KEMPOWER

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Pauli Lohi, Analyst
+35845 134 7790
pauli.lohi@inderes.fi

INDERES CORPORATE CUSTOMER

COMPANY REPORT

Market volatility slows earnings turnaround

The market-driven slowdown in growth is delaying the earnings turnaround, which we believe will significantly impact Kempower's earnings development in the coming years. However, we estimate that the company's market position remained strong, and the gross margin also developed more favorably than expected in Q2. While we anticipate strong market growth in the long term, the more muted growth outlook we expect in the near future make the valuation multiples expensive. We lower our recommendation to Reduce (was Accumulate) and our target price to EUR 11 due to weak orders (was EUR 15).

Slower quarter in terms of orders, but margins showed good development

The market reacted negatively to the Q2 report, with orders down 6% year-on-year (the consensus had expected 14% growth). Revenue grew by 10%, falling short of the consensus estimate (19%). However, the gross margin was higher than in previous quarters (Q2'26: 47.2%, Q1'26: 45.4%, Q2'25: 50.6%), which partially alleviated concerns about competitiveness and the sustainability of the margin. The margin recovery also supported operative EBIT, which was -1.9 MEUR, and thus only slightly below the estimate (consensus: 0.1 MEUR) despite a significant top-line miss. The increase in receivables significantly weakened cash flow year-on-year, as sales have become more concentrated among distribution partners whose payment terms are typically longer than those of direct customers.

Upper limit of growth guidance was lowered

Kempower lowered its revenue growth guidance to 10–25% for 2026 (was 10–30%). The company attributes the weaker-than-expected orders in Q2 to delays in some significant orders in North America and, on the other hand, to charging operators focusing on profitability rather than network expansion. Charging station installations in Europe fell by 19% year-on-year in Q2, despite a 27% increase in registrations of battery electric vehicles. We believe the weakness in orders is due to market volatility and that Kempower's market position continues to trend favorably. It is difficult to estimate how long the weak demand will persist, but we believe it will be temporary in the big picture. However, we have significantly lowered our order forecasts and now expect order growth of 8% for H2 and 15–18% for 2027–29. The order book at the end of June was 18% higher than a year ago, and over 2/3 of this amount is expected to be recognized as revenue in the current year, which we believe provides a solid foundation for meeting the guidance.

Company seeks further cost savings to improve profitability

The guidance is that operative EBIT will continue to improve significantly compared to the previous year (unchanged). In H1, earnings improved by 4 MEUR, and for the full year, we forecast a total improvement in earnings of 14 MEUR, supported by increased production efficiency and volume growth. Along with its Q2 report, the company announced a new 5 MEUR cost-saving program targeting fixed costs, aimed at calibrating its cost base to slower-than-expected growth. Decelerated order growth had a rather strong impact on our earnings estimates, which decreased by 49% and 32% for 2027–28.

Significant cash flows too far in the future

Kempower operates in a structurally growing market, but demand can fluctuate at times, causing volatility in estimates. In our view, the company has gained market share in the broader context and has the opportunity to establish itself among the top 3 charger manufacturers in Western markets in the medium term. In our valuation, we have typically relied on an earnings-based valuation with a medium-term horizon. Following our downward revisions to forecasts, the 2028 valuation (EV/EBIT 15x) already approaches fair value, meaning clearer upside would only be evident in the 2029–30 forecasts. We consider this to be too distant and uncertain a reference point from the perspective of the stock's valuation, especially given the increased uncertainty surrounding the short-term demand outlook.

Recommendation
Reduce
(was Accumulate)

Target price:
EUR 11.00
(was EUR 15.00)

Share price:
EUR 10.56

Business risk
●●●○○

Valuation risk
●●●●●

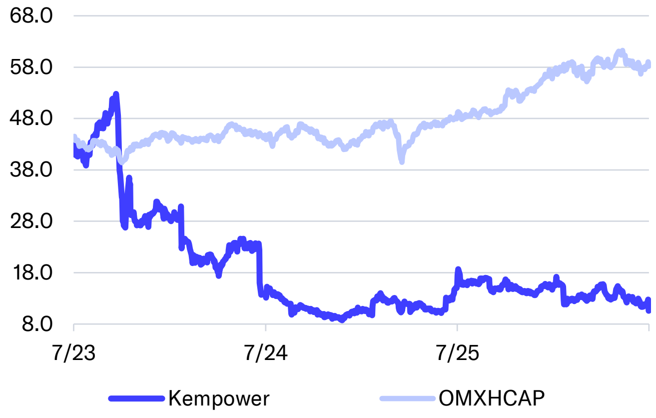
	2025	2026e	2027e	2028e
Revenue	251.3	299.0	343.9	412.7
growth-%	12%	19%	15%	20%
EBIT adj.	-12.4	1.6	16.4	36.3
EBIT-% adj.	-4.9 %	0.5 %	4.8 %	8.8 %
Net Income	-12.4	0.3	12.7	28.8
EPS (adj.)	-0.19	0.01	0.23	0.52
P/E (adj.)	neg.	>100	46.2	20.3
P/B	8.3	5.7	5.1	4.1
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	neg.	>100	34.0	14.8
EV/EBITDA	neg.	36.1	17.5	10.2
EV/S	3.3	1.9	1.6	1.3

Source: Inderes

Guidance (Downgraded)

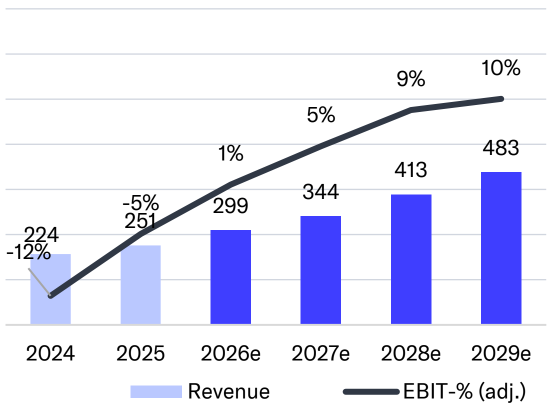
2026 revenue is expected to grow 10-25%. Operative EBIT is expected to improve significantly from 2025 (-12.4 MEUR).

Share price



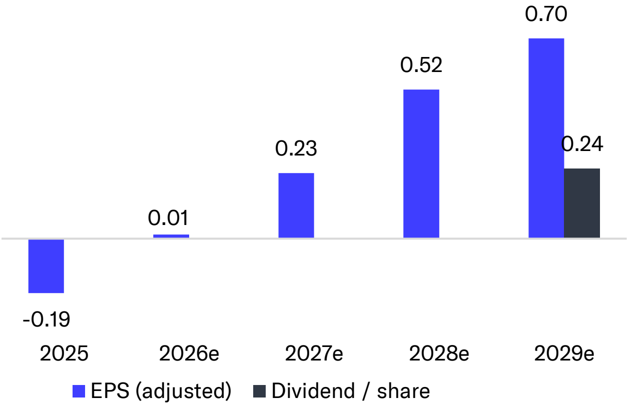
Source: Millistream Market Data AB

Revenue and EBIT % (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- The electrification of transport creates a significant need for efficient charging capacity
- Competitive products provide strong margins and support market position
- Growing the customer base and expanding into new markets
- Strength in heavy-duty charging solutions
- Scalable cost structure

Risk factors

- Restoring profitability requires significant growth
- Uncertainty about long-term profitability levels in the industry
- Changes in technological competitiveness could threaten growth and pricing
- A high valuation based on long-term earnings growth carries significant risk

Valuation	2026e	2027e	2028e
Share price	10.6	10.6	10.6
Number of shares, millions	55.4	55.4	55.4
Market cap	585	585	585
EV	568	558	537
P/E (adj.)	>100	46.2	20.3
P/E	>100	46.2	20.3
P/B	5.7	5.1	4.1
P/S	2.0	1.7	1.4
EV/Sales	1.9	1.6	1.3
EV/EBITDA	36.1	17.5	10.2
EV/EBIT (adj.)	>100	34.0	14.8
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Fluctuations in market activity curbed orders

Softness in orders

Kempower's new orders in Q2 were 70 MEUR, down 6% year-on-year. Orders were clearly below estimates (we estimated 20% growth, consensus 14%). According to the company, orders were weighed down by the consolidation of the charge point operator customer base and their prioritization on improving network utilization and profitability rather than expanding the charging network. There were delays in the closing of some larger deals, particularly in North America. We concluded that orders in North America would have grown without the delays. However, Kempower mentioned that activity with fleet customers has remained strong.

We estimate Kempower still increased its share

Electric vehicle registrations grew by 27% in Europe in H1 and declined by 22% in North America, but the trend in installations was somewhat opposite. Installations decreased by 19% in Europe, and for example, ABB's e-Mobility's order development in Q2 was -28%. We estimate that the entire market is suffering from a decline in investment activity by charging operators and that Kempower has increased its market share in the big picture.

We continue to view the market's growth outlook as attractive as the number of electric vehicles increases, but the development of charging networks does not always keep pace with the growth in the number of vehicles. Low profitability among charging operators and fluctuating financing conditions may affect investments. For example, Kempower's customer Mer recently announced its withdrawal from the UK market to focus on other markets.

Gross margin better than expected

Revenue in Q2 was 11% below our estimate. The gross margin improved compared to the beginning of the year, though it did decline from the strong level seen a year ago (Q2'26: 47.2%, Q1'26: 45.4%, Q2'25: 50.6%). In our opinion, this is a favorable sign, as the market has been anxious about the continuation of the downward margin trend. It also indicates the success of the company's efficiency measures. Operative EBIT was -1.9 MEUR, which was only relatively slightly below estimates (ours/consensus: 0.6/0.1 MEUR), supported by a good gross margin.

Cash flow developed weakly

Cash flow from operating activities declined due to the tie-up of working capital. Receivables increased as sales have become more concentrated among distribution partners whose payment terms are typically longer than those of direct customers. The company's net debt was 1 MEUR at the end of H1 (net cash of 17 MEUR a year ago). The debt covenants are tied to gearing, so low profitability does not immediately cause financing challenges. The company had 102 MEUR in liquidity, and cash flow is expected to improve towards the end of the year.

Estimates	Q2'25	Q2'26	Q2'26e	Q2'26e	Difference (%)
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Act. vs. inderes
Revenue	62.2	68.6	77.1	74.0	-11%
Order intake	74.3	69.8	89.2	84.4	-22%
Gross margin-%	50.6 %	47.2 %	46.4 %	46.8 %	0.8 pp
EBIT (adj.)	-1.7	-1.9	0.6	0.1	
EPS (reported)	-0.05	-0.03	-0.01	0.00	
Revenue growth-%	8.9 %	10.3 %	24.0 %	19.0 %	-13.7 pp
EBIT-% (adj.)	-2.7 %	-2.8 %	0.8 %	0.1 %	0.1 pp

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

Kempower, Webcast, Q2'26

Disappointing orders led to significant cuts in estimates

Upper limit of revenue guidance lowered, earnings guidance unchanged

Kempower lowered its revenue growth guidance to 10–25% for 2026 (was 10–30%). Operative EBIT guidance assumes significant improvement from the previous year (unchanged). The order book at the end of June was 18% higher than a year ago, and over 2/3 of this is expected to be recognized as revenue in the current year, which we believe provides a solid foundation for meeting the guidance (we estimate 19% growth). Operative EBIT, in turn, improved by 4 MEUR in H1, and for the full year, we forecast a total improvement in earnings of 14 MEUR, supported by cost savings in production and volume growth.

Short-term market gloominess and difficult-to-estimate recovery timing

We interpreted that the company expects some short-term gloominess in demand, as indicated concretely by the announcement of the new savings program.

The main factor driving demand for charging equipment is the electrification of transport, which has recently made significant progress in European passenger transport and in heavy-duty transport worldwide. Electrification is also expected to continue, driven by factors such as regulations, oil price fluctuations, and technological advancements.

The current market hiccup, in our estimation, is due to a change in charging operators' strategy, where profitability is emphasized more than before. Charging operators have long been unprofitable and have recently relied on private credit debt as equity financing has become less available. The challenges facing the private credit market may therefore also be an underlying factor. We expect investment growth to gradually strengthen as operators increase their utilization rates and improve profitability.

Company seeks further cost savings to improve profitability

In connection with its Q2 report, the company announced a new 5 MEUR cost-saving program targeting fixed costs, aimed at calibrating its cost base to slower-than-expected growth. Of the previous cost-saving program's target of over 10 MEUR in savings, 4 MEUR has been achieved in the first half of the year. The company is thus seeking extensive savings, and we believe there is potential, as the structure may have areas to trim after the period of rapid growth.

Delayed growth led to reduced earnings forecasts

Decelerated order growth had a rather strong impact on our earnings estimates, which decreased by 49% and 32% for 2027–28. Over the longer term, the forecast cuts were relatively smaller but still significant.

Estimate revisions MEUR / EUR	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %	2028e Old	2028e New	Change %
Revenue	317	299	-6%	396	344	-13%	487	413	-15%
EBITDA	20.7	15.7	-24%	46.7	31.9	-32%	69.7	52.8	-24%
EBIT (exc. NRIs)	8.0	1.6	-80%	32.1	16.4	-49%	53.6	36.3	-32%
EBIT	6.1	1.1	-82%	32.1	16.4	-49%	53.6	36.3	-32%
PTP	5.4	0.4	-93%	31.7	16.0	-49%	53.7	36.4	-32%
EPS (excl. NRIs)	0.11	0.01	-87%	0.45	0.23	-49%	0.77	0.52	-32%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

Delayed earnings turnaround weighs on valuation

The company has strong value creation potential

Kempower has a strong growth and value creation investment profile, where the key factors are 1) strong market growth, 2) good market competitiveness, and 3) a capital-light business model. Recent share price volatility has been driven particularly by market changes, such as the industry inventory cycle in 2023-2024 and shifts in expectations regarding the electrification of transport. Although expectations for the pace of transport electrification have suffered somewhat due to erratic political decision-making, among other factors, the share of fully electric vehicles in the car fleet is growing, and the long-term growth outlook for the target market is assured.

Forecasting the development of Kempower's competitiveness is more challenging because the industry is still relatively young, and changes in the technological environment or geopolitics, for example, could destabilize existing competitive landscapes. However, it currently appears that Kempower has established itself among the globally leading DC charger manufacturers and is gaining market share. Profitability is still low in the current development phase, as the company has invested heavily in production facilities and personnel. Nevertheless, the current cost structure should enable strong revenue growth in the coming years, which would lead to significant scalability of profitability.

Delayed earnings turnaround has weakened fair value; it may take time to achieve solid returns

In our valuation of Kempower, we emphasize earnings-based valuation multiples (EV/EBIT). We estimate that a capital-light growth company will command valuation multiples of 15–20x over the medium term.

With low earnings in the coming years, attractive valuation multiples are not yet within reach. With our current estimates, investor should lean on 2029-30 forecasts in order to achieve an attractive annualized return. With 2029-30 estimates the return would be 11–13% with an EV/EBIT multiple of 15x, or 21% with a multiple of 20x. However, we see significant uncertainty associated with forecasts that extend this far into the future. Additionally, short-term earnings disappointments can act as a negative driver of the share price, which further weighs on the risk/reward ratio.

Only moderate upside in the DCF model

Our DCF model indicates a fair value of EUR 11.6 per share, which suggests a slight upside. The DCF model assumptions include, among other things, high average revenue growth of 17% in 2026-2030 and an EBIT margin of 10% in the terminal period (we decreased the assumption, previously 11%). The WACC assumption used in the calculation is 9.3%, slightly higher than that of other listed companies of similar scale, due to the company's relatively early stage of business development. For a growth company, the DCF model is very sensitive to changes in long-term assumptions. We do not consider the moderate upside indicated by the DCF to be a sufficiently positive valuation signal in the current uncertain market situation.

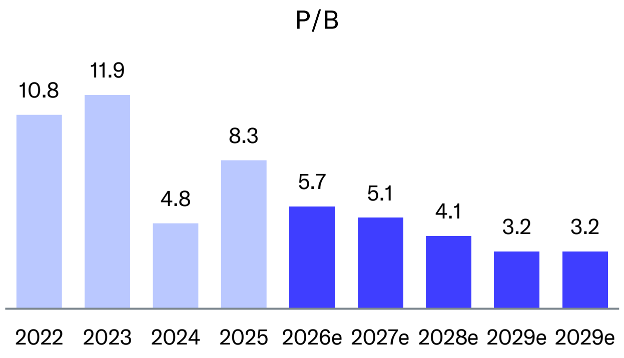
Valuation	2026e	2027e	2028e
Share price	10.6	10.6	10.6
Number of shares, millions	55.4	55.4	55.4
Market cap	585	585	585
EV	568	558	537
P/E (adj.)	>100	46.2	20.3
P/E	>100	46.2	20.3
P/B	5.7	5.1	4.1
P/S	2.0	1.7	1.4
EV/Sales	1.9	1.6	1.3
EV/EBITDA	36.1	17.5	10.2
EV/EBIT (adj.)	>100	34.0	14.8
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

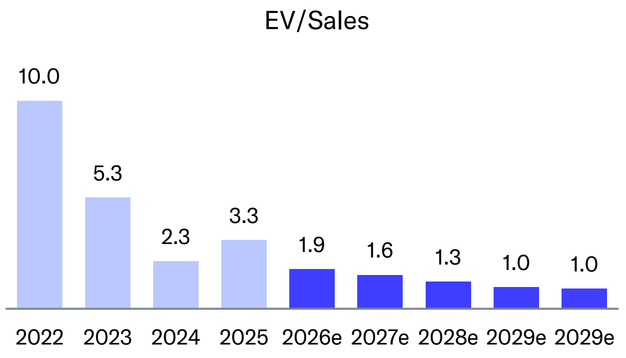
Source: Inderes

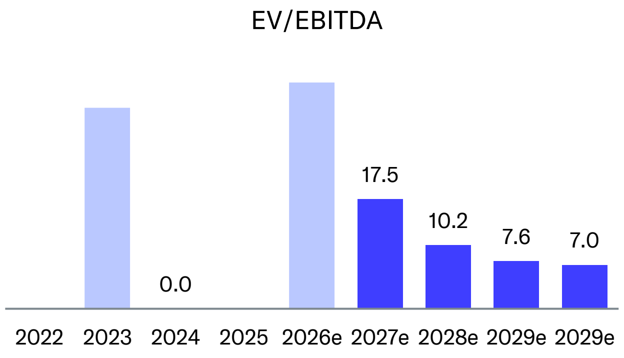
Valuation table

Valuation	2022	2023	2024	2025	2026e	2027e	2028e	2029e	2029e
Share price	19.6	28.7	9.68	15.3	10.6	10.6	10.6	10.6	10.6
Number of shares, millions	55.5	55.3	55.3	55.4	55.4	55.4	55.4	55.4	55.4
Market cap	1091	1588	535	846	585	585	585	585	585
EV	1033	1513	511	827	568	558	537	505	466
P/E (adj.)	>100	46.9	neg.	neg.	>100	46.2	20.3	15.1	15.1
P/E	>100	47.0	neg.	neg.	>100	46.2	20.3	15.1	15.1
P/B	10.8	11.9	4.8	8.3	5.7	5.1	4.1	3.2	3.2
P/S	10.5	5.6	2.4	3.4	2.0	1.7	1.4	1.2	1.2
EV/Sales	10.0	5.3	2.3	3.3	1.9	1.6	1.3	1.0	1.0
EV/EBITDA	>100	32.1	neg.	neg.	36.1	17.5	10.2	7.6	7.0
EV/EBIT (adj.)	>100	37.2	neg.	neg.	>100	34.0	14.8	10.4	9.6
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	35.0 %	35.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	2.3 %	2.3 %

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	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	MEUR	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
Tesla	1231045	1200254	297.3	233.0	103.8	85.7	14.4	13.2	230.9	183.0			15.6
Zaptec	364	324	45.4	18.6	31.2	15.4	2.4	1.9	87.6	28.1	0.1	0.9	5.4
Alfen	295	315	61.7	40.7	12.5	12.6	0.7	0.7	71.3	84.7			1.9
ABB	158490	160802	29.9	25.1	26.5	22.3	5.4	4.9	39.4	26.8	1.1	1.2	11.3
Sinexcel Electric	1403	1388	21.5	16.4	19.0	15.2	3.1	2.5	23.1	18.0	1.6	1.9	4.9
ChargePoint	132	258					0.7	0.7					0.9
EVGo	435	927					2.9	2.5					
Fastned	624	912			72.2	36.7	6.7	4.7					6.9
Kempower (Inderes)	585	568	358.8	34.0	36.1	17.5	1.9	1.6	731.7	46.2	0.0	0.0	5.7
Average			91.2	66.7	44.2	34.5	3.9	3.3	90.5	68.1	0.9	1.3	6.7
Median			45.4	25.1	28.8	22.3	2.7	2.2	71.3	28.1	1.1	1.2	5.4
Diff-% to median			690%	35%	25%	-21%	-28%	-25%	926%	64%	-100%	-100%	5%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	284	224	43.5	62.2	73.7	71.9	251	66.8	68.6	77.4	86.3	299	344	413	483
EBITDA	47.1	-18.1	-4.0	0.6	3.5	-0.6	-0.5	-0.2	1.5	7.1	7.3	15.7	31.9	52.8	66.3
Depreciation	-6.5	-10.8	-3.4	-3.4	-3.4	-3.5	-13.8	-3.5	-3.7	-3.7	-3.8	-14.7	-15.5	-16.5	-17.9
EBIT (excl. NRI)	40.7	-26.4	-7.3	-1.7	0.2	-3.6	-12.4	-3.5	-1.9	3.4	3.6	1.6	16.4	36.3	48.4
EBIT	40.6	-28.9	-7.3	-2.9	0.1	-4.2	-14.3	-3.7	-2.2	3.4	3.6	1.1	16.4	36.3	48.4
Net financial items	2.5	0.6	-0.2	-0.2	0.0	-0.3	-0.7	-0.8	0.3	-0.2	0.0	-0.7	-0.4	0.1	0.5
PTP	43.1	-28.3	-7.5	-3.1	0.1	-4.5	-15.0	-4.5	-1.9	3.3	3.5	0.4	16.0	36.4	48.9
Taxes	-9.3	5.0	1.4	0.5	-0.4	1.2	2.6	0.8	0.3	-0.7	-0.5	-0.1	-3.4	-7.6	-10.3
Net earnings	33.8	-23.3	-6.2	-2.7	-0.3	-3.3	-12.4	-3.7	-1.6	2.5	3.1	0.3	12.7	28.8	38.6
EPS (adj.)	0.61	-0.38	-0.11	-0.03	0.00	-0.05	-0.19	-0.06	-0.02	0.05	0.06	0.01	0.23	0.52	0.70
EPS (rep.)	0.61	-0.42	-0.11	-0.05	-0.01	-0.06	-0.22	-0.07	-0.03	0.05	0.06	0.01	0.23	0.52	0.70

Key figures	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	173.7 %	-21.1 %	2.1 %	8.9 %	40.9 %	0.3 %	12.3 %	53.6 %	10.3 %	5.0 %	20.0 %	19.0 %	15.0 %	20.0 %	17.0 %
Adjusted EBIT growth-%													938%	120.7 %	33.4 %
EBITDA-%			-9.1 %	0.9 %	4.8 %	-0.9 %	-0.2 %	-0.3 %	2.2 %	9.2 %	8.5 %	5.3 %	9.3 %	12.8 %	13.7 %
Adjusted EBIT-%			-16.9 %	-2.7 %	0.2 %	-4.9 %	-4.9 %	-5.2 %	-2.8 %	4.4 %	4.2 %	0.5 %	4.8 %	8.8 %	10.0 %
Net earnings-%			-14.2 %	-4.3 %	-0.4 %	-4.6 %	-4.9 %	-5.5 %	-2.3 %	3.3 %	3.5 %	0.1 %	3.7 %	7.0 %	8.0 %

Source: Inderes

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

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	67.4	67.3	64.0	66.5	70.4
Goodwill	0.0	0.0	0.0	0.0	0.0
Intangible assets	4.2	7.7	11.2	14.7	18.2
Tangible assets	54.0	45.9	45.8	46.8	47.2
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.1	0.0	0.0	0.0	0.0
Deferred tax assets	9.1	13.7	7.0	5.0	5.0
Current assets	163	180	200	221	257
Inventories	57.5	58.5	68.8	75.7	86.7
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	40.5	66.1	65.8	70.5	80.5
Cash and equivalents	65.4	54.9	65.3	75.1	90.2
Balance sheet total	231	247	264	288	328

Source: Inderes

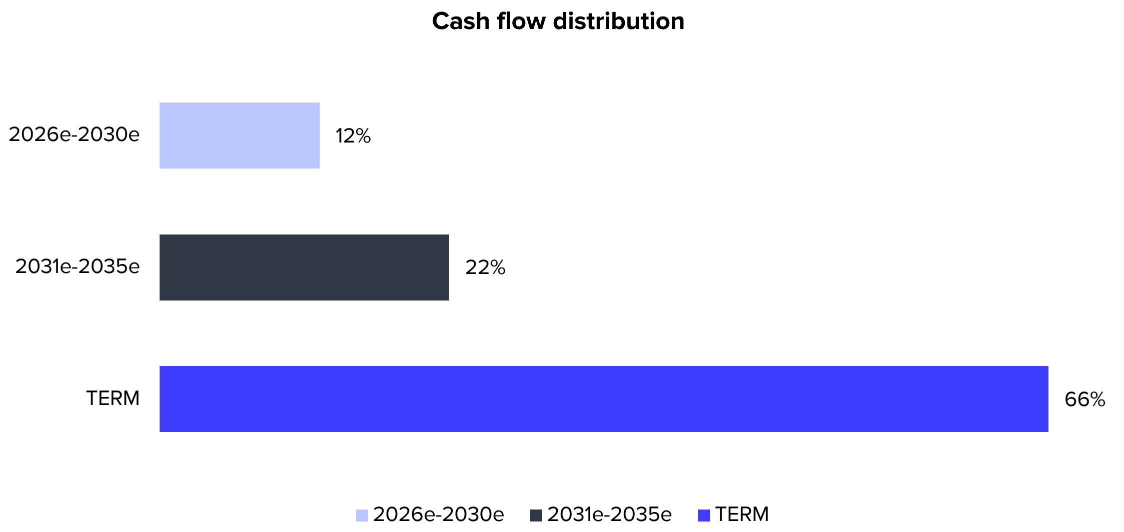
Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	112	102	102	115	144
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	21.5	9.7	10.0	22.7	51.4
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	90.3	92.1	92.1	92.1	92.1
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	31.2	31.6	37.8	37.7	34.5
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	6.0	14.4	14.4	14.4	14.4
Interest bearing debt	25.1	17.2	23.4	23.3	20.1
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.1	0.0	0.0	0.0	0.0
Current liabilities	87.7	113	124	135	150
Interest bearing debt	16.5	18.6	25.3	25.2	21.7
Payables	71.2	94.7	98.7	110	128
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	231	247	264	288	328

DCF-calculation

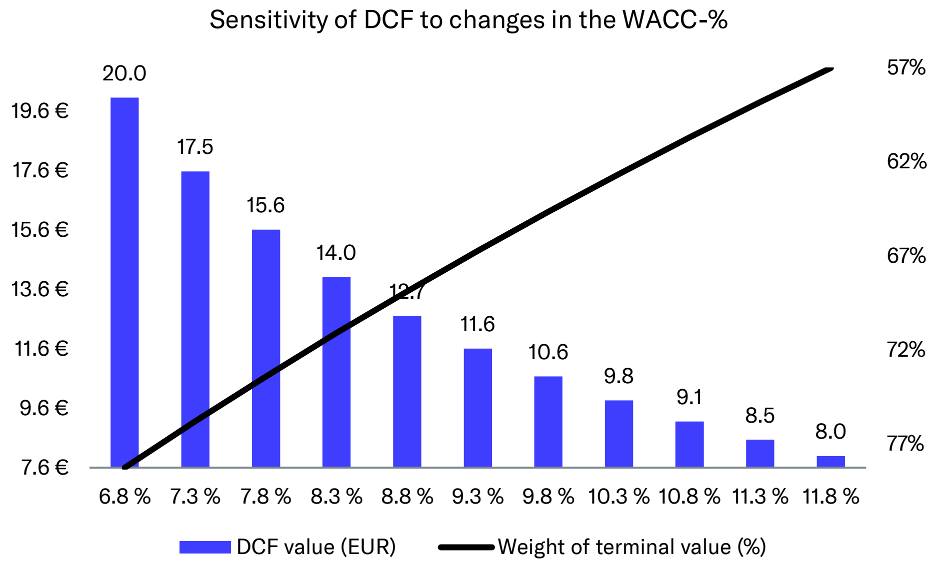
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	12.3 %	19.0 %	15.0 %	20.0 %	17.0 %	15.0 %	11.0 %	9.0 %	6.0 %	5.0 %	3.0 %	3.0 %
EBIT-%	-5.7 %	0.4 %	4.8 %	8.8 %	10.0 %	10.2 %	10.2 %	10.2 %	10.2 %	10.0 %	10.0 %	10.0 %
EBIT (operating profit)	-14.3	1.1	16.4	36.3	48.4	56.4	62.7	68.3	72.4	74.8	77.0	
+ Depreciation	13.8	14.7	15.5	16.5	17.9	20.0	20.2	19.2	18.6	18.3	18.1	
- Paid taxes	-2.0	6.6	-1.4	-7.6	-10.3	-12.1	-13.6	-14.8	-15.6	-16.1	-16.6	
- Tax, financial expenses	-0.1	-0.2	-0.1	0.0	0.1	0.2	0.4	0.4	0.4	0.4	0.4	
+ 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	-3.1	-6.0	-0.2	-3.1	-4.3	-3.7	-3.3	-2.5	-1.0	-0.5	-1.6	
Operating cash flow	-5.8	16.2	30.2	42.1	51.9	60.8	66.4	70.6	74.7	76.9	77.3	
+ Change in other long-term liabilities		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX		-18.1	-20.0	-20.4	-20.8	-21.2	-21.4	-21.4	-21.4	-21.4	-18.5	
Free operating cash flow		-1.9	10.3	21.7	31.1	39.7	45.0	49.2	53.3	55.5	58.8	
+/- Other		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF		-1.9	10.3	21.7	31.1	39.7	45.0	49.2	53.3	55.5	58.8	958
Discounted FCFF		-1.8	9.0	17.4	22.9	26.7	27.7	27.7	27.5	26.1	25.3	413
Sum of FCFF present value		622	623	614	597	574	547	520	492	464	438	413
Enterprise value DCF		622										
- Interest bearing debt		-35.8										
+ Cash and cash equivalents		54.9										
+ Associated companies		0.0										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		641										
Equity value DCF per share		11.6										

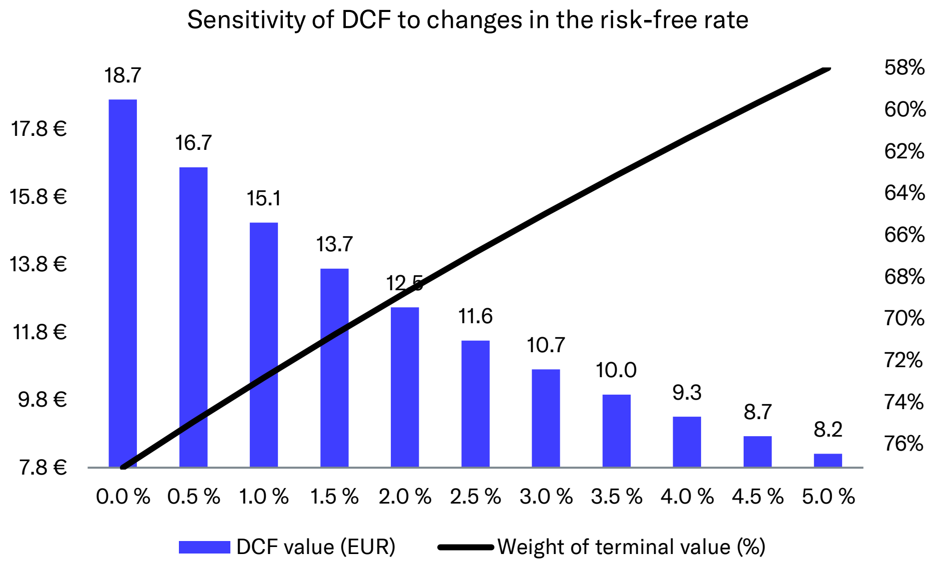
WACC	
Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E)	10.0 %
Cost of debt	3.0 %
Equity Beta	1.60
Market risk premium	4.75%
Liquidity premium	0.00%
Risk free interest rate	2.5 %
Cost of equity	10.1 %
Weighted average cost of capital (WACC)	9.3 %

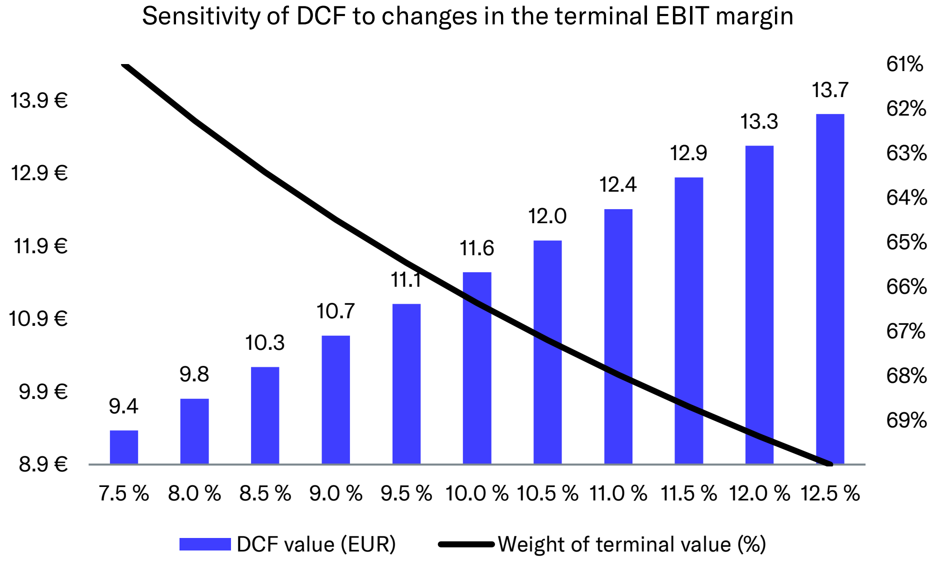
Source: Inderes

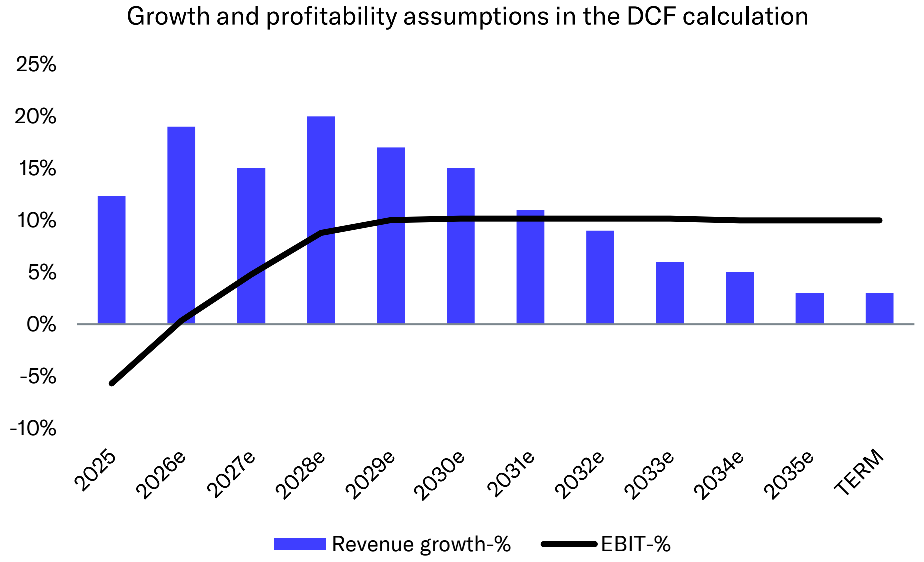


DCF sensitivity calculations and key assumptions in graphs









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

Summary

Income statement	2023	2024	2025	2026e	2027e
Revenue	283.6	223.7	251.3	299.0	343.9
EBITDA	47.1	-18.1	-0.5	15.7	31.9
EBIT	40.6	-28.9	-14.3	1.1	16.4
PTP	43.1	-28.3	-15.0	0.4	16.0
Net Income	33.8	-23.3	-12.2	0.3	12.7
Extraordinary items	-0.1	-2.5	-1.9	-0.5	0.0

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	237.7	230.8	246.8	263.9	287.8
Equity capital	132.9	111.9	101.9	102.2	114.9
Goodwill	0.0	0.0	0.0	0.0	0.0
Net debt	-74.6	-23.8	-19.1	-16.7	-26.6

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	47.1	-18.1	-0.5	15.7	31.9
Change in working capital	2.8	-8.8	-3.1	-6.0	-0.2
Operating cash flow	38.5	-28.1	-5.8	16.2	30.2
CAPEX	-24.2	-27.7	-9.1	-18.1	-20.0
Free cash flow	15.8	-53.6	-6.3	-1.9	10.3

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S	5.3	2.3	3.3	1.9	1.6
EV/EBITDA	32.1	neg.	neg.	36.1	17.5
EV/EBIT (adj.)	37.2	neg.	neg.	>100	34.0
P/E (adj.)	46.9	neg.	neg.	>100	46.2
P/B	11.9	4.8	8.3	5.7	5.1
Dividend-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Inderes

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	0.61	-0.42	-0.22	0.01	0.23
EPS (adj.)	0.61	-0.38	-0.19	0.01	0.23
OCF / share	0.70	-0.51	-0.10	0.29	0.55
OFCF / share	0.29	-0.97	-0.11	-0.03	0.19
Book value / share	2.40	2.02	1.84	1.84	2.07
Dividend / share	0.00	0.00	0.00	0.00	0.00

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	174%	-21%	12%	19%	15%
EBITDA growth-%	396%	-138%	97%	3049%	103%
EBIT (adj.) growth-%	507%	-165%	53%	113%	938%
EPS (adj.) growth-%	718%	-161%	50%	108%	1485%
EBITDA-%	16.6 %	-8.1 %	-0.2 %	5.3 %	9.3 %
EBIT (adj.)-%	14.4 %	-11.8 %	-4.9 %	0.5 %	4.8 %
EBIT-%	14.3 %	-12.9 %	-5.7 %	0.4 %	4.8 %
ROE-%	28.9 %	-19.0 %	-11.6 %	0.3 %	11.7 %
ROI-%	29.6 %	-18.5 %	-9.8 %	0.8 %	10.5 %
Equity ratio	55.9 %	48.5 %	41.3 %	38.7 %	39.9 %
Gearing	-56.1 %	-21.3 %	-18.7 %	-16.3 %	-23.2 %
Net debt/EBITDA	-1.6	1.3	35.8	-1.1	-0.8
EBITDA/net financials	-19.2	30.1	-0.8	22.5	79.8

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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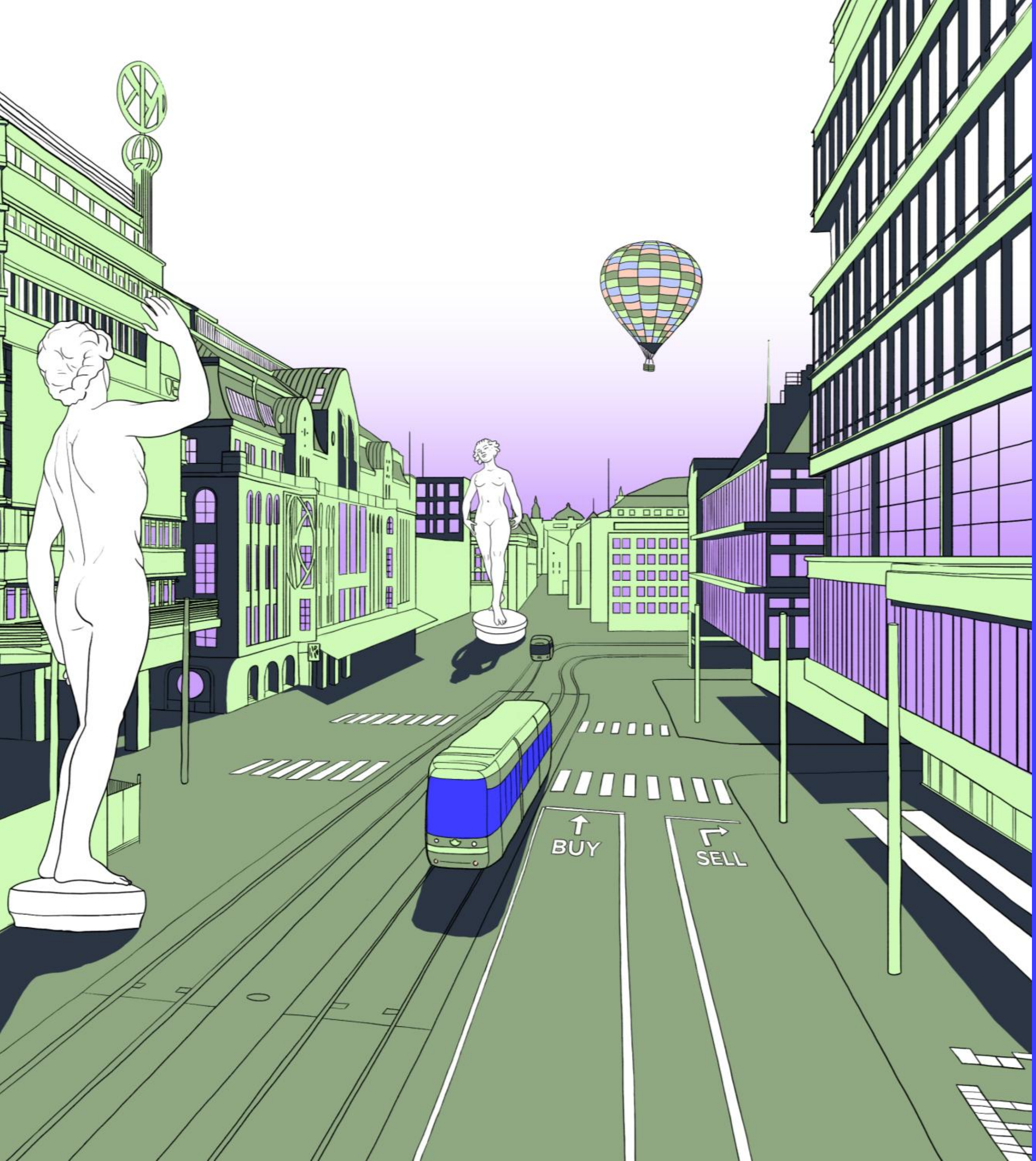
Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
8/15/2022	Accumulate	20.00 €	18.35 €
10/30/2022	Accumulate	22.00 €	19.64 €
2/15/2023	Reduce	27.00 €	27.56 €
4/14/2023	Accumulate	30.00 €	27.30 €
4/20/2023	Accumulate	32.00 €	28.80 €
7/19/2023	Accumulate	43.00 €	41.68 €
7/25/2023	Reduce	43.00 €	42.84 €
9/18/2023	Accumulate	52.00 €	46.10 €
10/19/2023	Accumulate	44.00 €	37.88 €
10/31/2023	Buy	44.00 €	29.59 €
2/9/2024	Buy	41.00 €	28.72 €
2/15/2024	Buy	32.00 €	22.72 €
3/25/2024	Buy	32.00 €	19.55 €
4/25/2024	Buy	28.00 €	17.37 €
7/12/2024	Reduce	19.00 €	22.40 €
7/24/2024	Accumulate	16.00 €	13.17 €
9/2/2024	Reduce	10.00 €	12.00 €
10/3/2024	Reduce	10.00 €	11.60 €
10/31/2024	Reduce	10.00 €	9.86 €
2/12/2025	Accumulate	13.00 €	11.48 €
4/28/2025	Accumulate	12.50 €	10.36 €
7/25/2025	Reduce	15.00 €	17.59 €
10/30/2025	Accumulate	17.00 €	14.73 €
1/27/2026	Accumulate	17.50 €	15.88 €
2/12/2026	Accumulate	15.00 €	12.58 €
4/30/2026	Reduce	15.00 €	15.06 €
5/18/2026	Accumulate	15.00 €	12.98 €
7/24/2026	Reduce	11.00 €	10.56 €



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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