BIORETEC

11/13/2026 10:30 am EET

This is a translated version of ”Yhdysvallat kasvutrendissä” report, published on 11/13/2026



Antti Siltanen, Analyst
+358 45 119 6869
antti.siltanen@inderes.fi

INDERES CORPORATE CUSTOMER

COMPANY REPORT



US growth finds its footing

Bioretec's Q3 business review was stronger than we expected in terms of both revenue and, in particular, earnings. Growth came from all regions, but the US shows the clearest upward trend. The improvement in the gross margin and well-contained expenses narrowed the loss more than we had forecast. On the back of the good performance, we raise our forecasts for the coming years moderately. Risks related to delivering on the growth forecasts and to funding remain high. The emerging growth trend in the US and narrowing losses, however, turn our view of the risk/reward positive. We raise our target price to EUR 0.027 (was EUR 0.024) and our recommendation to Accumulate (was Reduce).

US delivers triple-digit growth

Q3 revenue grew by 86% from a weak comparison period to 1.33 MEUR, beating our 1.20 MEUR forecast. Growth came from all regions: the US grew by 143%, Europe by 69%, and the rest of the world by 64%. The US share of revenue rose to one-third, with a clear quarter-on-quarter growth trend. In the other regions, the trend is less clear, and revenue has been more stable this year. In September, the company received FDA clearance for the ActivaScrew Cannulated COM screw, which should gradually support sales growth. Also in September, the Activa product family passed 500,000 implants sold, demonstrating the solid foundation of the legacy product family.

Gross margin and cost discipline narrow the loss

Q3 EBIT was -1.81 MEUR (Q3'25: -1.82 MEUR), clearly better than our -2.17 MEUR forecast. The adjusted gross margin rose to 68.7% (Q3'25: 59.4%), close to the strategy period's target of over 70%. We believe the gross margin improvement reflects the growing share of US sales, where product prices are higher than in the rest of the world. Operating expenses were lower than expected, mainly due to a smaller headcount of 56 (Q3'25: 64). The change negotiations launched in October are expected to generate an additional ~0.3 MEUR in annual savings. The company expects its overall cost level to remain stable and under control in the near term despite investments in product development, and it aims to keep improving the gross margin. Cash and cash equivalents stood at 9.3 MEUR at the end of Q3. We expect the company to carry out a share issue next year.

Moderate estimate hikes

We raise our 2026–2028 revenue estimates by 2–3% following stronger-than-expected Q3 growth. Our EBIT estimates rise more (by 6–14%), as the improved gross margin and lower cost level are reflected throughout the forecast period. For 2026, we now forecast revenue of 5.2 MEUR and EBIT of -7.2 MEUR. Our Q4 forecast already assumes revenue more than doubling from a weak comparison period, so expectations are high to begin with. EBIT remains negative throughout the forecast period in our estimates. In our forecasts, EBIT turns positive in 2029.

Risk/reward turns attractive

As the business is loss-making, we base our valuation on EV/S multiples and the DCF model. On our updated estimates, the share's EV/S multiples for 2026–2027 are ~4.3x and 3.7x. We consider the multiples attractive, even though the recent rise in interest rates weighs on acceptable multiples and increases our required return. In our base case, our DCF model indicates a share value of EUR 0.027. The DCF values range from EUR 0.01 in the pessimistic scenario to EUR 0.08 in the optimistic scenario. The Q3 business review gave further support to the company's growth outlook in the US. On the other hand, ongoing losses and a likely financing round next year keep the risk level high. Overall, the improving business performance turns the risk/reward positive.

Recommendation
Accumulate
(was Reduce)

Target price:
EUR 0.027
(was EUR 0.024)

Share price:
EUR 0.023

Business risk



Valuation risk



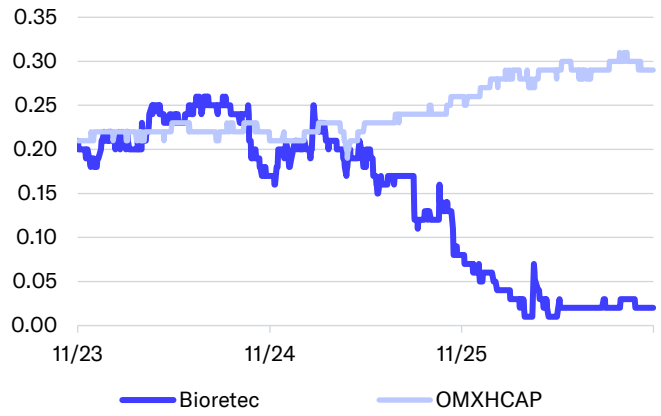
	2025	2026e	2027e	2028e
Revenue	3.5	5.2	7.9	11.4
growth-%	-22%	48%	52%	44%
EBIT adj.	-8.7	-7.2	-5.7	-3.3
EBIT-% adj.	-246.6 %	-137.3 %	-71.3 %	-29.1 %
Net Income	-9.5	-7.9	-6.2	-4.0
EPS (adj.)	-0.31	-0.01	0.00	0.00
P/E (adj.)	neg.	neg.	neg.	neg.
P/B	1.9	2.1	3.5	6.6
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	neg.	neg.	neg.	neg.
EV/EBITDA	neg.	neg.	neg.	neg.
EV/S	4.6	4.3	3.7	3.0

Source: Inderes

Guidance

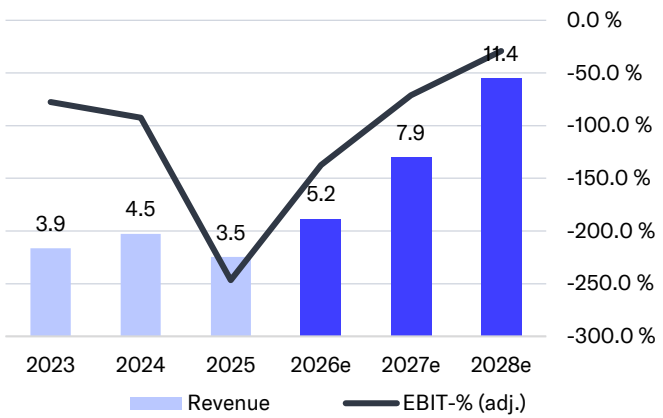
The company does not provide any guidance

Share price



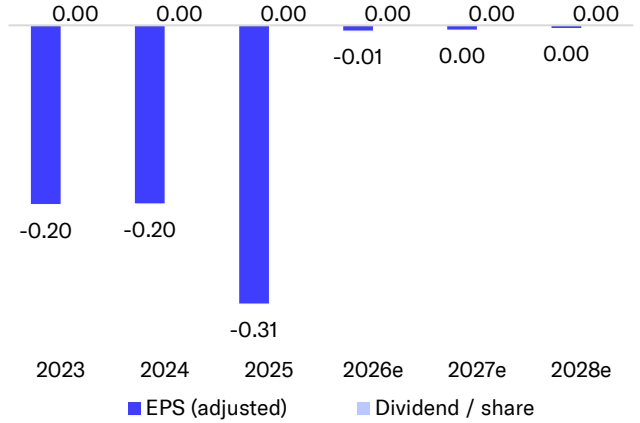
Source: Millistream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and DPS



Source: Inderes

Value drivers

- RemeOs products bring new solutions and added value to the healthcare system and patients
- The first viable player in the key US market for absorbable metallic implants
- Potential for strong long-term growth and robust profitability in a defensive industry
- Growth through indication expansion, geographical expansion, and new products

Risk factors

- A market breakthrough with new technology is uncertain and likely slow
- Due to investment needs and unprofitability, profitability is still a few years away, even in the best-case scenario
- The financial risk is high, and the possibility of losing capital is concrete if growth targets are not met

Valuationc	2026e	2027e	2028e
Share price	0.023	0.023	0.023
Number of shares, millions	1341.8	1341.8	1341.8
Market cap	30	30	30
EV	23	29	34
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	2.1	3.5	6.6
P/S	5.8	3.8	2.7
EV/Sales	4.3	3.7	3.0
EV/EBITDA	neg.	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Result exceeded expectations

Revenue ahead of estimates

Bioretec's Q3 revenue of 1.33 MEUR exceeded our 1.20 MEUR estimate by ~11%. Growth was 86% year-on-year and 21% quarter-on-quarter. Regionally, the United States (0.44 MEUR) grew by 143%, Europe (0.38 MEUR) by 69%, and the rest of the world (0.50 MEUR) by 64%. In January–September, growth has been driven by Europe and the United States, whereas revenue in the rest of the world remains down by 22% due to strong China sales in the comparison period. In Q3, US revenue was already higher than European revenue, and in January–September, US revenue grew by 184%. According to management, growth is driven by surgeons' repeat use, which we consider to be higher-quality growth than distributor restocking. Absolute volumes are still small, so individual orders can cause fluctuations in the figures. However, in Q3, growth was also clearly visible compared to the previous quarter, which is an important signal of the functionality of the sales representative model and the stable, defensive development of sales.

Operating profit was clearly better than our estimate

The Q3 EBIT of -1.81 MEUR was 0.36 MEUR better than our forecast of -2.17 MEUR. Similarly, EBITDA of -1.75 MEUR beat our forecast of -2.07 MEUR. According to our estimates, the revenue beat explains about 0.1 MEUR of the difference, with the rest coming from the cost side. Adjusted gross margin rose to 68.7% (Q3'25: 59.4%), and according to the company, this was driven by an improved sales mix – particularly the growth of US sales. Bioretec does not publish a complete income statement, but based on our estimate, operating expenses were lower than we expected. We consider the improvement in the cost level to be mainly structural, as headcount has decreased and change negotiations will help manage costs in the future as well.

Funding is sufficient until Q3'27

At the end of September, cash assets were 9.3 MEUR (Q3'25: 7.3 MEUR) and the equity ratio was 89.5%. The report does not include a cash flow statement, but cash assets decreased by ~2.7 MEUR in Q3 from 12.0 MEUR at the end of June. Cash burn thus exceeded the EBITDA loss by ~1.0 MEUR, which, in our view, points to working capital tied up by growing sales, as well as investments. The more detailed structure of the cash flow will only be revealed in the financial statements. Interest-bearing liabilities were only 0.2 MEUR at the end of Q2, so we estimate net cash to be close to the level of cash assets. We estimate that the financing will still be sufficient until Q3'27, meaning the next financing round will likely take place towards the end of H1'27. In our view, the improved operational performance strengthens the company's financial position, and surprises regarding the sufficiency of funding are more likely to be positive than negative.

Estimates	Q3'25	Q3'26	Q3'26e	2026e
MEUR / EUR	Comparison	Actualized	Inderes	Inderes
Revenue	0.72	1.33	1.20	5.21
EBITDA	-1.77	-1.75	-2.07	-6.76
EBIT	-1.82	-1.81	-2.17	-7.16
EPS (reported)	-0.06	0.00	0.00	-0.01
Revenue growth-%	4.4 %	85.7 %	67.8 %	48.1 %

Source: Inderes

Bioretec Q3'26: ActivaScrew Enters the US Market



Revenue estimates raise, losses narrow

Estimate revisions

- We raised our 2026 revenue forecast to 5.2 MEUR (prev. 5.1 MEUR) following stronger-than-expected growth in Q3.
- Our forecast implies revenue of ~1.56 MEUR for Q4, which is more than double the comparison period and represents growth of ~17% from Q3. We find this challenging but achievable.
- **We raise our revenue forecasts for 2027–2028e by 2–3%.** Growth relies on the ramp-up of the RemeOs trauma screw in the US and Europe, as well as new products that the company aims to launch every 12–18 months.
- Our EBIT forecast for 2026 improves to -7.2 MEUR (was -8.0 MEUR) due to lower-than-expected cost levels and a higher gross margin in Q3.
- Our EBIT forecasts for 2027–2028 increase by 6–14%. This is driven by the rise in the adjusted gross margin closer to the 70% target and the annual savings of ~0.3 MEUR from the change negotiations.
- We assume that expenses will rise only moderately in the coming years, meaning that the growth in the gross margin will largely flow through to the bottom line, and losses will gradually narrow.
- We expect EBIT to turn positive in 2029. The forecast changes reduce the financing need only slightly, and we still consider a financing round in H1'27 likely. In our view, the Q3 performance points to the possibility that the cash position may last somewhat longer than the company's guidance of Q3'27.
- If the triple-digit growth in the US continues, there is upside in our estimates. A slowdown in growth, in turn, would likely lead to downward revisions in forecasts.

Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	5.1	5.2	3%	7.7	7.9	2%	11.1	11.4	3%
EBITDA	-7.6	-6.8	11%	-5.2	-4.9	7%	-3.2	-2.7	17%
EBIT (exc. NRIs)	-8.0	-7.2	10%	-6.0	-5.7	6%	-3.9	-3.3	14%
EBIT	-8.0	-7.2	10%	-6.0	-5.7	6%	-3.9	-3.3	14%
PTP	-9.0	-8.2	9%	-6.5	-6.2	6%	-4.6	-4.0	14%
EPS (excl. NRIs)	-0.01	-0.01	10%	0.00	0.00	6%	0.00	0.00	14%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

Bioretec Q3'26 Business Review, Webcast



Risk/reward ratio becomes attractive again

Risk/reward has improved

We raise our recommendation and target price as our estimate revisions have improved the risk/reward ratio. We believe that Bioretec has implemented the right corrective actions regarding its business operations and addressed key weaknesses, particularly in sales. The first signs of the impact of the changes have been seen, but visibility into the future is still low and uncertainty remains high. We estimate that growth will materialize gradually, which is typical for the industry, but if successful, it will likely also begin to restore damaged investor confidence and thereby normalize the company's situation. We consider the next financing round during H1'27 to be quite likely, and in our view, investors should also be prepared for the possibility of a second financing round in the medium term.

Uncertainties in valuation and estimates

Because of the loss-making business, we cannot use earnings-based multiples in valuation but instead rely on revenue-based EV/S ratios and DCF calculation that models the present value of future cash flows. The valuation is inherently imprecise as it is based on forecasts with little visibility, although we believe the situation has improved.

DCF model indicates EUR 0.027

Our DCF model's baseline scenario indicates a per-share value of future cash flows of EUR 0.027. The calculation relies heavily on long-term growth and cash flows, with the coming years remaining unprofitable. We assume terminal growth of 2% and EBIT of 20% of revenue, reflecting the good profitability of the industry's companies in a mature development phase.

The high-growth DCF scenario relies on the assumption that a large international medical device manufacturer would acquire Bioretec's product portfolio and rapidly commercialize RemeOs™ products utilizing its own international sales and distribution organization. In this scenario, we assume revenue to be 25% above the baseline scenario and the EBIT margin to be higher (TERM EBIT 25%) due to efficient sales and distribution. This scenario gives the share a value of around EUR 0.08. Our low-growth DCF scenario is based on 50% lower growth compared to the baseline scenario and generates a share value of EUR 0.01. The calculation refers to the risk of permanent loss of capital should the company fail to commercialize the RemeOs™ product line.

Investors should note that there are considerable uncertainties about the realization of estimated cash flows. The DCF model is also very sensitive to the assumptions used, especially when cash flows are far in the future. The cost of capital (WACC) used in the DCF model is 13.4% (was 13.0%), reflecting our stance on the share's high risk level. The required return uptick is based on the rise in the risk-free rate.

EV/S ratios are attractive

Bioretec's EV/S ratio with our 2026 estimates is 4.3x and decreases to 3.7x in the following year.. We find the multiples relatively moderate relative to the growth and profitability potential. Cautious valuation multiples are also largely justified in the current situation, as the company's track record of growth is still in its early stages. We estimate Bioretec's fair EV/S multiple range in a normal scenario to be 5x-7x, though this requires achieving consistent, defensive, and rapid growth from a low starting point.

Valuation	2026e	2027e	2028e
Share price	0.023	0.023	0.023
Number of shares, millions	1341.8	1341.8	1341.8
Market cap	30	30	30
EV	23	29	34
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	2.1	3.5	6.6
P/S	5.8	3.8	2.7
EV/Sales	4.3	3.7	3.0
EV/EBITDA	neg.	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.
Payout ratio (%)	0.0 %	0.0 %	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	2.70	1.40	2.18	2.40	0.60	**0.02**	**0.02**	**0.02**	**0.02**
Number of shares, millions	14.1	14.1	19.1	23.3	30.8	**1341.8**	**1341.8**	**1341.8**	**1341.8**
Market cap	38	20	42	56	18	**30**	**30**	**30**	**30**
EV	33	20	37	51	16	**23**	**29**	**34**	**35**
P/E (adj.)	neg.	neg.	neg.	neg.	neg.	**neg.**	**neg.**	**neg.**	**neg.**
P/E	neg.	neg.	neg.	neg.	neg.	**neg.**	**neg.**	**neg.**	**neg.**
P/B	8.8	10.3	5.1	5.8	1.9	**2.1**	**3.5**	**6.6**	**7.1**
P/S	19.0	6.7	10.7	12.3	5.2	**5.8**	**3.8**	**2.7**	**2.0**
EV/Sales	16.7	6.8	9.5	11.3	4.6	**4.3**	**3.7**	**3.0**	**2.3**
EV/EBITDA	neg.	neg.	neg.	neg.	neg.	**neg.**	**neg.**	**neg.**	**33.6**
EV/EBIT (adj.)	neg.	neg.	neg.	neg.	neg.	**neg.**	**neg.**	**neg.**	**87.4**
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**	**0.0 %**	**0.0 %**
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**	**0.0 %**	**0.0 %**

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**
Ambu A/S	3,138	3,145	27.6	22.9	19.2	15.3	3.7	3.2	36.9	28.4	0.5	0.7	3.6
Bonesupport AB	1,932	1,887	50.2	32.2	47.1	30.9	13.7	10.4	61.0	39.9	0.2	0.4	19.7
C Rad AB	71	59	10.2	7.9	8.4	6.6	1.6	1.4	14.2	12.3	1.9	2.3	2.0
Elekta AB	2,062	2,476	15.0	12.2	8.8	7.8	1.6	1.6	19.2	15.5	3.8	4.2	2.7
Getinge AB	6,822	7,557	16.4	15.0	11.4	10.6	2.4	2.2	21.3	19.5	1.9	2.1	2.3
Medistim ASA	542	528	22.2	19.3	20.0	17.4	6.7	5.8	29.9	25.1	3.4	3.4	11.2
Optomed Plc	36	31				33.4	1.8	1.5					1.6
Vitrolife AB	1,447	1,526	23.7	20.3	15.0	13.5	4.8	4.4	32.4	26.3	0.9	1.1	1.9
Xvivo Perfusion AB	586	569	55.1	32.9	31.6	20.7	6.4	5.3	57.9	42.3			2.9
Sedana	82	79				43.9	4.2	3.4					1.0
Ossdsign AB	37	24					1.8	1.3					1.5
Kuros Biosciences	867	870	61.4	29.7	38.5	23.0	4.7	3.7	85.9	42.5			9.1
Bioretec (Inderes)	**30**	**23**	**-3.2**	**-5.2**	**-3.3**	**-6.0**	**4.3**	**3.7**	**-3.8**	**-4.9**	**0.0**	**0.0**	**2.1**
Average			**31.3**	**21.4**	**22.2**	**20.3**	**4.4**	**3.7**	**39.9**	**28.0**	**1.8**	**2.0**	**5.0**
Median			**23.7**	**20.3**	**19.2**	**17.4**	**4.0**	**3.3**	**32.4**	**26.3**	**1.9**	**2.1**	**2.5**
Diff-% to median			**-113%**	**-126%**	**-117%**	**-135%**	**10%**	**13%**	**-112%**	**-119%**	**-100%**	**-100%**	**-19%**

Source: Refinitiv / Inderes

Income statement

Income statement	2024	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	**4.5**	**3.5**	**1.2**	**1.1**	**1.3**	**1.6**	**5.2**	**7.9**	**11.4**	**14.8**
EBITDA	**-4.1**	**-8.5**	**-1.3**	**-2.2**	**-1.7**	**-1.5**	**-6.8**	**-4.9**	**-2.7**	**1.0**
Depreciation	-0.1	-0.2	-0.1	-0.1	-0.1	-0.1	-0.4	-0.8	-0.7	-0.6
EBIT	**-4.2**	**-8.7**	**-1.4**	**-2.3**	**-1.8**	**-1.6**	**-7.2**	**-5.7**	**-3.3**	**0.4**
Net financial items	-0.4	-1.2	0.0	-1.0	0.0	0.0	-1.0	-0.5	-0.6	-0.7
PTP	**-4.6**	**-9.9**	**-1.4**	**-3.3**	**-1.8**	**-1.6**	**-8.2**	**-6.2**	**-4.0**	**-0.3**
Taxes	0.0	0.4	0.0	0.2	0.0	0.2	0.4	0.0	0.0	0.0
Net earnings	**-4.6**	**-9.5**	**-1.4**	**-3.1**	**-1.8**	**-1.4**	**-7.8**	**-6.2**	**-4.0**	**-0.3**
EPS (rep.)	**-0.20**	**-0.31**	**0.00**	**0.00**	**0.00**	**0.00**	**-0.01**	**0.00**	**0.00**	**0.00**

Key figures	2024	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	16.3 %	-22.5 %	-12.6 %	62.2 %	85.7 %	113.7 %	48.1 %	51.9 %	44.4 %	29.3 %
Adjusted EBIT growth-%	-38.5 %	-106.7 %	-10.6 %	31.3 %	0.9 %	27.1 %	17.6 %	21.1 %	41.0 %	111.9 %
EBITDA-%	-89.2 %	-240.7 %	-109.4 %	-201.0 %	-128.5 %	-96.1 %	-129.6 %	-61.4 %	-23.4 %	6.9 %
Adjusted EBIT-%	-92.5 %	-246.6 %	-117.6 %	-210.1 %	-136.0 %	-102.5 %	-137.3 %	-71.3 %	-29.1 %	2.7 %
Net earnings-%	-101.3 %	-269.3 %	-117.6 %	-282.8 %	-136.0 %	-89.8 %	-148.8 %	-78.1 %	-34.6 %	-2.3 %

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	**1.7**	**2.5**	**2.4**	**2.1**	**2.2**
Goodwill	0.0	0.0	0.0	0.0	0.0
Intangible assets	0.6	1.0	1.3	1.3	1.5
Tangible assets	1.1	1.1	1.1	0.8	0.7
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	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	0.0	0.4	0.0	0.0	0.0
Current assets	**9.8**	**9.2**	**13.1**	**7.2**	**7.0**
Inventories	1.5	3.9	3.1	3.6	4.0
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	2.0	1.2	1.6	2.0	2.3
Cash and equivalents	6.3	4.1	8.4	1.6	0.7
Balance sheet total	**11.5**	**11.7**	**15.5**	**9.3**	**9.1**

Source: Inderes

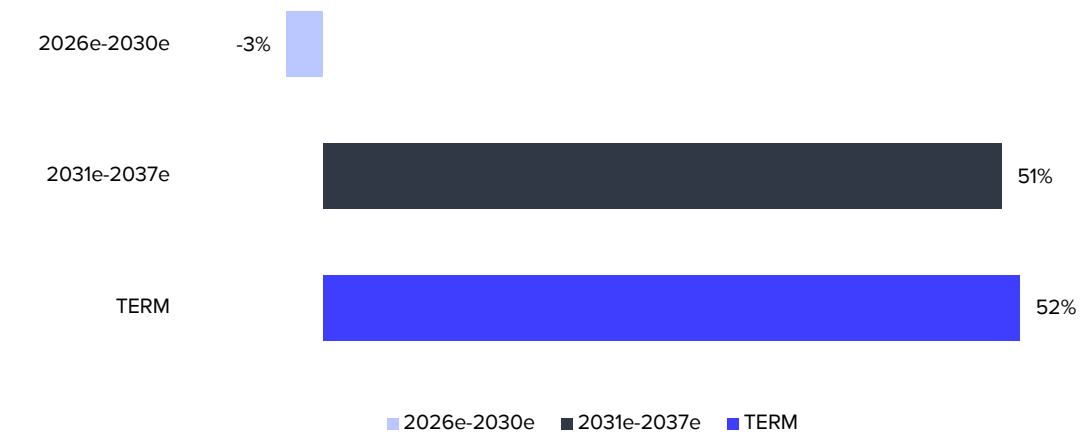
Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	**9.7**	**9.8**	**14.8**	**8.6**	**4.6**
Share capital	3.7	3.7	3.7	3.7	3.7
Retained earnings	-19.8	-29.3	-37.2	-43.4	-47.4
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	25.8	35.3	48.2	48.2	48.2
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	**0.4**	**0.1**	**0.4**	**0.4**	**3.6**
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	0.4	0.1	0.4	0.4	3.6
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	**1.0**	**1.8**	**0.3**	**0.3**	**0.9**
Interest bearing debt	1.0	1.8	0.3	0.3	0.9
Payables	0.0	0.0	0.0	0.0	0.0
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	**11.2**	**11.7**	**15.5**	**9.3**	**9.1**

DCF calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	2037e	TERM
Revenue growth-%	-22.5 %	48.1 %	51.9 %	44.4 %	29.3 %	28.9 %	27.2 %	18.0 %	14.0 %	10.0 %	6.0 %	3.0 %	7.9 %	2.0 %
EBIT-%	-246.6 %	-137.3 %	-71.3 %	-29.1 %	2.7 %	12.0 %	16.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %
EBIT (operating profit)	**-8.7**	**-7.2**	**-5.7**	**-3.3**	**0.4**	**2.3**	**3.9**	**5.7**	**6.5**	**7.2**	**7.6**	**7.8**	**8.5**	
+ Depreciation	0.2	0.4	0.8	0.7	0.6	0.7	0.8	0.9	1.1	1.2	1.2	1.2	1.3	
- Paid taxes	0.0	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Tax, financial expenses	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	
+ 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	0.0	0.0	
- Change in working capital	-1.6	0.4	-0.9	-0.7	0.1	-0.1	0.0	0.3	0.8	-0.5	-0.3	-0.2	-0.5	
Operating cash flow	**-10.2**	**-5.8**	**-5.7**	**-3.4**	**1.1**	**3.0**	**4.7**	**6.9**	**8.4**	**7.8**	**8.4**	**8.9**	**9.3**	
+ 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	0.0	0.0	0.0	
- Gross CAPEX	-0.5	-0.7	-0.5	-0.7	-0.8	-0.9	-1.1	-1.4	-1.2	-1.1	-1.4	-1.4	-1.3	
Free operating cash flow	**-10.7**	**-6.5**	**-6.3**	**-4.1**	**0.3**	**2.0**	**3.5**	**5.5**	**7.2**	**6.7**	**7.1**	**7.5**	**8.0**	
+/- Other	9.2	12.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-1.5	6.4	-6.3	-4.1	0.3	2.0	3.5	5.5	7.2	6.7	7.1	7.5	8.0	75.8
Discounted FCFF		**6.3**	**-5.4**	**-3.2**	**0.2**	**1.2**	**1.8**	**2.6**	**2.9**	**2.4**	**2.2**	**2.1**	**2.0**	**16.5**
Sum of FCFF present value		33.5	27.2	32.7	35.8	35.6	34.4	32.5	30.0	27.0	24.6	22.4	20.3	16.5

Enterprise value DCF	**33.5**
- Interest bearing debt	-1.9
+ Cash and cash equivalents	4.1
+ Associated companies	0.0
-Minorities	0.0
-Dividend/capital return	0.0
Equity value DCF	**35.7**
Equity value DCF per share	**0.027**

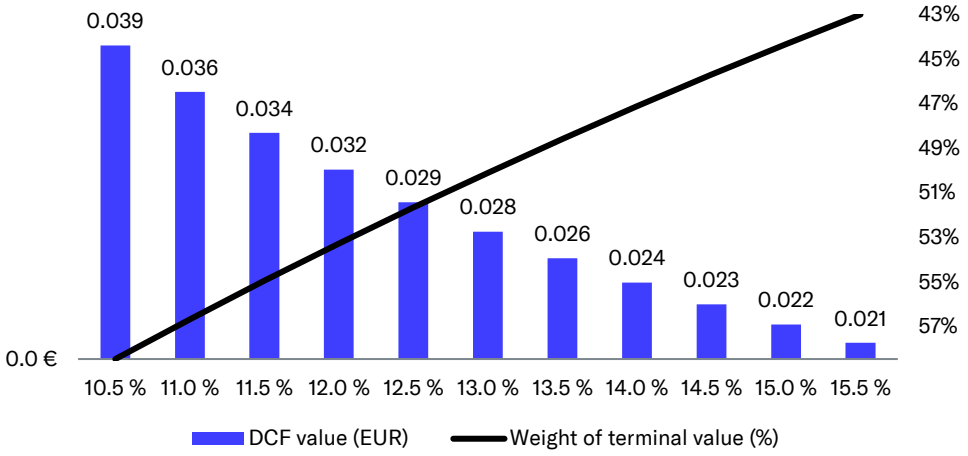
WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E)	10.0 %
Cost of debt	10.0 %
Equity Beta	2.00
Market risk premium	4.75%
Liquidity premium	1.50%
Risk free interest rate	3.0 %
Cost of equity	**14.0 %**
Weighted average cost of capital (WACC)	**13.4 %**



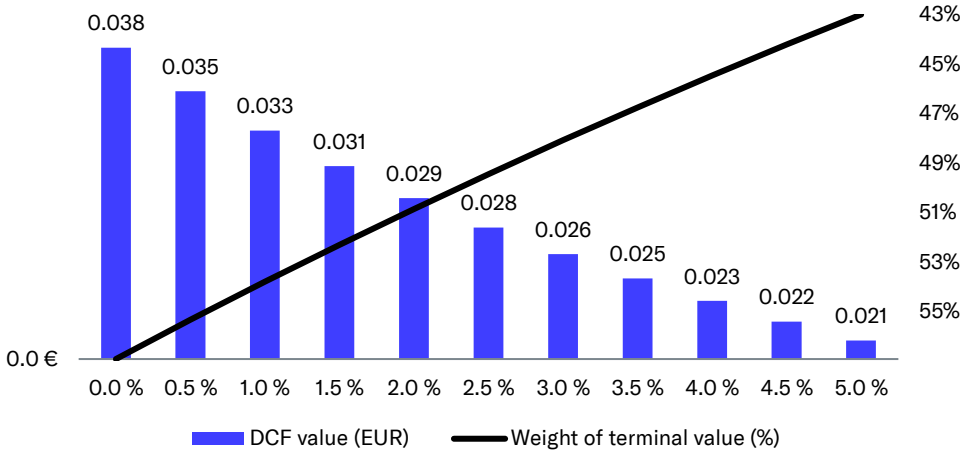
Source: Inderes

DCF sensitivity calculations and key assumptions in graphs

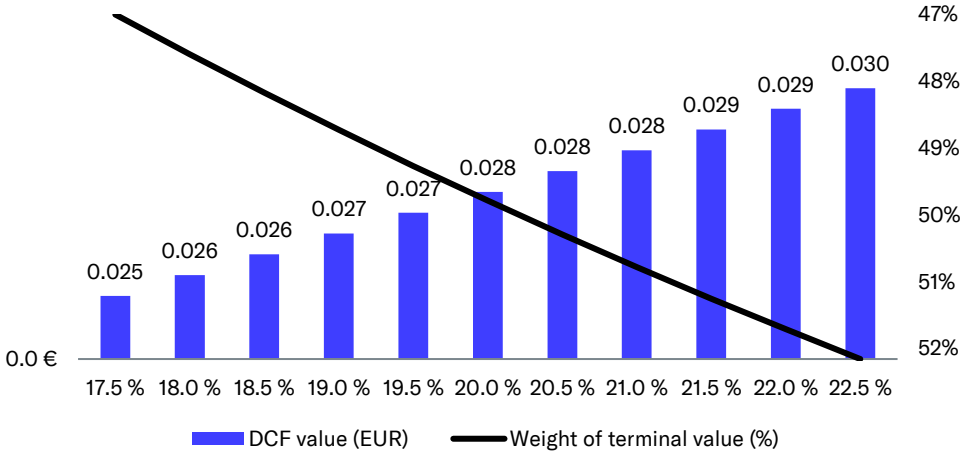
Sensitivity of DCF to changes in the WACC-%



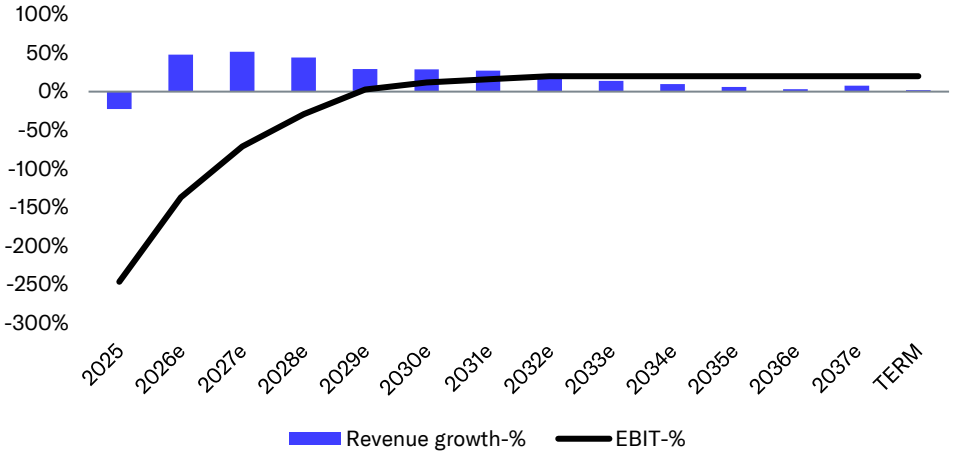
Sensitivity of DCF to changes in the risk-free rate



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	2023	2024	2025	2026e	2027e
Revenue	3.9	4.5	3.5	**5.2**	**7.9**
EBITDA	-2.8	-4.1	-8.5	**-6.8**	**-4.9**
EBIT	-3.0	-4.2	-8.7	**-7.2**	**-5.7**
PTP	-3.8	-4.6	-9.9	**-8.0**	**-6.2**
Net Income	-3.8	-4.6	-9.5	**-7.9**	**-6.2**
Extraordinary items	0.0	0.0	0.0	**0.0**	**0.0**

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	10.7	11.5	11.7	**15.5**	**9.3**
Equity capital	8.2	9.7	9.8	**14.8**	**8.6**
Goodwill	0.0	0.0	0.0	**0.0**	**0.0**
Net debt	-4.5	-4.8	-2.2	**-7.7**	**-0.9**

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	-2.8	-4.1	-8.5	**-6.8**	**-4.9**
Change in working capital	-1.1	-1.0	-1.6	**0.4**	**-0.9**
Operating cash flow	-4.0	-5.0	-10.2	**-5.8**	**-5.7**
CAPEX	-0.5	-0.6	-0.5	**-0.7**	**-0.5**
Free cash flow	4.7	0.0	-1.5	**6.4**	**-6.3**

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S	9.5	11.3	4.6	**4.3**	**3.7**
EV/EBITDA	neg.	neg.	neg.	**neg.**	**neg.**
EV/EBIT (adj.)	neg.	neg.	neg.	**neg.**	**neg.**
P/E (adj.)	neg.	neg.	neg.	**neg.**	**neg.**
P/B	5.1	5.8	1.9	**2.1**	**3.5**
Dividend-%	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**

Source: Inderes

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	-0.20	-0.20	-0.31	**-0.01**	**0.00**
EPS (adj.)	-0.20	-0.20	-0.31	**-0.01**	**0.00**
OCF / share	-0.21	-0.22	-0.33	**0.00**	**0.00**
OFCF / share	0.24	0.00	-0.05	**0.00**	**0.00**
Book value / share	0.43	0.42	0.32	**0.01**	**0.01**
Dividend / share	0.00	0.00	0.00	**0.00**	**0.00**

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	33%	16%	-22%	**48%**	**52%**
EBITDA growth-%	-42%	-43%	-109%	**20%**	**28%**
EBIT (adj.) growth-%	-32%	-38%	-107%	**18%**	**21%**
EPS (adj.) growth-%	-15%	0%	-56%	**98%**	**22%**
EBITDA-%	-72.6 %	-89.2 %	-240.7 %	**-129.6 %**	**-61.4 %**
EBIT (adj.)-%	-77.7 %	-92.5 %	-246.6 %	**-137.3 %**	**-71.3 %**
EBIT-%	-77.7 %	-92.5 %	-246.6 %	**-137.3 %**	**-71.3 %**
ROE-%	-74.7 %	-51.2 %	-97.2 %	**-64.3 %**	**-52.9 %**
ROI-%	-42.9 %	-38.4 %	-75.9 %	**-52.7 %**	**-49.7 %**
Equity ratio	77.2 %	84.8 %	83.6 %	**95.5 %**	**92.5 %**
Gearing	-54.5 %	-49.5 %	-22.6 %	**-52.3 %**	**-10.9 %**
Net debt/EBITDA	1.6	1.2	0.3	**1.1**	**0.2**
EBITDA/net financials	-3.8	-10.2	-7.1	**-7.6**	**-9.1**

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.

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
9/23/2022	Reduce	1.60 €	1.86 €
10/17/2022	Reduce	1.40 €	1.40 €
2/20/2023	Sell	1.90 €	3.04 €
4/1/2023	Sell	2.40 €	3.26 €
5/1/2023	Accumulate	2.70 €	2.25 €
8/14/2023	Accumulate	2.90 €	2.50 €
12/27/2023	Buy	2.80 €	2.18 €
2/19/2024	Accumulate	2.80 €	2.34 €
5/3/2024	Accumulate	3.00 €	2.50 €
5/17/2024	Accumulate	3.00 €	2.65 €
8/16/2024	Reduce	2.90 €	2.90 €
10/8/2024	Reduce	2.60 €	2.38 €
11/15/2024	Accumulate	2.40 €	1.94 €
2/17/2025	Accumulate	2.80 €	2.47 €
5/16/2025	Accumulate	2.80 €	2.30 €
5/30/2025	Accumulate	2.40 €	1.90 €
6/24/2025	Osta	2.40 €	1.70 €
8/15/2025	Accumulate	1.70 €	1.40 €
10/29/2025	Accumulate	1.20 €	0.91 €
11/14/2025	Accumulate	1.05 €	0.85 €
12/7/2026	Reduce	0.60 €	0.68 €
2/16/2026	Accumulate	0.32 €	0.27 €
3/30/2026	Accumulate	0.018 €	0.013 €
4/29/2026	Accumulate	0.018 €	0.014 €
5/18/2026	Accumulate	0.021 €	0.017 €
6/25/2026	Accumulate	0.026 €	0.021 €
8/14/2026	Reduce	0.024 €	0.023 €
11/13/2026	Accumulate	0.027 €	0.023 €



CONNECTING INVESTORS AND COMPANIES.

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

inderes.