

TALENOM

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INDERES CORPORATE CUSTOMER COMPANY REPORT



Eventful week

We lower Talenom's recommendation to Accumulate (was Buy) and the target price to EUR 3.4 (was EUR 3.8). This week, Talenom issued a profit warning, published Easor's listing prospectus, acquired three small accounting firms in Spain, provided guidance for both businesses for next year, and organized [an investor webcast](#). The overall analysis is still in progress, but the outlook for next year is not as strong as we previously estimated for either business. For Easor, this was also impacted by the Verifactu reform in Spain being postponed by one year. When the demerger occurs, the current group's forecasts will have little relevance, but our sum-of-the-parts calculation ultimately decreased significantly.

Talenom's accounting business

Talenom estimates that 2026 revenue will be around 110-120 MEUR and comparable EBITDA around 18-22 MEUR. We now estimate "new Talenom's" 2026 revenue to be ~112 MEUR and EBITDA to be ~20 MEUR. We already stated in connection with [the profit warning](#) that forecasts were subject to downward pressure, and the guidance confirmed this. Profitability is depressed by relatively higher administrative costs and the company's increased sales and marketing investments, which aim to accelerate growth in the coming years. Both factors particularly impact Finland's profitability, which led to a clear reduction in our 2026 forecasts. Troubled Swedish operations should turn profitable next year, measured by EBITDA, and revenue should stabilize, with the company seeing positive signs in employee and customer satisfaction. The worst is over in Sweden, but a real turnaround is still yet to be seen. In Spain, Talenom only made three small acquisitions, which are expected to boost the country's revenue to around 21 MEUR next year. Spain has quickly become larger than Sweden, which has, of course, been helped by Sweden's weakness. Profitability in Spain will also improve significantly, and we forecast the EBITDA margin to approach 10% next year. The accounting business generates

cash flow quite well.

Easor's software business

Easor's revenue is guided to grow by 3-10% next year compared to the 2025 carve-out-based revenue, which we estimate to be slightly over 20 MEUR. One reason for this is likely the Verifactu law reform in Spain being postponed by one year to the beginning of 2026. Verifactu requires companies to use a digital invoicing system, which accelerates the Spanish software market and offers Easor a significant growth opportunity. Easor's EBIT margin was guided to decline due to the construction of distribution channels, other growth investments, and increasing administrative costs as a separate listed company. This was not surprising, but the combination of growth and profitability will be weak next year, which inevitably impacts the acceptable valuation in the short term. Growth investments are expected to accelerate growth with good efficiency, but the market will likely require evidence from the company before it starts pricing in profitable growth aggressively.

The sum-of-the-parts decreased significantly due to high financial leverage

Our sum-of-the-parts analysis now indicates a value of EUR 2.7-4.6 per share (average EUR 3.6), so negative changes almost entirely eroded the "safety margin" due to high financial leverage. We estimate the value of Talenom's accounting business to be EUR 1.7-2.9 per share and Easor's software business to be EUR 0.9-1.7 per share (separate analysis is expected in Q1'26). The distribution of debt between the companies also significantly impacted the values. The value of Sweden was already small, but Finland's weak earnings level next year significantly impacted its value. Positive developments only occurred in profitably growing Spain. The demerger clarifies the overall picture but also introduces a transitional phase in the story that requires patience. However, the market's patience may already be wearing thin.

Recommendation

Accumulate

(was Buy)

Target price:

3.40 EUR

(was EUR 3.80)

Share price:

3.02 EUR

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	126	130	137	150
growth-%	4%	3%	5%	9%
EBIT adj.	11.4	10.4	14.4	18.3
EBIT-% adj.	9.0 %	8.0 %	10.5 %	12.2 %
Net income	6.1	4.2	7.5	11.2
EPS (adj.)	0.13	0.12	0.17	0.24
P/E (adj.)	30.4	25.9	17.3	12.4
P/B	3.4	2.8	2.9	2.8
Dividend yield-%	4.9 %	6.6 %	6.6 %	6.6 %
EV/EBIT (adj.)	23.9	22.4	16.2	12.8
EV/EBITDA	7.9	6.9	5.9	5.3
EV/S	2.2	1.8	1.7	1.6

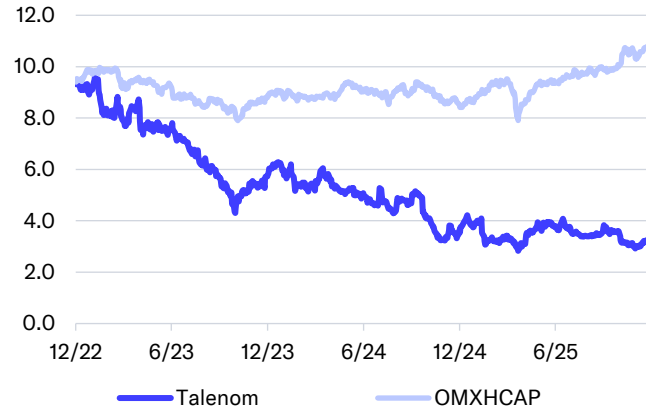
Source: Inderes

Guidance

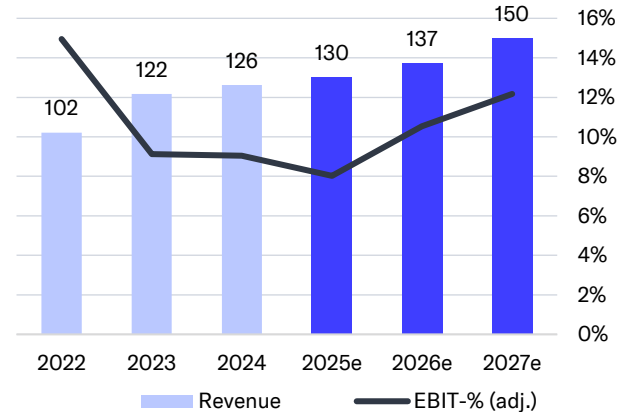
(Downgraded)

Talenom estimates 2025 revenue to be approximately 129–131 MEUR and EBITDA approximately 33–35 MEUR, including costs arising from the strategic review, demerger, and listing.

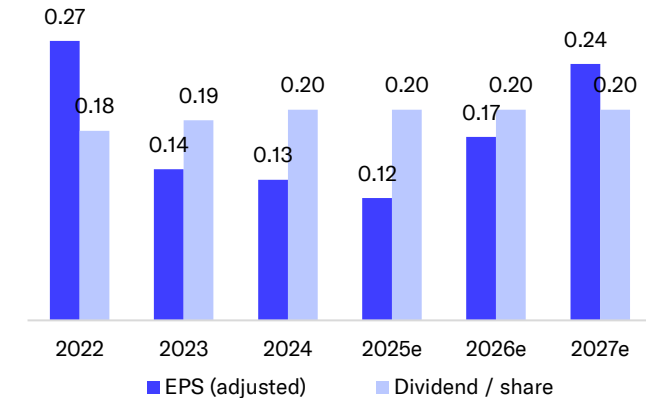
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

- Demerger
- Strong earnings growth after the acquisition-driven growth phase
- Growth of Swedish and Spanish businesses and significant profitability improvement
- Fragmented market is transforming, which opens new opportunities
- Business model that utilizes economies of scale strengthens with growth

Risk factors

- Failure to improve efficiency and profitability in Sweden
- Failure in internationalization
- Potential drop in customer retention
- Tightening competition in digital financial management
- Transformation can bring new challengers to the industry
- Risks associated with the balance sheet have increased

Valuation	2025e	2026e	2027e
Share price	3.02	3.02	3.02
Number of shares, millions	46.1	46.1	46.1
Market cap	139	139	139
EV	233	234	234
P/E (adj.)	25.9	17.3	12.4
P/E	33.4	18.5	12.4
P/B	2.8	2.9	2.8
P/S	1.1	1.0	0.9
EV/Sales	1.8	1.7	1.6
EV/EBITDA	6.9	5.9	5.3
EV/EBIT (adj.)	22.4	16.2	12.8
Payout ratio (%)	222%	122.4 %	82.2 %
Dividend yield-%	6.6 %	6.6 %	6.6 %

Source: Inderes

The profit warning was relatively mild, but the weakness of the market is concerning

The profit warning was relatively mild...

In its profit warning, Talenom estimates 2025 revenue to be around 129-131 MEUR (was 130-140 MEUR) and EBITDA to be around 33-35 MEUR (was 36-42 MEUR), including costs related to the strategic review, demerger, and listing (Q4'25: 1.2 MEUR). Our previous estimates were 131 MEUR and 36.5 MEUR, and we have now revised our forecasts to be close to the mid-points of the ranges. The change in our forecast is not significant at the EBITDA level, and half of this is explained by non-recurring costs related to the demerger (1.2 MEUR), which our forecast did not include. However, the operating leverage is brutal in the lower lines of the income statement, and the changes were large in percentage terms.

The significance of the 2025 result is limited in this situation, as attention has already shifted forward and towards the demerger. However, the negative profit warning once again erodes investor confidence, which is particularly problematic in the current situation.

...but the weakness of the market is concerning

The worrying aspect of the profit warning was that the weakness in demand was apparently widespread, and Q4 is shaping up to be weaker than anticipated in all of the company's significant operating countries (Finland, Sweden, and Spain). In Finland, price competition has intensified as the industry has practically stagnated, Talenom's weak earnings performance continues in Sweden for the time being, and growth in Spain is also slightly weaker than anticipated (albeit at a good level).

The company also justified the profit warning by stating that fewer acquisitions than expected were completed during 2025. This is certainly true compared to the estimate made a year ago, but the guidance could have been refined during the year. We expected a refinement in connection with Q3'25, but the wide range was maintained, even though we considered the upper end unrealistic. Even then, acquisitions would have had a limited impact in 2025, as most of the effects would have spilled over into 2026.

The encouraging aspect of the profit warning was that it at least clearly reduces the risk of a goodwill write-down in Sweden, which we had previously flagged, especially in conjunction with the publication of the listing prospectus. Prospecti are prepared in cooperation with audit firms, so the matter has presumably been discussed, and generally, it is advisable to disclose all bad news at once.

The current Group's forecasts are no longer relevant

We lowered Talenom's forecasts for the coming years, but the current group's future forecasts are no longer relevant due to the demerger. We will create separate forecast models and investment cases for both Talenom and Easor during the first half of the year. The current Talenom will essentially cease to exist after Q1'26, which is why forecasting its development for future years is no longer justified.

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	131	130	0%	138	137	-1%	152	150	-1%
EBITDA	36.5	33.9	-7%	41.3	39.5	-4%	46.1	43.8	-5%
EBIT (excl. NRIs)	11.8	10.4	-12%	15.7	14.4	-8%	20.6	18.3	-11%
EBIT	11.8	9.2	-22%	15.7	13.9	-11%	20.6	18.3	-11%
PTP	8.0	5.4	-32%	11.3	9.5	-15%	16.7	14.2	-15%
EPS (excl. NRIs)	0.13	0.12	-13%	0.19	0.17	-10%	0.29	0.24	-15%
DPS	0.20	0.20	0%	0.20	0.20	0%	0.22	0.20	-9%

Source: Inderes

Easor software business 1/2

Easor's guidance for 2026 was disappointing

We have preliminarily reviewed Easor's listing prospectus, but we will publish our full analysis of the company during Q1'26. Easor's guidance for 2026 was as follows: Easor's revenue is estimated to grow by 3-10% compared to the 2025 carve-out-based revenue. The EBIT margin is expected to decline due to the development of distribution channels and growth investments. These measures create the conditions for long-term growth. The costs of operating as a separate listed company also weaken the EBIT margin. In our view, the guidance for earnings and profitability is logical; Easor is pursuing growth, growth investments are significant, and as a separate listed company, Easor's administrative costs will increase substantially.

Although the fruits of growth investments mature slowly, with revenue materializing belatedly, we believe the growth guidance was subdued relative to previously communicated targets, potential paying customers (pricing

initially very low), and the opportunity in the Spanish market. Easor aims to achieve annual revenue growth of over 20% in the medium term (2-4 years). As a growth company, Easor prioritizes growth, and profitability is secondary for now. Dividends should not be expected from the company.

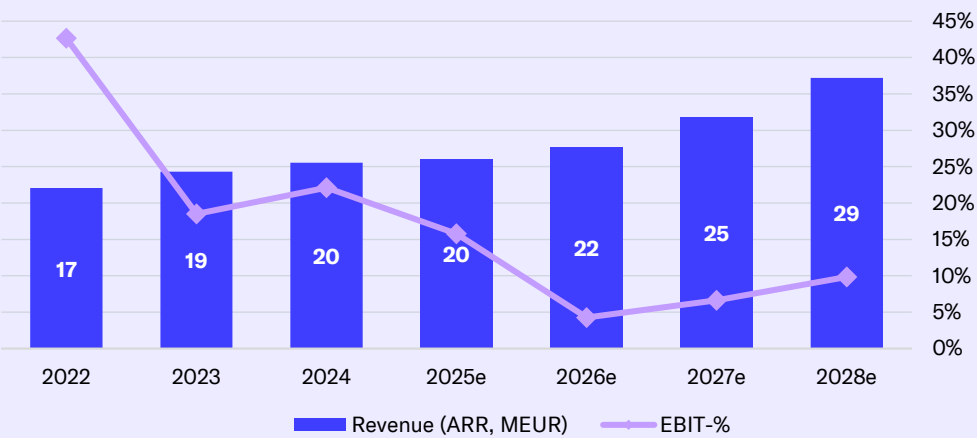
More detailed figures for Easor's revenue and earnings

Approximately 95% of Easor's customer base is the same as Talenom's accounting firm immediately after the demerger. The ratio is practically in line with our expectations, as is the fact that almost all revenue came from Finland (less than 1% from Spain). In the carve-out calculations, Easor's revenue was also slightly lower than we would have expected based on previously published information. In our view, roughly 1 MEUR of annual revenue has been decided to remain under Talenom's accounting firm business, as software and related services for managing accounts receivable have been reorganized.

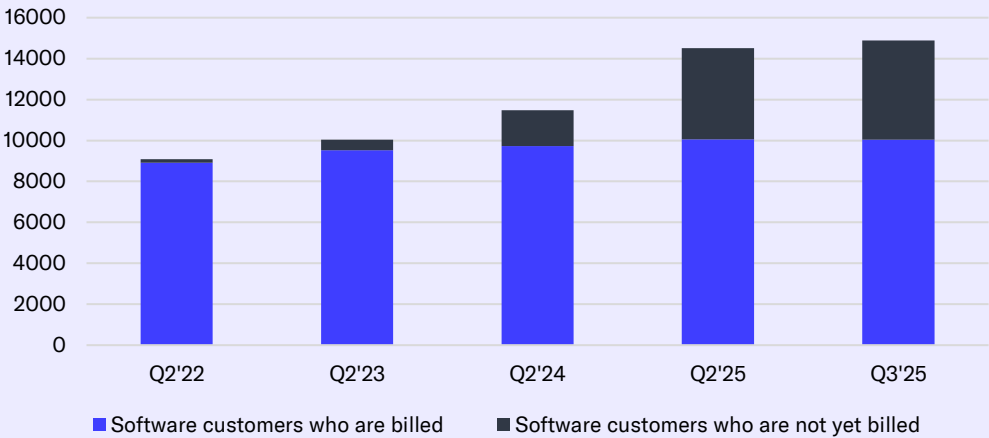
Thus, Easor's 2025 revenue will likely be a good 20 MEUR, which is valuable recurring revenue (ARR). The impact on earnings is small, but the change negatively affected Easor's value.

Easor's pro forma operating profit for the first 9 months of 2025 was 3.0 MEUR, which does not include the exceptional 1.5 MEUR revenue in Q1'25. Thus, the comparable EBIT in the 2025 carve-out figures is actually slightly better than what could be assumed based on previous reporting (around 2.8 MEUR), and Easor's 2025 EBIT is likely to be 3-4 MEUR, depending on the Q4 result, which was surprisingly weak last year. In addition, the apparently growing cost structure in Q4 creates uncertainty as growth investments have been initiated. In any case, profitability in 2025 is at a good level, but next year it will decrease significantly as growth investments truly kick off.

Outline of Easor's key figures



Development of customer numbers



Easor software business 2/2

In 2026, growth will be subdued and earnings will fall significantly

In 2026, we now estimate Easor's revenue to grow by only 6%, and profitability will decline significantly as the company invests in future growth. We preliminarily estimate the company to invest about 2 MEUR in growth, which could generate around 2 MEUR in additional revenue within a maximum 12-month delay if the investments are successful. The impact will thus partly extend into 2027, when investments may continue to grow, and so on. As a general rule, investments will be increased as growth accelerates, and profitability will not be optimized for a long time, as the growth potential is already enormous in the current operating countries. Everything depends on the ultimate efficiency of the growth investments.

Additionally, as a separate company, Easor is estimated to incur ~1 MEUR in annual administrative expenses. Of this, some 400 TEUR is related to IPO costs, and the remainder

to other administrative expenses as an independent listed company. Cash flow should be significantly better than EBIT because depreciation is higher than investments. This gives the company some leeway to invest in growth, but not a huge amount. The company was also assigned around 20 MEUR in debt, which naturally needs to be managed along the way.

Spain's Verifactu postponed by one year

Spain's Verifactu legal reform is postponed by one year, which partly explains the 2026 growth outlook. Verifactu requires companies to use a digital invoicing system, which will accelerate and partly create the Spanish software market. The underlying reason is the administration's, and especially the tax authority's, desire to gain better access to cash flows. We believe this will lead to the reform being implemented even if the schedule is delayed. Verifactu was scheduled to come into force for companies on January 1, 2026, and for self-employed individuals on July 1, 2026, but in December 2025, the Spanish government

decided to postpone its implementation by one year, allowing more time to adapt to the reform.

The news is negative for Easor's short-term growth outlook, but on the other hand, it also gives the company time to strengthen its offerings and distribution network before implementation. It is worth noting that Easor has only been operating in Spain for a few months, building its partner network, so the reform was coming too early even for them, despite having a certified solution.

If Easor performs well in the race against competitors, the news could also turn positive. There are around 2.8 million companies and 2.0 million self-employed individuals in Spain. Talenom estimates that over 3 million companies do not currently use the necessary software. Easor's software meets the criteria of the Verifactu legislation. In our view, Spain is clearly the most important and interesting growth market for Easor in the coming years, although there is potential in all markets. In Finland, too, growth is expected as the partner network expands at a good pace.

Easor in figures

4

Operating countries

+120

Professionals

+20 MEUR

Revenue

+ 60,000

Software users

+15,000

Customer companies

+10 million

Invoices sent annually

Talenom's accounting business

Growth investments in Finland

No significant new information was obtained regarding Talenom's accounting business, but here too the company is clearly investing more in growth in Finland. We already discussed the forecast changes on the front page, but it is essential to note that the forecasts for Finland's core business decreased significantly. Although Talenom has expressed its desire for growth in the accounting services business (growth target of over 10% annually in the medium term), we previously estimated that the company would focus its growth investments specifically on Spain. Things seem to be progressing well there, and there is a huge market to capture. On the other hand, the company inherently has a stronger competitive advantage in Finland and can now target new customer groups with other software, so the strategy may be well-justified. The accounting firm business in Italy will not be continued.

Talenom published figures for the accounting business assuming the demerger would have been implemented on

January 1, 2024. Software costs of 0.4 MEUR were estimated for Easor in Spain, which slightly weakens the country's profitability. This was one of the uncertainties in our rough carve-out calculation and was roughly in line with expectations. Profitability in Finland showed a slight negative deviation from our previous estimate, but Easor's distribution did not fully align with previous carve-out lines. The data series should improve in connection with the financial statements.

Cash flow and dividends in addition to growth

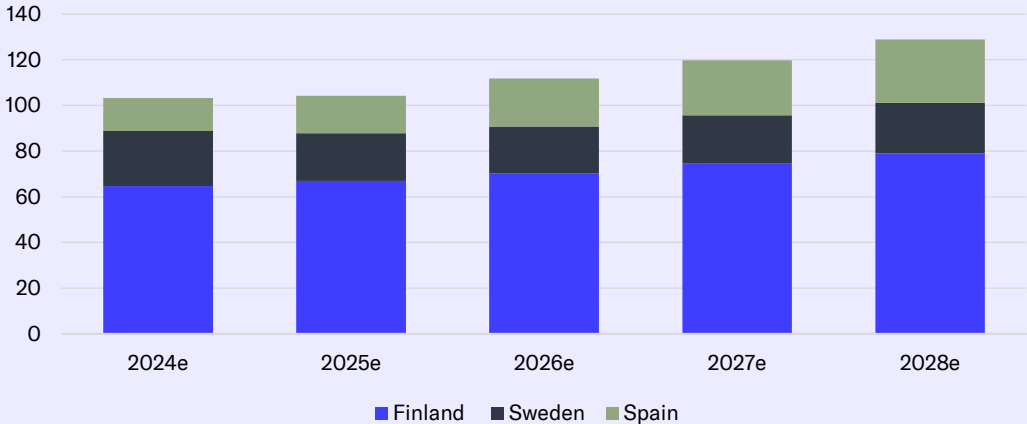
The company did not publish information on the cash flow of the new Talenom, but the figures reveal a significant discrepancy between depreciation (9 months: 10.2 MEUR) and investments (9 months: 6.6 MEUR), which strengthens our view on the cash flow generation capability of the business. A significant portion of those investments were acquisitions, i.e., clear growth investments, which suggests that the cash flow generated by the business is strong despite the weakness in Sweden. Talenom's software

investments in Q1-Q3'25 amounted to just over 1 MEUR, which we believe are mainly directed at improving operational efficiency, i.e., automation on top of commercial software (mostly Easor). The sum has been on a downward trend, strengthening free cash flow. Talenom will continue to be a dividend payer, but the current dividend level will clearly decrease. In our view, the debt burden must also be reduced.

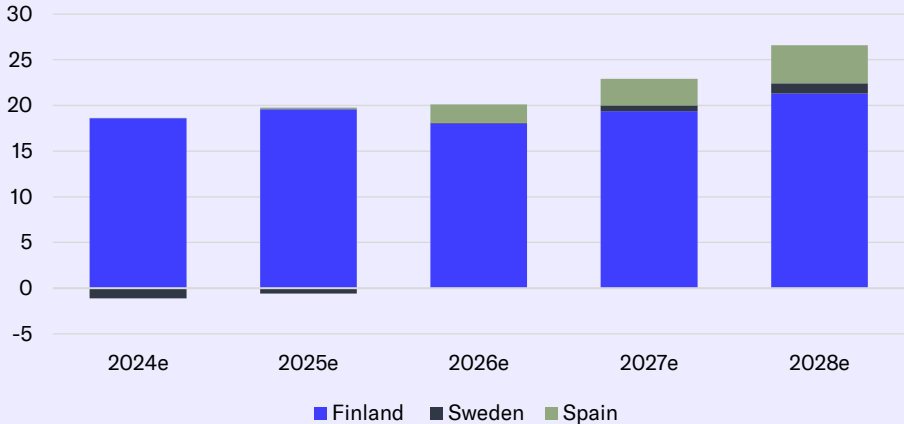
Acquisitions continued in Spain

Talenom continued its acquisitions in Spain by acquiring three small accounting firms (Ascofi Berria, Harri Berri, and Pagoa consultoras) in the Basque Country. Their combined annual revenue is around 1.9 MEUR, and the companies will become part of the Group at the turn of the year. At the end of October, the company also announced the acquisition of Nova Ceteb (revenue 1.1 MEUR), meaning that in the short term, Spanish revenue has been grown inorganically by ~3 MEUR. This is a significant leap for the Spanish business, and good growth is guaranteed for next year.

Revenue development of accounting firms (MEUR)



EBITDA development of accounting firms (MEUR)



Valuation now relies on sum of the parts

Talenom's accounting business

The change process has proven difficult to assess, not only for Easor but also for Talenom's accounting business, which is why we use ranges for different businesses in our sum-of-the-parts calculation. The most valuable part of the accounting firm business is the Finnish core business, which we now estimate to have an enterprise value (EV) of 114-143 MEUR. The lower end is calculated using an EV/EBIT multiple of 12x, and the upper end with a multiple of 16x. Both use 2026 estimates. In our view, the value accepted by the market depends heavily on how well Talenom succeeds in growing its business and how well the business generates cash flow.

We assign an EV range of 10-21 MEUR to the Swedish accounting business, which is based on a 2026e EV/S multiple of 0.5-1.0x. We estimate that Talenom could sell the business at least at the lower value without a turnaround, through which we could see a significantly higher value in the longer term. Despite slightly positive signals, the value of the Swedish business is speculative for now, as cash flow is negative.

We value the Spanish accounting firm business at 29-38 MEUR (EV). In Spain, the growth story is progressing well, and next year the EBITDA margin could already approach 10%. This, combined with strong growth and enormous market potential, justifies higher valuation multiples (2026 EV/S 1.4-1.8x). In Spain, Talenom's acquisition-driven growth story appears to have succeeded in creating shareholder value, although this is hard to believe after the dismal performance in Sweden. On the other hand, we understand that the story is still far from over, and the company still has a lot to prove in Spain.

Around 70 MEUR of interest-bearing debt is apparently

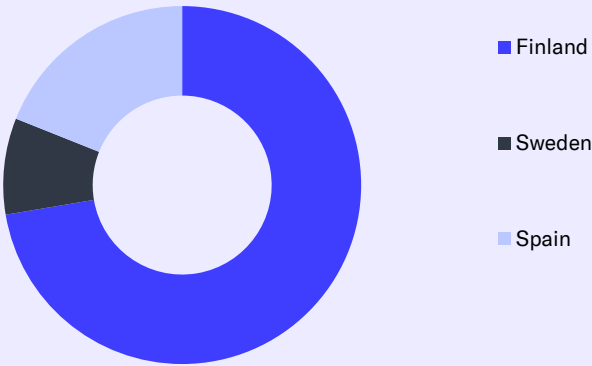
allocated to the accounting firm business. We use an estimate of 65-75 MEUR for the end of 2026, which is also affected by the company's capital allocation (such as acquisitions and dividends). Due to high financial leverage, there is a huge difference in market value between the negative (EUR 1.7/share) and positive (EUR 2.9/share) scenarios, but the average of these is EUR 2.3/share.

Easor's software business

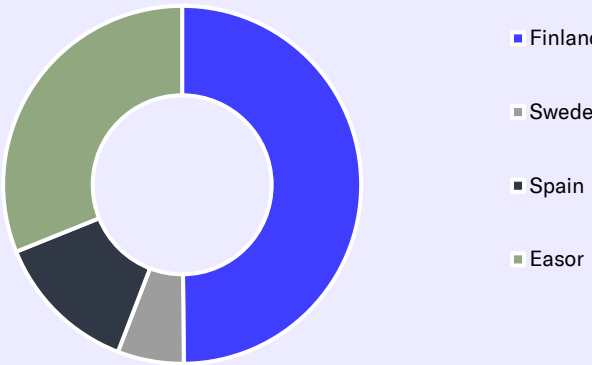
Easor's 2026 will still be subdued in terms of both revenue growth and profitability, as the company builds its growth foundation and the Spanish Verifactu reform was delayed. In addition, the 2025 baseline figures are apparently weaker than we previously anticipated. Thus, the valuation multiples we previously estimated are unlikely to be accepted for the company before growth materializes. The interim phase is difficult in the sense that when free cash flow is directed towards growth without proof of the model's functionality, the valuation lacks clear anchor points. The situation is exacerbated by the fact that, in the initial phase, 95% of Easor's revenue comes from Talenom's customers. If the company achieves profitable growth and can prove its competitiveness outside of Talenom, Easor's valuation could change significantly.

We now set Easor's enterprise value range at 60-100 MEUR, but emphasize that our actual view will only be formed after a separate analysis. This is expected to be completed in Q1'26. Roughly 20 MEUR of interest-bearing debt was allocated to Easor, which currently results in a wide market value range of 40-80 MEUR. As a value per share, the same range is EUR 0.9-1.7. The combined range for Talenom and Easor is EUR 2.7-4.6 per share, with an average of EUR 3.6 per share. A more detailed sum-of-the-parts calculation is on the next page.

Preliminary breakdown of the accounting business value (MEUR)



Value distribution in sum of the parts (EV, MEUR)



Sum-of-the-parts calculation

Value of accounting business/Talenom (MEUR)

Country value (EV, MEUR)	Lower end	Upper end	Method
Finland	114	143	2026e EBIT 12-16x
Sweden	10	21	2026e EV/S 0.5-1.0x
Spain	29	38	2026e EV/S 1.4-1.8x
Total	154	201	
Interest-bearing liabilities (MEUR, 2026e)	75	65	(Partially a capital allocation issue)
Market value (MEUR)	79	136	
Number of shares (millions)	46.1	46.1	(Estimate of diluted number of shares)
Value per share	EUR 1.7	EUR 2.9	

Preliminary value of Easor's software business (MEUR)

Enterprise value (EV, MEUR)	60	100	(More detailed analysis in Q1'26)
Interest-bearing liabilities (MEUR)	20	20	(Assumption based on the prospectus)
Market value (MEUR)	40	80	
Number of shares (millions)	46.1	46.1	(same as Talenom)
Value per share	EUR 0.9	EUR 1.7	

Accounting business valuation multiples using the average

Multiple	2025e	2026e	2027e
EV/S (x)	1.7	1.6	1.5
EV/EBITDA (x)	9.2	8.8	7.7
EV/EBIT (x)	31.5	26.1	18.7

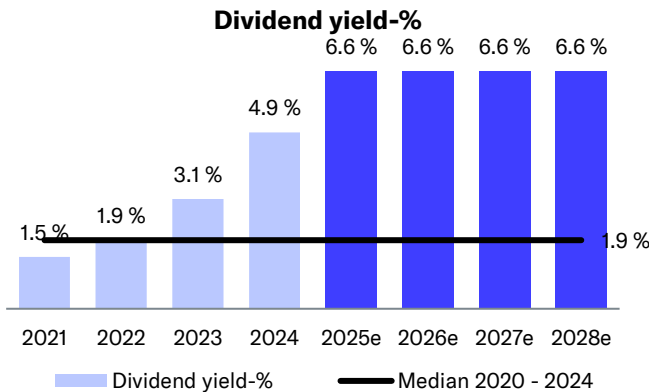
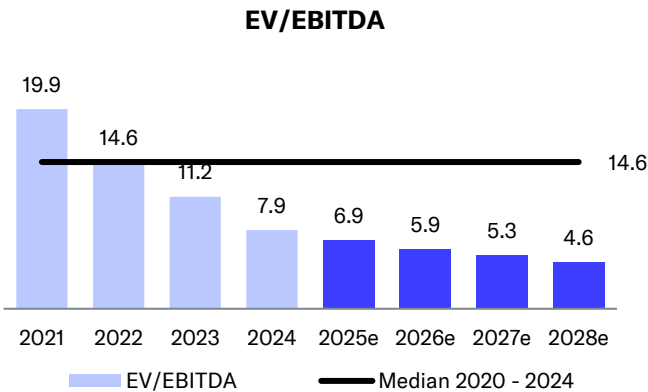
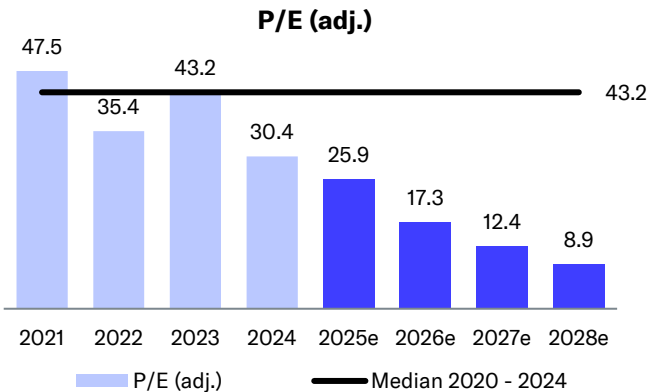
Easor valuation multiples using the average

Multiple	2025e	2026e	2027e
EV/S (x)	3.9	3.7	3.2
EV/EBITDA (x)	5.5	6.3	5.9
EV/EBIT (x)	25.0	87.1	48.6

Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	15.1	11.7	9.39	6.20	4.06	3.02	3.02	3.02	3.02
Number of shares, millions	43.2	43.8	44.5	45.4	45.6	46.1	46.1	46.1	46.1
Market cap	650	512	420	282	185	139	139	139	139
EV	679	552	475	357	273	233	234	234	229
P/E (adj.)	67.9	47.5	35.4	43.2	30.4	25.9	17.3	12.4	8.9
P/E	67.9	47.5	35.4	83.7	30.4	33.4	18.5	12.4	8.9
P/B	20.2	11.5	7.5	5.0	3.4	2.8	2.9	2.8	2.5
P/S	10.0	6.2	4.1	2.3	1.5	1.1	1.0	0.9	0.8
EV/Sales	10.4	6.7	4.6	2.9	2.2	1.8	1.7	1.6	1.4
EV/EBITDA	29.2	19.9	14.6	11.2	7.9	6.9	5.9	5.3	4.6
EV/EBIT (adj.)	52.7	37.4	31.1	32.1	23.9	22.4	16.2	12.8	9.7
Payout ratio (%)	67.7 %	69.0 %	68.3 %	256.6 %	149.8 %	221.7 %	122.4 %	82.2 %	59.1 %
Dividend yield-%	1.0 %	1.5 %	1.9 %	3.1 %	4.9 %	6.6 %	6.6 %	6.6 %	6.6 %

Source: Inderes



The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%	
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e
Aallon Group	41	47	11.0	8.8	7.5	6.4	1.2	1.0	11.8	10.3	2.2	2.3
Admicom	211	202	17.4	14.9	17.1	14.3	5.4	4.8	22.5	19.5	1.5	1.8
Administer	36	46			9.2	7.6	0.6	0.6			2.5	2.3
Xero	10534	10534	58	58	32	29	10.2	7.9	81	85		
Enento	364	509	20.1	15.1	10.3	9.6	3.3	3.2	22.2	16.8	6.6	6.7
Fondia	17	16	10.7	8.6	8.9	6.3	0.7	0.6	14.8	12.4	6.5	6.5
Vincit	21	25		11.0	9.8	3.7	0.4	0.4		14.1	3.9	5.5
Gofore	217	236	15.5	9.8	11.4	8.0	1.2	1.0	17.5	12.5	3.6	3.8
Etteplan	226	295	10.9	9.4	8.0	6.7	0.8	0.8	12.7	11.2	2.3	3.3
Talenom (Inderes)	139	233	22.4	16.2	6.9	5.9	1.8	1.7	25.9	17.3	6.6	6.6
Average			20.6	17.0	12.7	10.2	2.6	2.3	26.1	22.8	3.6	4.0
Median			15.5	10.4	9.8	7.6	1.2	1.0	17.5	13.3	3.1	3.6
Diff-% to median			44%	56%	-30%	-22%	55%	69%	48%	30%	117%	87%

Source: Refinitiv / Inderes

Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue	122	34.1	33.9	29.1	29.2	126	35.7	34.9	29.8	29.6	130.0	137	150	164
Finland	87.8	23.4	22.5	20.2	20.6	86.7	26.1	23.5	20.9	21.2	91.6	95.1	103	111
Sweden	25.5	7.0	7.3	5.0	5.1	24.3	6.0	6.5	4.3	4.4	21.3	20.9	21.5	22.6
Other countries	8.5	3.7	4.2	3.9	3.5	15.3	3.7	4.9	4.6	4.0	17.2	21.2	25.9	31.0
EBITDA	31.9	9.5	10.3	9.0	6.1	34.8	10.7	9.7	8.8	4.8	33.9	39.5	43.8	49.5
Depreciation	-23.9	-5.6	-5.8	-5.9	-6.0	-23.3	-6.0	-6.2	-6.3	-6.2	-24.7	-25.6	-25.5	-25.8
EBIT (excl. NRI)	11.1	3.9	4.5	3.0	0.1	11.4	4.7	3.5	2.4	-0.2	10.4	14.4	18.3	23.7
EBIT	8.0	3.9	4.5	3.0	0.1	11.4	4.7	3.5	2.4	-1.4	9.2	13.9	18.3	23.7
Finland	14.5	4.9	4.3	3.7	2.4	15.3	6.5	3.9	3.6	2.0	16.1	18.3	20.4	23.7
Sweden	-2.2	-0.7	-0.3	-1.3	-1.7	-4.1	-0.9	-0.3	-1.0	-1.3	-3.5	-2.8	-2.3	-1.7
Other countries	-1.9	-0.5	-0.1	-0.3	-1.0	-1.9	-0.6	0.0	-0.4	-0.9	-2.0	-1.1	0.2	1.7
Non-allocated	-2.5	0.3	0.6	0.9	0.4	2.2	-0.3	-0.1	0.2	-1.2	-1.4	-0.5	0.0	0.0
Net financial items	-3.7	-1.0	-1.2	-1.2	-1.0	-4.5	-1.0	-0.9	-0.9	-1.0	-3.8	-4.4	-4.1	-4.0
PTP	4.3	2.8	3.3	1.8	-1.0	6.9	3.7	2.6	1.5	-2.4	5.4	9.5	14.2	19.8
Taxes	-0.9	-0.8	-0.6	-0.5	1.1	-0.8	-1.1	-0.3	-0.3	0.5	-1.3	-2.0	-3.0	-4.1
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	3.4	2.0	2.7	1.2	0.1	6.1	2.5	2.3	1.3	-1.9	4.2	7.5	11.2	15.6
EPS (adj.)	0.14	0.04	0.06	0.03	0.00	0.13	0.06	0.05	0.03	-0.02	0.12	0.17	0.24	0.34
EPS (rep.)	0.07	0.04	0.06	0.03	0.00	0.13	0.06	0.05	0.03	-0.04	0.09	0.16	0.24	0.34

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	19.2 %	8.8 %	4.5 %	2.8 %	-1.7 %	3.7 %	4.9 %	3.1 %	2.3 %	1.3 %	3.0 %	5.5 %	9.4 %	9.6 %
Adjusted EBIT growth-%	-27.2 %	11.5 %	22.8 %	25.9 %	-96.6 %	2.8 %	21.3 %	-21.4 %	-18.8 %	-495.5 %	-8.6 %	38.4 %	26.5 %	30.0 %
EBITDA-%	26.2 %	27.9 %	30.3 %	30.8 %	20.7 %	27.5 %	29.9 %	27.8 %	29.5 %	16.2 %	26.1 %	28.8 %	29.2 %	30.1 %
Adjusted EBIT-%	9.1 %	11.3 %	13.3 %	10.3 %	0.2 %	9.0 %	13.1 %	10.1 %	8.2 %	-0.7 %	8.0 %	10.5 %	12.2 %	14.4 %
Net earnings-%	2.8 %	6.0 %	7.8 %	4.3 %	0.5 %	4.8 %	7.0 %	6.6 %	4.3 %	-6.5 %	3.2 %	5.5 %	7.5 %	9.5 %

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	143	150	151	151	153
Goodwill	66.6	68.6	70.6	72.6	74.6
Intangible assets	61.0	64.4	62.0	60.0	59.7
Tangible assets	4.7	4.7	4.3	4.4	4.9
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.2	0.2	0.2	0.2	0.2
Other non-current assets	9.4	9.4	10.0	10.2	10.4
Deferred tax assets	1.5	2.6	3.5	3.5	3.5
Current assets	29.2	26.4	27.3	28.8	31.5
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	19.0	17.7	19.5	20.6	22.5
Cash and equivalents	10.3	8.7	7.8	8.2	9.0
Balance sheet total	176	178	179	180	185

Source: Inderes

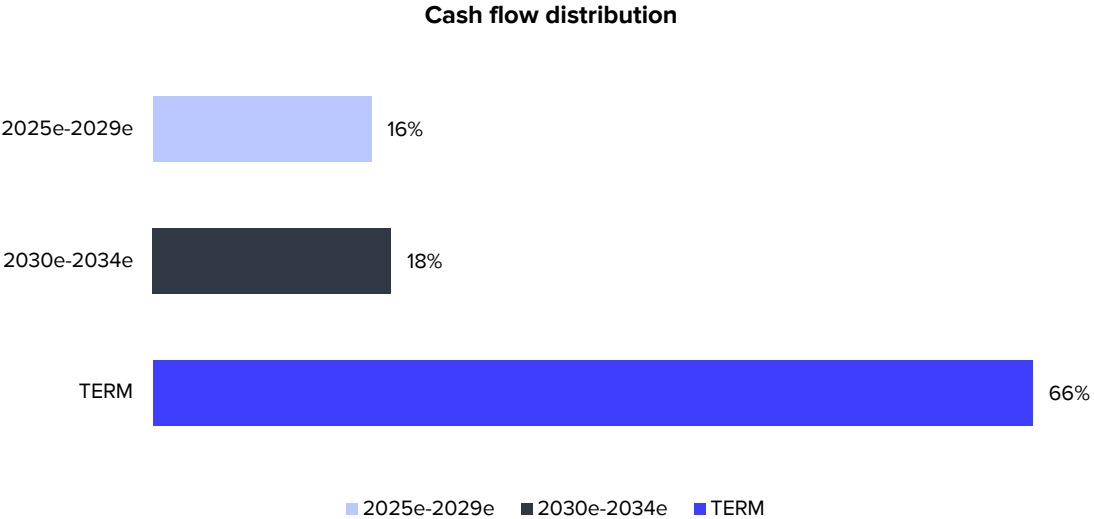
Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	55.8	54.4	49.4	47.7	49.7
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	24.9	23.5	18.5	16.8	18.8
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	-0.1	-0.1	-0.1	-0.1
Other equity	30.9	30.9	30.9	30.9	30.9
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	81.4	96.8	98.3	99.6	99.9
Deferred tax liabilities	4.3	4.3	4.3	4.3	4.3
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	76.4	91.9	94.0	95.3	95.6
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long-term liabilities	0.6	0.7	0.0	0.0	0.0
Current liabilities	38.5	26.8	31.4	32.8	35.2
Interest bearing debt	9.0	4.4	8.0	8.1	8.2
Payables	29.4	22.4	23.4	24.7	27.0
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	176	178	179	180	185

DCF calculation

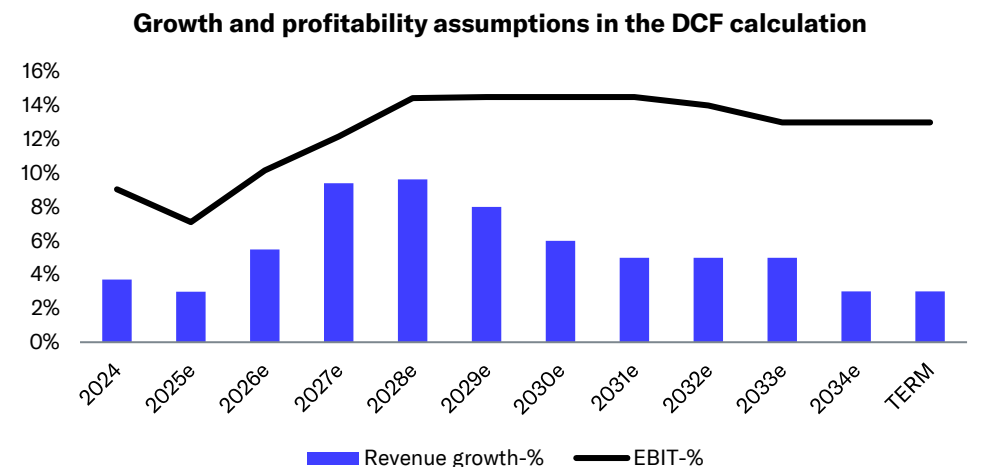
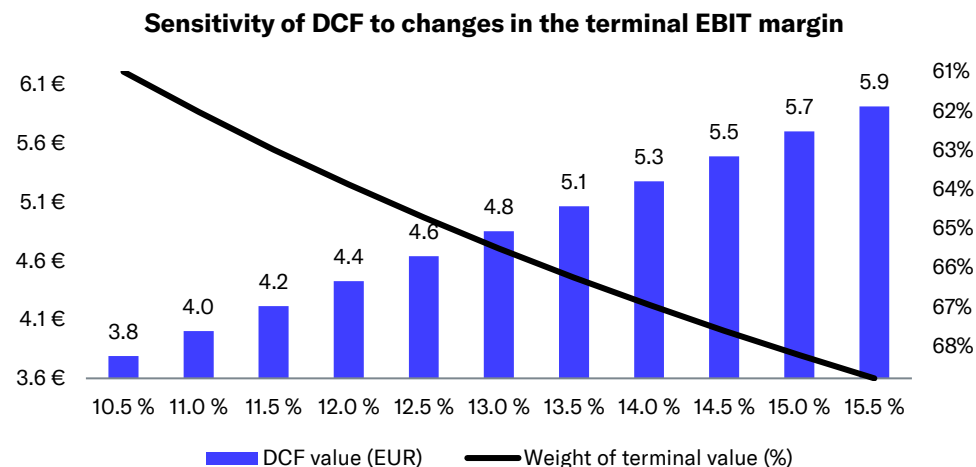
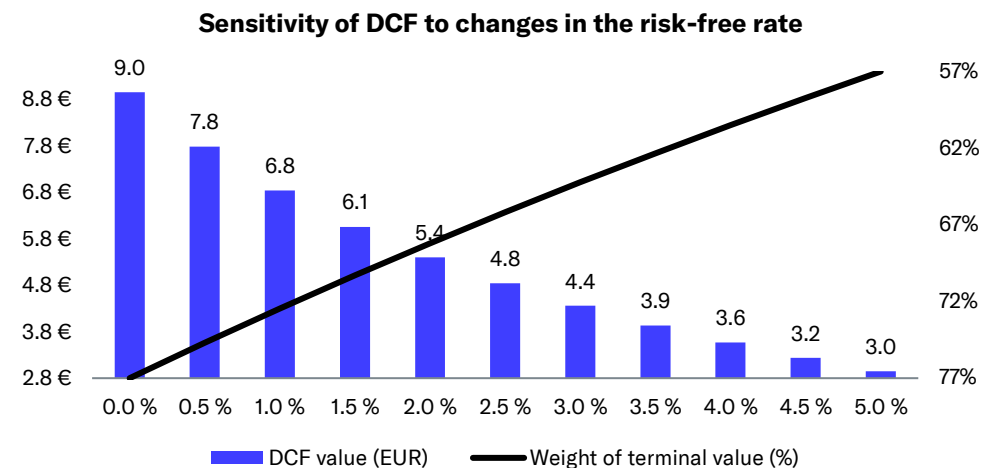
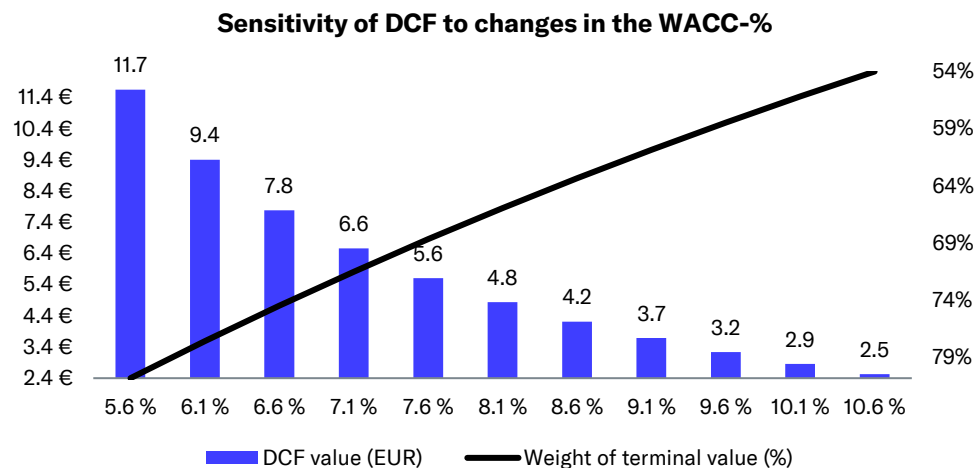
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	3.7 %	3.0 %	5.5 %	9.4 %	9.6 %	8.0 %	6.0 %	5.0 %	5.0 %	5.0 %	3.0 %	3.0 %
EBIT-%	9.0 %	7.1 %	10.2 %	12.2 %	14.4 %	14.5 %	14.5 %	14.5 %	14.0 %	13.0 %	13.0 %	13.0 %
EBIT (operating profit)	11.4	9.2	13.9	18.3	23.7	25.8	27.3	28.7	29.1	28.3	29.2	
+ Depreciation	23.3	24.7	25.6	25.5	25.8	26.2	26.7	27.2	27.2	27.2	28.2	
- Paid taxes	-2.0	-2.1	-2.0	-3.0	-4.1	-4.6	-5.0	-5.3	-5.4	-5.3	-5.6	
- Tax, financial expenses	-0.5	-0.9	-0.9	-0.9	-0.9	-0.8	-0.8	-0.7	-0.7	-0.6	-0.6	
+ 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	-5.8	-0.8	0.2	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.2	
Operating cash flow	26.5	30.1	36.8	40.3	44.9	46.9	48.6	50.1	50.4	49.9	51.4	
+ Change in other long-term liabilities	0.0	-0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-27.4	-24.0	-25.1	-27.4	-27.8	-30.9	-30.2	-30.5	-30.4	-30.5	-30.4	
Free operating cash flow	-0.9	5.4	11.7	12.9	17.1	16.0	18.4	19.7	20.1	19.3	21.0	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-0.9	5.4	11.7	12.9	17.1	16.0	18.4	19.7	20.1	19.3	21.0	426
Discounted FCFF		5.4	10.8	11.0	13.5	11.7	12.4	12.3	11.6	10.3	10.4	211
Sum of FCFF present value		320	315	304	293	280	268	255	243	232	221	211
Enterprise value DCF		320										
- Interest bearing debt		-96.3										
+ Cash and cash equivalents		8.7										
-Minorities		0.0										
-Dividend/capital return		-9.1										
Equity value DCF		224										
Equity value DCF per share		4.8										

WACC	
Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	25.0 %
Cost of debt	4.5 %
Equity Beta	1.35
Market risk premium	4.75%
Liquidity premium	0.70%
Risk free interest rate	2.5 %
Cost of equity	9.6 %
Weighted average cost of capital (WACC)	8.1 %

Source: Inderes



DCF sensitivity calculations and key assumptions in graphs



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

Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	102.1	121.7	126.2	130.0	137.1	EPS (reported)	0.27	0.07	0.13	0.09	0.16
EBITDA	32.4	31.9	34.8	33.9	39.5	EPS (adj.)	0.27	0.14	0.13	0.12	0.17
EBIT	15.3	8.0	11.4	9.2	13.9	OCF / share	0.68	0.68	0.58	0.65	0.80
PTP	14.6	4.3	6.9	5.4	9.5	OFCF / share	-0.31	-0.32	-0.02	0.12	0.25
Net Income	11.8	3.4	6.1	4.2	7.5	Book value / share	1.26	1.23	1.19	1.07	1.03
Extraordinary items	0.0	-3.2	0.0	-1.2	-0.5	Dividend / share	0.18	0.19	0.20	0.20	0.20
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	156.3	175.7	178.0	179.1	180.2	Revenue growth-%	23%	19%	4%	3%	5%
Equity capital	56.0	55.8	54.4	49.4	47.7	EBITDA growth-%	17%	-2%	9%	-2%	16%
Goodwill	55.0	66.6	68.6	70.6	72.6	EBIT (adj.) growth-%	3%	-27%	3%	-9%	38%
Net debt	54.1	75.2	87.6	94.2	95.2	EPS (adj.) growth-%	8%	-46%	-7%	-13%	50%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	31.7 %	26.2 %	27.5 %	26.1 %	28.8 %
EBITDA	32.4	31.9	34.8	33.9	39.5	EBIT (adj.)-%	15.0 %	9.1 %	9.0 %	8.0 %	10.5 %
Change in working capital	0.2	0.6	-5.8	-0.8	0.2	EBIT-%	15.0 %	6.5 %	9.0 %	7.1 %	10.2 %
Operating cash flow	30.4	31.1	26.5	30.1	36.8	ROE-%	23.4 %	6.0 %	11.1 %	8.0 %	15.5 %
CAPEX	-44.9	-43.5	-27.4	-24.0	-25.1	ROI-%	13.9 %	6.1 %	7.9 %	6.2 %	9.3 %
Free cash flow	-13.8	-14.6	-0.9	5.4	11.7	Equity ratio	35.9 %	31.8 %	30.6 %	27.6 %	26.5 %
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	96.6 %	134.7 %	161.1 %	190.7 %	199.6 %
EV/S	4.6	2.9	2.2	1.8	1.7						
EV/EBITDA	14.6	11.2	7.9	6.9	5.9						
EV/EBIT (adj.)	31.1	32.1	23.9	22.4	16.2						
P/E (adj.)	35.4	43.2	30.4	25.9	17.3						
P/B	7.5	5.0	3.4	2.8	2.9						
Dividend-%	1.9 %	3.1 %	4.9 %	6.6 %	6.6 %						

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)

The company carried out a 1:5 stock split on February 25, 2020; share prices and target prices have been adjusted

Date	Recommendation	Target	Share price
7/24/2019	Accumulate	6.00 €	5.68 €
7/30/2019	Accumulate	6.33 €	6.02 €
10/22/2019	Accumulate	6.33 €	5.67 €
1/8/2020	Reduce	7.33 €	7.42 €
2/4/2020	Reduce	7.00 €	6.97 €
2/26/2020	Accumulate	6.80 €	6.40 €
4/1/2020	Reduce	6.00 €	5.88 €
4/28/2020	Accumulate	7.50 €	7.14 €
6/15/2020	Reduce	8.20 €	8.20 €
8/4/2020	Reduce	9.00 €	9.32 €
10/27/2020	Reduce	10.00 €	10.20 €
11/19/2020	Reduce	12.00 €	12.20 €
2/9/2021	Reduce	12.00 €	12.50 €
3/2/2021	Accumulate	12.00 €	11.15 €
4/27/2021	Reduce	14.00 €	14.12 €
8/3/2021	Reduce	16.00 €	16.72 €
10/1/2021	Accumulate	15.00 €	13.98 €
11/2/2021	Accumulate	15.50 €	14.50 €
12/17/2021	Accumulate	13.50 €	11.92 €
2/9/2022	Buy	12.00 €	9.84 €
4/13/2022	Buy	12.00 €	9.99 €
4/27/2022	Buy	12.00 €	10.00 €
8/3/2022	Reduce	12.50 €	12.30 €
10/26/2022	Reduce	9.50 €	9.39 €
2/1/2023	Reduce	9.00 €	9.09 €
3/27/2023	Accumulate	9.00 €	7.69 €
4/21/2023	Accumulate	8.80 €	7.88 €
7/24/2023	Accumulate	8.00 €	6.96 €
10/13/2023	Buy	6.00 €	4.65 €
10/23/2023	Buy	6.00 €	4.70 €
12/28/2023	Accumulate	6.50 €	6.03 €
2/2/2024	Reduce	6.30 €	6.20 €
3/19/2024	Buy	6.30 €	5.18 €
4/19/2024	Accumulate	6.30 €	5.60 €
7/22/2024	Accumulate	6.00 €	5.28 €
8/20/2024	Buy	5.60 €	4.38 €
10/10/2024	Buy	5.30 €	4.34 €
11/1/2024	Buy	5.20 €	3.63 €
1/31/2025	Buy	4.60 €	3.53 €
4/25/2025	Buy	4.60 €	3.46 €
7/21/2025	Accumulate	4.20 €	3.65 €
10/20/2025	Reduce	3.80 €	3.60 €
12/1/2025	Buy	3.80 €	3.02 €
12/19/2025	Accumulate	3.40 €	3.02 €



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