Q2:lla tilapäistä heikkoutta" report, published on 05/07/2026



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INDERES CORPORATE CUSTOMER COMPANY REPORT



Strong start to the year, temporary weakness in Q2

Harvia's Q1 earnings exceeded our estimates, but the estimate changes for the full year remained small. Q2 earnings will be weighed down by the shift of revenue to Q3. We expect Harvia to continue its strong earnings growth and value creation in the coming years, which offers a good expected return. Due to the share price increase, we lower our recommendation to Accumulate (was Buy) and reiterate our EUR 44 target price.

Q1 earnings were strong due to rapid revenue growth

Harvia's Q1 revenue grew by 13% to 58.6 MEUR, exceeding our estimate (54.6 MEUR). Growth was entirely organic and as much as 18% at comparable exchange rates. North America grew by 12%, or 21% in local currencies, on top of a strong comparison period, while we only expected euro-denominated growth of around 3% Northern Europe and the company's fastest-growing region, APAC & MEA, also grew faster than we estimated, while growth in Continental Europe was in line with our estimate.

Adjusted EBIT was 12.9 MEUR (margin 22.0%), while we expected 11.4 MEUR (20.9%), with the comparison period being 11.9 MEUR. The material margin normalized to a lower level than the strong comparison period, as we expected, and fixed costs were roughly in line with our estimates. Thanks to higher-than-expected revenue growth, both absolute and relative profitability exceeded our expectations. There were no significant deviations from our estimates in the lower income lines, and EPS improved to EUR 0.50 vs. our estimate of EUR 0.43.

Q2 saw temporary weakness due to revisions at the Muurame factory

Harvia commented that IT and process modernizations at the Muurame factory would temporarily extend delivery times, resulting in an estimated 3–5 MEUR of deliveries shifting from Q2 to Q3. We revised our estimates accordingly and slightly raised our Q2 cost estimates. As a result, Q2 adjusted EBIT

remains at just over 7 MEUR in our estimate. However, the company does not expect the revisions to impact full-year revenue. Full-year estimates increased slightly due to the strong Q1 result, while estimates for the coming years remained largely unchanged.

In coming years, we expect progress to be in line with targets

Harvia's targets include annual sales growth of 10% (incl. acquisitions) and an EBIT margin of over 20%. We believe it will reach these targets in the coming years through organic growth alone. As in recent years, growth in our estimates is driven by non-European regions, with growth in the US, in particular, supported by the company's increased expansion in steam and infrared products. We believe this will allow Harvia to gain further market share in the US. We also believe that the growth of the APAC&MEA region will increasingly support the Group's overall growth as the region's share of revenue increases (11% in 2025). We also expect Harvia to maintain profitability at the target level of 20-22%. However, we estimate that continuous growth investments will be reflected in the margin, which, despite strong growth, will not scale up significantly in our forecasts.

Earnings growth as the main driver of expected return

Harvia's 2026 multiples (EV/EBIT 18x, P/E 24x) appear neutral in our view, considering the company's quality and growth profile. We consider the company's return on capital and cash flow generation capabilities excellent, and multiples will moderate further in the coming years. We believe that Harvia's capital allocation will continue to be value-creating, and thus channeling cash either to acquisitions or larger dividends would support the investor's expected return. We also see Harvia as a viable acquisition target. The expected return of the share is driven primarily by annual earnings growth of around 15%, with the role of dividends and multiple revisions being less significant.

Recommendation

Accumulate

(was Buy)

Target price:

EUR 44.00

(was EUR 44.00)

Share price:

EUR 41.05

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	199	223	246	270
growth-%	14%	12%	10%	10%
EBIT adj.	39.1	45.0	51.3	58.2
EBIT-% adj.	19.7 %	20.2 %	20.9 %	21.6 %
Net Income	26.4	32.2	37.7	43.9
EPS (adj.)	1.46	1.73	2.01	2.33
P/E (adj.)	29.4	23.7	20.5	17.6
P/B	6.2	5.2	4.6	4.0
Dividend yield-%	1.8 %	2.0 %	2.4 %	3.4 %
EV/EBIT (adj.)	22.1	18.4	15.9	13.7
EV/EBITDA	18.9	15.7	13.7	11.7
EV/S	4.3	3.7	3.3	3.0

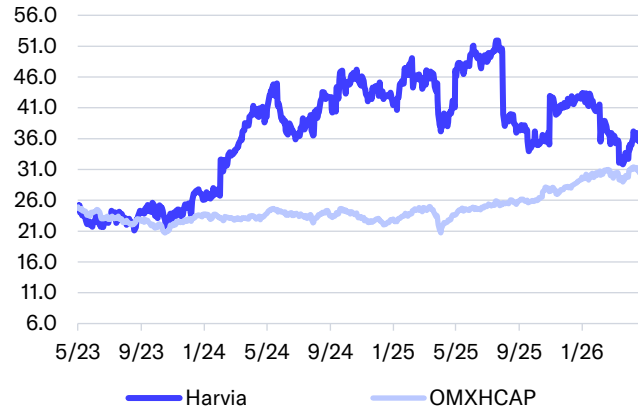
Source: Inderes

Guidance

(Unchanged)

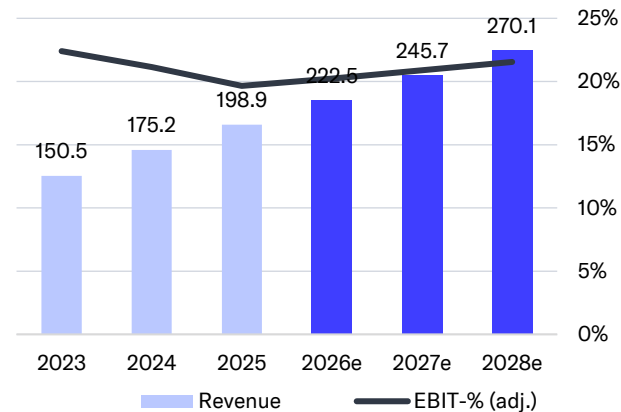
Harvia does not publish a short-term outlook.

Share price



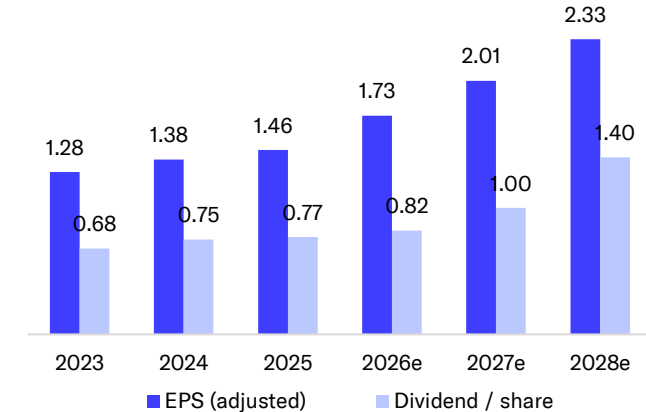
Source: Millstream Market Data AB

Revenue and EBIT % (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Stably growing sauna and spa market in the longer term
- Leading market position and best profitability in the sector
- Strong cash flow and low investment need
- Revenue growth through complementing acquisitions and expansion of the reseller network

Risk factors

- Dependence on the Muurame plant
- Changes in the competitive field or position
- Economic fluctuations and fluctuations on the construction market may slow down growth
- Successful integration of acquisitions
- Weakening global demand trend for saunas

Valuation	2026e	2027e	2028e
Share price	41.1	41.1	41.1
Number of shares, millions	18.8	18.8	18.8
Market cap	772	772	772
EV	828	814	799
P/E (adj.)	23.7	20.5	17.6
P/E	24.0	20.5	17.6
P/B	5.2	4.6	4.0
P/S	3.5	3.1	2.9
EV/Sales	3.7	3.3	3.0
EV/EBITDA	15.7	13.7	11.7
EV/EBIT (adj.)	18.4	15.9	13.7
Payout ratio (%)	47.9 %	49.8 %	60.0 %
Dividend yield-%	2.0 %	2.4 %	3.4 %

Source: Inderes

Strong revenue growth also drove earnings above estimates

Revenue exceeded expectations across the board

Harvia's Q1 revenue grew by 13% to 58.6 MEUR, exceeding our estimate (54.6 MEUR) and consensus (54.8 MEUR). Growth was entirely organic and as much as 18% at comparable exchange rates. North America grew by 12%, or 21% in local currencies, on top of a strong comparison period, while we only expected euro-denominated growth of around 3%. Northern Europe grew by 17%, continuing double-digit growth for the third consecutive quarter, supported by pent-up demand and strengthening of the distribution network. APAC & MEA was the fastest-growing region with 30% growth (we expected ~20%), even though deliveries to the Middle East were slightly disrupted due to the war in Iran. However, the Middle East region as a whole accounts for only 2% of the company's revenue, and the war has not completely stopped sales. The weakening dollar particularly weighed on reported figures for steam products and saunas, but strong volume growth clearly compensated for the currency effect.

Good growth also supported earnings and margin

Adjusted EBIT was 12.9 MEUR (margin 22.0%), while we expected 11.4 MEUR (20.9%). The material margin normalized to a lower level than the strong comparison period, as we expected, and fixed costs were roughly in line with our estimates. Due to higher-than-expected revenue growth, both absolute and relative profitability exceeded our expectations. There were no significant deviations from our estimates in the lower income lines, and EPS improved to EUR 0.50 vs. our estimate of EUR 0.43.

Abundant cash flow as usual, and the balance sheet is robust

Q1 is a seasonally strong quarter for Harvia in terms of cash flow generation, and operational free cash flow reached 12 MEUR, improving from just over 10 MEUR in the comparison period. As a result, Harvia's balance sheet strengthened, and net debt/adj. EBITDA was 1.0x. The

balance sheet thus provides the company with ample opportunities to continue making acquisitions, which we believe it is seeking, at least in infrared saunas.

Estimates MEUR / EUR	Q1'25 Comparison	Q1'26 Actualized	Q1'26e Inderes	Q1'26e Consensus	Difference (%) Act. vs. inderes	2026e Inderes
Revenue	52.0	58.6	54.6	54.8	7%	223
EBITDA	13.8	14.8	13.2	-	12%	52.7
EBIT (adj.)	11.9	12.9	11.4	11.7	13%	45.0
EBIT	11.9	12.8	11.3	11.6	13%	44.7
EPS (reported)	0.45	0.50	0.43	0.44	16%	1.71
Revenue growth-%	22.6 %	12.7 %	5.0 %	5.4 %	7.7 pp	11.9 %
EBIT-% (adj.)	22.9 %	22.0 %	20.9 %	21.4 %	1.1 pp	20.2 %

Source: Inderes & Modular Finance, 7 analysts (consensus)

Estimate changes for the full year remained small

The renovation of the Muurame factory shifts revenue from Q2 to Q3 and clearly weighs on Q2 earnings

Harvia does not provide guidance, but uncharacteristically, the company commented this time that IT and process upgrades at its Muurame headquarters and factory would temporarily extend delivery times, resulting in an estimated 3–5 MEUR of deliveries shifting from Q2 to Q3. The shift will weigh on Q2 revenue and profitability due to both the deferred gross margin and temporary additional costs. According to Harvia, this did not create so-called advance demand for Q1.

According to the company, there will be impacts on all geographical areas, but we believe that Northern Europe will be relatively more affected. Muurame is primarily a sauna heater factory, and Northern Europe is a sauna heater market. In addition, Muurame naturally supplies products, especially to nearby areas in Northern Europe.

In our estimates, we assume a revenue shift of around 5 MEUR from Q2 to Q3. Naturally, the resulting material margin also shifts from one quarter to another. However, Harvia's production personnel expenses in Q2 are at a normal level despite the production break; in addition to which, we added an extra expense of around 0.5 MEUR related to the project in Q2. We expect Harvia to record the costs as normal operating expenses, and not as non-recurring items.

As a result, Q2 adjusted EBIT remains at just over 7 MEUR in our estimate. The comparison period Q2'25 was also weak, so we believe Harvia can achieve revenue growth despite the production stoppage, but earnings will be below the comparison period's 8 MEUR. This means the adjusted EBIT margin will remain at an unusually weak level for Harvia, below 15%. However, the company does not expect the revisions to impact full-year revenue.

Only minor changes to estimates

We raised our estimates for this year following the strong Q1 earnings. Regarding earnings, the aforementioned additional expense offsets some of the increase in operational forecasts. Thus, the estimate changes for this year remained at 2-3%, and for the coming years, we only marginally raised our earnings estimates. The company once again reiterated its view that it will continue to invest in future growth for about three more years, which will increase fixed costs. At the same time, the company naturally aims to achieve a margin of over 20% in line with its targets. If the company succeeds in achieving its targeted revenue growth of around 10%, its margin would thus be slightly above 20%, which our estimates anticipate.

Estimate revisions MEUR / EUR	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %	2028e Old	2028e New	Change %
Revenue	218	223	2%	241	246	2%	265	270	2%
EBITDA	51.6	52.7	2%	59.6	59.5	0%	67.8	68.2	1%
EBIT	43.8	44.7	2%	51.4	51.3	0%	57.8	58.2	1%
PTP	40.4	41.5	3%	48.5	48.4	0%	55.8	56.3	1%
EPS (excl. NRIs)	1.69	1.73	2%	2.01	2.01	0%	2.32	2.33	1%
DPS	0.82	0.82	0%	1.00	1.00	0%	1.40	1.40	0%

Source: Inderes

Harvia Plc, Webcast, Q1'26



Earnings growth as a driver of expected returns

Valuation summary

We expect Harvia to grow significantly starting from this year, long into the 2030s, and the company has proven its quality even during the difficult years of 2022-23. Although we find Harvia's multiples relatively high for the next few years, we expect the company's earnings growth and good cash flow to push multiples down over the years. The current cash flow level and strong earnings growth offer an expected return of about 15% for years to come.

Growth creates value and weighs on multiples over time

In terms of valuation, our projected P/E for 2026 is 24x, and EV/EBIT is 18x. We consider these to be relatively neutral multiples for the company, although they are still relatively high in absolute terms. Thanks to its strong return on capital and growth profile, Harvia is clearly capable of value-creating growth. P/E for 2027 is of around 20x and EV/EBIT 16x. The multiples are clearly above the average of the peer group, although we do not consider the peer group to be directly comparable with Harvia. Harvia is valued at the same level or below the group's high-quality growth company peers (e.g., Thule, Nibe). We believe the premium valuation is well deserved compared to the entire peer group, given Harvia's excellent return on capital and growth outlook.

Harvia's competitors Sauna 360 and Klafs have been bought by large US companies in recent years. We also believe that Harvia is a potential acquisition target for viable players of this type. The current valuation already sets the price quite high for a potential bid, which would also require a premium to the current price.

Annual expected return of approximately 15%

Outlined in terms of earnings growth and dividend (i.e., assuming the current valuation is maintained), we arrive at an expected return of close to 20% over the next three years. It is also worth noting that our projections keep Harvia's net debt/EBITDA low (less than 1x), while the target is below 2.5x. This will allow the company to either distribute more profits or make acquisitions, which we believe will support expected returns. Harvia will likely seek to make acquisitions in the future, in which the company has a strong track record (more on this in our [extensive report](#)). According to our estimate, free cash flow yield is approximately 3% based on this year's figures. In 2025-30, we estimate that the net profit will grow on average by around 15%, so also from this perspective, the expected return is almost 20%. We believe the current valuation has a slight downside rather than upside, so we estimate the total expected return to be approximately 15%.

The DCF model is unchanged at EUR 44

With a stable industry, steady profitability and a fairly predictable business, we believe that the DCF model is a relevant valuation method for Harvia. We expect growth to remain close to 10% until 2033. Our growth assumption in the terminal period is 3.0%. In the medium term, we expect profitability to rise to 22.5% in terms of the EBIT margin. Our required return is 8.8% and our DCF value is about EUR 44, which aligns with our target price. The company's capital requirement is generally low, and the return on capital is high, which enables strong cash flow and growth.

Valuation	2026e	2027e	2028e
Share price	41.1	41.1	41.1
Number of shares, millions	18.8	18.8	18.8
Market cap	772	772	772
EV	828	814	799
P/E (adj.)	23.7	20.5	17.6
P/E	24.0	20.5	17.6
P/B	5.2	4.6	4.0
P/S	3.5	3.1	2.9
EV/Sales	3.7	3.3	3.0
EV/EBITDA	15.7	13.7	11.7
EV/EBIT (adj.)	18.4	15.9	13.7
Payout ratio (%)	47.9 %	49.8 %	60.0 %
Dividend yield-%	2.0 %	2.4 %	3.4 %

Source: Inderes

Investment profile

- 1 **Strong market position and well-known brands**
- 2 **Vertical integration and scale support high profitability**
- 3 **Moderate investment need supports creation of strong free cash flow**
- 4 **The company's ROIC is high and well above the required return, i.e. the company creates value**
- 5 **Good market growth outlook, especially outside Europe**
- 6 **Expanding into new categories increases growth potential**

Potential

- **Continued growth in the US**, supported by market growth
- **Expanding the product range** more strongly into steam and infrared products (in steam, with the help of the ThermaSol acquisition)
- **Complementing acquisitions:** We believe Harvia will continue making complementing acquisitions, in which it has a good track record, should suitable targets be found.

Risks

- **Demand recovery in Europe after the current weaker period**
Demand in Europe has been subdued following the strong demand during the COVID period
- **Dependence on the Muurame plant**, although the expanded production network has mitigated this risk
- **Acquisition risks:** Price paid in possible future acquisitions and integration of operations generate their own operational risk
- **Weakening of the global “sauna trend”.** The use of and demand for saunas is currently on a clear upward trend worldwide. A slowdown or reversal of this trend would have a negative impact on Harvia's demand prospects.

Strategy and financial targets (1/2)

Harvia's strategic focus areas (announced in May 2024)

Delivering the full sauna experience

- Increasing sales of end-to-end systems and solutions
- Being a leader in all sauna types by increasing the share of steam and infrared saunas
- Bringing new innovations to market, including design, user experience, and digital solutions

Winning in strategically important markets

Market-specific targets:

- In North America, continued growth across all price points, product groups and channels;
- Strengthening its position in Europe and growth in the short term as the market recovers;
- APAC & MEA market development in 'high potential countries'
- Harvia also wants to be an active consolidator

Leading in key channels

- "the right product in the right channel"
- For resellers (B2B), the best long-term partner
- Strengthening the direct consumer channel
- Supporting end-users over the product life cycle

Best-in-class operations and great people

- Automation of operations and strong capacity growth in fast-growing markets
- Enhancing group integration to support productivity and growth
- Developing employees' abilities and supporting their well-being
- Continuous improvement of sustainability in operations and supply chains

Inderes' comments on Harvia's focus areas

- Increasing sales of complete solutions is a logical goal, and Harvia has demonstrated its ability to achieve good margins while expanding its portfolio
- In order to increase the share of steam saunas, Harvia has made an acquisition, which we see as a very good strategic move. Adding more steam and infrared to the company's portfolio will significantly increase its growth potential and is, in our view, a very sensible direction to take
- Innovations are a normal part of any company's business. In Harvia's market, products change rather slowly, so we do not see the introduction of major innovations as critical for Harvia

- The company has clearly stated that its geographical coverage is already sufficient and that it now needs to focus particularly on markets with significant potential – we believe this is a good approach
- We believe that the company's strong brand and good products also support expansion opportunities in newer sauna markets
- We believe that the development of cross-selling through acquisitions can support sales growth, e.g., in steam and professional products
- However, there are a limited number of good acquisition targets, so even if we continue to see takeovers, they may be few and far between.

- To our understanding, the strengthening of the direct-to-consumer channel is at this stage mainly related to the US market, where it already represents a significant part of the company's sales. With the exception of the Nordic countries, we believe that other regions also have the potential to take greater control of their sales channels
- In some product groups, such as traditional sauna heaters, Harvia has a very broad product range, while in others there are clear gaps in the market. Clarifying the product range and targeting the right markets and channels sounds like a good way to develop the range without having to increase it significantly

- The efficiency of Harvia's production and other operations is at an excellent level, but we see further room for improvement in this area, for example by better integrating the production and operations of previously acquired companies
- Continuously improving efficiency and taking care of employees is part of the normal business of any company
- We believe that the company will continue to expand its capacity, especially in the fast-growing North American market, while the Muurame factory (traditional heaters and saunas), for example, will be able to produce significantly higher volumes only by increasing the number of shifts

Strategy and financial targets (2/2)

Financial targets (updated in May 2024, previously issued at the time of the IPO in 2018)

Annual organic revenue growth on average 10%

- The target includes the impact of acquisitions
- However, Harvia expects the market to grow by more than 5% in the coming years and the company will continue to gain market share, which should bring organic growth close to 10%
- We expect Harvia's average growth for 2024-28 to be 10% (CAGR), supported somewhat by the ThermaSol acquisition made last year, but organic growth will also average 9% p.a.

Adjusted EBIT margin over 20%

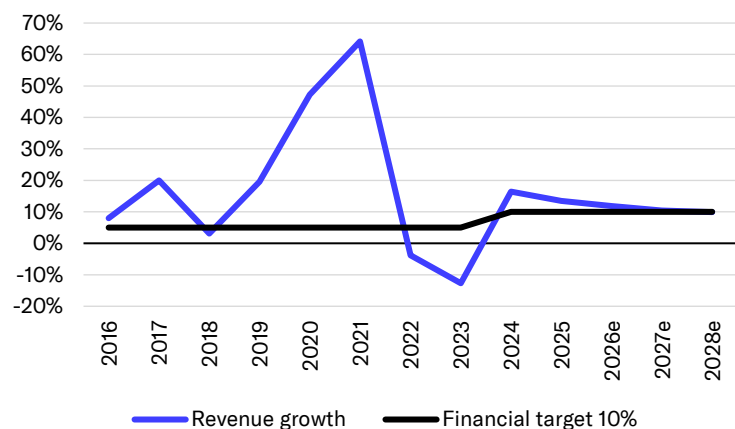
- Harvia's profitability has historically been on both sides of the target, and in recent years above the target. We believe that Harvia will continue to be able to achieve the targeted margin level
- Growth supports profitability through operational leverage, but on the other hand, the investments required for growth (increase in fixed costs) and the potential negative impact of acquisitions limit margin increases

Net debt/adjusted EBITDA <2.5x

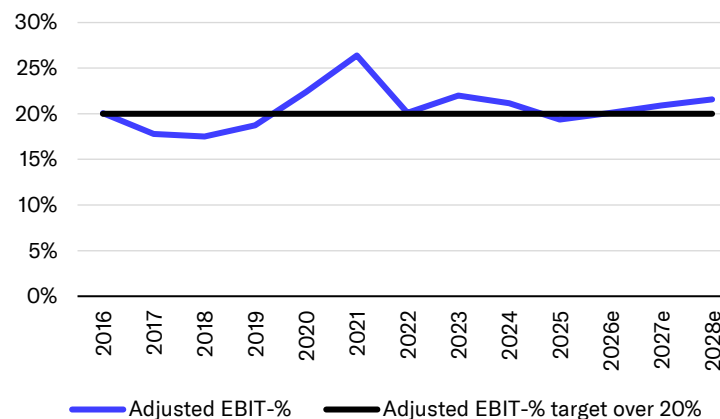
- Harvia's cash flow is strong and its investment needs are low, which means that the company can easily repay its debt under normal circumstances, and the ratio will increase mainly due to potential acquisitions
- At the end of Q4'25, the level was 1.2x, and we believe Harvia will continue to meet its target as the current balance sheet situation leaves ample opportunity for new acquisitions
- Our forecast does not include any acquisitions, which means debt will fall towards zero in the coming years

Dividend: Harvia's target is to pay a regularly increasing dividend with a bi-annual payout.

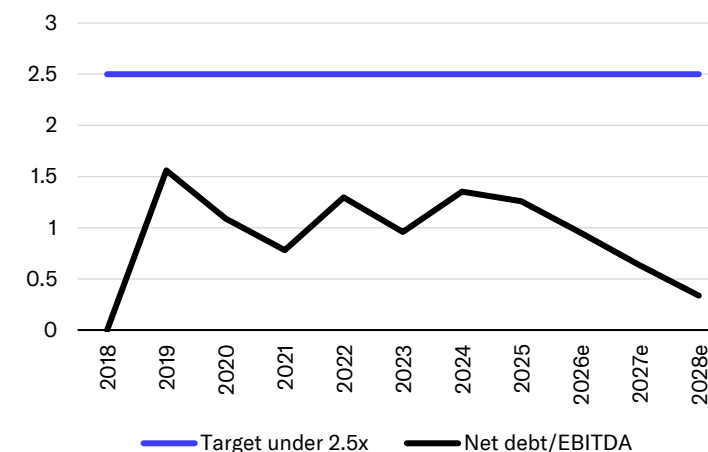
Revenue growth target



EBIT-% target



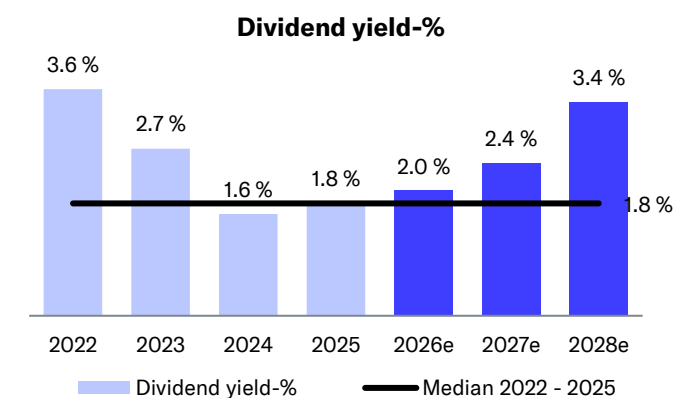
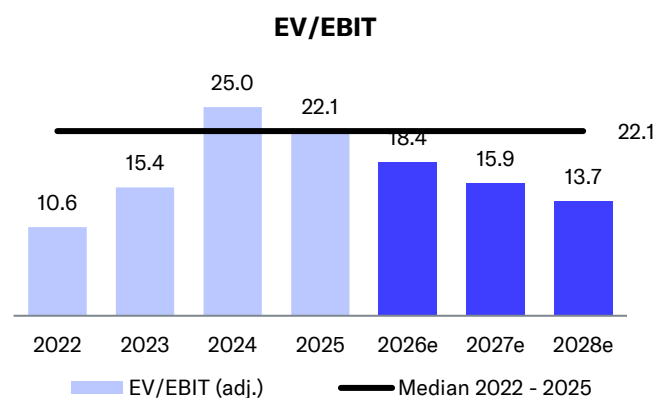
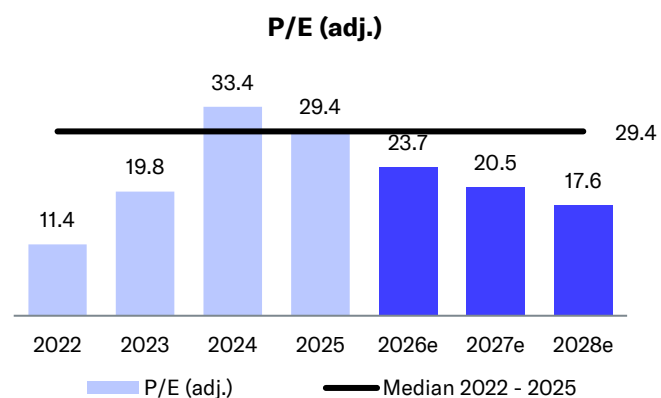
Net debt/adj. EBITDA target



Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	58.7	17.7	25.5	46.1	42.9	41.1	41.1	41.1	41.1
Number of shares, millions	18.6	18.7	18.7	18.7	18.7	18.8	18.8	18.8	18.8
Market cap	1091	330	476	860	801	772	772	772	772
EV	1181	388	518	926	865	828	814	799	786
P/E (adj.)	31.7	11.4	19.8	33.4	29.4	23.7	20.5	17.6	15.9
P/E	32.4	12.2	20.4	35.6	30.3	24.0	20.5	17.6	15.9
P/B	13.5	3.4	4.4	7.0	6.2	5.2	4.6	4.0	3.6
P/S	6.1	1.9	3.2	4.9	4.0	3.5	3.1	2.9	2.6
EV/Sales	6.6	2.3	3.4	5.3	4.3	3.7	3.3	3.0	2.6
EV/EBITDA	22.5	9.2	13.2	21.8	18.9	15.7	13.7	11.7	10.5
EV/EBIT (adj.)	24.9	10.6	15.4	25.0	22.1	18.4	15.9	13.7	12.2
Payout ratio (%)	33%	44%	55%	58%	54%	48%	50%	60%	60%
Dividend yield-%	1.0 %	3.6 %	2.7 %	1.6 %	1.8 %	2.0 %	2.4 %	3.4 %	3.8 %

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
Thule Group AB	2421	2807	16.9	15.1	14.0	12.7	2.9	2.7	20.9	18.4	3.7	4.2	3.3
Nobia AB	254	541	16.8	9.9	6.3	5.1	0.8	0.8	10.1	7.1	2.6	2.6	0.9
Dometic Group AB	971	2067	10.6	9.2	7.2	6.7	1.1	1.0	8.4	6.8	3.4	4.3	0.5
Nokian Tyres plc	1489	2246	23.0	15.0	9.0	7.4	1.5	1.4	23.7	13.9	2.7	3.4	1.2
Rapala VMC Oyj	42	141	14.1	10.8	6.5	6.0	0.6	0.6	71.7	11.9		0.9	0.4
Husqvarna AB	2355	3452	12.3	10.1	6.2	5.6	0.8	0.8	13.6	11.1	3.3	4.2	1.0
Inwido AB	768	1011	11.4	9.9	8.0	7.2	1.1	1.1	13.2	11.1	4.2	4.6	1.4
Nibe Industrier AB	8425	9976	21.6	19.2	15.0	13.7	2.6	2.4	28.1	23.8	1.1	1.3	2.8
Technogym SpA	4292	4138	23.3	20.8	17.5	15.9	3.8	3.5	32.8	29.3	2.0	2.2	11.0
Rockwool A/S	5573	5741	11.1	10.4	7.2	6.7	1.5	1.5	14.3	13.3	2.3	2.5	1.9
Kingspan Group PLC	14220	16571	16.5	14.8	12.5	11.3	1.7	1.5	19.0	16.7	0.8	0.9	2.9
Electrolux AB	1449	4540	13.8	9.8	5.9	4.7	0.4	0.4	24.1	7.4	5.1	5.6	1.6
De' Longhi SpA	5320	4789	9.3	8.7	7.4	6.9	1.2	1.1	14.7	13.6	3.0	3.2	2.2
Tulikivi	37	48	47.8	23.9	12.0	12.0	1.6	1.5	61.0	20.3		3.3	2.1
Harvia (Inderes)	772	828	18.4	15.9	15.7	13.7	3.7	3.3	23.7	20.5	2.0	2.4	5.2
Average			17.7	13.4	9.6	8.7	1.5	1.4	25.4	14.6	2.9	3.1	2.4
Median			15.3	10.6	7.7	7.0	1.4	1.3	20.0	13.5	2.9	3.2	1.8
Diff-% to median			21%	50%	104%	95%	173%	161%	19%	52%	-30%	-25%	199%

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	175	52.0	47.2	46.0	53.7	199	58.6	50.1	54.0	59.8	223	246	270	298
Northern Europe	43.8	11.9	11.5	11.1	12.1	46.6	13.9	11.0	12.8	12.7	50.4	52.4	54.0	55.6
Continental Europe	52.7	14.5	12.7	12.6	15.8	55.6	15.3	12.8	13.9	16.7	58.7	61.6	64.7	67.9
North America	62.0	21.8	16.6	16.6	20.8	75.8	24.4	19.9	19.9	23.8	88.0	101	116	134
APAC & MEA	16.7	3.8	6.4	5.7	5.1	21.0	4.9	6.4	7.4	6.6	25.3	30.4	35.0	40.2
EBITDA	42.4	13.8	9.4	10.2	12.4	45.8	14.8	9.1	13.6	15.2	52.7	59.5	68.2	75.0
Depreciation	-7.0	-1.9	-1.8	-1.8	-2.0	-7.5	-2.0	-2.0	-2.0	-2.0	-8.0	-8.2	-10.0	-10.5
EBIT (excl. NRI)	37.1	11.9	8.2	8.5	10.5	39.1	12.9	7.3	11.6	13.2	45.0	51.3	58.2	64.6
EBIT	35.5	11.9	7.6	8.4	10.4	38.3	12.8	7.1	11.6	13.2	44.7	51.3	58.2	64.6
Net financial items	-3.6	-1.4	-2.2	-0.5	-1.1	-5.1	-0.7	-0.9	-0.8	-0.8	-3.2	-3.0	-2.0	-2.2
PTP	31.8	10.5	5.4	8.0	9.3	33.2	12.1	6.2	10.8	12.4	41.5	48.4	56.3	62.3
Taxes	-7.6	-2.1	-1.1	-1.9	-1.7	-6.8	-2.8	-1.4	-2.4	-2.7	-9.3	-10.6	-12.4	-13.7
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	-0.1	0.0	0.0	0.0
Net earnings	24.2	8.4	4.4	6.1	7.6	26.4	9.3	4.9	8.4	9.7	32.2	37.7	43.9	48.6
EPS (adj.)	1.38	0.45	0.27	0.33	0.41	1.46	0.50	0.27	0.45	0.51	1.73	2.01	2.33	2.59
EPS (rep.)	1.30	0.45	0.23	0.33	0.41	1.42	0.49	0.26	0.45	0.51	1.71	2.01	2.33	2.59

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	16.4 %	22.6 %	9.3 %	18.9 %	5.5 %	13.5 %	12.8 %	6.2 %	17.3 %	11.4 %	11.9 %	10.4 %	9.9 %	10.2 %
Adjusted EBIT growth-%	9.9 %	17.8 %	-12.7 %	-3.8 %	20.3 %	5.5 %	8.4 %	-10.7 %	36.1 %	26.0 %	15.1 %	14.0 %	13.4 %	10.9 %
EBITDA-%	24.2 %	26.5 %	19.9 %	22.2 %	23.0 %	23.0 %	25.2 %	18.2 %	25.2 %	25.4 %	23.7 %	24.2 %	25.3 %	25.2 %
Adjusted EBIT-%	21.2 %	22.9 %	17.4 %	18.5 %	19.5 %	19.7 %	22.0 %	14.6 %	21.5 %	22.0 %	20.2 %	20.9 %	21.6 %	21.7 %
Net earnings-%	13.8 %	16.1 %	9.2 %	13.2 %	14.2 %	13.3 %	15.8 %	9.7 %	15.6 %	16.2 %	14.5 %	15.4 %	16.2 %	16.3 %

Source: Inderes

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	146	149	156	162	167
Goodwill	91.1	89.3	89.3	89.3	89.3
Intangible assets	16.9	19.2	24.2	29.2	32.7
Tangible assets	36.3	38.8	40.8	42.6	44.1
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	1.0	0.0	0.0	0.0	0.0
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	0.8	1.4	1.4	1.4	1.4
Current assets	119	123	130	116	128
Inventories	49.2	52.1	55.6	59.0	64.8
Other current assets	0.6	0.8	0.8	0.8	0.8
Receivables	22.3	24.6	28.9	31.9	35.1
Cash and equivalents	46.4	45.2	44.5	24.6	27.0
Balance sheet total	265	271	285	279	295

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	124	130	148	171	196
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	86.8	99.1	117	139	164
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	35.9	30.2	30.2	30.2	30.2
Minorities	1.2	1.1	1.1	1.1	1.1
Non-current liabilities	111	107	88.5	55.2	45.4
Deferred tax liabilities	2.7	2.2	2.2	2.2	2.2
Provisions	2.8	2.4	2.4	2.4	2.4
Interest bearing debt	103	102	83.0	49.7	39.9
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	3.0	0.9	0.9	0.9	0.9
Current liabilities	29.3	33.5	48.6	52.9	54.1
Interest bearing debt	1.0	1.3	11.6	12.4	10.0
Payables	26.4	28.6	33.4	36.9	40.5
Other current liabilities	1.9	3.6	3.6	3.6	3.6
Balance sheet total	264	271	285	279	295

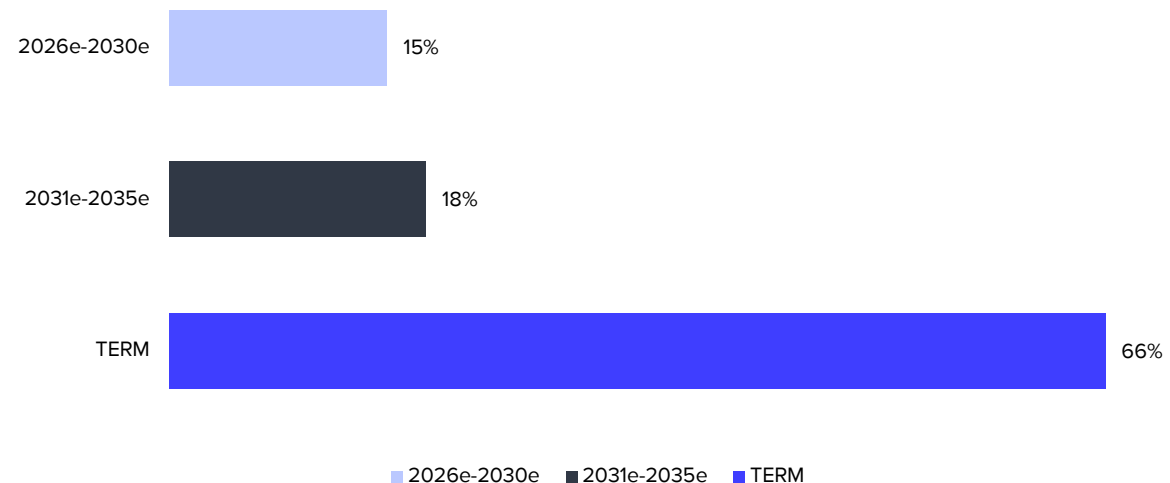
DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	13.5 %	11.9 %	10.4 %	9.9 %	10.2 %	9.5 %	9.5 %	9.5 %	9.5 %	9.5 %	3.0 %	3.0 %
EBIT-%	19.3 %	20.1 %	20.9 %	21.6 %	21.7 %	22.5 %	22.5 %	22.5 %	22.5 %	22.5 %	22.5 %	22.5 %
EBIT (operating profit)	38.3	44.7	51.3	58.2	64.6	73.3	80.3	87.9	96.3	105	109	
+ Depreciation	7.5	8.0	8.2	10.0	10.5	12.4	12.8	13.2	13.8	14.5	15.4	
- Paid taxes	-7.9	-9.3	-10.6	-12.4	-13.7	-15.8	-17.5	-19.3	-21.2	-23.2	-23.9	
- Tax, financial expenses	-1.1	-0.7	-0.7	-0.4	-0.5	-0.4	-0.2	0.0	0.0	0.0	0.0	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-1.4	-3.1	-2.9	-5.4	-6.1	-6.2	-6.8	-7.5	-8.2	-8.9	-3.1	
Operating cash flow	35.4	39.6	45.3	50.0	54.7	63.4	68.6	74.4	80.8	87.8	97.0	
+ Change in other long-term liabilities	-2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-9.4	-15.0	-15.0	-15.0	-13.9	-14.8	-15.7	-16.7	-17.8	-19.4	-19.5	
Free operating cash flow	23.6	24.6	30.3	35.0	40.8	48.6	52.9	57.6	62.9	68.4	77.4	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	23.6	24.6	30.3	35.0	40.8	48.6	52.9	57.6	62.9	68.4	77.4	1366
Discounted FCFF		23.3	26.4	28.0	30.0	32.8	32.8	32.8	32.9	32.9	34.2	603
Sum of FCFF present value		909	886	860	832	802	769	736	703	670	637	603
Enterprise value DCF		909										
- Interest bearing debt		-103										
+ Cash and cash equivalents		45										
+ 0		0										
-Minorities		-6										
-Dividend/capital return		-14										
Equity value DCF		831										
Equity value DCF per share		44.2										

WACC

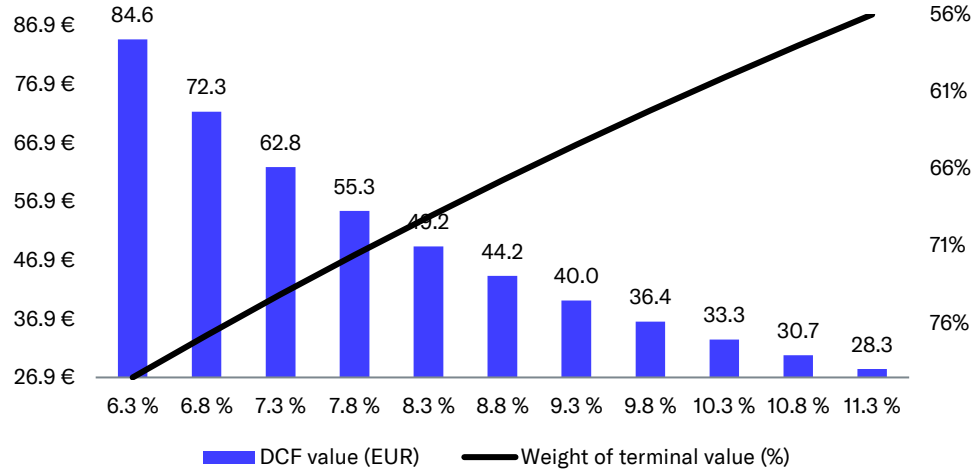
Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	5.0 %
Equity Beta	1.5
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	9.4 %
Weighted average cost of capital (WACC)	8.8 %

Cash flow distribution

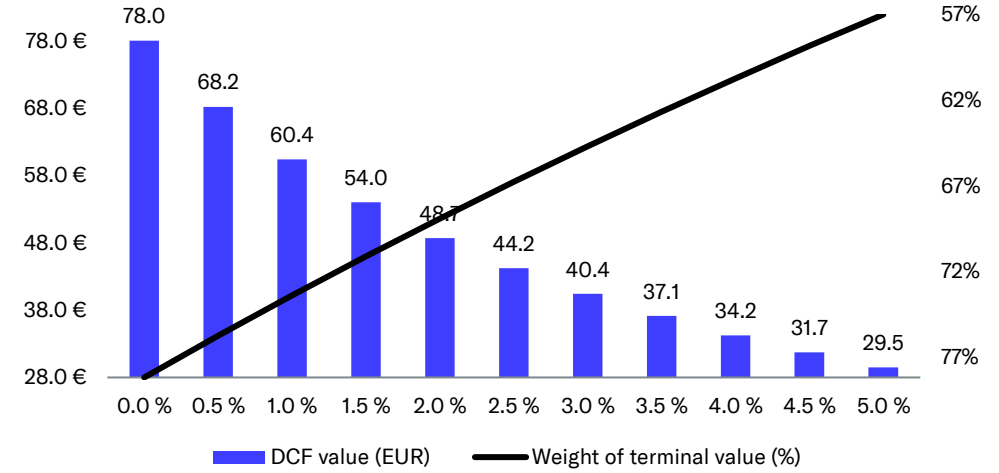


DCF sensitivity calculations and key assumptions in graphs

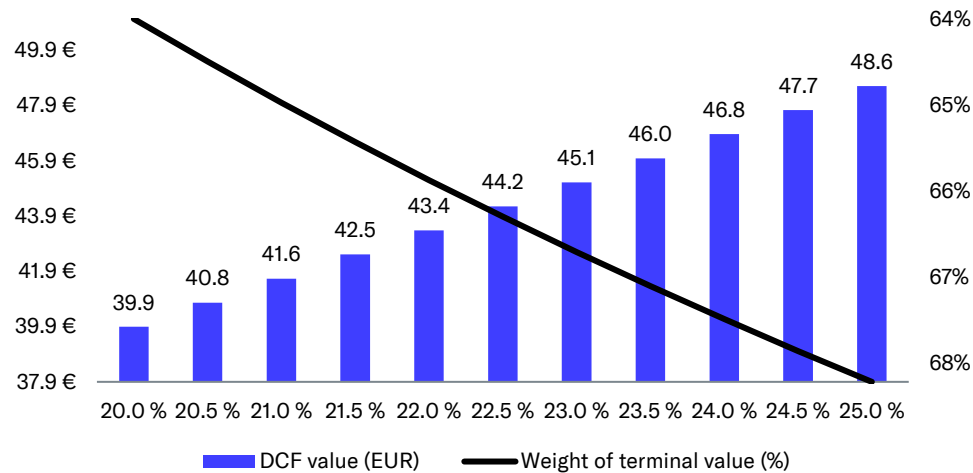
Sensitivity of DCF to changes in the WACC-%



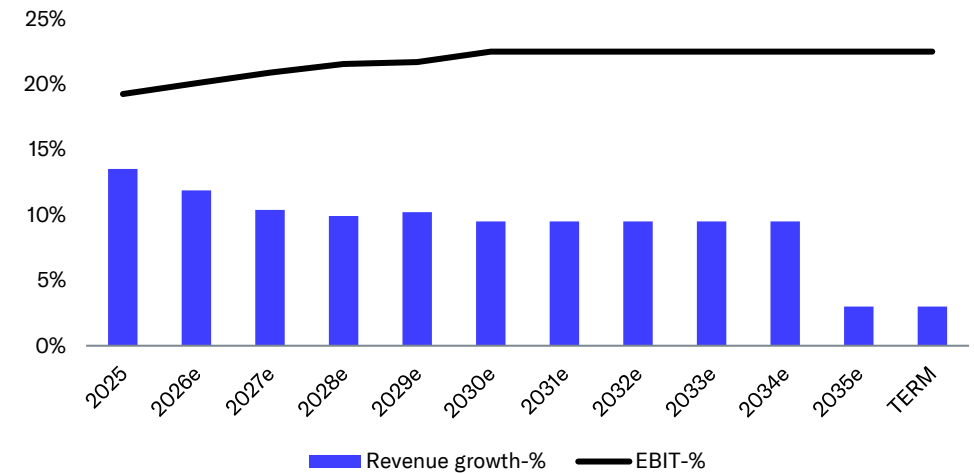
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Summary

Income statement	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e
Revenue	150.5	175.2	198.9	222.5	245.7	EPS (reported)	1.25	1.30	1.42	1.71	2.01
EBITDA	39.3	42.4	45.8	52.7	59.5	EPS (adj.)	1.28	1.38	1.46	1.73	2.01
EBIT	33.0	35.5	38.3	44.7	51.3	OCF / share	2.09	1.43	1.90	2.11	2.41
PTP	29.5	31.8	33.2	41.5	48.4	FCF / share	1.74	-0.44	1.26	1.31	1.61
Net Income	23.3	24.2	26.4	32.2	37.7	Book value / share	5.76	6.58	6.93	7.83	9.02
Extraordinary items	-0.7	-1.6	-0.8	-0.3	0.0	Dividend / share	0.68	0.75	0.77	0.82	1.00
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	214.3	264.6	271.3	285.5	278.7	Revenue growth-%	-13%	16%	14%	12%	10%
Equity capital	108.7	124.0	130.5	148.3	170.6	EBITDA growth-%	-7%	8%	8%	15%	13%
Goodwill	73.4	91.1	89.3	89.3	89.3	EBIT (adj.) growth-%	-8%	10%	6%	15%	14%
Net debt	37.6	57.3	57.7	50.2	37.6	EPS (adj.) growth-%	-17%	8%	5%	19%	16%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	26.1 %	24.2 %	23.0 %	23.7 %	24.2 %
EBITDA	39.3	42.4	45.8	52.7	59.5	EBIT (adj.)-%	22.4 %	21.2 %	19.7 %	20.2 %	20.9 %
Change in working capital	6.9	-8.9	-1.4	-3.1	-2.9	EBIT-%	21.9 %	20.2 %	19.3 %	20.1 %	20.9 %
Operating cash flow	39.1	26.7	35.4	39.6	45.3	ROE-%	22.7 %	21.0 %	20.9 %	23.3 %	23.8 %
CAPEX	-3.2	-38.4	-9.4	-15.0	-15.0	ROI-%	18.1 %	17.1 %	16.6 %	18.8 %	21.6 %
Free cash flow	32.5	-8.1	23.6	24.6	30.3	Equity ratio	50.7 %	46.9 %	48.1 %	51.9 %	61.2 %
						Gearing	34.6 %	46.2 %	44.2 %	33.8 %	22.0 %
							0	1.0	1.4	1.3	1.0
							0	11.2	11.7	9.0	16.5
Valuation multiples	2023	2024	2025	2026e	2027e						
EV/S	3.4	5.3	4.3	3.7	3.3						
EV/EBITDA	13.2	21.8	18.9	15.7	13.7						
EV/EBIT (adj.)	15.4	25.0	22.1	18.4	15.9						
P/E (adj.)	19.8	33.4	29.4	23.7	20.5						
P/B	4.4	7.0	6.2	5.2	4.6						
Dividend-%	2.7 %	1.6 %	1.8 %	2.0 %	2.4 %						

Source: Inderes

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Date	Recommendation	Target	Share price
8/12/2022	Accumulate	22.00 €	19.93 €
9/9/2022	Buy	20.00 €	15.23 €
11/4/2022	Buy	20.00 €	15.46 €
12/19/2022	Accumulate	21.00 €	18.33 €
2/10/2023	Reduce	22.00 €	22.10 €
5/5/2023	Reduce	24.00 €	25.06 €
5/29/2023	Accumulate	24.00 €	22.14 €
8/11/2023	Accumulate	24.00 €	22.00 €
9/13/2023	Accumulate	25.50 €	24.00 €
11/3/2023	Accumulate	25.00 €	23.50 €
12/11/2023	Reduce	25.00 €	25.48 €
2/9/2024	Sell	28.00 €	32.60 €
5/6/2024	Sell	30.00 €	38.60 €
8/6/2024	Sell	32.00 €	36.50 €
8/9/2024	Sell	35.00 €	40.40 €
9/24/2024	Sell	37.00 €	42.45 €
11/8/2024	Sell	40.00 €	46.10 €
2/14/2025	Reduce	46.00 €	47.10 €
4/24/2025	Reduce	40.00 €	38.70 €
5/8/2025	Reduce	43.00 €	47.10 €
8/8/2025	Reduce	41.00 €	43.05 €
10/8/2025	Accumulate	40.00 €	35.15 €
11/7/2025	Reduce	43.00 €	42.95 €
2/13/2026	Buy	44.00 €	35.50 €
4/14/2026	Buy	44.00 €	34.95 €
5/8/2026	Accumulate	44.00 €	41.05 €



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