

# SUOMINEN

06/10/2026 21.00 EEST

This is a translated version of the "Osakeanti lukuihin, arvostus edelleen korkea" report, published on 06/10/2026



Rauli Juva, Analyst  
+358 50 588 0092  
rauli.juva@inderes.fi

## INDERES CORPORATE CUSTOMER COMPANY REPORT



# Share issue in figures, valuation still high

Suominen has a rights issue underway. We updated the impact of the issue on our estimates, but operationally our assumptions remained unchanged. The share issue will finance Suominen's turnaround program, which we believe will help the company return to profitability in the coming years after the losses of recent years. However, even considering this, the valuation is expensive. We reiterate our Reduce recommendation and revise our target price to EUR 0.6 (was EUR 0.62 share issue-adjusted).

## Rights issue proceeds

This week, Suominen announced the terms of its previously disclosed 28 MEUR rights issue. The subscription right was detached from the share on June 9, so the share can now be valued as if the issue has already been completed. The actual subscription period, as well as trading in subscription rights, will begin on June 15. The outcome of the share issue will be known at the turn of June-July. As the offering has an underwriting from the main owners, its completion is already certain.

## We have included the ongoing share issue in our estimates

We have updated our estimates now that the details of the share issue have been confirmed. We have removed our previous assumption of a 25 MEUR hybrid loan from our estimates and included net proceeds of around 25 MEUR from the rights issue. Thus, our estimates for the equity to debt ratio remain unchanged. As a result, the EPS estimates for 2026-28 have increased, as they no longer include interest on the hybrid loan. In our estimates, we account for a significant increase in the number of shares from 58 million to around 135 million shares. A larger number of shares decreases the estimated loss per share in 2026–2027. In later years, a higher number of shares will decrease EPS. We also included 2 MEUR in one-off costs from the share issue for 2026 and slightly revised our financing cost estimates for 2027-28. We did not make any changes to our operational estimates in this report

## The company has guided for improved earnings for 2026

Suominen's Q1 earnings were below the comparison period, but the company guides for an improved full-year adjusted EBITDA. The Q2 outlook is mixed. On the other hand, Suominen believes it can regain half of the volumes lost in the US due to production disruptions as early as Q2. In addition, it stated that the order book is increasing overall, which may be due to customers increasing their inventories ahead of price increases and potential availability issues. Thus, volume development in Q2 should be good, especially compared to the last two quarters. On the other hand, the increase in the price of oil-based raw materials and energy will start to be reflected in the company's costs during Q2. The company announced it has switched to monthly pricing as costs rise sharply, which helps pass on increased costs to customers. Due to the sharp increase in costs, we believe it will cause a headwind to Suominen's earnings in the second and third quarters. Our adjusted EBITDA forecast for this year is practically at the comparison period's level (13 MEUR), and thus, in our opinion, there is a clear downside risk to the guidance. However, we expect the adjusted EBITDA development to be on an upward trend towards the end of the year.

## Share prices in a clear earnings improvement, the expected return is weak

The share price is so high relative to earnings that it requires several years of strong earnings growth before the valuation is at a justified level (EV/EBIT somewhat neutral at 10x only in the 2030s). On our estimates, the company's EPS will not turn positive until 2028. Due to limited competitive advantages, we do not believe that the company can achieve a return on capital that sustainably exceeds the required return in the long term. Our DCF model's value is EUR 0.6, taking into account the rights issue; the model assumes a significantly better long-term margin for the company than currently.

## Recommendation

**Reduce**

(was Reduce)

## Target price:

**0.60 EUR**

(was EUR 0.62)

## Share price:

0.64 EUR

## Business risk



## Valuation risk



	2025	2026e	2027e	2028e
<b>Revenue</b>	412	423	453	462
<b>growth-%</b>	-11%	3%	7%	2%
<b>EBIT adj.</b>	-4.1	-4.5	1.3	8.5
<b>EBIT-% adj.</b>	-1.0 %	-1.1 %	0.3 %	1.8 %
<b>Net Income</b>	-12.1	-17.7	-7.6	1.7
<b>EPS (adj.)</b>	-0.18	-0.09	-0.02	0.01
<b>P/E (adj.)</b>	neg.	neg.	neg.	50.7
<b>P/B</b>	1.0	0.8	0.9	0.9
<b>Dividend yield-%</b>	0.0 %	0.0 %	0.0 %	0.0 %
<b>EV/EBIT (adj.)</b>	neg.	neg.	>100	17.9
<b>EV/EBITDA</b>	15.4	29.6	10.4	5.7
<b>EV/S</b>	0.4	0.4	0.3	0.3

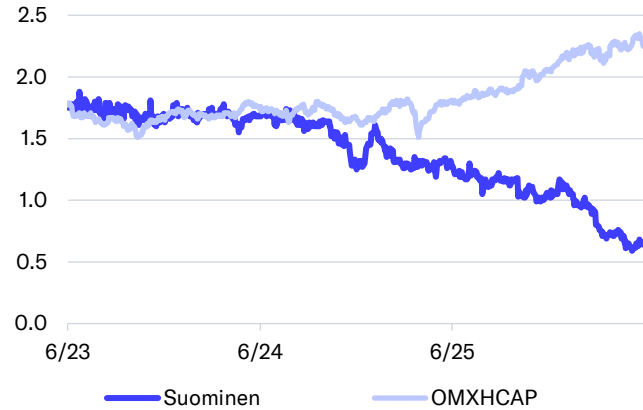
Source: Inderes

## Guidance

(Unchanged)

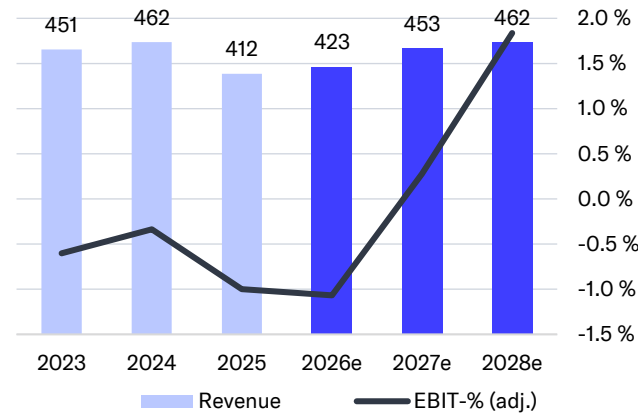
Suominen expects that its comparable EBITDA in 2026 will increase from 2025 (12.6 MEUR)..

## Share price



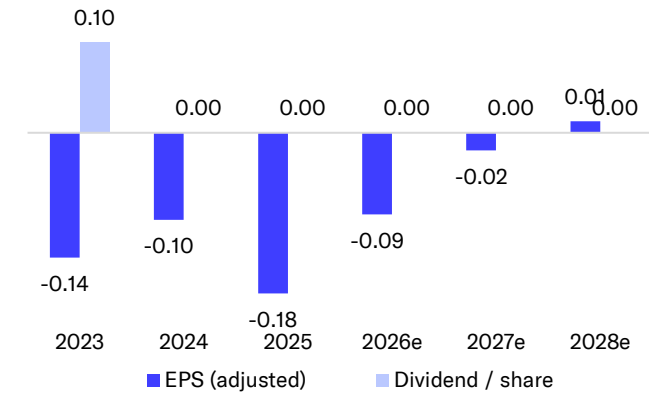
Source: Millstream Market Data AB

## Revenue and EBIT % (adj.)



Source: Inderes

## EPS and dividend



Source: Inderes

## Value drivers

- Potential reduction in market overcapacity could support margins in the longer term
- Steady end demand for products
- Suominen's expertise and products in sustainable non-wovens
- Cost savings can support an earnings improvement

## Risk factors

- Tight competition in the industry
- Low pricing power
- Changes in raw material prices cause earnings fluctuation

Valuation	2026e	2027e	2028e
<b>Share price</b>	0.64	0.64	0.64
<b>Number of shares, millions</b>	96.5	135.0	135.0
<b>Market cap</b>	86	86	86
<b>EV</b>	153	157	152
<b>P/E (adj.)</b>	neg.	neg.	50.7
<b>P/E</b>	neg.	neg.	50.7
<b>P/B</b>	0.8	0.9	0.9
<b>P/S</b>	0.2	0.2	0.2
<b>EV/Sales</b>	0.4	0.3	0.3
<b>EV/EBITDA</b>	29.6	10.4	5.7
<b>EV/EBIT (adj.)</b>	neg.	>100	17.9
<b>Payout ratio (%)</b>	0%	0%	0%
<b>Dividend yield-%</b>	0.0 %	0.0 %	0.0 %

Source: Inderes

# We replaced the hybrid loan forecast with a share issue

## Estimate revisions

- Suominen's rights issue is guaranteed, so its realization is certain
- We have removed our previous assumption of a 25 MEUR hybrid loan from our estimates and included net proceeds of around 25 MEUR from the rights issue. Thus, our estimates for the equity to debt ratio remain unchanged
- As a result, EPS estimates for 2026-28 have increased, as they no longer include interest on the hybrid loan
- In addition, we included 2 MEUR in one-off costs from the share issue for 2026 and slightly revised our financing cost estimates for 2027-28
- We added a significant increase in the number of shares to our estimates, from 58 million shares to around 135 million
- The increased number of shares will improve EPS in 2026-27, with earnings being negative. In later years, the higher number of shares will decrease EPS
- We did not make any changes to our operational estimates in this report

## The issue will finance the efficiency program

- In January, Suominen announced a three-year efficiency program, aiming for a 10% EBITDA margin in 2028, compared to 3-4% in recent years
- The program's cost is about 30 MEUR, of which 10 MEUR are non-recurring expenses and 20 MEUR are investments in the plants. Thus, the size of the issue roughly corresponds to the costs of the transformation program
- However, the share issue also strengthens the balance sheet by reducing its indebtedness, as the costs of the change program will gradually emerge in the coming years, during which Suominen is also naturally expected to generate cash flow
- Our estimates expect the adjusted EBITDA margin to rise to around 6% in 2028 and further to around 7.5% in the 2030s, but still clearly below the targeted 10% level
- Even after the offering, Suominen's net debt/adj. EBITDA will remain high at around 5x at the end of 2026 in our forecasts. Reducing the debt level thus also requires an improvement in earnings.
- The company has a bond maturing in June 2027, the refinancing of which, in our opinion, requires an earnings turnaround to be reflected in the figures. The interest rate on the new financing will, in any case, be significantly higher than the current one
- If the company's earnings do not turn around, we see a risk that the refinancing will take place, for example, with a hybrid loan or other high-interest or shareholder-diluting method

Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	423	423	0%	453	453	0%	462	462	0%
EBITDA	5.2	5.2	0%	15.0	15.0	0%	26.9	26.9	0%
EBIT (exc. NRIs)	-4.5	-4.5	0%	1.3	1.3	0%	8.5	8.5	0%
EBIT	-12.0	-12.0	0%	-3.7	-3.7	0%	8.5	8.5	0%
PTP	-16.6	-18.4	-11%	-9.7	-10.2	-6%	2.6	2.3	-14%
EPS (excl. NRIs)	-0.15	-0.09	38%	-0.09	-0.02	77%	-0.01	0.01	195%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

## Suominen: Rights issue ahead



# Valuation still high

## The price already reflects expectations of a significantly better performance

We value Suominen using earnings- and balance sheet-based multiples and the DCF model. The earnings improvement we forecast will be spent digesting multiples over the next few years, and even at a much better earnings level (2028), we think the valuation is high. With dividends at zero in the coming years, it also does not provide support for earnings expectations in the coming years. Thus, we see the expected return as weak.

## Multiples remain high through the forecast years

Due to the poor result, valuation multiples for 2022-27 cannot be calculated or they are high, and we feel the earnings level does not depict the company's potential. We have previously considered an EBIT level of 15-20 MEUR to be a more normal and realistic level for the company. At the current revenue level, the company's targeted 10% adj. EBITDA margin would imply an adj. EBIT of around 23 MEUR. Considering the persistently unprofitable earnings in recent years, these levels appear optimistic for the coming years, and we do not estimate earnings of that level until the 2030s. For our estimate years 2026-28, earnings multiples are high, whether looking at P/E or EV/EBIT. We feel Suominen's acceptable valuation multiples are P/E around 10-12x and EV/EBIT 9-11x. The multiples fall within this range in our projections only in the 2030s and require a significant earnings improvement.

Our estimates indicate that Suominen's return on equity will even turn negative in the coming years, but in any case, it will be clearly below the required return. Therefore, the P/B ratio should be below 1x, as it is for the coming years.

## DCF model value EUR 0.6

After updating the share issue figures, our DCF model value decreased to around EUR 0.6. This is largely a technical change, and we have not materially altered our other assumptions in this report. The model assumes a longer-term EBIT-% of around 3.5% and thus an EBIT of ~20 MEUR. This would require a gross margin of over 10%, a level that the company has occasionally achieved in the past. We note that the long-term margin assumption is well above the levels achieved in recent years and projected for the coming years. The estimates are based on assumptions of an improvement in Suominen's own competitiveness, i.e., cost-efficiency (which the program announced in connection with Q4 aims for), and a reduction in overcapacity in the European market. We use a WACC of 8.6% for Suominen, which is decreased by the rather high indebtedness, with our required return on equity being around 10%. The value of the company's share capital is approximately 80 MEUR.

## Longer-term potential is also moderate

In the longer term, we believe that Suominen's return on capital will be roughly at the level of the required return. We believe that the company will be able to achieve small earnings growth, but in the absence of clear competitive advantages, with strong competition in the sector and volatile raw material prices swaying profitability, we do not believe in significant and sustainable earnings growth nor return on capital that exceeds the required return in the long-term. In our view, return on capital remains below 10% in both the short and long term and therefore does not exceed our required return.

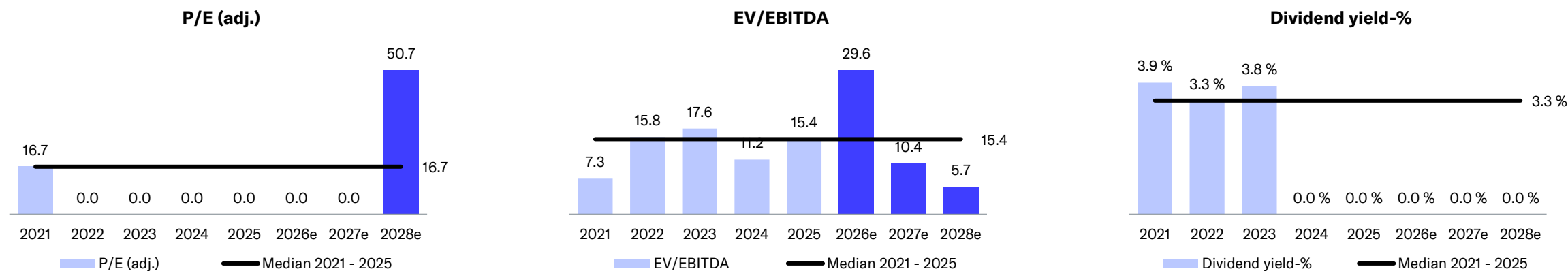
Valuation	2026e	2027e	2028e
Share price	0.64	0.64	0.64
Number of shares, millions	96.5	135.0	135.0
Market cap	86	86	86
EV	153	157	152
P/E (adj.)	neg.	neg.	50.7
P/E	neg.	neg.	50.7
P/B	0.8	0.9	0.9
P/S	0.2	0.2	0.2
EV/Sales	0.4	0.3	0.3
EV/EBITDA	29.6	10.4	5.7
EV/EBIT (adj.)	neg.	>100	17.9
Payout ratio (%)	0%	0%	0%
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

# Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	5.18	3.00	2.66	2.28	1.68	0.64	0.64	0.64	0.64
Number of shares, millions	57.5	57.5	57.7	57.7	57.8	96.5	135.0	135.0	135.0
Market cap	298	172	153	132	97	86	86	86	86
EV	345	226	197	192	174	153	157	152	143
P/E (adj.)	16.7	neg.	neg.	neg.	neg.	neg.	neg.	50.7	15.1
P/E	14.4	neg.	neg.	neg.	neg.	neg.	neg.	50.7	15.1
P/B	1.8	1.2	1.2	1.1	1.0	0.8	0.9	0.9	0.8
P/S	0.7	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2
EV/Sales	0.8	0.5	0.4	0.4	0.4	0.4	0.3	0.3	0.3
EV/EBITDA	7.3	15.8	17.6	11.2	15.4	29.6	10.4	5.7	4.5
EV/EBIT (adj.)	12.8	neg.	neg.	neg.	neg.	neg.	>100	17.9	11.0
Payout ratio (%)	55.4 %	neg.	neg.	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	50.0 %
Dividend yield-%	3.9 %	3.3 %	3.8 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	3.3 %

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
			2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	
Huhtamäki	2884	4163	10.7	9.9	6.8	6.5	1.1	1.0	11.2	10.2	4.4	4.5	1.4
Duni	349	615	12.9	10.9	7.8	6.9	0.9	0.9	12.2	9.9	6.9	7.4	1.1
Riverstone	854	719	12.9	11.1	10.1	8.9	3.0	2.7	18.9	16.3	6.2	7.1	2.8
Magnera	362	1743	11.4	10.1	5.3	5.1	0.6	0.6		7.0			
<b>Suominen (Inderes)</b>	<b>86</b>	<b>153</b>	<b>-33.9</b>	<b>124.7</b>	<b>29.6</b>	<b>10.4</b>	<b>0.4</b>	<b>0.3</b>	<b>-7.1</b>	<b>-32.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.8</b>
<b>Average</b>			<b>12.0</b>	<b>10.5</b>	<b>7.5</b>	<b>6.8</b>	<b>1.4</b>	<b>1.3</b>	<b>14.1</b>	<b>10.8</b>	<b>5.8</b>	<b>6.3</b>	<b>1.7</b>
<b>Median</b>			<b>12.1</b>	<b>10.5</b>	<b>7.3</b>	<b>6.7</b>	<b>1.0</b>	<b>0.9</b>	<b>12.2</b>	<b>10.0</b>	<b>6.2</b>	<b>7.1</b>	<b>1.4</b>
<b>Diff-% to median</b>			<b>-380%</b>	<b>1088%</b>	<b>304%</b>	<b>57%</b>	<b>-62%</b>	<b>-63%</b>	<b>-158%</b>	<b>-425%</b>	<b>-100%</b>	<b>-100%</b>	<b>-39%</b>

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
<b>Revenue</b>	<b>462</b>	<b>118</b>	<b>99.8</b>	<b>99.8</b>	<b>95.3</b>	<b>412</b>	<b>95.6</b>	<b>113</b>	<b>110</b>	<b>105</b>	<b>423</b>	<b>453</b>	<b>462</b>	<b>471</b>
<b>EBITDA</b>	<b>17.1</b>	<b>4.0</b>	<b>2.3</b>	<b>3.6</b>	<b>1.3</b>	<b>11.3</b>	<b>-0.4</b>	<b>1.0</b>	<b>1.8</b>	<b>2.8</b>	<b>5.2</b>	<b>15.0</b>	<b>26.9</b>	<b>31.5</b>
Depreciation	-18.4	-4.4	-4.2	-4.1	-4.6	-17.2	-4.0	-4.2	-4.5	-4.5	-17.2	-18.8	-18.4	-18.6
<b>EBIT (excl. NRI)</b>	<b>-1.6</b>	<b>-0.3</b>	<b>-1.3</b>	<b>-0.3</b>	<b>-2.2</b>	<b>-4.1</b>	<b>-1.9</b>	<b>-1.2</b>	<b>-0.7</b>	<b>-0.7</b>	<b>-4.5</b>	<b>1.3</b>	<b>8.5</b>	<b>13.0</b>
<b>EBIT</b>	<b>-1.3</b>	<b>-0.3</b>	<b>-1.9</b>	<b>-0.5</b>	<b>-3.2</b>	<b>-5.9</b>	<b>-4.4</b>	<b>-3.2</b>	<b>-2.7</b>	<b>-1.7</b>	<b>-12.0</b>	<b>-3.7</b>	<b>8.5</b>	<b>13.0</b>
Net financial items	-4.1	-1.9	-2.9	-1.3	-1.4	-7.5	-1.0	-3.0	-1.2	-1.2	-6.4	-6.5	-6.2	-5.4
<b>PTP</b>	<b>-5.3</b>	<b>-2.2</b>	<b>-4.8</b>	<b>-1.8</b>	<b>-4.6</b>	<b>-13.4</b>	<b>-5.4</b>	<b>-6.2</b>	<b>-3.9</b>	<b>-2.9</b>	<b>-18.4</b>	<b>-10.2</b>	<b>2.3</b>	<b>7.6</b>
Taxes	0.1	0.0	0.5	0.1	0.7	1.3	-0.3	0.2	0.3	0.5	0.7	2.5	-0.6	-1.9
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net earnings</b>	<b>-5.3</b>	<b>-2.2</b>	<b>-4.3</b>	<b>-1.7</b>	<b>-3.9</b>	<b>-12.1</b>	<b>-5.7</b>	<b>-6.0</b>	<b>-3.6</b>	<b>-2.4</b>	<b>-17.7</b>	<b>-7.6</b>	<b>1.7</b>	<b>5.7</b>
<b>EPS (adj.)</b>	<b>-0.10</b>	<b>-0.04</b>	<b>-0.06</b>	<b>-0.03</b>	<b>-0.05</b>	<b>-0.18</b>	<b>-0.03</b>	<b>-0.03</b>	<b>-0.02</b>	<b>-0.01</b>	<b>-0.09</b>	<b>-0.02</b>	<b>0.01</b>	<b>0.04</b>
<b>EPS (rep.)</b>	<b>-0.09</b>	<b>-0.04</b>	<b>-0.07</b>	<b>-0.03</b>	<b>-0.07</b>	<b>-0.21</b>	<b>-0.06</b>	<b>-0.06</b>	<b>-0.04</b>	<b>-0.02</b>	<b>-0.18</b>	<b>-0.06</b>	<b>0.01</b>	<b>0.04</b>
<b>Key figures</b>	<b>2024</b>	<b>Q1'25</b>	<b>Q2'25</b>	<b>Q3'25</b>	<b>Q4'25</b>	<b>2025</b>	<b>Q1'26</b>	<b>Q2'26e</b>	<b>Q3'26e</b>	<b>Q4'26e</b>	<b>2026e</b>	<b>2027e</b>	<b>2028e</b>	<b>2029e</b>
<b>Revenue growth-%</b>	2.6 %	3.4 %	-15.9 %	-10.5 %	-19.6 %	-10.8 %	-18.6 %	13.2 %	10.1 %	10.1 %	2.7 %	7.0 %	2.0 %	2.0 %
<b>Adjusted EBIT growth-%</b>	42.6 %	-209.0 %	-422.7 %	80.0 %	-516.7 %	-164.1 %	-515%	3%	-136%	70%	-10%	128%	574.3 %	52.9 %
<b>EBITDA-%</b>	3.7 %	3.4 %	2.3 %	3.6 %	1.4 %	2.7 %	-0.4 %	0.8 %	1.6 %	2.7 %	1.2 %	3.3 %	5.8 %	6.7 %
<b>Adjusted EBIT-%</b>	-0.3 %	-0.3 %	-1.3 %	-0.3 %	-2.3 %	-1.0 %	-2.0 %	-1.1 %	-0.6 %	-0.6 %	-1.1 %	0.3 %	1.8 %	2.8 %
<b>Net earnings-%</b>	-1.1 %	-1.9 %	-4.3 %	-1.7 %	-4.1 %	-2.9 %	-6.0 %	-5.4 %	-3.3 %	-2.3 %	-4.2 %	-1.7 %	0.4 %	1.2 %

Source: Inderes

# Balance sheet

Assets	2024	2025	2026e	2027e	2028e
<b>Non-current assets</b>	<b>152</b>	<b>154</b>	<b>155</b>	<b>153</b>	<b>149</b>
Goodwill	15.5	15.5	15.5	15.5	15.5
Intangible assets	2.8	1.2	1.3	1.4	1.5
Tangible assets	131	133	134	131	128
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.6	0.6	0.6	0.6	0.6
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	2.3	3.6	3.6	3.6	3.6
<b>Current assets</b>	<b>158</b>	<b>118</b>	<b>122</b>	<b>118</b>	<b>121</b>
Inventories	47.5	40.4	42.3	43.0	43.9
Other current assets	6.6	7.5	7.5	7.5	7.5
Receivables	62.5	38.1	38.1	40.8	41.6
Cash and equivalents	41.3	32.1	33.9	27.2	27.7
<b>Balance sheet total</b>	<b>310</b>	<b>272</b>	<b>277</b>	<b>271</b>	<b>270</b>

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
<b>Equity</b>	<b>118</b>	<b>96.1</b>	<b>103</b>	<b>95.7</b>	<b>97.4</b>
Share capital	11.9	11.9	11.9	11.9	11.9
Retained earnings	1.6	-9.9	-27.6	-35.3	-33.6
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	104	94.2	119	119	119
Minorities	0.0	0.0	0.0	0.0	0.0
<b>Non-current liabilities</b>	<b>67.9</b>	<b>111</b>	<b>91.7</b>	<b>89.2</b>	<b>85.8</b>
Deferred tax liabilities	8.0	4.3	4.3	4.3	4.3
Provisions	0.8	0.7	0.7	0.7	0.7
Interest bearing debt	58.9	106	86.7	84.2	80.8
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.2	0.0	0.0	0.0	0.0
<b>Current liabilities</b>	<b>125</b>	<b>64.8</b>	<b>81.9</b>	<b>86.0</b>	<b>86.6</b>
Interest bearing debt	42.9	2.8	14.2	13.6	12.7
Payables	81.8	62.0	67.7	72.5	73.9
Other current liabilities	0.4	0.0	0.0	0.0	0.0
<b>Balance sheet total</b>	<b>311</b>	<b>272</b>	<b>277</b>	<b>271</b>	<b>270</b>

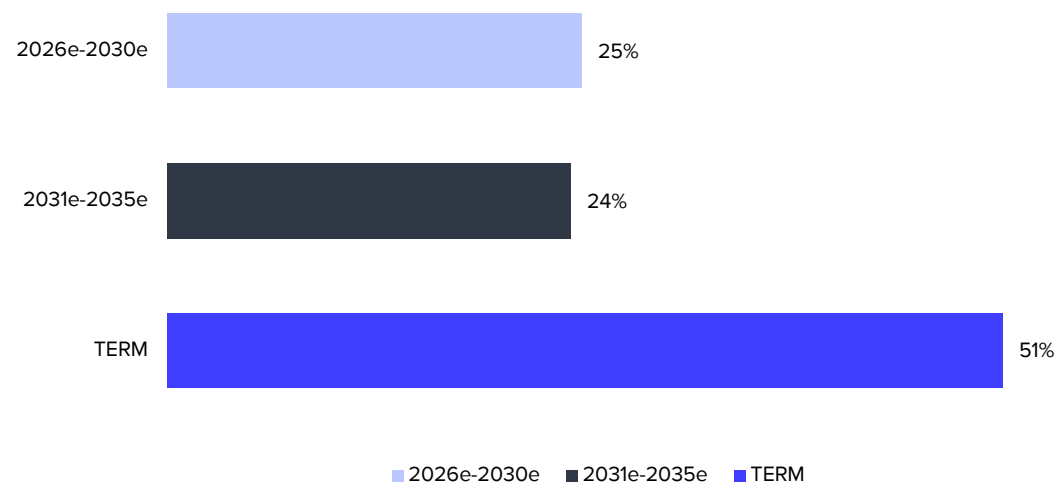
# DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	-10.8 %	2.7 %	7.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	-1.4 %	-2.8 %	-0.8 %	1.8 %	2.8 %	3.0 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %
<b>EBIT (operating profit)</b>	<b>-5.9</b>	<b>-12.0</b>	<b>-3.7</b>	<b>8.5</b>	<b>13.0</b>	<b>14.4</b>	<b>17.2</b>	<b>17.5</b>	<b>17.9</b>	<b>18.2</b>	<b>18.6</b>	
+ Depreciation	17.2	17.2	18.8	18.4	18.6	18.0	18.1	17.8	17.4	17.4	17.4	
- Paid taxes	-3.7	0.7	2.5	-0.6	-1.9	-2.3	-3.1	-3.3	-3.6	-3.8	-3.9	
- Tax, financial expenses	-0.7	-0.2	-1.6	-1.6	-1.3	-1.3	-1.2	-1.1	-0.8	-0.8	-0.7	
+ 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	10.3	3.8	1.4	-0.2	-0.2	-0.2	-0.2	-0.2	-0.3	2.3	-0.2	
<b>Operating cash flow</b>	<b>17.2</b>	<b>9.4</b>	<b>17.4</b>	<b>24.5</b>	<b>28.1</b>	<b>28.6</b>	<b>30.8</b>	<b>30.7</b>	<b>30.5</b>	<b>33.4</b>	<b>31.1</b>	
+ Change in other long-term liabilities	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-17.7	-18.1	-16.1	-15.1	-15.1	-20.4	-15.8	-15.3	-17.3	-17.3	-19.9	
<b>Free operating cash flow</b>	<b>-0.8</b>	<b>-8.7</b>	<b>1.3</b>	<b>9.4</b>	<b>13.0</b>	<b>8.3</b>	<b>15.0</b>	<b>15.4</b>	<b>13.2</b>	<b>16.1</b>	<b>11.2</b>	
+/- Other	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-0.8	16.3	1.3	9.4	13.0	8.3	15.0	15.4	13.2	16.1	11.2	176
<b>Discounted FCFF</b>		<b>15.6</b>	<b>1.1</b>	<b>7.7</b>	<b>9.7</b>	<b>5.7</b>	<b>9.5</b>	<b>9.0</b>	<b>7.1</b>	<b>8.0</b>	<b>5.1</b>	<b>80</b>
Sum of FCFF present value		159	143	142	134	124	119	109	100	93.2	85.2	80
<b>Enterprise value DCF</b>		<b>159</b>										
- Interest bearing debt		-109										
+ Cash and cash equivalents		32										
+ 0		0										
-Minorities		0										
-Dividend/capital return		0										
<b>Equity value DCF</b>		<b>81</b>										
<b>Equity value DCF per share</b>		<b>0.60</b>										

## WACC

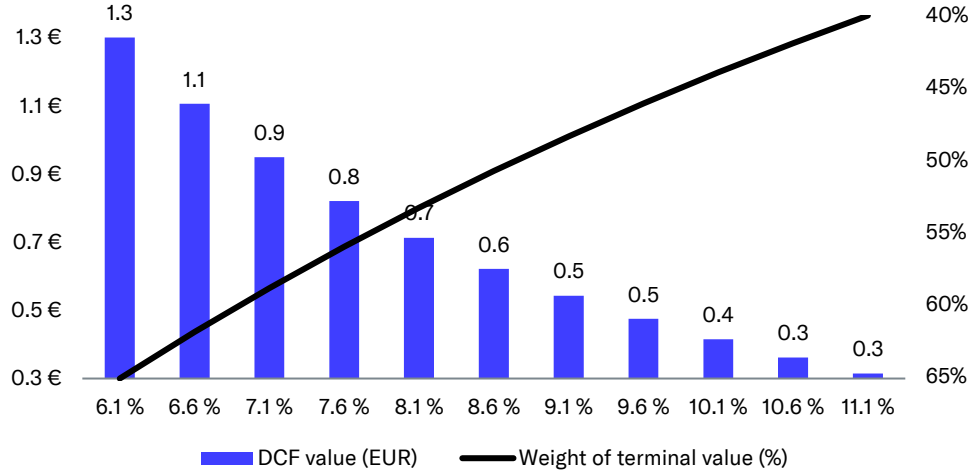
Tax-% (WACC)	25.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	4.0 %
Equity Beta	1.36
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>9.9 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>8.6 %</b>

## Cash flow distribution

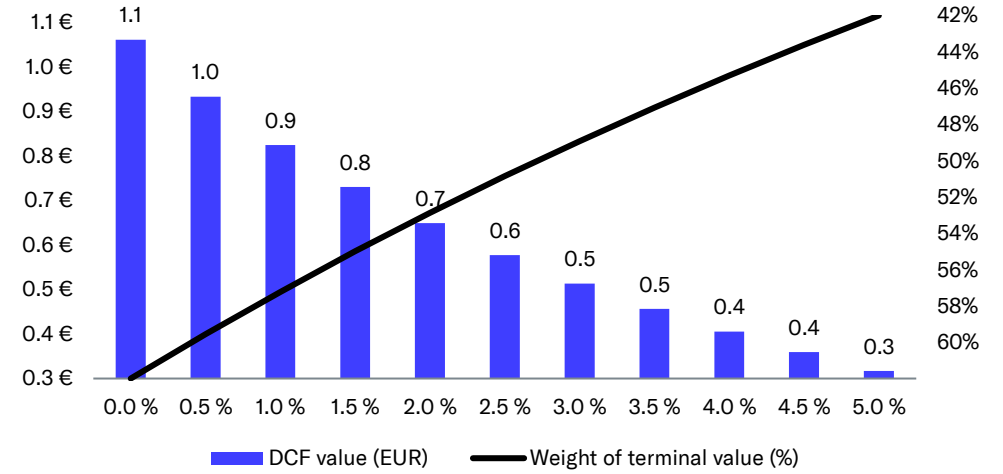


# DCF sensitivity calculations and key assumptions in graphs

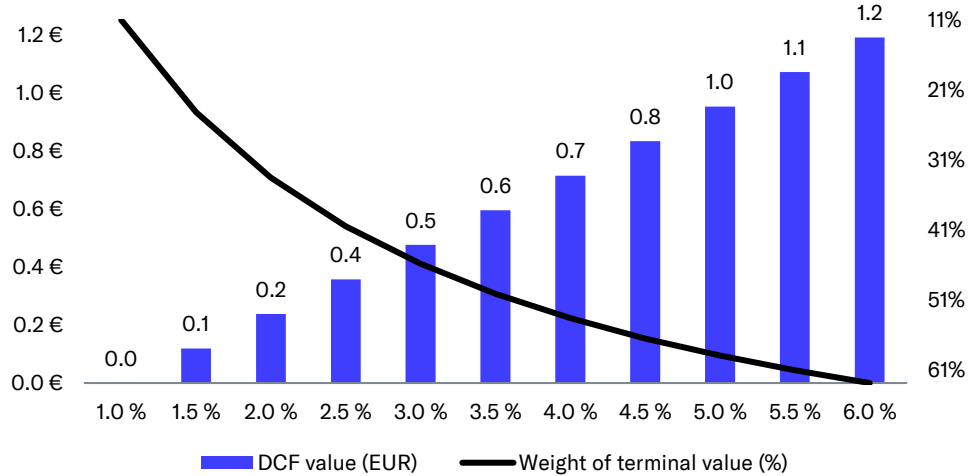
Sensitivity of DCF to changes in the WACC-%



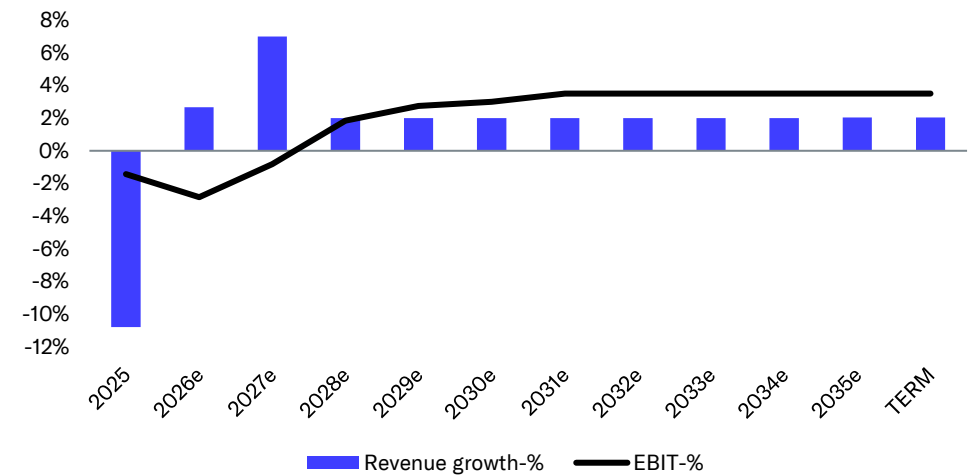
Sensitivity of DCF to changes in the risk-free rate



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	450.8	462.3	412.4	<b>423.4</b>	<b>453.0</b>	EPS (reported)	-0.22	-0.09	-0.21	<b>-0.18</b>	<b>-0.06</b>	
EBITDA	11.2	17.1	11.3	<b>5.2</b>	<b>15.0</b>	EPS (adj.)	-0.14	-0.10	-0.18	<b>-0.09</b>	<b>-0.02</b>	
EBIT	-7.5	-1.3	-5.9	<b>-12.0</b>	<b>-3.7</b>	OCF / share	0.64	0.20	0.30	<b>0.10</b>	<b>0.13</b>	
PTP	-13.5	-5.3	-13.4	<b>-18.4</b>	<b>-10.2</b>	FCF / share	0.42	-0.19	-0.01	<b>0.17</b>	<b>0.01</b>	
Net Income	-12.8	-5.3	-12.1	<b>-17.7</b>	<b>-7.6</b>	Book value / share	2.17	2.04	1.66	<b>1.07</b>	<b>0.71</b>	
Extraordinary items	-4.8	0.3	-1.8	<b>-7.5</b>	<b>-5.0</b>	Dividend / share	0.10	0.00	0.00	<b>0.00</b>	<b>0.00</b>	
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e	
Balance sheet total	316.4	310.4	272.4	<b>277.0</b>	<b>271.0</b>	Revenue growth-%	-9%	3%	-11%	<b>3%</b>	<b>7%</b>	
Equity capital	124.9	117.6	96.1	<b>103.4</b>	<b>95.7</b>	EBITDA growth-%	-22%	53%	-34%	<b>-54%</b>	<b>190%</b>	
Goodwill	15.5	15.5	15.5	<b>15.5</b>	<b>15.5</b>	EBIT (adj.) growth-%	35%	43%	-164%	<b>-10%</b>	<b>128%</b>	
Net debt	43.5	60.5	77.1	<b>67.0</b>	<b>70.6</b>	EPS (adj.) growth-%	12%	30%	-84%	<b>49%</b>	<b>78%</b>	
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	2.5 %	3.7 %	2.7 %	<b>1.2 %</b>	<b>3.3 %</b>	
EBITDA	11.2	17.1	11.3	<b>5.2</b>	<b>15.0</b>	EBIT (adj.)-%	-0.6 %	-0.3 %	-1.0 %	<b>-1.1 %</b>	<b>0.3 %</b>	
Change in working capital	28.9	-3.8	10.3	<b>3.8</b>	<b>1.4</b>	EBIT-%	-1.7 %	-0.3 %	-1.4 %	<b>-2.8 %</b>	<b>-0.8 %</b>	
Operating cash flow	36.8	11.7	17.2	<b>9.4</b>	<b>17.4</b>	ROE-%	-9.4 %	-4.3 %	-11.3 %	<b>-17.8 %</b>	<b>-7.7 %</b>	
CAPEX	-10.8	-22.7	-17.7	<b>-18.1</b>	<b>-16.1</b>	ROI-%	-3.2 %	-0.6 %	-2.8 %	<b>-5.9 %</b>	<b>-1.9 %</b>	
Free cash flow	24.4	-10.8	-0.8	<b>16.3</b>	<b>1.3</b>	Equity ratio	39.5 %	37.9 %	35.3 %	<b>37.3 %</b>	<b>35.3 %</b>	
						Gearing	34.8 %	51.5 %	80.2 %	<b>64.8 %</b>	<b>73.7 %</b>	
							<b>0</b>	3.9	3.5	6.8	<b>12.9</b>	<b>4.7</b>
							<b>0</b>	1.9	4.2	1.5	<b>0.8</b>	<b>2.3</b>

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. Per-share figures are calculated using the number of shares at year-end.

# Disclaimer and recommendation history

The information presented in Inderes reports is obtained from several different public sources that Inderes considers to be reliable. Inderes aims to use reliable and comprehensive information, but Inderes does not guarantee the accuracy of the presented information. Any opinions, estimates and forecasts represent the views of the authors. Inderes is not responsible for the content or accuracy of the presented information. Inderes and its employees are also not responsible for the financial outcomes of investment decisions made based on the reports or any direct or indirect damage caused by the use of the information. The information used in producing the reports may change quickly. Inderes makes no commitment to announcing any potential changes to the presented information and opinions.

The reports produced by Inderes are intended for informational use only. The reports should not be construed as offers or advice to buy, sell or subscribe investment products. Customers should also understand that past performance is not a guarantee of future results. When making investment decisions, customers must base their decisions on their own research and their estimates of the factors that influence the value of the investment and take into account their objectives and financial position and use advisors as necessary. Customers are responsible for their investment decisions and their financial outcomes.

Reports produced by Inderes may not be edited, copied or made available to others in their entirety, or in part, without Inderes' written consent. No part of this report, or the report as a whole, shall be transferred or shared in any form to the United States, Canada or Japan or the citizens of the aforementioned countries. The legislation of other countries may also lay down restrictions pertaining to the distribution of the information contained in this report. Any individuals who may be subject to such restrictions must take said restrictions into account.

Inderes issues target prices for the shares it follows. The recommendation methodology used by Inderes is based on the share's 12-month expected total shareholder return (including the share price and dividends) and takes into account Inderes' view of the risk associated with the expected returns. The recommendation policy consists of four tiers: Sell, Reduce, Accumulate and Buy. As a rule, Inderes' investment recommendations and target prices are reviewed at least 2–4 times per year in connection with the companies' interim reports, but the recommendations and target prices may also be changed at other times depending on the market conditions. The issued recommendations and target prices do not guarantee that the share price will develop in line with the estimate. Inderes primarily uses the following valuation methods in determining target prices and recommendations: Cash flow analysis (DCF), valuation multiples, peer group analysis and sum of parts analysis. The valuation methods and target price criteria used are always company-specific and they may vary significantly depending on the company and (or) industry.

Inderes' recommendation policy is based on the following distribution relative to the 12-month risk-adjusted expected total shareholder return.

Buy	The 12-month risk-adjusted expected shareholder return of the share is very attractive
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

The assessment of the 12-month risk-adjusted expected total shareholder return based on the above-mentioned definitions is company-specific and subjective. Consequently, similar 12-month expected total shareholder returns between different shares may result in different recommendations, and the recommendations and 12-month expected total shareholder returns between different shares should not be compared with each other. The counterpart of the expected total shareholder return is Inderes' view of the risk taken by the investor, which varies considerably between companies and scenarios. Thus, a high expected total shareholder return does not necessarily lead to positive performance when the risks are exceptionally high and, correspondingly, a low expected total shareholder return does not necessarily lead to a negative recommendation if Inderes considers the risks to be moderate.

The analysts who produce Inderes' research and Inderes employees cannot have 1) shareholdings that exceed the threshold of significant financial gain or 2) shareholdings exceeding 1% in any company subject to Inderes' research activities. Inderes Oyj can only own shares in the target companies it follows to the extent shown in the company's model portfolio investing real funds. All of Inderes Oyj's shareholdings are presented in itemised form in the model portfolio. Inderes Oyj does not have other shareholdings in the target companies analysed. The remuneration of the analysts who produce the analysis are not directly or indirectly linked to the issued recommendation or views. Inderes Oyj does not have investment bank operations.

Inderes or its partners whose customer relationships may have a financial impact on Inderes may, in their business operations, seek assignments with various issuers with respect to services provided by Inderes or its partners. Thus, Inderes may be in a direct or indirect contractual relationship with an issuer that is the subject of research activities. Inderes and its partners may provide investor relations services to issuers. The aim of such services is to improve communication between the company and the capital markets. These services include the organisation of investor events, advisory services related to investor relations and the production of investor research reports.

More information about research disclaimers can be found at [www.inderes.fi/research-disclaimer](http://www.inderes.fi/research-disclaimer).

Inderes has made an agreement with the issuer and target of this report, which entails compiling a research report.

## Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
	Analyst changed		
10/27/2022	Accumulate	3.00 €	2.48 €
12/14/2022	Reduce	3.00 €	3.10 €
1/11/2023	Reduce	3.00 €	3.00 €
2/6/2023	Reduce	3.00 €	3.08 €
5/5/2023	Reduce	2.80 €	2.88 €
8/10/2023	Sell	2.60 €	2.94 €
9/20/2023	Sell	2.60 €	2.84 €
10/30/2023	Reduce	2.60 €	2.66 €
2/7/2024	Reduce	2.50 €	2.66 €
5/8/2024	Reduce	2.50 €	2.56 €
8/12/2024	Reduce	2.45 €	2.68 €
11/7/2024	Sell	2.00 €	2.48 €
3/6/2025	Sell	1.90 €	2.10 €
5/8/2025	Sell	1.80 €	2.01 €
8/8/2025	Sell	1.70 €	1.88 €
10/16/2025	Reduce	1.60 €	1.67 €
10/30/2025	Reduce	1.60 €	1.68 €
1/30/2026	Sell	1.30 €	1.63 €
3/26/2026	Reduce	1.10 €	1.18 €
5/8/2026	Reduce	1.00 €	1.08 €
	Rights issue		
6/11/2026	Reduce	0.60 €	0.64 €



# CONNECTING INVESTORS AND COMPANIES.

Inderes connects investors and listed companies.

We serve over 400 Nordic listed companies that want to better serve investors. The Inderes community is home to over 70,000 active investors.

We provide listed companies with solutions that enable seamless and effective investor relations. The Inderes service is built on four cornerstones for high-quality investor relations: Equity Research, Events, IR Software, and Annual General Meetings (AGM).

Inderes operates in Finland, Sweden, Norway, and Denmark and is listed on the Nasdaq First North Growth Market.

Inderes was created by investors, for investors.

## **Inderes Ab**

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

## **Inderes Oyj**

Porkkalankatu 5  
00180 Helsinki  
+358 10 219 4690

[inderes.se](http://inderes.se)

[inderes.fi](http://inderes.fi)

**inde  
res.**