TOIVO GROUP

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Frans-Mikael Rostedt, Analyst
+358 44 327 0395
frans-mikael.rostedt@inderes.fi

INDERES CORPORATE CUSTOMER

COMPANY REPORT

Strong project starts compensated for earnings miss

We reiterate our Accumulate recommendation for Toivo, but lower our target price to EUR 1.15 (from EUR 1.20). Toivo's Q2 revenue and project initiations exceeded our expectations, but the result fell short of our forecast, weighed down by a small negative fair value change, a minority interest, and slightly softer project profitability. The company reiterated its guidance and commented that it is confident in the outlook for the rest of the year. We only slightly lowered our earnings estimates for the current year, as the strong project starts of ~60 MEUR in Q2 will also support the rest of the year, even though the lion's share of them are directed towards 2027. Supported by projects already underway, we estimate that next year will be good, especially considering the still very challenging new housing market situation. Toivo's performance has been strong in recent years in a difficult market, and we are confident in the earnings growth opportunities in the coming years as the housing market gradually improves. Relative to this, we find the company's valuation attractive (Q2'26: P/NAV 0.89x, PE 2026e-27e 16x-9x).

Revenue and project initiations exceeded our expectations, but earnings fell short of our forecast

Toivo's Q2 revenue more than doubled to 24.5 MEUR (Q2'25: 11.6 MEUR), clearly exceeding our 21.8 MEUR estimate, as 128 apartments and two social infrastructure properties were completed during the quarter. Fluctuations between quarters are typical for Toivo, depending on the timing of revenue recognition and divestments. In our opinion, the most significant aspect of the quarter was the project launches totaling ~60 MEUR, which do not include the Gemma property in Kalasatama, Helsinki, where 32 out of 34 apartments were reserved immediately. Toivo's occupancy rate rose to 94.4% (Q2'25: 92.3%), and the company commented that it sees opportunities for rent increases in 2027, once the occupancy rate reaches 96-97%. Earnings, however, fell short of our expectations: EBIT was 1.8 MEUR (forecast: 2.7 MEUR; Q2'25: 1.5 MEUR), and the miss was explained by a negative fair value change (-0.6 MEUR), a large minority interest (0.39 MEUR), and slightly lower project profitability than our estimate. Thus, EPS was low at EUR 0.01 (forecast: EUR 0.03).

We made small forecast cuts for 2026, but strong starts provide solid support for next year

We slightly lowered our earnings estimates for the current year due to the Q2 miss, and our EPS estimate decreased more significantly due to a larger minority interest than we expected and increased interest expense forecasts following project starts. The company reiterated its guidance (revenue 65-85 MEUR, EBIT 6-11 MEUR), and based on H1 earnings, the pace is roughly in line with the lower end of the guidance, although the company commented that revenue recognition will again be weighted towards H2. We forecast revenue to be 81 MEUR and EBIT to be 7.7 MEUR. Our forecasts for 2027–2028 increased slightly, as the existing project portfolio already provides clear support for 2027, and we see upside potential in our volume forecasts if the company's strong sales momentum continues. The recovery of the housing market is still slow, but we believe there are small signs of a pick-up in the rental market.

Valuation is attractive relative to its earnings growth potential

We have estimated the fair value of Toivo's stock at EUR 0.78-1.35 (was EUR 0.81-1.48). The sum-of-the-parts valuation implies an upside of 49%, which indicates the company's potential if the positive trend continues. Toivo is valued below its net asset value per share (Q2'26: P/NAV 0.89x). At the current price, an investor can gain exposure to Toivo's property portfolio below its balance sheet valuation and get a high-quality development business thrown in for good measure. This is particularly relevant, in our opinion, as the company's development volumes have again risen to a good level. The investment outlook for the coming years and the development of the housing market are still subject to significant uncertainty due to Finland's weak economic situation and rising interest rates. However, the strong news flow, launched projects, and improved competitive position instill confidence in the earnings growth outlook for the coming years. Relative to this, we find the company's valuation attractive (Q2'26: P/NAV 0.89x, PE 2026e-27e 16x-9x).

Recommendation

Accumulate

(was Accumulate)

Target price:

EUR 1.15

(was EUR 1.20)

Share price:

EUR 0.90

Business risk

●●●●○

Valuation risk

●●●○○

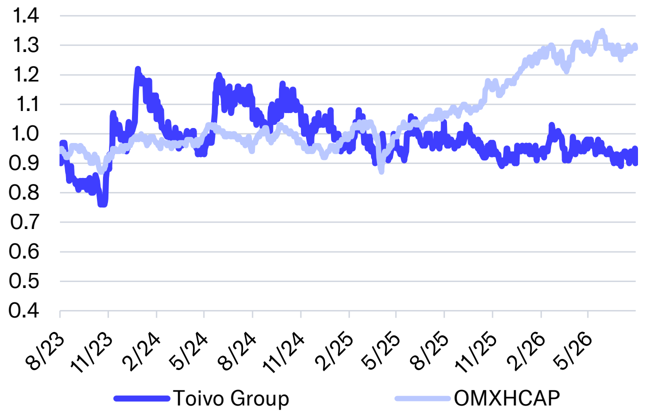
	2025	2026e	2027e	2028e
Revenue	61.7	81.2	88.9	107.5
Growth-%	-28%	32%	10%	21%
Dev. & cons. volume	85.6	78.1	91.9	110.7
Changes in fair value	1.8	-0.7	1.0	1.2
EBIT	8.0	7.7	10.4	12.8
EPS (reported)	0.07	0.06	0.10	0.13
Total return for NAV	7.3%	5.4%	8.8%	10.9%
NAV per share	1.04	1.10	1.16	1.21
P/E (reported)	13.0	15.5	9.1	7.0
P/NAV	0.90	0.82	0.78	0.75
EV/EBIT (adj.)	15.9	16.7	12.1	10.0
Dividend yield-%	3.2%	4.4%	5.5%	6.6%

Source: Inderes

Guidance (Unchanged)

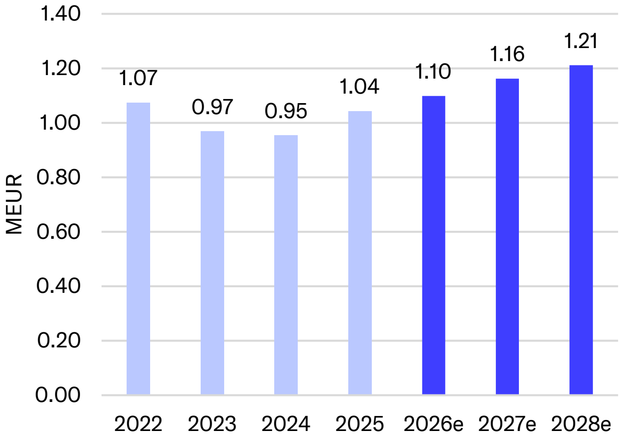
The company expects revenue for the financial year of 1 January–31 December 2026 to be 65-85 MEUR The company expects the operating profit for the financial year of 1 January–31 December 2026 to be 6–11 MEUR

Share price

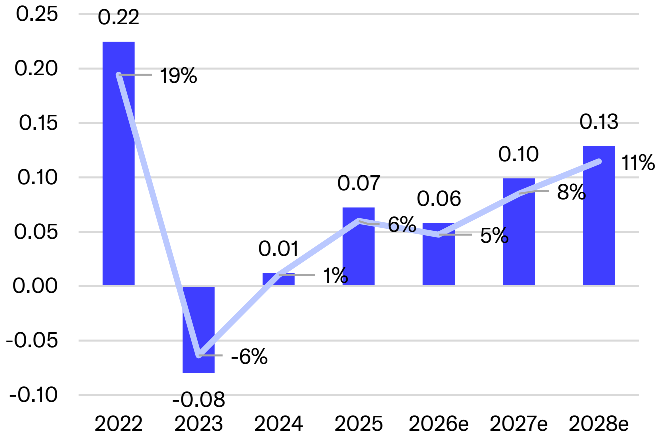


Source: Millistream Market Data AB

NAV per share



Reported EPS and ROE



Value drivers

- Project portfolio focused on growth centers supports the medium-term growth outlook
- Defending the strong profitability level of construction and emerging as one of the winners of a difficult market cycle
- Success in achieving growth targets
- Previously more capital-light growth and successful balance sheet recycling
- Development of housing prices and rents has been exceptionally weak, which has lowered the sector's future expectations

Risk factors

- Risks related to the general economic cycle and the real estate investment market
- Sensitivity to changes in interest rates
- Strong dependence on key personnel
- Project risks in construction
- Finland's weak economic situation

Valuation	2026e	2027e	2028e
Share price	0.90	0.90	0.90
Market cap	53	53	53
Net debt	48	59	63
Capital loans	17	11	5
EV	117	122	120
P/E	15.5	9.1	7.0
P/NAV	0.90	0.82	0.78
P/B	0.76	0.79	0.81
EV/EBITDA	16.5	12.0	9.9
EV/EBIT	16.7	12.1	10.0
Payout ratio (%)	68.7 %	50.3 %	46.4 %
Dividend yield-%	4.4 %	5.5 %	6.6 %

Source: Inderes

Volumes and project initiations exceeded, profitability fell short (1/2)

Completions drove revenue significantly higher than our expectations

Toivo's Q2 revenue more than doubled from the comparison period to 24.5 MEUR (Q2'25: 11.6 MEUR) and clearly exceeded our forecast of 21.8 MEUR. Growth was supported by a more rapid progression of projects than we expected, as 128 apartments and two social infrastructure properties were completed during the review period. In H1, construction and development revenue was split roughly equally between project management contracting and property sales, and we estimate that sales were heavily weighted towards Q2. Among the completed projects, Grand of Helsinki's Keskuspuisto was a joint project with Nordevo, and it was fully recognized in Toivo's revenue. We'd like to point out that Toivo's revenue fluctuates significantly between quarters depending on the timing of project revenue recognition and handover, so an outperformance in a single quarter does not, in itself, reflect the full-year picture.

Earnings fell short of our expectations, weighed down by the fair value change and the minority interest

However, the strength of the revenue did not translate to the bottom line, as the EBIT of 1.8 MEUR (Q2'25: 1.5 MEUR) was below our forecast of 2.7 MEUR. Most of the deviation was explained by a -0.6 MEUR change in fair value, which was 0.7 MEUR higher than we expected. According to the company's comments, this was related to a reclassification of a property, which led to a small write-down (from investment property to inventory, meaning the property is for sale), and post-completion costs for completed projects. Overall, the impact of these is small (0.5% of investment properties), but the item is significant in relation to the quarterly result. Project profitability also fell short of our expectations, which we estimate was due to the project mix being weighted towards lower-margin project management contracting, as few developer-contracted projects were recognized as revenue in H1. The company did not explain the reasons in its report, but comments from the earnings call supported our interpretation.

In Q2, an exceptional minority interest (0.39 MEUR) consumed about half of the earnings. This item was related to a joint special situation project with Nordevo. According to the company, there are no other such structures at the moment. Thus, EPS was landed at EUR 0.01 (forecast: EUR 0.03).

Inventories increased to 39.8 MEUR (Q2'25: 22.1 MEUR), indicating that the revenue stream from owner-occupied housing projects will be significant in late 2026-2027.

Estimates	Q2'25	Q2'26	Q2'26e	Q2'26e	Consensus		Diff-%	2026e
MEUR/EUR	Comparison	Actualized	Inderes	Consensus	High	Low	Act. vs. Inderes	Inderes
Total revenue	11.6	24.5	21.8				12%	81.2
Changes in fair value	-0.8	-0.60	0.08				-901%	-0.7
EBIT	1.5	1.8	2.7				-36%	7.7
EPS	0.01	0.01	0.03				-79%	0.06
Revenue growth-%	-35.8%	110.4%	87.3%				23.1 pp	5%
EBIT %	12.7%	7.2%	12.5%				-5.3 pp	9.5%

*Source: Inderes *Adjusted for change in fair value due to change in required rate of return*

Volumes and project initiations exceeded, profitability fell short (2/2)

Project launches worth some 60 MEUR are strong evidence of competitiveness

In our view, the most important takeaway from the quarter was the acceleration of the project pipeline, as the company launched new projects worth ~60 MEUR across all its segments (owner-occupied housing, investor-owned housing, and social infrastructure properties). Of these, ~48 MEUR were residential properties. Particularly significant was Kalasatama Gemma, which is not yet included in this 60 MEUR figure. 32 out of 34 apartments in Gemma were reserved immediately. The company also commented that ~80 households are already awaiting the next phase in Sompasaari, and the company will likely start marketing the next building relatively soon.

We also highlight the group construction projects in Verkkosaari, Helsinki, which have been converted into homebuyer-protected projects. The history of group building projects is likely to bring high sales rates to the projects from the outset. In our opinion, one question mark is the profitability profile of the projects. We estimate it to be weaker than a typical owner-occupied housing project, but still good (better than investor-driven projects). Overall, the company's track record of being able to launch projects even in this market indicates, in our view, strong competitiveness, and the initiated projects especially support 2027 volumes.

Financial position can withstand the working capital tied up by growth

Toivo's equity ratio remained at 42.6% (Q2'25: 42.6%) and exceeds the company's target level of over 40%. However, growth investments are reflected in the balance sheet: interest-bearing debt increased to 84.2 MEUR (Q2'25: 75.2 MEUR) and the gearing ratio to 50.5% (Q2'25: 46.4%). H1 operating cash flow was clearly negative (-14.5 MEUR), almost entirely explained by an increase in inventories and a decrease in non-interest-bearing liabilities. In our view, this is working capital tied up by development-driven growth, which should be released as residential sales are recognized. Cash assets decreased to 9.0 MEUR (Q4'25: 13.2 MEUR), but the company raised new financing of 33.5 MEUR in H1 and stated that it had secured the desired financing for projects under construction. Overall, we estimate that the balance sheet can withstand the investments required by the current project portfolio, but the increase in indebtedness highlights the importance of successful for-sale housing sales in the coming quarters.

Estimates	Q2'25	Q2'26	Q2'26e	Q2'26e	Consensus		Diff-%	2026e
MEUR/EUR	Comparison	Actualized	Inderes	Consensus	High	Low	Act. vs. Inderes	Inderes
Total revenue	11.6	24.5	21.8				12%	81.2
Changes in fair value	-0.8	-0.60	0.08				-901%	-0.7
EBIT	1.5	1.8	2.7				-36%	7.7
EPS	0.01	0.01	0.03				-79%	0.06
Revenue growth-%	-35.8%	110.4%	87.3%				23.1 pp	5%
EBIT %	12.7%	7.2%	12.5%				-5.3 pp	9.5%

*Source: Inderes *Adjusted for change in fair value due to change in required rate of return*

Estimate revisions

Guidance reiterated, and revenue recognition will again be weighted towards H2

As expected, Toivo reiterated its guidance, according to which revenue will be 65-85 MEUR and operating profit 6-11 MEUR for the 2026 financial year. Based on the H1 EBIT accumulation, the company is performing at the lower end of its guidance. The company commented that revenue recognition will again be weighted towards the end of the year. The significant project launches in Q2 will also support the remainder of the year, although their more substantial earnings contribution will be weighted towards 2027. The recovery of the housing market is still slow, but there are small signs of a pick-up in the rental market. Toivo's own occupancy rate rose to 94.4% (Q2'25: 92.3%), and the company estimates that room for rent increases will open up in 2027 as underutilization diminishes. Following the Supreme Administrative Court's Miilukorpi decision, ~80 apartments will become available to the rental market by the end of September. The company was quite confident in its ability to lease these apartments already in the short term. Rental demand is supported by the Jorvi Hospital employment hub and data center investments in the area, and the company commented that the rental of the adjacent property (approximately 50 apartments) has proceeded well.

We made small forecast cuts for 2026, but strong starts provide solid support for next year

- Our 2026 earnings estimate decreased slightly due to the Q2 miss, but we believe the outlook for the rest of the year is quite good with 17 ongoing projects. Our EPS estimate decreased more significantly due to a clearly larger minority interest than we expected, and we also raised our interest expense estimates driven by extensive project initiations.
- Our earnings estimates for 2027-28 rose slightly due to strong news flow. In our view, the existing project portfolio already provides clear support for 2027. Our developer contracting revenue forecast of approximately 43 MEUR consists of known projects. In project management revenue, on the other hand, we do not expect any growth compared to 2025-26. Thus, we see upside in our volume forecast if the company's good momentum continues.
- Our NAV estimate for the coming years decreased because there was a calculation error in our previous formula regarding the repayment of capital loans. We estimate the company will gradually repay the capital loans between 2026 and 2028.

Estimate revisions MEUR/EUR	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %	2028e Old	2028e New	Change %
Net rental income	3.3	3.3	0%	2.6	3.1	19%	2.8	3.4	20%
EBIT (adj.)*	7.9	7.7	-2%	8.9	9.7	8%	10.7	11.9	11%
Changes in fair value	-0.3	-0.7	-172%	1.2	1.0	-10%	1.3	1.2	-11%
EBIT	7.9	7.7	-2%	9.8	10.4	6%	11.8	12.8	8%
Dividend per share	0.04	0.04	0%	0.05	0.05	0%	0.06	0.06	0%
EPS (reported)	0.07	0.06	-22%	0.09	0.10	9%	0.12	0.13	12%
NAV/share	1.13	1.11	-2%	1.22	1.17	-4%	1.33	1.22	-9%

Source: Inderes *Adjusted for change in fair value due to change in required rate of return

Toivo Group, Webcast, Q2'26

Toivo's business pillars and projects launched in Q2

Toivo's Pillars – Status Update

1/3 Owner-Occupied Housing

High-quality developments, mainly in **Helsinki**, in areas where **the price gap between old and new homes** is as small as possible.
https://sompasaarengemma.fi/

4 properties under construction.

2/3 Residential Portfolios

Client insight that helps us develop and build properties with a return, location, and product that satisfy investors.

5 properties under construction.

3/3 Community Properties

Client insight that helps us develop and build properties where the tenant's rent/location/product equation works. In addition, the investor must receive an attractive return.

8 properties under construction.

TOIVO

5.8.2026

Toivo Gets Projects Moving

As Oy Helsingin Puistolan Helmi
Value: approx. €15M
Client: Premico
Start: 6/2026

As Oy Espoon Fae
Value: approx. €10.5M
Client: Nuveen
Start: 4/2026

Joensuu Care Home
Value: approx. €9M
Client: Norlandia
Start: 4/2026

As Oy Helsingin Verkkosaaren Poiju
Value: approx. €14.0M
Client: Consumers
Start: 6/2026

As Oy Hki Verkkosaaren Ankkuri
Value: approx. €9M
Client: Weston
Start: 6/2026

Oulu Daycare Center
Value: approx. €3M
Client: City of Oulu
Start: 6/2026

Q2/2026 total project launches: approx. €60M

5.8.2026

Valuation

Valuation summary

We have examined Toivo's valuation through a sum-of-the-parts calculation, peer valuation multiples, NAV valuation, and the development potential of our estimated project portfolio. Using the above methods, the value of Toivo's share is in the range of EUR 0.78–1.35 (was EUR 0.81–1.48). We still find the valuation attractive, especially after the share price decline seen post-earnings. Toivo has proven its ability to create value even in a more challenging market, and we believe the strengthened short-term project pipeline supports the valuation. In our view, the current share price assigns hardly any value to the long-term development potential of the company's project portfolio or to a recovery in the housing market. We reiterate our Accumulate recommendation but lower our target price to EUR 1.15 due to the Q2 profitability miss.

SOTP offers upside, but the calculation is sensitive to the assumptions used

We believe the sum of the parts calculation offers a useful tool for analyzing Toivo's valuation, as it illustrates the formation of the company's value and highlights the different risk profiles of its businesses. However, the application of the sum-of-the-parts calculation is challenged by the company's limited reporting transparency, which makes it difficult to monitor the operational development of the construction business and thus to value the business. The calculation is presented on the following page.

In our sum of the parts calculation, we have valued Toivo's investment properties at 104 MEUR, according to Q2'26, to which we apply a 5% discount. We believe the discount is quite in line with the company's realized selling prices.

We value the development business at 53 MEUR in our sum-of-the-parts calculation, and the valuation is based on an EV/EBITDA multiple of 7x and our forecast average earnings level for the development business in 2025–2026 (7.6 MEUR). The value decreased somewhat due to weaker Q2 profitability. In our view, the estimate is on a relatively solid footing due to new project starts.

The present value of Group expenses is -24 MEUR in our calculation. Net debt, capital loans, deferred tax liabilities, and working capital describe the situation at the end of Q2'26.

Our sum-of-the-parts calculation indicates a value of approximately EUR 1.35 (was EUR 1.48) for Toivo's share, representing an upside of approximately 49% compared to the current share price. Overall, based on the sum of the parts, Toivo's share would thus have a clear upside. It is worth noting, however, that the sum of the parts is very sensitive to the assumptions used.

Peer valuation looks rather neutral

We believe that Toivo's earnings-based valuation is most appropriately compared to construction companies, given the company's current strategy. Relative to construction companies (p.11), we believe Toivo's relative earnings-based valuation is rather neutral/slightly tight. Toivo is valued at a small discount on a P/E basis for the current year (~+12 ... -18%), but at a clear 44-22% premium on an EV/EBIT basis. Overall, we believe the valuation relative to peers is rather neutral.

It is noteworthy that there is significant dispersion in the earnings levels of the peers. The forecasts for peers also include quite clear earnings improvements for the coming years, and we believe the market currently values short-term cash flows more highly for construction companies. In our view, Toivo's valuation level is supported by the good development in 2025-2026/YTD. The company has been able to prove that it can generate profits even in this market and is supported by strong project initiations. When comparing Toivo to its construction sector peers, we believe it is important to consider Toivo's still significant residential portfolio, which has a clearly lower required return than its construction business.

Among Finnish real estate companies, the low balance sheet valuations of residential sector peers Lumo and Asuntosalkku also limit the upside potential of Toivo's stock in the short term, in our view. We believe Toivo is justifiably valued at a premium on a balance sheet basis compared to these, due to its strong earnings growth outlook.

Valuation through NAV

Toivo's net asset value (NAV) per share was EUR 1.01 at the end of Q2'26. NAV decreased due to the dividend distribution. We believe this level provides good support for the share, especially as the earnings capability has remained strong. At the current share price, the stock's P/NAV is 0.89x.

Theoretical present value of the project portfolio's development potential is EUR 0.24 per share

We have aimed to outline the value of Toivo's project portfolio development potential for investors through a rough present value calculation. In the calculation, we assume that the as-yet unrecognized and off-balance sheet portion of the project portfolio (317 MEUR) will be constructed evenly over the next seven years. When we apply our required return on equity (12.4%) to Toivo in the present value calculation, we arrive at a present value for the project portfolio's development potential of approximately 14 MEUR, or about EUR 0.24 per share. We estimate the project development margin to be 13.3%, which is slightly below the company's realized level (15%) that takes fair value calculations into account. Thus, NAV + development margin totals EUR 1.26 per share.

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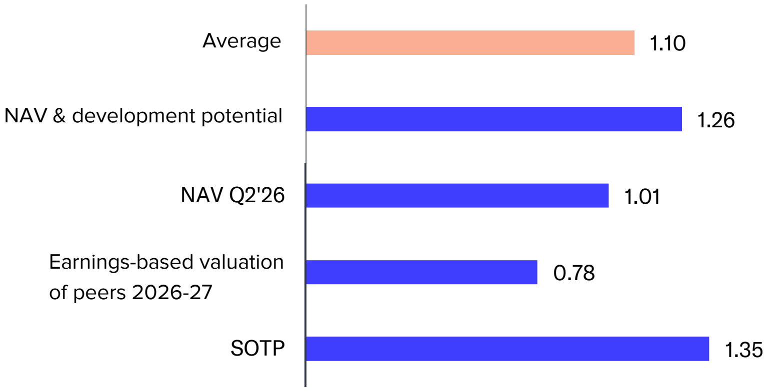
Valuation graphs

Valuation summary (EUR/share)

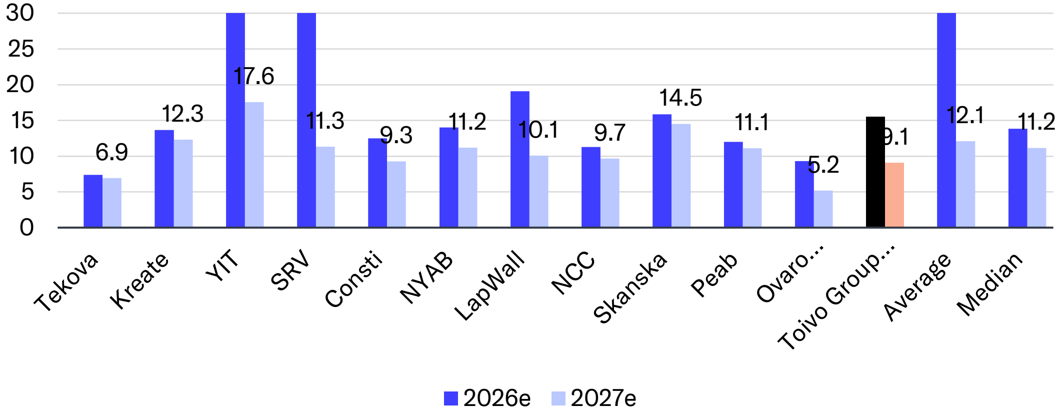


Sum-of-the-parts calculation	
Investment properties Q1'26	104
Construction	53
Inventories (+), current liabilities (-) and receivables (+)	43
Deferred tax liabilities	-4
Group expenses	-24
EV	**172**
Net debt Q1'26	-75
Capital loans Q1'26	-17
Value of entire stock	**80**
Per share	**1.35**
Upside	*49%*

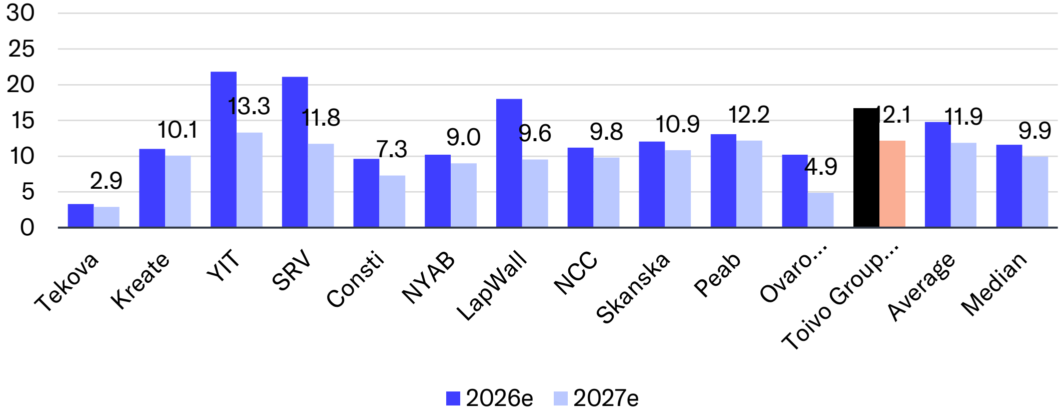
Valuation	2026e	2027e	2028e
Share price	0.90	0.90	0.90
Market cap	53	53	53
Net debt	48	59	63
Capital loans	17	11	5
EV	117	122	120
P/E	15.5	9.1	7.0
P/NAV	0.90	0.82	0.78
P/B	0.76	0.79	0.81
EV/EBITDA	16.5	12.0	9.9
EV/EBIT	16.7	12.1	10.0
Payout ratio (%)	68.7 %	50.3 %	46.4 %
Dividend yield-%	4.4 %	5.5 %	6.6 %

Source: Inderes

Construction peers (P/E)



Construction peers (EV/EBIT)

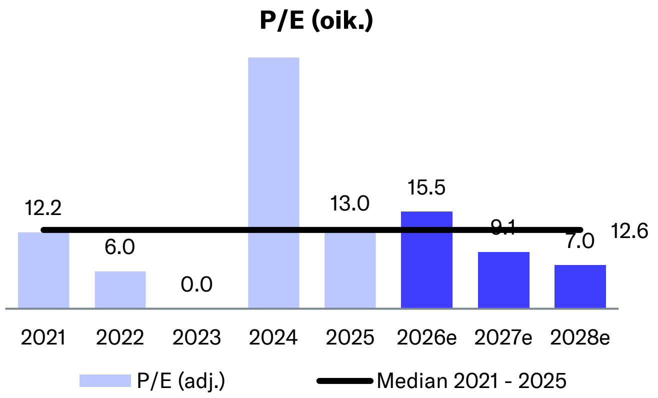


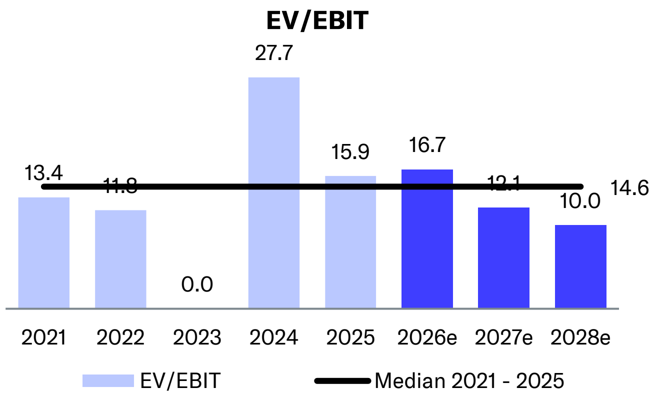
Source: Inderes

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	2.92	1.30	1.08	1.01	0.94	**0.90**	**0.90**	**0.90**	**0.90**
Number of shares, millions	49.8	55.7	58.5	58.8	58.7	**58.1**	**58.1**	**58.1**	**58.1**
Market cap	155	76	63	59	55	**53**	**53**	**53**	**53**
EV	211	185	183	126	128	**128**	**127**	**128**	**121**
P/E (adj.)	12.2	6.0	neg.	82.7	13.0	**15.5**	**9.1**	**7.0**	**6.2**
P/E	12.2	6.0	neg.	82.7	13.0	**15.5**	**9.1**	**7.0**	**6.2**
P/NAV	3.8	1.2	1.1	1.06	0.90	**0.82**	**0.78**	**0.75**	**0.69**
P/B	2.9	1.1	0.9	0.86	0.75	**0.76**	**0.79**	**0.81**	**0.76**
EV/EBITDA	13.2	11.8	neg.	27.1	15.7	**16.5**	**12.0**	**9.9**	**8.6**
EV/EBIT	13.4	11.8	neg.	27.7	15.9	**16.7**	**12.1**	**10.0**	**8.7**
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	41.2 %	**68.7 %**	**50.3 %**	**46.4 %**	**48.0 %**
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	3.2 %	**4.4 %**	**5.5 %**	**6.6 %**	**7.7 %**

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	P/E		EV/EBITDA		EV/EBIT		Dividend yield-%		P/B
Company	**MEUR**	**MEUR**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**
Tekova	54	31	7.4	6.9	3.3	2.9	3.3	2.9	7.3	8.1	2.4
Kreate	259	304	13.7	12.3	7.6	7.1	11.0	10.1	3.9	4.1	4.3
YIT	693	1463	199.0	17.6	16.2	11.1	21.8	13.3		0.4	1.0
SRV	98	235	57.8	11.3	14.4	9.1	21.1	11.8		2.8	0.9
Consti	90	91	12.5	9.3	7.0	5.7	9.6	7.3	6.6	6.7	1.9
Nyab	399	378	14.0	11.2	8.6	7.8	10.2	9.0	2.7	3.6	1.8
Lapwall	67	77	19.1	10.1	11.2	7.2	18.0	9.6	3.5	6.2	3.5
Ncc	1583	1998	11.3	9.7	6.9	6.3	11.2	9.8	6.1	6.7	1.9
Skanska	10472	9174	15.9	14.5	9.2	8.5	12.0	10.9	3.8	4.0	1.7
Peab	2570	3644	12.0	11.1	8.6	8.2	13.1	12.2	4.3	4.6	1.5
Investors House	22	34	38.6	24.7	31.1	23.5	31.1	23.5	3.4	4.3	1.2
Ovaro Kiinteistösijoitus	23	45	9.3	5.2	10.2	5.2	10.2	4.9	4.9	5.2	0.5
Toivo Group (Inderes)	**53**	**128**	**15.5**	**9.1**	**16.5**	**12.0**	**16.7**	**12.1**	**4.4**	**5.5**	**0.8**
Average			**31.2**	**12.1**	**11.9**	**10.2**	**14.8**	**11.9**	**4.6**	**4.7**	**1.8**
Median			**13.8**	**11.2**	**8.9**	**7.8**	**11.6**	**9.9**	**4.1**	**4.5**	**1.7**
Diff-% to median			**12%**	**-18%**	**85%**	**54%**	**44%**	**22%**	**9%**	**24%**	**-56%**

Lähde: Refinitiv / Vara Research / Inderes. Huomautus: Inderesin käyttämä markkina-arvo ei ota huomioon yhtiön hallussa olevia omia osakkeita.

Income statement

Income statement	2022	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	**20.3**	**43.7**	**39.8**	**11.5**	**11.6**	**13.8**	**24.7**	**61.7**	**12.2**	**24.5**	**21.5**	**22.9**	**81.2**	**88.9**	**108**	**116**
Changes in fair value of investment properties	**12.4**	**-7.1**	**-1.8**	**1.3**	**-0.8**	**0.4**	**0.8**	**1.8**	**-0.3**	**-0.6**	**0.1**	**0.1**	**-0.7**	**1.0**	**1.2**	**1.3**
Other operating income	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	0.0	0.0
Materials and services	-13.7	-32.6	-28.6	-9.2	-8.5	-10.9	-17.5	-46.1	-8.6	-19.5	-17.2	-18.2	-63.5	-69.9	-86.0	-93.0
Personnel expenses	-1.1	-1.2	-1.0	-0.6	0.0	-0.2	-3.2	-4.0	-1.2	-1.3	-1.0	-1.1	-4.5	-4.6	-4.9	-5.2
Depreciation, amortization and impairments	-0.1	-0.1	-0.1	0.0	-0.1	-0.1	0.1	-0.1	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1
Other operating expenses	-2.2	-3.0	-3.8	-1.0	-0.9	-1.5	-1.9	-5.2	-1.2	-1.3	-1.0	-1.1	-4.6	-4.8	-5.0	-5.1
EBIT	**15.6**	**-0.3**	**4.5**	**2.0**	**1.5**	**1.6**	**3.0**	**8.0**	**0.9**	**1.8**	**2.4**	**2.6**	**7.7**	**10.4**	**12.8**	**14.0**
Financial income	0.4	0.1	0.2	0.0	0.0	0.0	0.2	0.3	0.0	0.0	0.1	0.1	0.3	0.0	0.0	0.0
Financial expenses	-1.2	-3.9	-4.3	-0.7	-0.5	-0.7	-0.8	-2.6	-0.6	-0.9	-0.9	-0.9	-3.3	-3.3	-3.5	-3.6
Profit before tax	**14.8**	**-4.2**	**0.3**	**1.4**	**1.1**	**1.0**	**2.4**	**5.8**	**0.3**	**0.9**	**1.7**	**1.8**	**4.7**	**7.2**	**9.3**	**10.4**
Taxes for the period	-0.1	-1.3	-1.1	-0.2	0.0	-0.5	-0.3	-0.9	-0.1	-0.2	-0.3	-0.4	-1.0	-1.1	-1.5	-1.6
Change in deferred taxes	-2.6	1.1	1.5	-0.3	-0.3	-0.3	0.3	-0.6	0.0	0.1	0.0	0.0	0.1	-0.2	-0.2	-0.3
Profit for the period	**12.1**	**-4.4**	**0.7**	**0.9**	**0.7**	**0.3**	**2.4**	**4.3**	**0.3**	**0.8**	**1.3**	**1.5**	**3.8**	**5.8**	**7.6**	**8.5**
Minority interests	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.4	0.0	0.0	-0.4	-0.1	-0.1	-0.1
Profit for the review period to shareholders	**12.0**	**-4.4**	**0.7**	**0.9**	**0.7**	**0.3**	**2.4**	**4.3**	**0.2**	**0.4**	**1.3**	**1.4**	**3.4**	**5.7**	**7.5**	**8.4**
EPS	**0.22**	**-0.08**	**0.01**	**0.01**	**0.01**	**0.00**	**0.04**	**0.07**	**0.00**	**0.01**	**0.02**	**0.02**	**0.06**	**0.10**	**0.13**	**0.15**

Source: Inderes

Key figures

Income statement	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Revenue	3.1	4.3	13.6	20.3	43.7	39.8	61.7	81.2	88.9	107.5	116.1
Revenue and total investments			66.3	95.3	52.4	47.9	85.6	78.1	91.9	110.7	119.4
Changes in fair value	2.9	5.6	13.3	12.4	-7.1	-1.8	1.8	-0.7	1.0	1.2	1.3
EBIT	4.2	7.2	15.8	15.6	-0.3	4.5	8.0	7.7	10.4	12.8	14.0
EBIT excluding fair value changes	-	7.2	15.8	22.0	10.5	4.2	8.3	7.7	9.7	11.9	13.0
EPS	0.07	0.11	0.24	0.22	-0.08	0.01	0.07	0.06	0.10	0.13	0.145
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.04	0.05	0.06	0.07

Balance sheet	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Property assets	56	57	98	156	164	108	113	110	111	112	114
Net liabilities	35	24	40	92	103	47	48	59	63	70	68
LTV-%	63%	42%	41%	59%	63%	44%	42%	54%	57%	62%	60%
Equity ratio	30%	43%	45%	38%	37%	50%	45%	42%	38%	34%	35%
ROE %	0.0%	22.2%	29.2%	19.4%	-6.4%	1.0%	6.0%	4.7%	8.5%	11.5%	12.6%
Total return for NAV		47.0%	43.6%	23.9%	-7.6%	1.3%	7.3%	5.4%	8.8%	10.9%	11.6%

Net assets	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Equity attributable to owners of the parent company	18	27	54	70	69	69	74	69	67	65	69
- Capital loans	-11	-16	-17	-17	-17	-17	-17	-11	-5	0	0
+ Deferred tax liability	1	2	4	7	6	4	5	5	5	5	6
- Deferred tax assets	0	0	0	0	0	0	0	0	0	0	0
= Net asset value (NAV)	8	13	41	59	57	56	61	64	68	70	76
Number of shares at the end of the review period	45.0	45.0	53.1	55.0	58.5	58.8	58.7	58.1	58.1	58.1	58.1
NAV/share	0.17	0.30	0.78	1.07	0.97	0.95	1.04	1.10	1.16	1.21	1.30
NAV / share growth	-	75%	159%	39%	-10%	-2%	9%	5%	6%	4%	7%

Portfolio and project development	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Real estate portfolio value	56	57	98	156	164	108	113	110	111	112	114
Gross rental income	1.7	3.2	2.7	3.9	7.2	7.5	5.4	5.6	5.5	5.8	5.9
Net rental income	1.3	2.4	2.0	3.0	5.4	5.0	3.2	3.3	3.1	3.4	3.5
Investments in investment properties	14	18	34	47	20	7	24	2	2	2	2
Development and construction volume		35	66	95	52	50	86	78	91	110	118

Valuation	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	2.10	2.10	2.92	1.30	1.08	1.01	0.94	0.90	0.90	0.90	0.90
Market cap	95	95	155	76	63	59	55	53	53	53	53
Net liabilities	35	24	40	92	103	47	48	59	63	70	68
Capital loans	11	16	17	17	17	17	17	11	5	0	0
EV	140	134	212	185	183	124	120	123	121	122	120
P/NAV	12.3	7.0	3.8	1.2	1.11	1.06	0.90	0.82	0.78	0.75	0.69
P/B	5.32	3.47	2.86	1.08	0.92	0.86	0.75	0.76	0.79	0.81	0.76
P/E	29.3	19.0	12.2	5.8	-13.5	82.5	13.0	15.6	9.1	7.0	6.2
EV/EBIT	33.6	18.7	13.4	11.8	-601	27.3	14.9	15.9	11.6	9.6	8.6

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	**111**	**114**	**111**	**112**	**113**
Goodwill	0	0	0	0	0
Intangible assets	0	0	0	0	0
Tangible assets	108	113	110	111	112
Associated companies	2	0	0	0	0
Other investments	0	0	0	0	0
Other non-current assets	0	0	0	0	0
Deferred tax assets	0	0	0	0	0
Current assets	**34**	**54**	**58**	**63**	**77**
Inventories	11	26	20	22	27
Other current assets	0	0	0	0	0
Receivables	12	15	20	22	27
Cash and equivalents	12	13	17	19	23
Balance sheet total	**144**	**169**	**169**	**175**	**190**

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	**69**	**74**	**69**	**67**	**65**
Share capital	1	1	1	1	1
Retained earnings	30	35	36	40	44
Hybrid bonds	0	0	0	0	0
Revaluation reserve	0	0	0	0	0
Other equity	38	38	32	26	19
Minorities	0	0	0	0	0
Non-current liabilities	**61**	**69**	**75**	**82**	**94**
Deferred tax liabilities	4	5	5	5	5
Provisions	0	0	0	1	2
Interest bearing debt	56	63	70	75	85
Convertibles	0	0	0	0	1
Other long-term liabilities	0	0	0	0	0
Current liabilities	**14**	**26**	**24**	**26**	**31**
Interest bearing debt	3	6	6	7	8
Payables	12	20	18	20	24
Other current liabilities	0	0	0	0	0
Balance sheet total	**144**	**169**	**169**	**175**	**190**

Summary

Income statement	2023	2024	2025	2026e	2027e
Revenue	43.7	39.8	61.7	**81.2**	**88.9**
EBITDA	-0.2	4.7	8.1	**7.8**	**10.5**
EBIT	-0.3	4.5	8.0	**7.7**	**10.4**
PTP	-4.2	0.3	5.8	**4.7**	**7.2**
Net Income	-4.4	0.7	4.3	**3.4**	**5.8**
Extraordinary items	0.0	0.0	0.0	**0.0**	**0.0**

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	192.1	144.5	168.6	**169.1**	**175.3**
Equity capital	68.8	69.4	73.8	**69.4**	**66.9**
Goodwill	0.0	0.0	0.0	**0.0**	**0.0**
Net debt	102.7	47.4	55.9	**59.2**	**63.4**

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	-0.2	4.7	8.1	**7.8**	**10.5**
Change in working capital	0.1	1.8	-10.1	**-2.0**	**-2.2**
Operating cash flow	-1.3	4.5	-3.5	**4.3**	**6.7**
CAPEX	-8.2	56.0	-5.6	**3.0**	**-0.8**
Free cash flow	-9.8	60.6	-8.8	**7.3**	**6.9**

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S	4.2	3.2	2.1	**1.6**	**1.4**
EV/EBITDA	neg.	27.1	15.7	**16.5**	**12.0**
EV/EBIT (adj.)	neg.	27.7	15.9	**16.7**	**12.1**
P/E (adj.)	neg.	82.7	13.0	**15.5**	**9.1**
P/B	0.9	0.9	0.8	**0.8**	**0.8**
Dividend-%	0.0 %	0.0 %	3.2 %	**4.4 %**	**5.5 %**

Source: Inderes

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	-0.08	0.01	0.07	**0.06**	**0.10**
EPS (adj.)	-0.08	0.01	0.07	**0.06**	**0.10**
OCF / share	-0.02	0.08	-0.06	**0.07**	**0.12**
OFCF / share	-0.17	1.03	-0.15	**0.13**	**0.12**
Book value / share	1.17	1.18	1.25	**1.19**	**1.15**
Dividend / share	0.00	0.00	0.03	**0.04**	**0.05**

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	115%	-9%	55%	**32%**	**10%**
EBITDA growth-%	-101%	2150%	75%	**-4%**	**35%**
EBIT (adj.) growth-%	-102%	1589%	77%	**-4%**	**36%**
EPS (adj.) growth-%	-135%	116%	495%	**-20%**	**71%**
EBITDA-%	-0.5 %	11.7 %	13.2 %	**9.6 %**	**11.9 %**
EBIT (adj.)-%	-0.7 %	11.4 %	13.0 %	**9.5 %**	**11.7 %**
EBIT-%	-0.7 %	11.4 %	13.0 %	**9.5 %**	**11.7 %**
ROE-%	-6.4 %	1.0 %	6.0 %	**4.7 %**	**8.5 %**
ROI-%	-0.2 %	2.9 %	6.0 %	**5.3 %**	**7.1 %**
Equity ratio	36.8 %	49.9 %	45.2 %	**42.4 %**	**38.2 %**
Gearing	149.2 %	68.2 %	75.8 %	**85.2 %**	**94.8 %**
Net debt/EBITDA	-452.4	10.2	6.9	**7.6**	**6.0**
EBITDA/net financials	-0.1	1.1	3.5	**2.6**	**3.2**

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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Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

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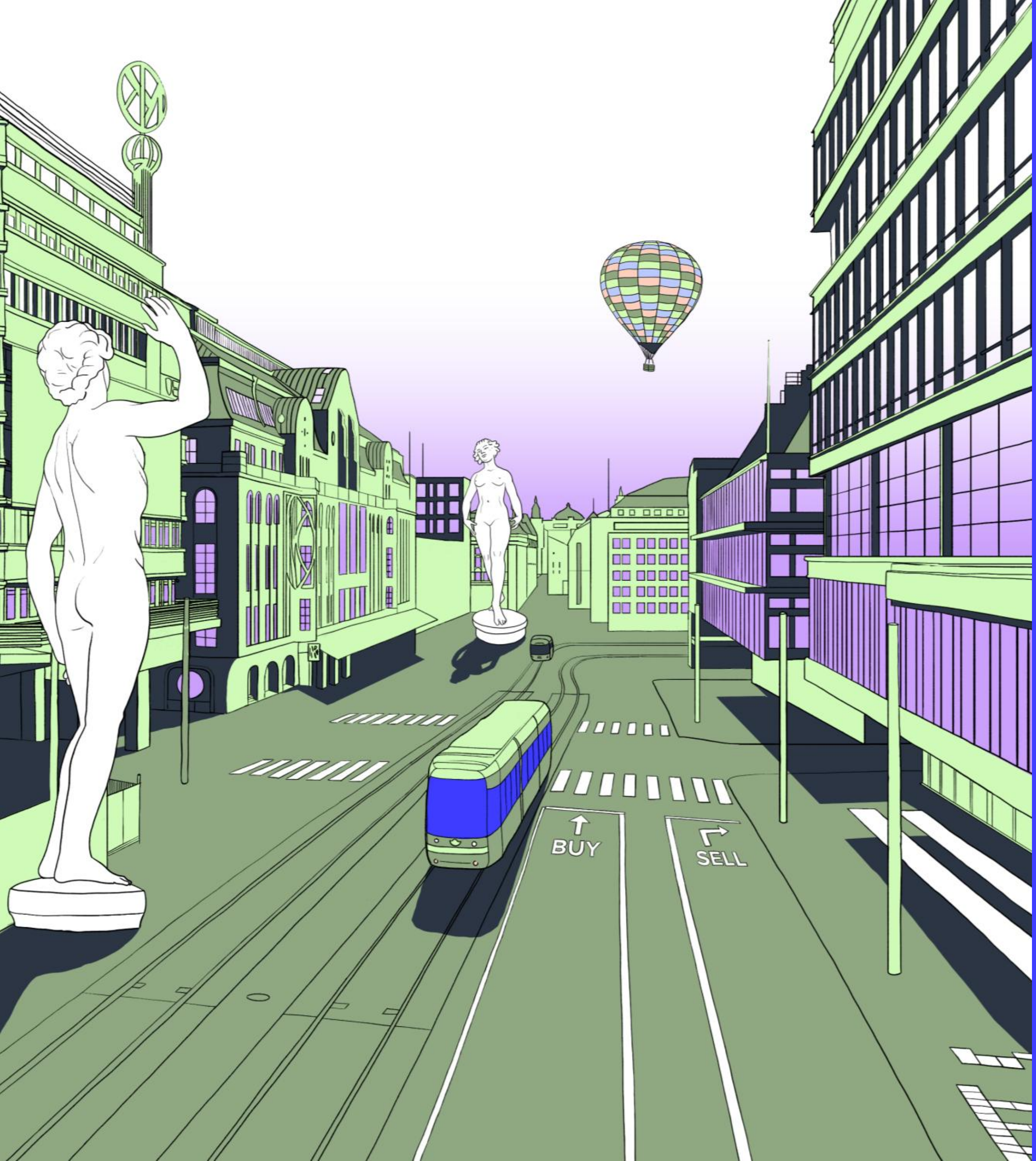
Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
6/14/2021	Sell	2.20 €	2.55 €
8/9/2021	Sell	2.30 €	3.25 €
8/13/2021	Sell	2.30 €	3.07 €
11/11/2021	Reduce	2.90 €	3.10 €
2/16/2022	Reduce	2.50 €	2.85 €
2/21/2022	Reduce	2.90 €	2.81 €
5/12/2022	Reduce	2.60 €	2.49 €
8/11/2022	Reduce	2.30 €	2.25 €
11/10/2022	Sell	1.50 €	1.88 €
11/28/2022	Reduce	1.50 €	1.51 €
12/12/2022	Reduce	1.50 €	1.41 €
3/1/2023	Reduce	1.50 €	1.35 €
5/15/2023	Accumulate	1.25 €	1.10 €
8/10/2023	Accumulate	1.10 €	0.94 €
9/25/2023	Buy	1.10 €	0.83 €
Analyst changed			
11/9/2023	Accumulate	1.10 €	0.88 €
1/3/2023	Reduce	1.30 €	1.22 €
1/26/2024	Accumulate	1.25 €	1.08 €
2/29/2024	Accumulate	1.20 €	1.05 €
5/15/2024	Accumulate	1.20 €	0.99 €
8/7/2024	Accumulate	1.25 €	1.12 €
10/1/2024	Accumulate	1.30 €	1.07 €
10/27/2024	Accumulate	1.30 €	1.11 €
11/7/2024	Accumulate	1.25 €	1.09 €
2/25/2025	Accumulate	1.25 €	1.05 €
2/27/2025	Accumulate	1.25 €	1.05 €
5/8/2025	Accumulate	1.20 €	0.98 €
8/7/2025	Accumulate	1.20 €	1.05 €
10/30/2025	Accumulate	1.20 €	0.95 €
2/26/2026	Accumulate	1.20 €	0.98 €
3/13/2026	Accumulate	1.20 €	1.00 €
5/7/2026	Accumulate	1.20 €	0.95 €
8/6/2026	Accumulate	1.15 €	0.90 €



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Inderes democratizes financial information by connecting investors and listed companies. For investors, we are an investing community and a trusted source of financial information and equity research. For listed companies, we are a partner in delivering high-quality investor relations. Over 500 listed companies in Europe use our investor relations products and equity research services to provide better investor communications to their shareholders.

Our goal is to be the most investor-minded company in finance. Inderes was founded in 2009 by investors, for investors. As a Nasdaq First North-listed company, we understand the day-to-day reality of our customers.

Inderes Ab
Vattugatan 17, 5tr
Stockholm
+46 8 411 43 80

inderes.se

Inderes Oyj
Porkkalankatu 5
00180 Helsinki
+358 10 219 4690

inderes.fi