

KREATE

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Atte Jortikka, Analyst
358400543725
atte.jortikka@inderes.fi

INDERES CORPORATE CUSTOMER

COMPANY REPORT



Outlook is promising, price not yet prohibitive

Kreate's Q1 result was, once again, significantly stronger than our forecasts in terms of both growth and profitability. We believe the record-high order book will continue to strengthen during the spring, improving visibility for the end of this year and next year. We estimate that the market situation in Kreate's main markets remains very positive. The company's outlook has strengthened, especially in private sector customers, and we believe Kreate is in a strong competitive position, for example, in the growing data center construction segment. Given the solid order book and outlook, our valuation places more weight on the future than before. We raise the target price to EUR 20.0 (was EUR 16.0), and our recommendation remains Accumulate.

Order book generated greater revenue than we expected during the quarter

Kreate's Q1 revenue grew by 86% to 97.6 MEUR, clearly exceeding our 78.0 MEUR estimate. According to our assessment, this growth was driven by the acquisition of SRV Infra, a record-high order book at the end of the year, and strong project execution. The company's growth in Sweden also clearly exceeded our expectations. The order book grew to a record 689.0 MEUR (12/25: 401 MEUR, 3/25: 226 MEUR). We see that the strong revenue growth was directly reflected in the result. EBITA was 1.5 MEUR (estimate 0.6 MEUR), and the margin was 1.6% (estimate 0.8%). According to the company, relative profitability was still burdened by front-loaded personnel investments in preparation for growth, yet absolute earnings and margin clearly exceeded our expectations.

Our estimates for the coming years rose moderately

At the end of the quarter, Kreate raised its guidance. The company now expects revenue to be in the range of 510–550 MEUR and EBITA to be 18–22 MEUR. In addition to its robust order book, Kreate has projects in the development phase valued at approximately 200 MEUR that will transition to the order book

once the execution phase begins. Based on its order book and the progress of projects in the development phase, Kreate's expected revenue exceeds 480 MEUR, which the company anticipates will be realized in 2026. We believe that a significant portion of the projects in the development phase will be added to the order book during the first half of the year already. We have slightly raised our forecasts and now expect revenue to be closer to the upper end of the guidance range. We expect Kreate's very strong order book growth to slow down in the second half of the year, and we now estimate that the company's order book will total around 600 MEUR at the end of the year. This is still a very strong figure compared to the company's history. Thanks to the solid order book, we have raised our forecasts for next year as well. Given the company's front-loaded growth investments in areas such as recruitment, we believe that it will also be able to improve its relative profitability next year. Nevertheless, our forecast still falls short of the company's EBITA margin target of over 5%, which was set for the 2024–2027 strategic period. Despite the strong outlook for demand, we still expect Kreate's revenue to peak in the short term next year. We anticipate that the 2027 elections will affect public sector demand and the initiation of new projects in the short term, resulting in a negative impact on 2028 volumes.

Our valuation leans more strongly toward next year

With the rise in the share price, Kreate's valuation has become neutral based on our current-year estimates relative to our accepted valuation range (P/E 10-13x, EV/EBIT 10-12x). However, the earnings growth we estimate for next year brings the multiples down to an attractive level overall (P/E 11x, EV/EBIT 9x). Given the improved outlook, we rely even more heavily on next year's forecasts as well in our valuation. In addition to the forecasted earnings growth, the stock offers a dividend yield of around 5%, supporting the stock's total expected return.

Recommendation

Accumulate

(was Accumulate)

Target price:

EUR 20.00

(was EUR 16.00)

Share price:

EUR 18.65

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	315.2	540.2	577.5	547.7
growth-%	14%	71%	7%	-5%
EBITA	10.2	19.9	22.6	23.1
EBITA-%	3.2 %	3.7 %	3.9 %	4.2 %
Net Income	6.3	13.3	15.6	16.1
EPS (adj.)	0.71	1.50	1.75	1.81
P/E (adj.)	17.6	12.5	10.7	10.3
P/B	2.5	3.1	2.7	2.4
Dividend yield-%	4.8 %	4.6 %	5.1 %	5.6 %
EV/EBIT (adj.)	14.9	10.6	9.0	8.7
EV/EBITDA	8.3	6.8	5.9	5.9
EV/S	0.5	0.4	0.4	0.4

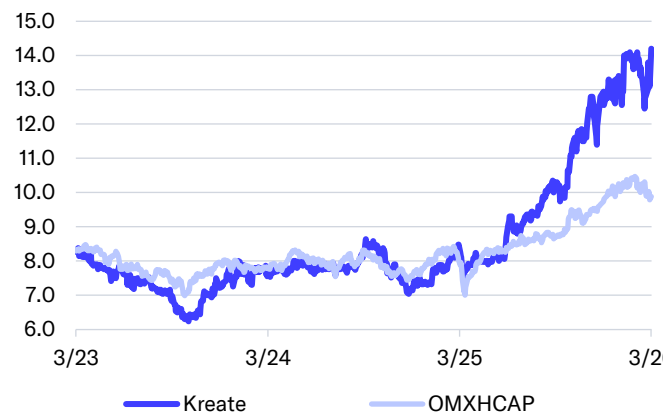
Source: Inderes

Guidance

(Unchanged)

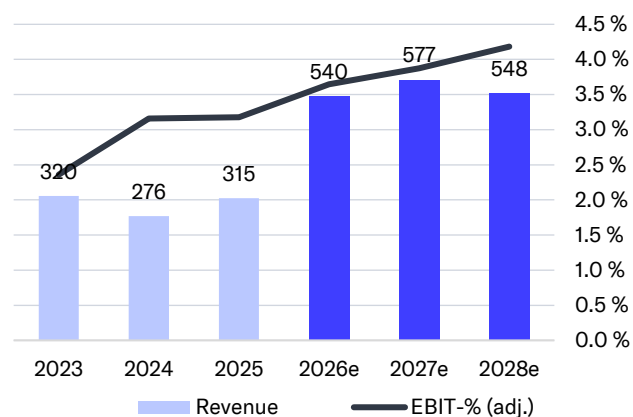
Kreate estimates that its revenue in 2026 will increase and be in the range of 510-550 MEUR (2025: 315 MEUR) and EBITA will increase and be in the range of 18-22 MEUR (2025: 10.2 MEUR).

Share price



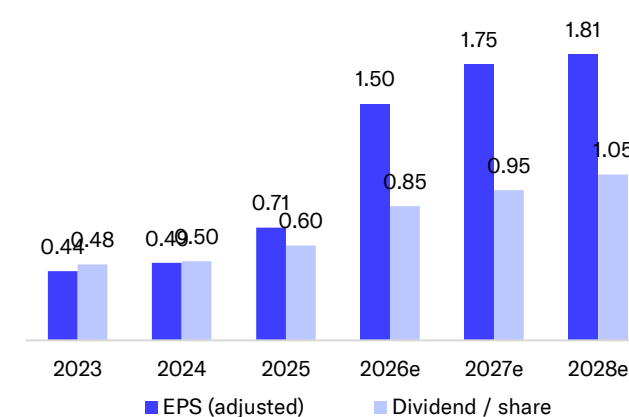
Source: Millstream Market Data AB

Revenue and EBIT % (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Stronger growth than the market in the medium term
- Clear room for improvement in profitability
- Strong return on capital potential
- Competitive advantage through specialized expertise in demanding projects
- Growth potential of the Swedish business

Risk factors

- The industry is partly dependent on economic cycles, especially in the private sector
- Drying up of public investments
- Managing growth, especially in Sweden
- Successful acquisitions

Valuation	2026e	2027e	2028e
Share price	18.7	18.7	18.7
Market cap	166	166	166
EV	209	202	199
P/E (adj.)	12.5	10.7	10.3
P/B	3.1	2.7	2.4
EV/Sales	0.4	0.4	0.4
EV/EBITDA	6.8	5.9	5.9
EV/EBIT (adj.)	10.6	9.0	8.7
Payout ratio (%)	56.7 %	54.3 %	57.9 %
Dividend yield-%	4.6 %	5.1 %	5.6 %

Source: Inderes

Revenue grew significantly stronger than we had forecast again

Revenue growth once again clearly exceeded our forecast

Kreate's Q1 revenue grew by as much as 86% from the comparison period and settled at 97.6 MEUR, significantly exceeding our 78.0 MEUR estimate. The strongest drivers of growth were the acquisition of SRV Infra (now Kreate Rock) at the end of 2025, a record-high order book, and strong project execution across a broad range of projects. In addition, demand driven by the private sector, such as the seven data centers the company is currently constructing, has significantly boosted volumes, according to our estimates. Kreate's Swedish revenue also clearly exceeded our estimate (15.5 MEUR, estimate 10.5 MEUR). The company's order book grew by 205% from the comparison period, reaching a record level of 689 MEUR. We had previously expected the order book to exceed 600 MEUR due to a strong order intake.

During the first quarter, the order book was filled with items such as the final part of the Tampere passenger rail yard

(152 MEUR) and the Kurkela-Kuusisto project (78 MEUR). In addition, the order book included 136 MEUR of unannounced won contracts, including projects subject to confidentiality agreements and new projects below the announcement threshold.

Profitability also at a good level in a seasonally quiet quarter

The strong revenue growth was reflected directly in the bottom line, with Kreate's EBITA coming in at 1.5 MEUR and clearly exceeding our forecast of 0.6 MEUR. At the margin level, the EBITA-% rose to 1.6%, whereas we had estimated 0.8%. The absolute improvement in earnings was largely due to volumes that exceeded our expectations. While volume growth supported earnings, the company's relative profitability was still weighed down somewhat by front-loaded investments in personnel made in anticipation of strong growth this year. Despite this, the margin was also significantly higher than we had expected. Financing costs

rose in line with our forecasts due to an increase in net debt from the comparison period, although net financing costs were slightly below our forecast (-0.6 MEUR, forecast -0.8 MEUR). Due to a stronger operational earnings level and lower financial costs than we expected, EPS was clearly positive at EUR 0.09, exceeding our estimate of EUR -0.03.

No drama in cash flow dip

Kreate's free cash flow from operating activities was -7 MEUR (Q1/25 6.0 MEUR). The decline was due to the normalization of working capital. At the turn of the year, net working capital was exceptionally low at -23 MEUR, a level that even the company itself did not consider sustainable. After the first quarter, net working capital stood at -11 MEUR, reflecting a return to more normal levels. In Kreate's project-driven business model, cash flow naturally fluctuates from quarter to quarter, so it is not advisable to draw far-reaching conclusions based on a single quarter's figures.

Estimates MEUR / EUR	Q1'25 Comparison	Q1'26 Actualized	Q1'26e Inderes	Difference (%) Act. vs. inderes	2026 Inderes
Revenue	52.4	97.6	78.0	25%	540
EBITDA	1.7	3.9	2.3	70%	19.7
EBITA	0.1	1.5	0.6	145%	19.9
EBIT	0.0	1.5	0.6	145%	19.7
PTP	0.0	0.9	-0.2	579%	17.1
EPS (adj.)	0.01	0.09	-0.03	420%	0.85
EPS (reported)	0.01	0.09	-0.03	420%	1.50
DPS					0.85
Revenue growth-%	-3.6 %	86.1 %	48.8 %	37.3 pp	71.4 %
EBITA-%	0.1 %	1.6 %	0.8 %	0.8 pp	3.7 %

Source: Inderes

We further raised our estimates

Estimate revisions

- Kreate raised its guidance at the end of the first quarter, estimating that its revenue in 2026 will increase and be in the range of 510-550 MEUR (2025: 315 MEUR) and EBITA will increase and be in the range of 18-22 MEUR (2025: 10.2 MEUR).
- Following a stronger-than-anticipated first quarter and moderate estimate revisions, we expect the company's revenue to reach 540 MEUR and its EBITA to be 19.9 MEUR. The company has projects worth over 480 MEUR for the current year that will be realized as revenue during the year. These consist of the current order book, projects in the development phase, and contracts that the company deems highly likely to be signed. With this project portfolio alone, the company is already nearly at the pace of the lower end of its guidance range.
- The second phase of the eastern part of the Vantaa tram line and the Junatie metro bridge, when realized, will strengthen the Q2 order book by an estimated 140–160 MEUR. Considering the projects in the development phase, other probable order flow, and our Q2 revenue estimate, the company is well-positioned to increase its order book significantly above the 700 MEUR level by the end of Q2.
- We believe Kreate's growth will continue next year, albeit at a significantly more moderate pace. We expect relative profitability to gradually improve, though growth investments, particularly recruitment, will still weigh on the margin in our short-term estimates.
- We have raised our dividend estimates in line with our projected earnings growth.

Operational earnings drivers 2026-2028

- Large-scale and multi-year projects to be put into execution over H1/2026
- The infrastructure market continues to grow, and in the company's focus areas, extensive structural engineering projects are growing more strongly than the general market growth
- The company is well-positioned in high-growth market areas, such as data center construction
- Moderation of personnel cost pressures, especially from 2027 onwards
- Earnings leverage from increased volumes
- Realization of growth investments in Sweden
- Easing of competitive pressure as other new construction gradually recovers

Estimate revisions	2026	2026	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	532	540	2%	547	577	6%	544	548	1%
EBITA	19.3	19.9	3%	20.9	22.6	8%	22.4	23.1	3%
EBIT (excl. NRIs)	19.1	19.7	3%	20.7	22.4	8%	22.2	22.9	3%
EBIT	19.1	19.7	3%	20.7	22.4	8%	22.2	22.9	3%
PTP	16.0	17.1	7%	17.7	19.9	12%	19.3	20.6	7%
EPS (excl. NRIs)	1.38	1.50	8%	1.51	1.75	16%	1.66	1.81	9%
DPS	0.75	0.85	13%	0.85	0.95	12%	0.95	1.05	11%

Source: Inderes

Kreate, Q1'26



Despite price increase, valuation remains reasonable

Valuation becomes attractive through earnings growth

In our forecasts, the company's profitability will clearly increase in the current year, both in absolute and relative terms. Following the rise in the share price, we believe that the valuation multiples for the current year are at a neutral level (26e: EV/EBIT: 11x, P/E: 12x) relative to our accepted valuation range (EV/EBIT: 10-12x, P/E: 10-13x). Looking to 2027, the multiples already fall to a more attractive level (EV/EBIT 9x, P/E 11x).

The ca. 5% dividend yield, enabled by the business model's normally strong cash flow and low investment needs, also supports the stock's expected return in the coming years. Kreate has expressed its intention to pay an increasing dividend, and we believe the company has the potential to do so, even if the dividend/earnings-% rises above 50% in the near future. Additionally, the company has financing capacity for growth investments, though we don't expect it to make significant acquisitions in the near future.

Still valued at a discount compared to peers

A viable peer group of Nordic listed companies in the industry is available for Kreate. Based on current-year estimates, Kreate's peers are valued at 11x EV/EBIT and 14x P/E multiples. Compared to its peers, Kreate trades at a discount of around 5-15%. In our view, considering Kreate's return on capital and forecast earnings growth, the discount is not justified, and we are currently accepting a valuation for Kreate at the peer group level. However, due to clear differences in the companies' business models, we do not give significant weight to relative valuation in the overall valuation.

The DCF model supports our target price

We also consider the discounted cash flow (DCF) model in our valuation. In our model, the company's revenue growth stabilizes at 2.0% in the terminal period after stronger medium-term growth, and the EBIT margin is 3.8% of revenue. This is below the company's target EBITA margin of over 5%. We do not consider it justified to raise the forecast level to the target level before there is concrete evidence of profitability that is higher than recently and in line with the targets.

The value of Kreate's share according to the DCF model is around EUR 20.0, supporting our recommendation. In the cash flow model, the cost of capital (WACC) we use is 9.2% and the cost of equity is 10.6%. We have slightly decreased Kreate's cost of capital, which now roughly corresponds to the level we apply to its direct peer, GRK. We believe this is justified because the companies' business profiles are very similar.

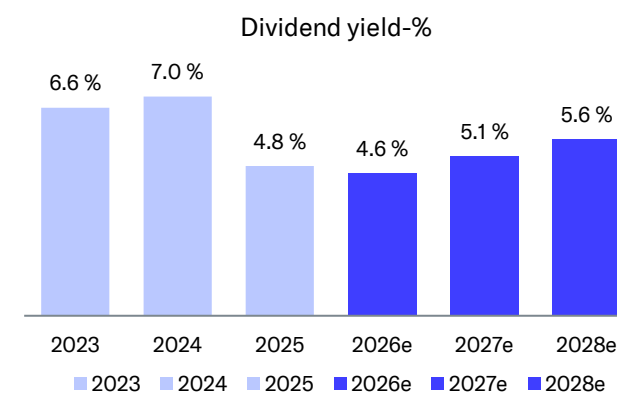
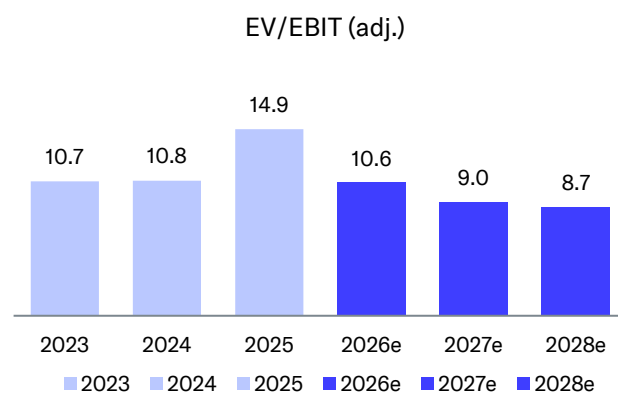
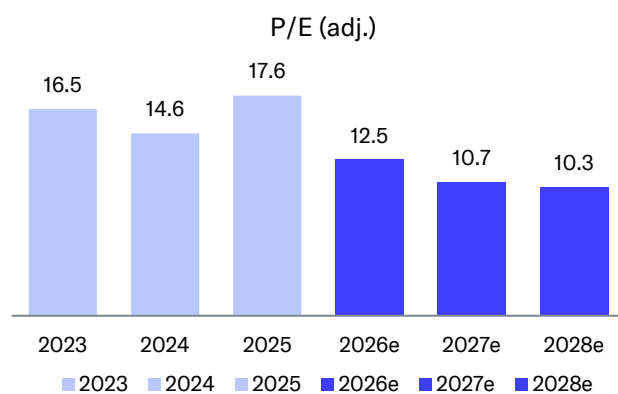
Valuation	2026e	2027e	2028e
Share price	18.7	18.7	18.7
Market cap	166	166	166
EV	209	202	199
P/E (adj.)	12.5	10.7	10.3
P/B	3.1	2.7	2.4
EV/Sales	0.4	0.4	0.4
EV/EBITDA	6.8	5.9	5.9
EV/EBIT (adj.)	10.6	9.0	8.7
Payout ratio (%)	56.7 %	54.3 %	57.9 %
Dividend yield-%	4.6 %	5.1 %	5.6 %

Source: Inderes

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	11.4	8.09	7.22	7.14	12.6	18.7	18.7	18.7	18.7
Market cap	99	73	64	64	112	166	166	166	166
EV	120	106	81	94	149	209	202	199	192
P/E (adj.)	12.6	12.7	16.5	14.6	17.6	12.5	10.7	10.3	9.3
P/B	2.4	1.7	1.5	1.5	2.5	3.1	2.7	2.4	2.2
EV/Sales	0.5	0.4	0.3	0.3	0.5	0.4	0.4	0.4	0.3
EV/EBITDA	8.4	7.8	5.8	6.1	8.3	6.8	5.9	5.9	5.5
EV/EBIT (adj.)	11.6	12.3	10.7	10.8	14.9	10.6	9.0	8.7	7.7
Payout ratio (%)	56.4 %	72.4 %	109.7 %	102.0 %	84.1 %	56.7 %	54.3 %	57.9 %	60.0 %
Dividend yield-%	4.0 %	5.7 %	6.6 %	7.0 %	4.8 %	4.6 %	5.1 %	5.6 %	6.5 %

Source: Inderes



Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/Liikevaihto		P/E		Dividend yield-%		P/B 2026e
			2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	
YIT Oyj	611	1403	17.4	12.9	13.2	10.6	0.7	0.7	43.9	14.8		0.7	0.9
NRC Group ASA	138	207	10.4	8.4	5.1	4.6	0.3	0.3	14.0	9.9		4.7	0.8
Veidekke ASA	2295	2048	11.3	10.6	7.2	6.8	0.5	0.5	16.1	15.1	6.1	6.3	6.7
Ncc AB	1990	2209	11.2	10.4	6.8	6.4	0.4	0.4	12.6	11.4	4.7	5.3	2.4
Peab AB	2562	3349	12.0	11.0	7.9	7.4	0.6	0.6	11.9	10.7	4.3	4.7	1.5
Skanska AB	9710	8612	11.7	10.4	9.0	8.2	0.5	0.5	15.2	13.7	4.0	4.3	1.6
SRV Yhtiot Oyj	89	191	18.2	9.3	12.0	10.6	0.2	0.2	1044.0	15.1	1.7	2.6	0.8
GRK Infra	538	291	5.6	5.6	4.1	4.1	0.4	0.4	9.5	12.4	3.9	4.1	2.6
Consti Oyj	90	83	8.3	6.7	6.2	5.1	0.2	0.2	12.2	9.3	6.6	6.7	1.9
Kreate (Inderes)	166	209	10.6	9.0	6.8	5.9	0.4	0.4	12.5	10.7	4.6	5.1	3.1
Average			11.8	9.5	7.9	7.1	0.4	0.4	131.0	12.5	4.5	4.4	2.1
Median			11.3	10.4	7.2	6.8	0.4	0.4	14.0	12.4	4.3	4.7	1.6
Diff-% to median			-6%	-13%	-5%	-12%	-5%	-10%	-11%	-14%	5%	8%	97%

Income statement

Income statement	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	320.0	275.5	52.4	73.5	94.7	94.6	315.2	97.6	140	155	148	540.2	577.5	547.7	553.1
Finland	298	243	44.9	64.5	79.1	76.4	264.9	82.1	124	131	124	461.5	484.6	448.2	452.7
Sweden	22.5	32.9	7.5	9.0	15.6	18.2	50.3	15.5	16.2	23.4	23.7	78.8	92.9	99.4	100
EBITDA	14.0	15.3	1.7	4.0	6.0	6.3	17.9	3.9	7.7	10.0	9.2	30.8	34.0	33.7	34.9
Depreciation	-6.4	-6.6	-1.7	-1.8	-2.0	-2.4	-7.9	-2.4	-2.8	-3.1	-2.8	-11.1	-11.6	-10.8	-10.0
EBITA	8.8	7.8	0.1	2.2	4.0	3.9	10.2	1.5	4.9	6.9	6.5	19.9	22.6	23.1	25.1
EBIT (excl. NRI)	7.6	8.7	0.0	2.2	4.0	3.9	10.0	1.5	4.9	6.9	6.5	19.7	22.4	22.9	24.9
EBIT	7.6	8.7	0.0	2.2	4.0	3.9	10.0	1.5	4.9	6.9	6.5	19.7	22.4	22.9	24.9
Net financial items	-2.9	-2.8	0.0	-0.8	-0.4	-0.4	-1.6	-0.6	-0.6	-0.7	-0.7	-2.6	-2.5	-2.3	-2.1
PTP	4.7	5.9	0.0	1.4	3.5	3.5	8.4	0.9	4.3	6.2	5.8	17.1	19.9	20.6	22.8
Taxes	-0.7	-1.3	0.2	-0.4	-0.6	-0.9	-1.7	0.1	-0.9	-1.2	-1.2	-3.1	-3.7	-3.8	-4.2
Minority interest	-0.2	-0.2	-0.1	0.2	-0.2	-0.2	-0.4	-0.2	-0.2	-0.2	-0.2	-0.7	-0.7	-0.7	-0.7
Net earnings	3.8	4.4	0.1	1.2	2.7	2.4	6.3	0.8	3.3	4.8	4.5	13.3	15.6	16.1	17.9
EPS (adj.)	0.44	0.49	0.01	0.14	0.30	0.26	0.71	0.09	0.37	0.54	0.50	1.50	1.75	1.81	2.01
EPS (rep.)	0.44	0.49	0.01	0.14	0.30	0.26	0.71	0.09	0.37	0.54	0.50	1.50	1.75	1.81	2.01
Key figures	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	16.8 %	-13.9 %	-3.7 %	8.1 %	22.0 %	25.3 %	14.4 %	86.3 %	90.6 %	63.3 %	56.3 %	71.4 %	6.9 %	-5.2 %	1.0 %
Adjusted EBITA growth-%	-16.9 %	-10.5 %	-90.9 %	-7.6 %	35.0 %	69.6 %	30.4 %	1420.0 %	123.6 %	72.2 %	67.0 %	94.5 %	13.6 %	2.4 %	8.6 %
Adjusted EBITA-%	2.7 %	2.8 %	0.2 %	3.0 %	4.2 %	4.1 %	3.2 %	1.6 %	3.5 %	4.5 %	4.4 %	3.7 %	3.9 %	4.2 %	4.5 %
Adjusted EBIT-%	2.4 %	3.2 %	0.0 %	3.0 %	4.2 %	4.1 %	3.2 %	1.6 %	3.5 %	4.4 %	4.4 %	3.6 %	3.9 %	4.2 %	4.5 %

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	75.8	110	116	113	109
Goodwill	40.4	63.3	70.0	70.0	70.0
Intangible assets	0.3	0.2	0.1	0.0	-0.1
Tangible assets	23.5	34.1	44.6	41.6	38.3
Associated companies	10.5	11.4	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.2	0.3	0.3	0.3	0.3
Deferred tax assets	0.9	0.9	0.9	0.9	0.9
Current assets	55.6	77.4	107	116	113
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	0.7	0.3	0.3	0.3	0.3
Receivables	44.1	58.4	85.2	92.4	90.4
Cash and equivalents	10.8	18.7	21.6	23.1	21.9
Balance sheet total	131	188	223	229	222

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	43.6	45.6	56.7	64.7	72.3
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	25.2	27.1	35.1	43.1	50.7
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	18.0	17.7	17.7	17.7	17.7
Minorities	0.3	0.7	3.8	3.8	3.8
Non-current liabilities	34.5	48.8	47.4	44.1	41.6
Deferred tax liabilities	1.4	1.6	1.6	1.6	1.6
Provisions	3.3	3.3	3.3	3.3	3.3
Interest bearing debt	29.8	43.9	42.6	39.2	36.8
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0	0.0
Current liabilities	53.3	93.3	119	120	108
Interest bearing debt	10.9	10.7	10.6	9.8	9.2
Payables	42.1	82.3	108	110	98.6
Other current liabilities	0.3	0.3	0.3	0.3	0.3
Balance sheet total	131	188	223	229	222

DCF-calculation

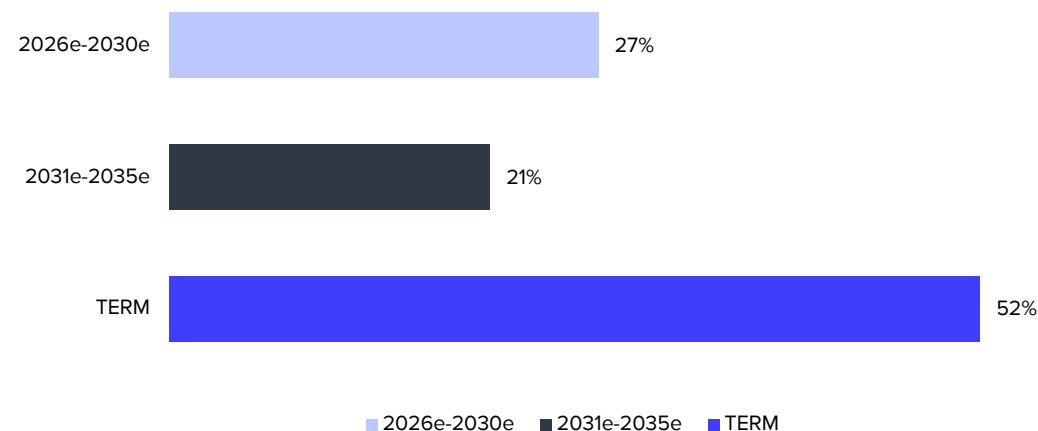
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	14.4 %	71.4 %	6.9 %	-5.2 %	1.0 %	2.5 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	3.2 %	3.6 %	3.9 %	4.2 %	4.5 %	4.2 %	4.0 %	3.8 %	3.8 %	3.8 %	3.8 %	3.8 %
EBIT (operating profit)	10.0	19.7	22.4	22.9	24.9	23.8	23.1	22.4	22.9	23.4	23.9	
+ Depreciation	7.9	11.1	11.6	10.8	10.0	10.1	10.3	10.1	10.1	10.0	10.1	
- Paid taxes	-1.5	-3.1	-3.7	-3.8	-4.2	-4.0	-3.9	-3.9	-4.0	-4.1	-4.2	
- Tax, financial expenses	-0.3	-0.5	-0.5	-0.4	-0.4	-0.3	-0.3	-0.2	-0.2	-0.2	-0.2	
+ 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	26.3	-1.1	-5.5	-9.1	-2.7	0.1	-2.8	0.1	0.1	0.1	0.1	
Operating cash flow	42.4	26.1	24.4	20.4	27.6	29.7	26.4	28.5	28.9	29.2	29.7	
+ 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	0.0	
- Gross CAPEX	-41.4	-28.2	-8.4	-7.5	-10.3	-10.9	-9.6	-9.9	-9.6	-10.2	-9.9	
Free operating cash flow	1.0	-2.1	16.0	12.9	17.4	18.7	16.9	18.6	19.3	19.0	19.8	
+/- Other	3.6	18.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	4.6	15.9	16.0	12.9	17.4	18.7	16.9	18.6	19.3	19.0	19.8	282
Discounted FCFF		14.9	13.8	10.2	12.6	12.4	10.3	10.3	9.8	8.9	8.5	121
Sum of FCFF present value		233	218	204	194	181	169	158	148	138	129	121
Enterprise value DCF		233										
- Interest bearing debt		-54.6										
+ Cash and cash equivalents		18.7										
+ Associated companies		0.0										
-Minorities		-11.9										
-Dividend/capital return		-5.3										
Equity value DCF		179										
Equity value DCF per share		20.2										

WACC

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	4.5 %
Equity Beta	1.40
Market risk premium	4.75%
Liquidity premium	1.40%
Risk free interest rate	2.5 %
Cost of equity	10.6 %
Weighted average cost of capital (WACC)	9.2 %

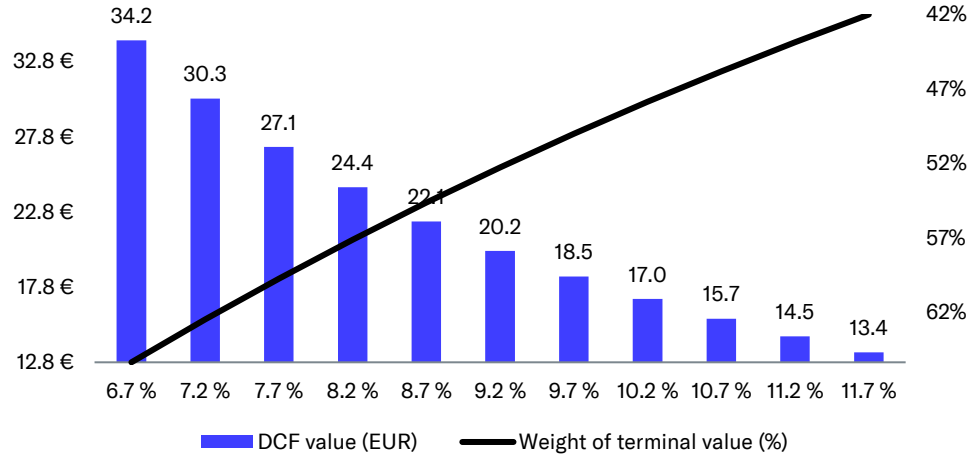
Source: Inderes

Cash flow distribution

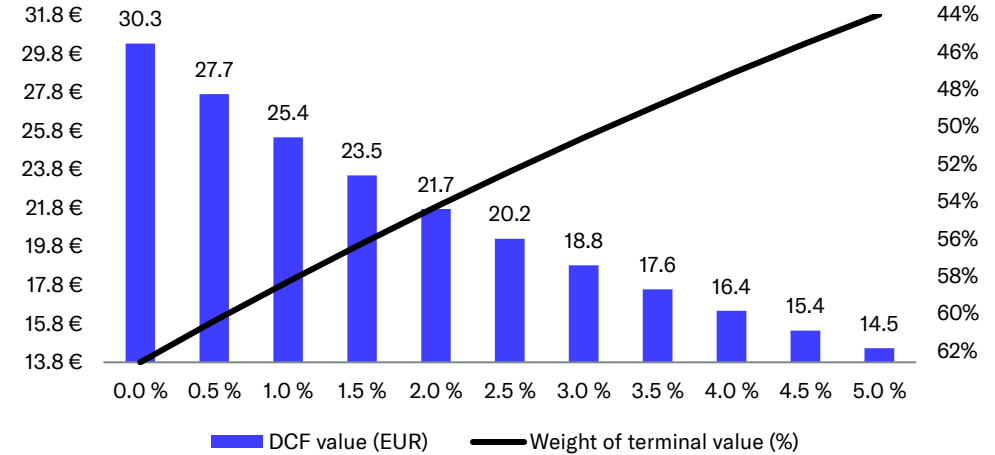


DCF sensitivity calculations and key assumptions in graphs

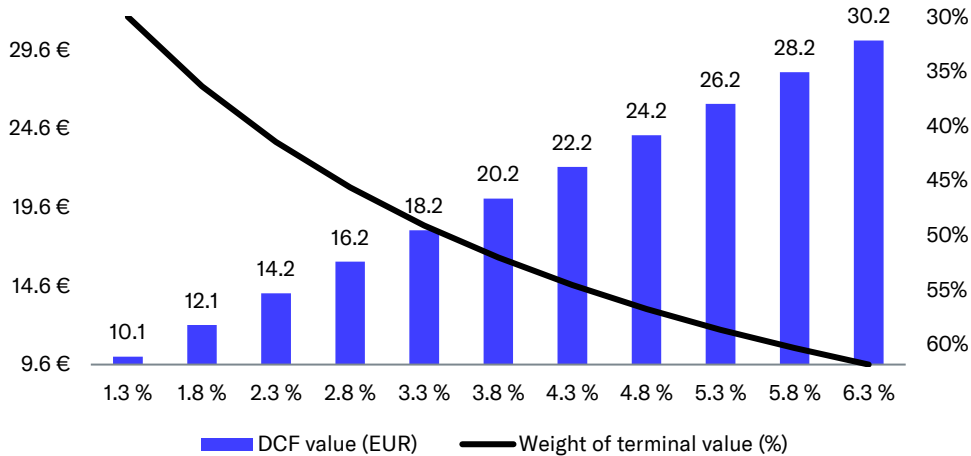
Sensitivity of DCF to changes in the WACC-%



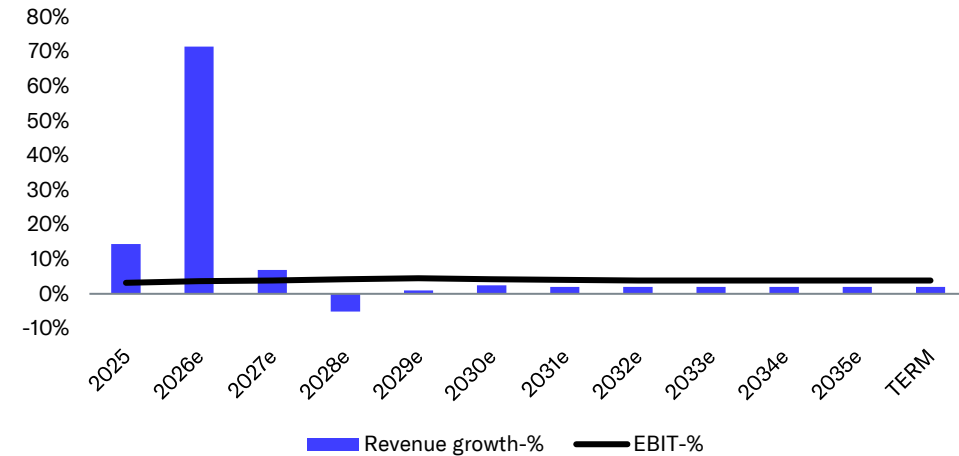
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



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

Summary

Income statement	2024	2025	2026e	2027e	Per share data	2024	2025	2026e	2027e
Revenue	275.5	315.2	540.2	577.5	EPS (reported)	0.49	0.71	1.50	1.75
EBITDA	15.3	17.9	30.8	34.0	EPS (adj.)	0.49	0.71	1.50	1.75
EBIT	8.7	10.0	19.7	22.4	OCF / share	-0.07	4.77	2.93	2.74
PTP	5.9	8.4	17.1	19.9	OFCF / share	-0.82	0.52	1.78	1.79
Net Income	4.4	6.3	13.3	15.6	Book value / share	4.87	5.05	5.94	6.84
Extraordinary items	0.0	0.0	0.0	0.0	Dividend / share	0.50	0.60	0.85	0.95
Balance sheet	2024	2025	2026e	2027e	Growth and profitability	2024	2025	2026e	2027e
Balance sheet total	131.4	187.6	223.1	228.6	Revenue growth-%	-14%	14%	71%	7%
Equity capital	43.6	45.6	56.7	64.7	EBITDA growth-%	9%	17%	72%	10%
Goodwill	40.4	63.3	70.0	70.0	EBIT (adj.) growth-%	15%	15%	97%	13%
Net debt	29.9	35.9	31.6	26.0	EPS (adj.) growth-%	12%	46%	110%	17%
Cash flow	2024	2025	2026e	2027e	EBITDA-%	5.5 %	5.7 %	5.7 %	5.9 %
EBITDA	15.3	17.9	30.8	34.0	EBIT (adj.)-%	3.2 %	3.2 %	3.6 %	3.9 %
Change in working capital	-13.9	26.3	-1.1	-5.5	EBIT-%	3.2 %	3.2 %	3.6 %	3.9 %
Operating cash flow	-0.6	42.4	26.1	24.4	ROE-%	10.1 %	14.4 %	27.3 %	27.4 %
CAPEX	-6.9	-41.4	-28.2	-8.4	ROI-%	10.4 %	10.9 %	18.8 %	20.0 %
Free cash flow	-7.3	4.6	15.9	16.0	Equity ratio	33.2 %	24.3 %	25.4 %	28.3 %
Valuation multiples	2024	2025	2026e	2027e	Gearing	68.6 %	78.8 %	55.8 %	40.1 %
EV/S	0.3	0.5	0.4	0.4	Net debt/EBITDA	2.0	2.0	1.0	0.8
EV/EBITDA	6.1	8.3	6.8	5.9	EBITDA/net financials	5.5	11.1	11.8	13.8
EV/EBIT (adj.)	10.8	14.9	10.6	9.0					
P/E (adj.)	14.6	17.6	12.5	10.7					
P/B	1.5	2.5	3.1	2.7					
Dividend-%	7.0 %	4.8 %	4.6 %	5.1 %					

Source: Inderes

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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
11/22/2021	Buy	13.00 €	10.75 €
11/24/2021	Buy	13.00 €	11.45 €
1/27/2022	Accumulate	13.00 €	11.75 €
4/27/2022	Buy	12.00 €	9.00 €
7/28/2022	Buy	12.00 €	8.80 €
10/4/2022	Buy	11.00 €	8.02 €
10/27/2022	Buy	11.00 €	8.45 €
11/21/2022	Accumulate	10.50 €	8.92 €
1/12/2023	Accumulate	10.50 €	9.05 €
2/1/2023	Accumulate	10.50 €	9.30 €
5/2/2023	Accumulate	9.00 €	7.94 €
7/12/2023	Reduce	7.90 €	7.58 €
7/20/2023	Accumulate	7.90 €	7.44 €
10/26/2023	Accumulate	7.00 €	6.32 €
11/28/2023	Accumulate	7.30 €	6.84 €
2/1/2024	Accumulate	8.50 €	7.94 €
4/29/2024	Accumulate	8.50 €	7.80 €
7/17/2024	Accumulate	8.50 €	7.82 €
10/1/2024	Accumulate	9.00 €	8.36 €
10/28/2024	Reduce	8.80 €	8.36 €
1/13/2025	Accumulate	8.00 €	7.30 €
2/6/2025	Accumulate	8.00 €	7.50 €
4/25/2025	Accumulate	8.60 €	7.92 €
7/15/2025	Accumulate	9.20 €	8.78 €
10/6/2025	Reduce	9.40 €	10.20 €
Analyst changed			
10/23/2025	Reduce	10.50 €	10.65 €
10/29/2025	Reduce	11.00 €	11.05 €
1/9/2026	Reduce	12.50 €	13.30 €
2/8/2026	Accumulate	15.00 €	14.00 €
3/31/2026	Accumulate	16.00 €	14.20 €
3/28/2026	Accumulate	20.00 €	18.65 €



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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

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