COMPONENTA OYJ

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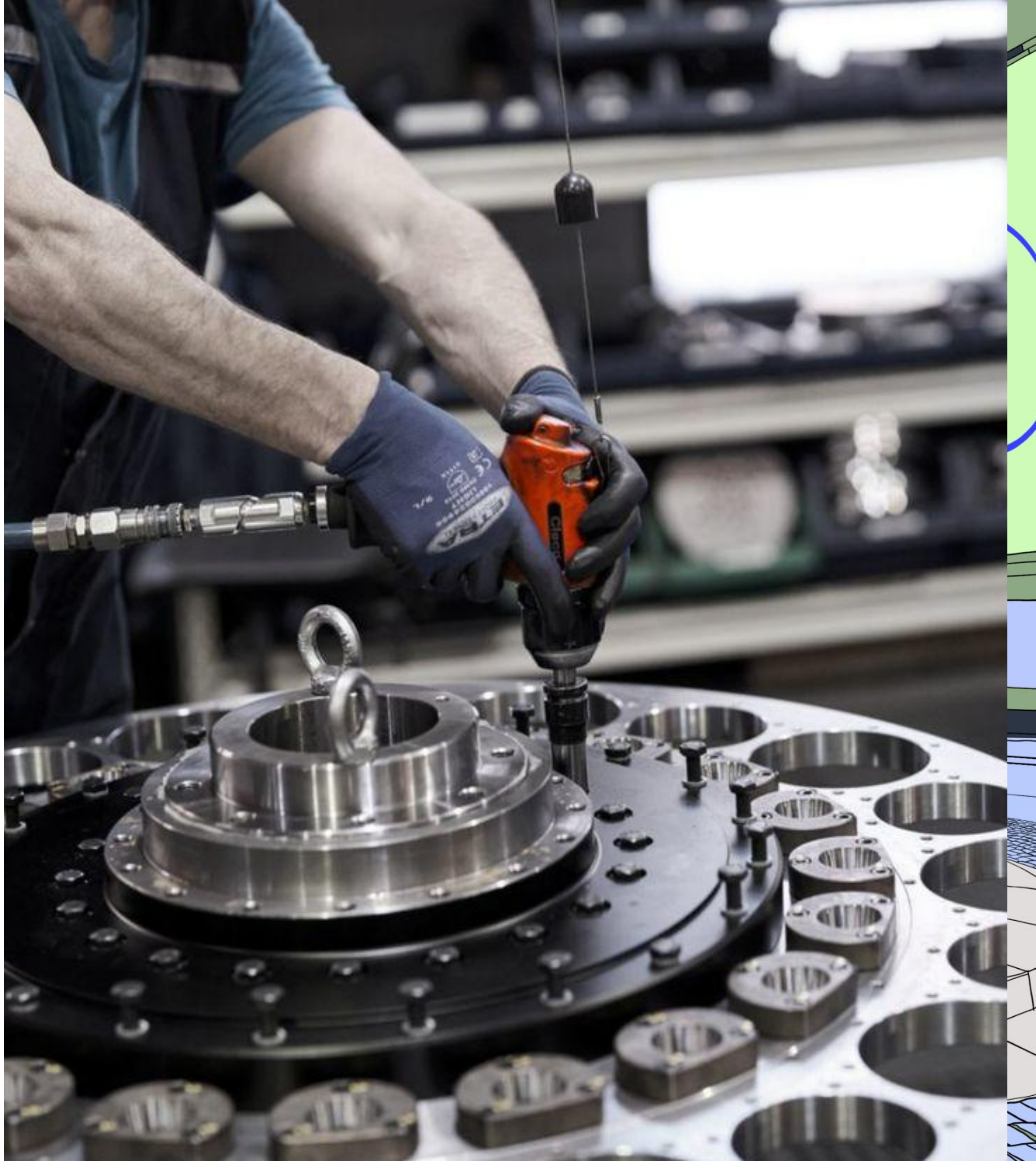
INDERES CORPORATE CUSTOMER

COMPANY REPORT



Turnaround seems sustainable

Componenta published a significantly stronger half-year report than we expected, with profitability continuing its excellent development. The stronger-than-expected earnings turnaround in the first half of the year appears sustainable for the current decade, as we anticipate demand in the defense and energy sectors, which enabled the turnaround, to continue on a strong trajectory. Reflecting this, we made significant forecast upgrades. Forecast risks are, in turn, related to the sustainability of the prevailing earnings level. Despite the share price increase, we believe the neutral valuation and favorable earnings growth outlook keep the risk/reward ratio attractive. We raise our target price to EUR 6.9 (was EUR 5.5) and reiterate our Accumulate recommendation.

Earnings improvement clearly exceeded our expectations

Componenta's revenue grew by 20% to 37.2 MEUR in Q2 but was about 7% below our estimate. The industry breakdown published in the half-year figures confirmed that growth was driven by the defense (16% of revenue) and energy industries (25%), while demand in the agricultural machinery sector remained low. EBITDA increased to 4.8 MEUR (Q2'26e: 4.0 MEUR), or 12.9% of revenue (Q2'25: 8.5%), clearly exceeding our estimate. Demand in the foundry business remained soft based on comments, so the improvement in profitability was, in our assessment, driven by the excellent performance of the machining business. The two-month firm order book rose to 17.4 MEUR (+22.5% y/y) and exceeded our estimate, providing a good starting point for the seasonally quiet Q3. The balance sheet strengthened to virtually net debt-free based on the reported figures.

Earnings turnaround reached a new level; drivers have long-term momentum

Componenta reiterated its 2026 guidance, according to which revenue and adjusted EBIT are expected to improve from the previous year, and with our forecasts (revenue 136 MEUR and adjusted EBIT 8.9 MEUR), the guidance is met with a clear margin. Componenta has achieved a significantly faster and stronger profitability turnaround than we expected in recent quarters. We believe the earnings turnaround is based not only on the company's own successes but also on demand drivers in the energy and defense industries, which are likely to remain unchanged throughout this decade. After the report, we made significant upward revisions to our earnings forecasts (adjusted EBIT 2026–2028e +19–31%) while revenue forecasts remained almost unchanged, which was also slightly reflected in our dividend forecasts. We believe that short-term forecast risks are still skewed positively, as we expect a stable adjusted EBITDA margin in the coming years. Revenue growth has the potential to improve profitability. In addition, foundries operating at low utilization rates could support earnings more strongly than we expect if the agricultural machinery market recovers. The downside risks are primarily related to a potential slowdown in data center investments, which would impact the energy industry's revenue outlook. In the next decade, we expect the profitability level to decline, reflecting our assessment of the business's super-cyclical return on capital profile.

Valuation relies on earnings growth

Our forecast factoring-adjusted EV/EBITDA multiples for 2026 and 2027 are around 5.3x and 4.8x. Based on the realized figures, we do not see significant downside in the multiples, so we expect continued strong earnings growth to support the expected return. The value of our DCF model increased to EUR 6.9 due to forecast changes and a slightly lower required return. Componenta is valued more favorably than its peer group for the coming years, although we view the peer indication with reservations. Supported by a moderate dividend yield (2.5–3.5% in 2026–2028e), the stock's risk/reward ratio remains attractive in our view, despite the sharp share price increase in recent months.

Recommendation
Accumulate
(was Accumulate)

Target price:
EUR 6.90
(was EUR 5.50)

Share price:
EUR 6.36

Business risk
●●●○○

Valuation risk
●●●○○

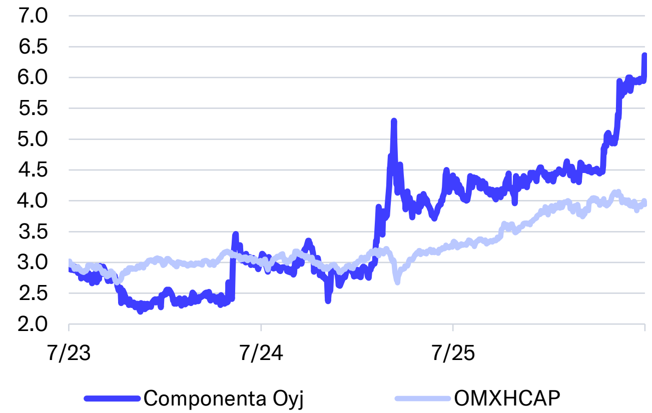
	2025	2026e	2027e	2028e
Revenue	115.7	135.8	148.9	158.9
growth-%	19%	17%	10%	7%
EBIT adj.	4.3	8.9	10.1	10.8
EBIT-% adj.	3.7 %	6.5 %	6.8 %	6.8 %
Net income	8.0	5.3	6.0	7.2
EPS (adj.)	0.24	0.59	0.71	0.78
P/E (adj.)	18.9	10.9	9.0	8.1
P/B	1.3	1.6	1.4	1.3
Dividend yield-%	0.0 %	2.5 %	2.8 %	3.5 %
EV/EBIT (adj.)	13.8	8.5	7.2	6.1
EV/EBITDA	6.2	5.3	4.8	4.0
EV/S	0.5	0.6	0.5	0.4

Source: Inderes

Guidance (Unchanged)

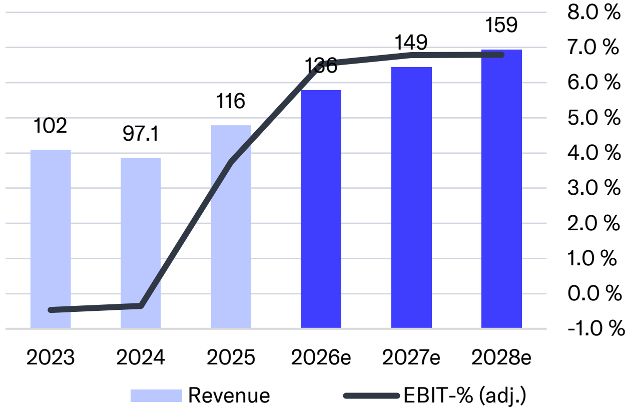
Componenta expects the group's revenue and adjusted EBIT to improve from the previous year. The Group's revenue in 2025 was 115.7 MEUR, and its adjusted EBIT was 4.3 MEUR.

Share price



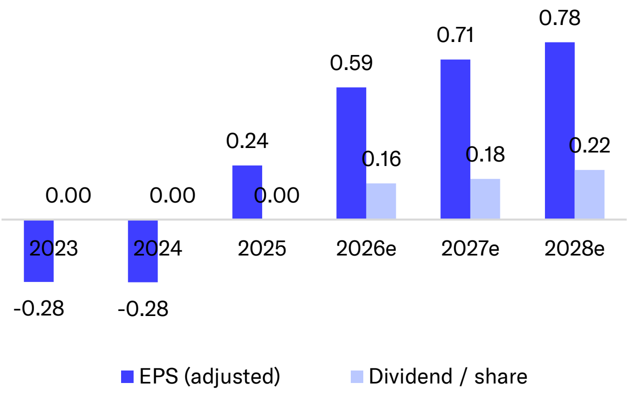
Source: Millistream Market Data AB

Revenue and EBIT % (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Customer industry risk is highly diversified
- Long-term customer relationships with global OEMs
- Cost changes can be quickly passed on to own prices
- The multi-year strong demand outlook for the Defense and Energy industries supports earnings growth

Risk factors

- The business traditionally has low margins
- Individual customer industries are cyclical
- Three customers account for roughly half of the revenue

Valuation	2026e	2027e	2028e
Share price	6.36	6.36	6.36
Number of shares, millions	9.84	9.84	9.84
Market cap	63	63	63
EV	75	73	66
P/E (adj.)	10.9	9.0	8.1
P/E	11.9	10.5	8.7
P/B	1.6	1.4	1.3
P/S	0.5	0.4	0.4
EV/Sales	0.6	0.5	0.4
EV/EBITDA	5.3	4.8	4.0
EV/EBIT (adj.)	8.5	7.2	6.1
Payout ratio (%)	29.9 %	29.6 %	30.0 %
Dividend yield-%	2.5 %	2.8 %	3.5 %

Source: Inderes

Q2 earnings clearly exceeded our expectations

Revenue grew strongly but was below our forecast

Componenta's revenue grew by approximately 20% to 37.2 MEUR in Q2, which was about 7% below our forecast. According to the company, entirely organic growth was driven by new deals, the ramp-up of new product lines, and a slight recovery in the markets. The industry breakdown published in the half-year figures confirmed that growth was driven by the defense (16% of revenue, H1'25: 13%) and energy industries (25%, 23%), in line with our expectations. Demand in the agricultural machinery sector remained low as expected, keeping foundry utilization rates modest.

The two-month firm order book was 17.4 MEUR at the end of the review period (Q2'25: 14.2 MEUR), exceeding our 15.9 MEUR estimate, driven by new sales and a slight market recovery. A stronger-than-expected order book provides a good starting point for Q3, which is seasonally the quietest period of the year.

New profitability records again

Q2 EBITDA rose to 4.8 MEUR (Q2'26e: 4.0 MEUR), or 12.9% of revenue (Q2'25: 8.5%), and adjusted EBIT reached 3.3 MEUR (Q2'26e: 2.5 MEUR). According to the company, the improvement was based on strengthened delivery volumes and improved productivity and quality. Demand in the foundry business remained soft, so the improvement in profitability was based on the excellent performance of the machining business, in our view. Since profitability exceeded our expectations while revenue fell short of our forecast, we believe this was not merely due to efficiency gains from volumes, but also to revenue being weighted towards deliveries with better profitability. We believe this is due to the procurement criteria of rapidly growing customers, which emphasize delivery reliability and quality over price. The bottom lines were close to our expectations, and the tax entry has virtually no cash flow impact due to tax losses. Q2 EPS of EUR 0.24 exceeded our estimate of EUR 0.17.

Balance sheet strenghtened to be practically net debt-free

H1 cash flow from operating activities improved to 4.4 MEUR (H1'25: 3.1 MEUR) despite a clear commitment of working capital. Inventories grew to 20.8 MEUR (end of 2025: 16.8 MEUR), which we estimate the company is using to prepare for increasing sales volumes, and investments almost doubled to 3.1 MEUR. After these and lease payments, free cash flow settled at ~1.5 MEUR, which strengthened the balance sheet. Interest-bearing net debt decreased to 0.6 MEUR, meaning the balance sheet is practically net debt-free based on reported figures. However, the volume of factoring financing, comparable to debt financing, increased during the review period, and in the absence of an exact figure, we estimate it to be around 14 MEUR. Overall, the balance sheet is solid relative to the earnings level and enables the company's planned higher investment level in the coming years.

MEUR / EUR	Q2'25 Comparison	Q2'26 Actualized	Q2'26e Inderes	Difference (%) Act. vs. inderes	2026e Inderes
Revenue	30.9	37.2	39.8	-6%	136
EBITDA	2.6	4.8	4.0	21%	12.7
EBIT	1.3	3.3	2.5	35%	6.8
EPS (reported)	0.08	0.24	0.17	44%	0.40
Revenue growth-%	16.8 %	20.4 %	28.7 %	-8.3 pp	17.3 %
EBIT-% (adj.)	4.1 %	9.0 %	6.3 %	2.8 pp	6.5 %

Source: Inderes

We made significant upward revisions to our earnings estimates

Guidance easily reached on our estimates

Componenta reiterated its guidance that revenue and adjusted EBIT will improve from the previous year (2025: 115.7 MEUR and 4.3 MEUR). We forecast revenue of ~136 MEUR (+17%) and adjusted EBIT of 8.9 MEUR for the current year, so the guidance will be met with a clear margin according to our assessment. A strong order book points to revenue of just under 31 MEUR (+24% y/y) for the seasonally quiet Q3, and despite a challenging comparison period, we expect profitability to improve in Q3 as well. In Q4, we expect growth to moderate to around 11% and profitability to roughly settle at the H1'26 level.

Demand drivers will extend to the latter half of the decade

The energy and defense equipment industries continue to be growth drivers in the coming years. For example, Wärtsilä described in its Q2 report that demand in the Energy segment remains very strong, driven by the need for data centers and balancing power, and that its own capacity limits order growth. This means a high workload for the subcontracting chain for years to come. The outlook for both the defense equipment industry and energy industry segments extends to the end of the current decade, so we believe the company has an exceptionally long visibility into demand. We expect the agricultural machinery market to gradually recover, and a faster-than-expected turnaround could boost results beyond our forecasts through increased foundry utilization.

The main risk to our forecasts is a slowdown in data center investments, which would negatively impact the energy industry's revenue outlook. The outlook for defense demand, on the other hand, is secured for several years, as even if the war subsides, restoring inventory levels would, in our understanding, be a multi-year project across Europe. We consider the probability of internal operational challenges to be low, as the company has successfully responded to strong demand growth without issues.

Margin increases are at the core of the forecast changes

We consider the achieved profitability improvement realistic and made significant upward revisions to our margin forecasts (EBITDA 2026–2028e +9–12%): we expect the EBITDA margin to remain well over 10% in the coming years and to stabilize at just under 8% in the longer term as a super-cyclical level. We also raised our investment forecasts as the company indicated an increase in its investment level, and a new ERP project of approximately 2.5 MEUR (2026–2028) will be adjusted from the EBITDA going forward, which limited the increase in our reported forecasts. Our dividend forecasts increased (2026–2028e: EUR 0.16/0.18/0.22) reflecting the earnings level and the company's goal to distribute roughly one-third of its earnings as dividends.

Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	**Old**	**New**	**%**	**Old**	**New**	**%**	**Old**	**New**	**%**
Revenue	136	136	0%	149	149	0%	159	159	0%
EBITDA	12.7	14.2	12%	13.9	15.1	9%	15.1	16.7	11%
EBIT (exc. NRIs)	6.8	8.9	31%	7.9	10.1	29%	9.1	10.8	19%
EBIT	6.8	8.4	24%	7.9	9.1	16%	9.1	10.3	13%
PTP	5.0	6.6	32%	6.1	7.3	21%	7.6	8.8	16%
EPS (excl. NRIs)	0.41	0.59	44%	0.50	0.71	41%	0.63	0.78	24%
DPS	0.10	0.16	60%	0.13	0.18	38%	0.16	0.22	38%

Source: Inderes

Revenue estimates by industry

	2023	2024	H1'25	H2'25	2025	H1'26	H2'26e	2026e	2027e	2028e
Revenue breakdown by industry										
Machine building	45%	39%	34%	36%	35%	33%	35%	34%	33%	32%
Energy industry	9%	14%	23%	23%	23%	25%	25%	25%	24%	24%
Agricultural machinery	30%	20%	19%	17%	18%	16%	14%	15%	15%	16%
Defense equipment industry	4%	15%	13%	15%	14%	16%	18%	17%	19%	20%
Forest machinery	7%	7%	6%	6%	6%	5%	5%	5%	5%	5%
Other industries	5%	5%	5%	3%	4%	5%	3%	4%	4%	3%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Revenue by industry (MEUR)										
Machine building	46	38	20	20	41	23	23	46	49	51
Energy industry	9	14	14	13	27	18	16	34	36	38
Agricultural machinery	31	19	11	9	21	11	9	21	23	25
Defense equipment industry	4	15	8	8	16	11	12	23	28	31
Forest machinery	7	7	4	3	7	4	3	7	7	8
Other industries	5	5	3	2	5	4	2	5	5	5
Total	**102**	**97**	**60**	**56**	**116**	**70**	**65**	**136**	**149**	**159**
Revenue growth by industry										
Machine building	-9%	-17%	-1%	16%	7%	14%	12%	13%	8%	4%
Energy industry	5%	48%	150%	59%	96%	28%	28%	28%	6%	6%
Agricultural machinery	-10%	-36%	-1%	20%	7%	-1%	-	-0%	10%	8%
Defense equipment industry	87%	258%	29%	-2%	11%	45%	40%	42%	20%	12%
Forest machinery	-7%	-5%	2%	2%	2%	-2%	-	-1%	9%	8%
Other industries	-22%	-5%	-0%	-12%	-5%	18%	2%	12%	2%	2%
Total	**-7%**	**-5%**	**19%**	**19%**	**19%**	**18%**	**17%**	**17%**	**10%**	**7%**

Defense equipment industry segment and announced orders

Revenue from defense equipment orders	Order value (MEUR)	Delivery time	2025	2026e	2027e	2028e
Announced orders						
Order 1: 120 mm mortar grenades (incl. 9 MEUR option)	50	2025–2028	13	13	13	13
Order 2: Additional defense products (incl. 4.4 MEUR option)	10	2025–2028	3	3	3	3
Order 3: Additional defense products	21	2026–2028		7	7	7
Total order revenue	**81**		**15**	**22**	**22**	**22**
Revenue of Defense equipment industry			16	23	28	31
Difference (estimate – order revenue)			**1**	**1**	**6**	**9**
Difference % of order revenue			7.3%	5.2%	26.2%	41.3%

Order revenue is evenly distributed across delivery years, although deliveries are likely to be concentrated in the middle and at the end of the delivery times. This has been taken into account in the forecasts.

Forecast earnings growth supports the expected return

Multiples are neutral based on realized figures

Based on our estimates, the one-off adjusted (ERP project) EV/EBITDA multiples for 2026 and 2027 are around 5.3x and 4.8x, and the EV/EBIT multiples are 8.5x and 7.2x. We have adjusted the net debt in the multiples by our estimated amount of factoring financing comparable to debt financing (2026e 14 MEUR). Based on realized figures (EV/EBITDA ~6x), we believe the share is reasonably priced, so the expected return relies on our forecast of strong earnings growth, which will push multiples down. Despite the improved earnings level, the role of dividends in the expected return is still limited, as the company's planned investments require capital, and M&A may also be on the table in the coming years, which would affect dividend-paying capacity. The expected return does, in any case, receive some support from dividends: our estimated dividend yield is 2.5% for 2026, 2.8% for 2027, and 3.5% for 2028. In light of recent years' performance, we consider Componenta's potential continuation of acquisitions as a positive option, even though corporate reorganizations are an element that increases the risk level.

Highly comparable listed peers are scarce, so we view the peer valuation indication with reservations. However, the discount pricing relative to peers supports our view of the stock's attractive valuation, as Componenta is valued more favorably than its peer group across all metrics for the coming years.

Cash flow model is sensitive to profitability assumptions

The long-term DCF model gives Componenta a share value of EUR 6.9 (was EUR 5.6). The value of the model increased due to forecast changes and a slightly decreased required return (WACC 9.8%, was 10.0%). The terminal period accounts for 47% of the model's value, which we consider reasonable: the multiple corresponding to the terminal value in the tail of the DCF model is ~6x EV/EBITDA, which is close to the stock's current valuation level and thus does not rely on a long-term increase in valuation. However, the model is sensitive to the profitability assumption: our forecasts assume the EBITDA margin will normalize from a good 10% in the coming years to just under 8% as a super-cyclical level, and deviations from this in either direction would significantly impact the model's value.

Strong profitability encourages a longer-term perspective

The inflation and interest rate pressure created by the situation in the Strait of Hormuz, which we previously highlighted as the main macro risk, has not yet impacted the Finnish machine building sector, which as a whole is reporting growing order backlogs. Major trends in the energy and defense industries are strongly propelling Componenta forward, and the company is well-positioned to benefit from these trends. Better-than-expected Q2 profitability strengthened our confidence in our earnings estimates for the coming years, and the recovery of the agricultural machinery market represents a positive option compared to our estimates through an increase in foundries' capacity utilization. The main risks relate to the sustainability of the prevailing earnings level and the possible slowdown in data center investments. With our current forecasts, the stock's 12-month total return expectation exceeds our required rate of return, supported by a moderate dividend yield. Furthermore, a neutral valuation combined with a favorable earnings growth outlook keeps the risk/reward ratio attractive, in our view, despite the share price increase. We raise our target price to EUR 6.9 (was EUR 5.5) per share and reiterate our Accumulate recommendation.

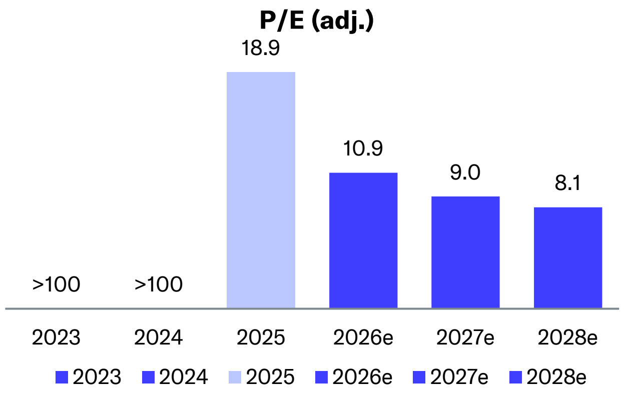
Valuation	2026e	2027e	2028e
Share price	6.36	6.36	6.36
Number of shares, millions	9.84	9.84	9.84
Market cap	63	63	63
EV	75	73	66
P/E (adj.)	10.9	9.0	8.1
P/E	11.9	10.5	8.7
P/B	1.6	1.4	1.3
P/S	0.5	0.4	0.4
EV/Sales	0.6	0.5	0.4
EV/EBITDA	5.3	4.8	4.0
EV/EBIT (adj.)	8.5	7.2	6.1
Payout ratio (%)	29.9 %	29.6 %	30.0 %
Dividend yield-%	2.5 %	2.8 %	3.5 %

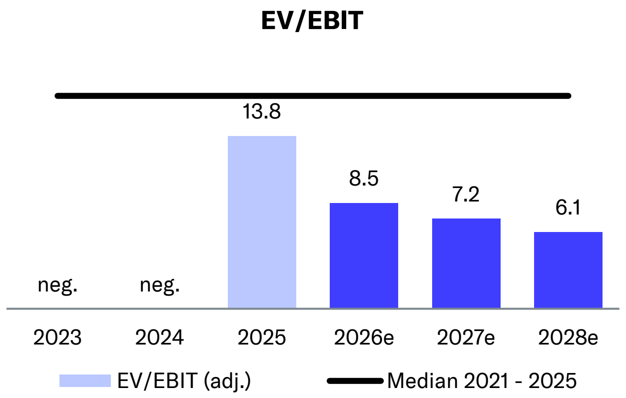
Source: Inderes

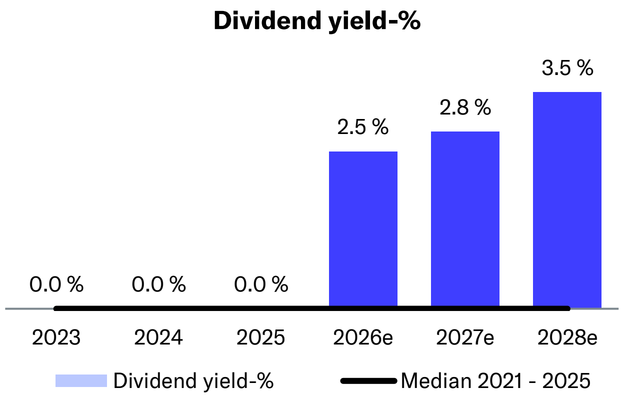
Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	3.34	2.34	2.35	2.76	4.54	**6.36**	**6.36**	**6.36**	**6.36**
Number of shares, millions	9.52	9.71	9.71	9.71	9.84	**9.84**	**9.84**	**9.84**	**9.84**
Market cap	32	23	23	27	45	**63**	**63**	**63**	**63**
EV	44	36	43	41	60	**75**	**73**	**66**	**61**
P/E (adj.)	>100	87.1	>100	>100	18.9	**10.9**	**9.0**	**8.1**	**7.8**
P/E	>100	>100	14.7	>100	5.6	**11.9**	**10.5**	**8.7**	**7.8**
P/B	1.4	1.0	0.9	1.0	1.3	**1.6**	**1.4**	**1.3**	**1.1**
P/S	0.4	0.2	0.2	0.3	0.4	**0.5**	**0.4**	**0.4**	**0.4**
EV/Sales	0.5	0.3	0.4	0.4	0.5	**0.6**	**0.5**	**0.4**	**0.4**
EV/EBITDA	8.9	5.0	8.1	5.2	6.2	**5.3**	**4.8**	**4.0**	**3.5**
EV/EBIT (adj.)	neg.	20.2	neg.	neg.	13.8	**8.5**	**7.2**	**6.1**	**5.5**
Payout ratio (%)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	**29.9 %**	**29.6 %**	**30.0 %**	**50.0 %**
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	**2.5 %**	**2.8 %**	**3.5 %**	**6.4 %**

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 2026e	 2027e	EV/EBITDA 2026e	 2027e	EV/S 2026e	 2027e	P/E 2026e	 2027e	Dividend yield-% 2026e	 2027e	P/B 2026e
Castings plc	171	153	13.9	10.5	6.6	5.7	0.8	0.7	19.7	15.2	5.6	5.6	
Odlewnie	97	90											
Tupy	391	749	11.2	6.1	5.0	3.6	0.4	0.4	9.7	5.9	1.6	3.9	0.7
Aq Group	1773	1738	20.1	17.9	14.7	13.1	1.9	1.7	25.8	22.8	1.0	1.1	3.7
XANO Industri	264	336											
Hanza	819	997	15.5	10.7	8.9	6.8	1.0	0.9	17.5	13.7	1.3	1.8	2.2
Mayville Engineering Company	670	861	175.4	26.0	17.6	11.5	1.6	1.4	334.4	31.7			2.1
Componenta Oyj (Inderes)	**63**	**75**	**8.5**	**7.2**	**5.3**	**4.8**	**0.6**	**0.5**	**10.9**	**9.0**	**2.5**	**2.8**	**1.6**
Average			**47.2**	**14.2**	**10.6**	**8.1**	**1.1**	**1.0**	**81.4**	**17.9**	**2.3**	**3.1**	**2.2**
Median			**15.5**	**10.7**	**8.9**	**6.8**	**1.0**	**0.9**	**19.7**	**15.2**	**1.4**	**2.9**	**2.2**
Diff-% to median			**-45%**	**-33%**	**-41%**	**-29%**	**-46%**	**-43%**	**-45%**	**-41%**	**77%**	**-1%**	**-27%**

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	**97.1**	**28.8**	**30.9**	**24.8**	**31.2**	**116**	**33.1**	**37.2**	**30.7**	**34.7**	**136**	**149**	**159**	**169**
Konserni	97.1	28.8	30.9	24.8	31.2	116	33.1	37.2	30.7	34.7	136	149	159	169
EBITDA	**7.9**	**2.4**	**2.6**	**1.9**	**2.8**	**9.7**	**3.4**	**4.8**	**2.5**	**3.6**	**14.2**	**15.1**	**16.7**	**17.6**
Depreciation	-5.3	-1.3	-1.4	-1.4	-1.4	-5.4	-1.4	-1.5	-1.5	-1.5	-5.9	-6.0	-6.4	-6.4
EBIT (excl. NRI)	**-0.3**	**1.1**	**1.3**	**0.6**	**1.4**	**4.3**	**2.0**	**3.3**	**1.2**	**2.4**	**8.9**	**10.1**	**10.8**	**11.2**
EBIT	**2.6**	**1.1**	**1.3**	**0.6**	**1.4**	**4.3**	**2.0**	**3.3**	**1.0**	**2.1**	**8.4**	**9.1**	**10.3**	**11.2**
Net financial items	-2.4	-0.5	-0.5	-0.4	-0.5	-2.0	-0.45	-0.46	-0.45	-0.45	-1.8	-1.8	-1.5	-1.3
PTP	**0.2**	**0.5**	**0.8**	**0.1**	**0.9**	**2.4**	**1.5**	**2.9**	**0.5**	**1.7**	**6.6**	**7.3**	**8.8**	**9.8**
Taxes	0.0	0.0	0.0	0.0	5.7	5.7	-0.32	-0.55	-0.10	-0.33	-1.3	-1.3	-1.6	-1.8
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
Net earnings	**0.2**	**0.5**	**0.8**	**0.1**	**6.6**	**8.0**	**1.2**	**2.3**	**0.4**	**1.3**	**5.3**	**6.0**	**7.2**	**8.1**
EPS (adj.)	**-0.28**	**0.05**	**0.08**	**0.01**	**0.10**	**0.24**	**0.12**	**0.24**	**0.07**	**0.16**	**0.59**	**0.71**	**0.78**	**0.82**
EPS (rep.)	**0.02**	**0.05**	**0.08**	**0.01**	**0.67**	**0.82**	**0.12**	**0.24**	**0.04**	**0.13**	**0.53**	**0.61**	**0.73**	**0.82**

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	-4.6 %	22.4 %	16.8 %	22.3 %	16.2 %	19.1 %	14.9 %	20.4 %	24.0 %	11.2 %	17.3 %	9.7 %	6.7 %	6.3 %
EBITDA-%	8.1 %	8.2 %	8.5 %	7.9 %	8.9 %	8.4 %	10.2 %	12.9 %	8.0 %	10.3 %	10.5 %	10.2 %	10.5 %	10.4 %
Adjusted EBIT-%	-0.3 %	3.7 %	4.1 %	2.4 %	4.6 %	3.7 %	5.9 %	9.0 %	3.9 %	6.8 %	6.5 %	6.8 %	6.8 %	6.6 %
Net earnings-%	0.2 %	1.7 %	2.6 %	0.6 %	21.2 %	6.9 %	3.6 %	6.3 %	1.3 %	3.8 %	3.9 %	4.0 %	4.5 %	4.8 %

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	**38.1**	**43.0**	**42.2**	**42.2**	**40.6**
Goodwill	3.2	3.2	3.2	3.2	3.2
Intangible assets	1.6	1.4	1.3	1.1	1.0
Tangible assets	33.0	32.3	32.9	34.4	34.5
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	0.4	0.4	0.4	0.4	0.4
Deferred tax assets	0.0	5.7	4.4	3.1	1.5
Current assets	**25.3**	**33.3**	**31.5**	**35.7**	**41.1**
Inventories	14.0	16.8	19.3	20.8	21.9
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	2.6	3.3	5.4	7.4	8.9
Cash and equivalents	8.7	13.3	6.8	7.4	10.2
Balance sheet total	**63.4**	**76.3**	**73.7**	**77.9**	**81.6**

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	**25.8**	**34.4**	**39.7**	**44.1**	**49.6**
Share capital	1.0	1.0	1.0	1.0	1.0
Retained earnings	5.3	13.9	19.2	23.6	29.0
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	19.5	19.5	19.5	19.5	19.5
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	**11.7**	**13.2**	**5.8**	**4.6**	**2.1**
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	0.0	0.4	0.4	0.4	0.4
Korolliset velat	10.7	11.1	3.7	2.5	0.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long-term liabilities	0.9	1.6	1.6	1.6	1.6
Current liabilities	**25.9**	**28.6**	**28.2**	**29.2**	**30.0**
Korolliset velat	3.5	4.3	1.4	1.0	0.0
Payables	22.1	24.3	26.7	28.3	30.0
Other current liabilities	0.4	0.0	0.0	0.0	0.0
Balance sheet total	**63.4**	**76.3**	**73.7**	**77.9**	**81.6**

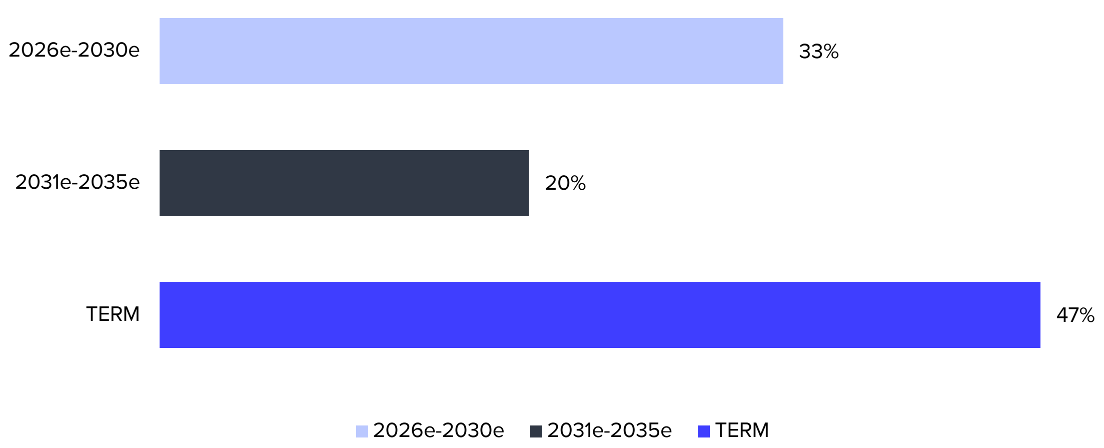
DCF calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	19.1 %	17.3 %	9.7 %	6.7 %	6.3 %	3.0 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %
EBIT-%	3.7 %	6.2 %	6.1 %	6.5 %	6.6 %	5.0 %	4.8 %	4.6 %	4.5 %	4.5 %	4.4 %	4.4 %
EBIT (operating profit)	**4.3**	**8.4**	**9.1**	**10.3**	**11.2**	**8.7**	**8.6**	**8.4**	**8.4**	**8.6**	**8.7**	
+ Depreciation	5.4	5.9	6.0	6.4	6.4	6.2	6.1	6.0	6.0	6.1	6.1	
- Paid taxes	0.0	0.0	0.0	0.0	-2.6	-1.4	-1.4	-1.4	-1.4	-1.5	-1.5	
- Tax, financial expenses	-0.4	-0.4	-0.3	-0.3	-0.3	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1	
+ 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	-1.6	-2.3	-2.0	-0.8	-0.9	-0.7	-0.6	-0.8	-0.8	-0.9	-0.3	
Operating cash flow	**7.8**	**11.6**	**12.8**	**15.6**	**13.8**	**12.6**	**12.5**	**12.1**	**12.0**	**12.3**	**12.9**	
+ Change in other long-term liabilities	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-4.6	-6.4	-7.4	-6.4	-5.4	-5.4	-5.5	-5.6	-5.8	-5.9	-6.1	
Free operating cash flow	**4.3**	**5.3**	**5.4**	**9.2**	**8.5**	**7.3**	**7.0**	**6.5**	**6.3**	**6.4**	**6.8**	
+/- Other	-5.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-1.1	5.3	5.4	9.2	8.5	7.3	7.0	6.5	6.3	6.4	6.8	95.7
Discounted FCFF		**5.1**	**4.7**	**7.4**	**6.2**	**4.8**	**4.2**	**3.5**	**3.1**	**2.9**	**2.8**	**39.7**
Sum of FCFF present value		84.4	79.4	74.6	67.3	61.1	56.3	52.1	48.5	45.4	42.5	39.7
Enterprise value DCF		**84.4**										
- Interest bearing debt		-29.4										
+ Cash and cash equivalents		13.3										
+ Associated companies		0.0										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		**68.2**										
Equity value DCF per share		**6.9**										

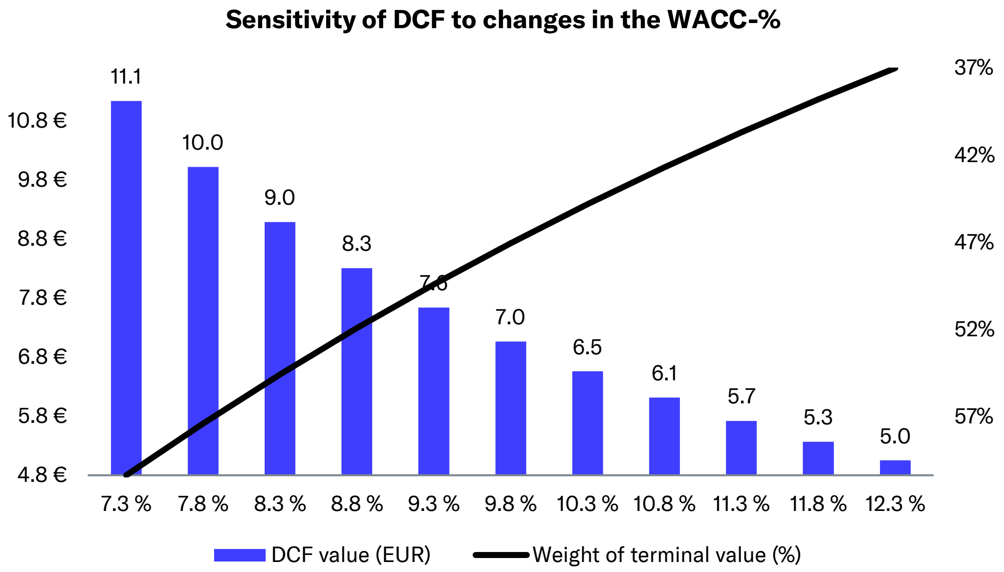
WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	8.0 %
Equity Beta	1.50
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	2.5 %
Cost of equity	**10.6 %**
Weighted average cost of capital (WACC)	**9.8 %**

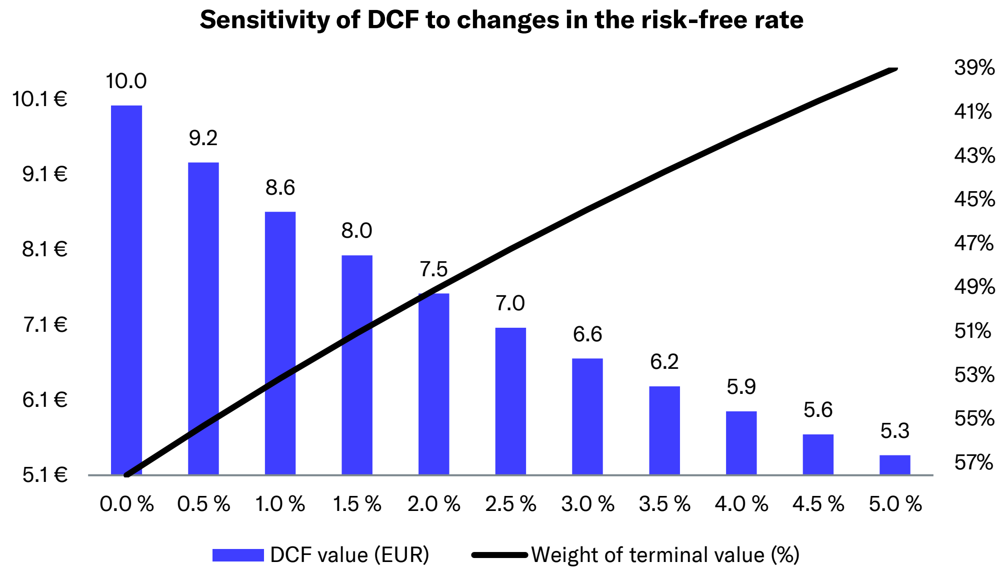
Source: Inderes

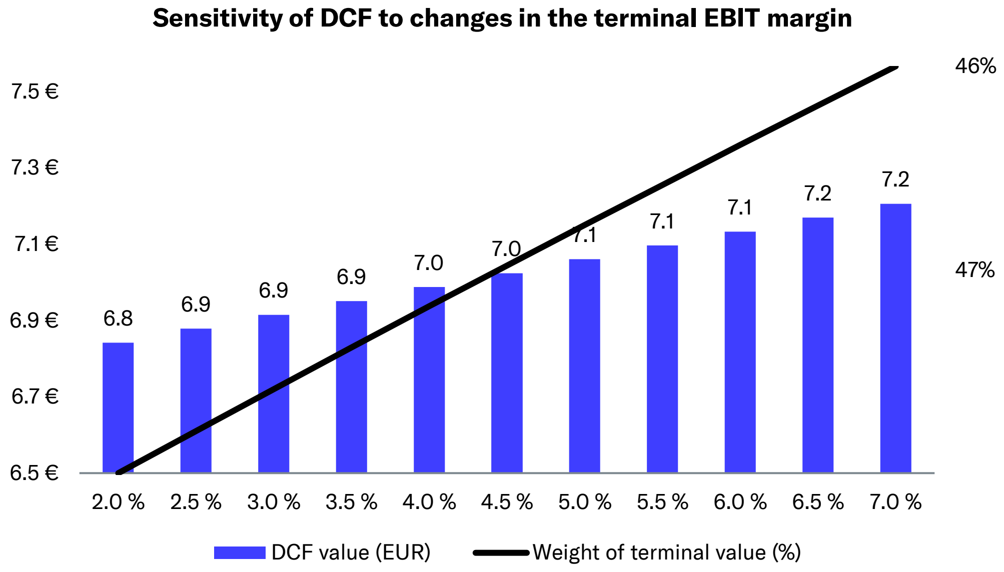
Cash flow distribution

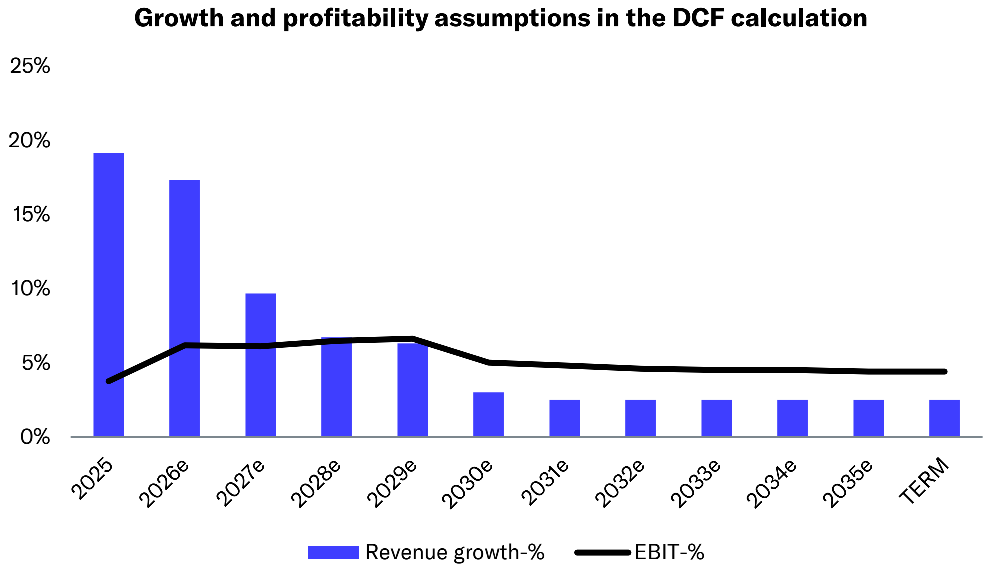


DCF sensitivity calculations and key assumptions in graphs









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	101.8	97.1	115.7	**135.8**	**148.9**
EBITDA	5.3	7.9	9.7	**14.2**	**15.1**
EBIT	3.8	2.6	4.3	**8.4**	**9.1**
PTP	1.6	0.2	2.4	**6.6**	**7.3**
Net Income	1.5	0.2	8.0	**5.3**	**6.0**
Extraordinary items	4.2	2.9	0.0	**-0.5**	**-1.0**

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	57.3	63.4	76.3	**73.7**	**77.9**
Equity capital	25.6	25.8	34.4	**39.7**	**44.1**
Goodwill	3.2	3.2	3.2	**3.2**	**3.2**
Net debt	9.1	5.5	2.2	**-1.6**	**-4.0**

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	5.3	7.9	9.7	**14.2**	**15.1**
Change in working capital	-2.0	4.9	-1.6	**-2.3**	**-2.0**
Operating cash flow	3.3	12.7	7.8	**11.6**	**12.8**
CAPEX	-5.4	-6.8	-4.6	**-6.4**	**-7.4**
Free cash flow	-2.2	5.9	-1.1	**5.3**	**5.4**

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S	0.4	0.4	0.5	**0.6**	**0.5**
EV/EBITDA	8.1	5.2	6.2	**5.3**	**4.8**
EV/EBIT (adj.)	neg.	neg.	13.8	**8.5**	**7.2**
P/E (adj.)	>100	>100	18.9	**10.9**	**9.0**
P/B	0.9	1.0	1.3	**1.6**	**1.4**
Dividend-%	0.0 %	0.0 %	0.0 %	**2.5 %**	**2.8 %**

Source: Inderes

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	0.16	0.02	0.82	**0.53**	**0.61**
EPS (adj.)	-0.28	-0.28	0.24	**0.59**	**0.71**
OCF / share	0.34	1.31	0.79	**1.18**	**1.30**
OFCF / share	-0.23	0.61	-0.11	**0.53**	**0.55**
Book value / share	2.63	2.66	3.50	**4.03**	**4.48**
Dividend / share	0.00	0.00	0.00	**0.16**	**0.18**

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	-7%	-5%	19%	**17%**	**10%**
EBITDA growth-%	-26%	49%	24%	**46%**	**6%**
EBIT (adj.) growth-%	-127%	29%	1383%	**105%**	**14%**
EPS (adj.) growth-%	-1130%	0%	187%	**144%**	**21%**
EBITDA-%	5.2 %	8.1 %	8.4 %	**10.5 %**	**10.2 %**
EBIT (adj.)-%	-0.5 %	-0.3 %	3.7 %	**6.5 %**	**6.8 %**
EBIT-%	3.7 %	2.6 %	3.7 %	**6.2 %**	**6.1 %**
ROE-%	6.3 %	0.8 %	26.7 %	**14.2 %**	**14.3 %**
ROI-%	9.9 %	6.6 %	9.8 %	**17.8 %**	**19.8 %**
Equity ratio	44.6 %	40.7 %	45.2 %	**53.9 %**	**56.6 %**
Gearing	35.6 %	21.2 %	6.3 %	**-4.1 %**	**-9.0 %**
Net debt/EBITDA	1.7	0.7	0.2	**-0.1**	**-0.3**
EBITDA/net financials	2.4	3.3	4.9	**7.9**	**8.4**

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

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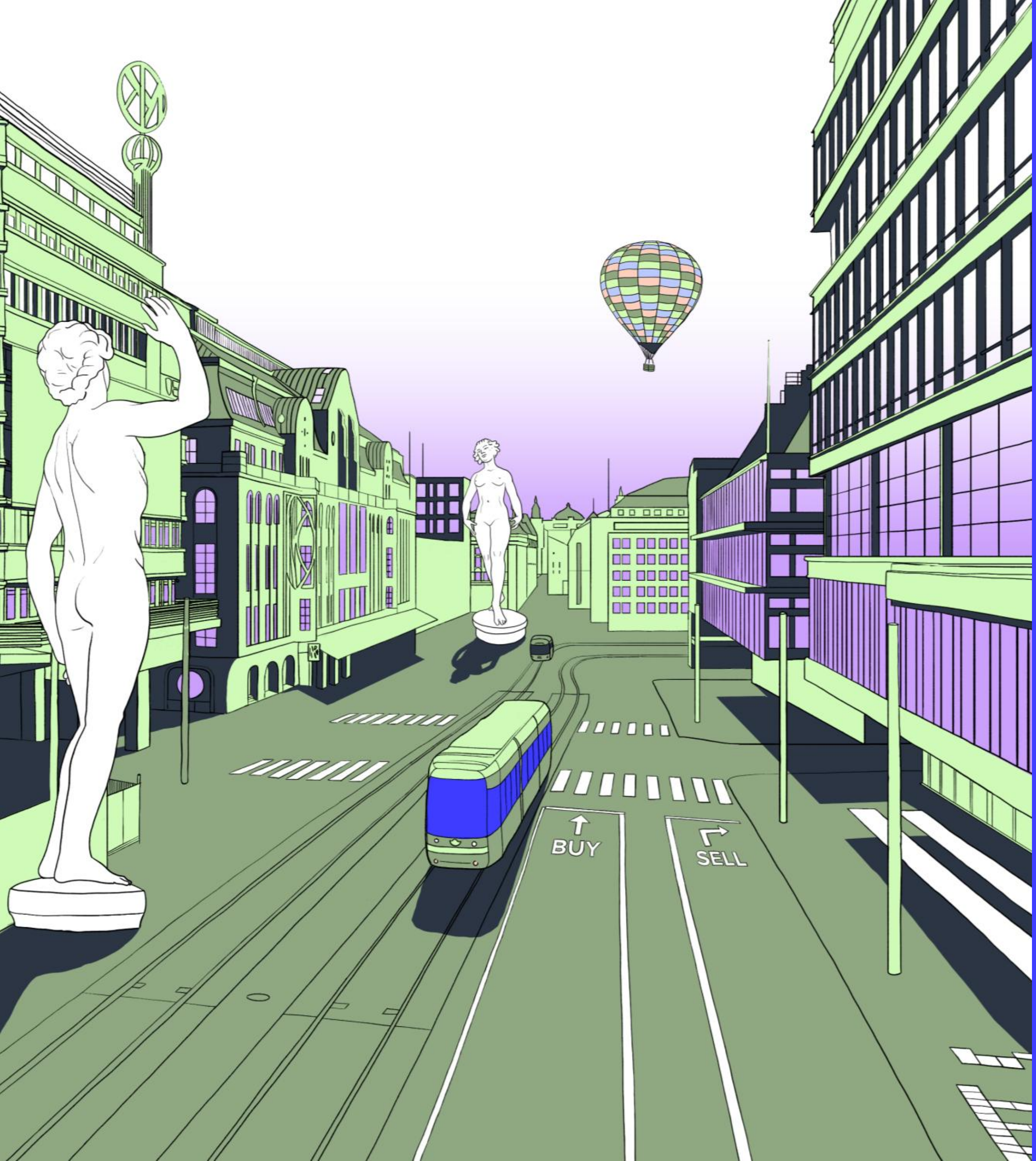
Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
9/19/2023	Accumulate	3.20 €	2.73 €
9/27/2023	Accumulate	3.20 €	2.90 €
11/6/2023	Accumulate	3.00 €	2.55 €
1/15/2024	Buy	3.00 €	2.27 €
3/3/2024	Buy	3.00 €	2.32 €
5/7/2024	Buy	2.80 €	2.31 €
6/6/2024	Accumulate	3.60 €	3.30 €
7/23/2024	Accumulate	3.60 €	3.04 €
11/3/2024	Accumulate	3.30 €	2.85 €
11/27/2024	Accumulate	2.90 €	2.43 €
	Analyst changed		
3/4/2025	Sell	2.90 €	3.90 €
3/9/2025	Reduce	3.40 €	3.71 €
5/5/2025	Reduce	3.40 €	4.05 €
5/10/2025	Reduce	3.60 €	3.96 €
7/24/2025	Reduce	4.30 €	4.41 €
10/27/2025	Reduce	4.30 €	4.19 €
10/30/2025	Accumulate	4.70 €	4.17 €
3/2/2026	Reduce	4.70 €	4.54 €
3/9/2026	Accumulate	5.00 €	4.56 €
3/23/2026	Accumulate	5.00 €	4.61 €
5/5/2026	Accumulate	5.00 €	4.47 €
5/11/2026	Accumulate	5.50 €	4.90 €
5/11/2026	Accumulate	6.90 €	6.36 €



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