14 July 2026

Construction

Kreate Group

Infra remains red hot

Kreate reported extremely strong figures for Q2. Sales and order backlog were at an all-time high, and the multiple large ongoing projects provide a credible path for higher volumes in the short and medium term. The company also showed evidence of strong profitability growth, with the EBITA margin reaching the 5% strategic target. We increase our fair value range to EUR27.2-28.8 (previously EUR22.2-23.8).

Sales and order backlog at all-time highs. Revenue growth was very strong at 152% y/y. Order backlog reached EUR885m, a y/y increase of over 200%. The market outlook remains very favourable, with industrial and datacentre investments bolstering the more modest growth outlook in the infrastructure market. The company has eight ongoing datacentre projects currently and, according to management, has capacity to increase this even further. The diverse customer base was evidenced by the private sector accounting for 46% of sales in H1.

Operational leverage showing. The company showed very strong margin development in Q2, reaching the strategic target of 5%, up an impressive 3.5pp q/q. This supports management's comments that growth investments made earlier are now bearing fruit. According to management, the company is able to growth volumes without the need for major investment.

Estimate changes. We have raised our EBITA estimates for 2026-28 by 20%, 15% and 17%, respectively, to reflect a higher profitability level for the coming years.

Valuation. Kreate's share is trading at 2026E EV/EBITA of 10.1x, a 10% discount to the peer group. Historically, Kreate has traded at a discount of 9% on average to the peer group. We make a significant uplift to our fair value range as the company has proven that growth investments are largely behind it and margin levels in line with its strategic target can be realised sooner than we expected.

Key data

Price (EUR)	28.0
Country	Finland
Bloomberg	KREATE FH
Reuters	KREATE.HE
Free float	100.0%
Market cap (EURm)	249
Net debt (current Y/E) (EURm)	52
No. of shares (m)	8.9
Next event	Q3: 26-Oct

** Price as at 15:30 EET on 14 July 2026*

CEO	Timo Vikström
CFO	Mikko Laine

Company description

Kreate is an infrastructure construction company with a service offering in structural engineering and traffic routes. Kreate specialises in complex projects in challenging environments, for example construction in areas with existing buildings, infrastructure, people and traffic as well as projects that require minimising disruptions to surrounding buildings and traffic. Kreate primarily acts as a contractor in the project execution phase, but is also increasingly involved in the planning phase.

Ownership structure

Harjavalta Oy	19.9%
Tirinom Oy	11.1%
Ilmarinen	4.7%
Valtonen Seppo	4.0%
Varma	4.0%

Source: Company data

Estimate changes

	26E	27E	28E
Sales	0.0%	2.5%	4.3%
EBITDA	13.7%	10.2%	12.3%
EBIT (adj.)	20.3%	14.8%	17.6%
EPS (adj.)	n.m.	n.m.	n.m.

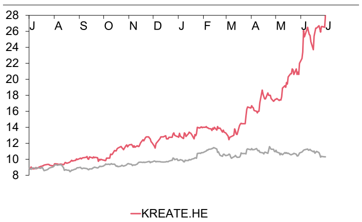
Source: Danske Bank Equity Research estimates

Key financials

Year-end Dec (EUR)	2024	2025	2026E	2027E	2028E
Revenues (m)	276	315	626	625	608
Revenues growth	-13.9%	14.4%	98.6%	-0.2%	-2.7%
EBITDA (m)	15.3	17.9	40.1	41.4	41.3
EBIT adj. (m)	8.4	9.1	28.6	29.7	29.5
EBIT growth	20.0%	8.3%	n.m.	3.9%	-0.7%
Pre-tax profit (m)	5.9	8.4	25.9	27.1	27.3
EPS adj.	0.52	0.75	2.33	2.41	2.43
DPS	0.50	0.60	1.40	1.32	1.46
Dividend yield	7.0%	4.8%	5.0%	4.7%	5.2%
FCFE yield (pre-IFRS16)	-3.3%	-18.6%	-3.9%	9.5%	9.5%
EBIT margin (adj.)	3.0%	2.9%	4.6%	4.8%	4.9%
Net debt/EBITDA (x)	2.0	2.1	1.3	1.0	0.7
ROIC	10.1%	9.4%	23.4%	21.0%	21.0%
EV/sales (x)	0.3	0.4	0.5	0.4	0.4
EV/EBITDA (adj.) (x)	5.6	8.1	7.2	6.8	6.6
EV/EBITA (adj.) (x)	9.7	14.9	10.1	9.5	9.1
EV/EBIT (adj.) (x)	9.9	15.0	10.2	9.5	9.2
P/E (adj.) (x)	13.8	16.7	12.0	11.6	11.5

Source: Company data, Danske Bank Equity Research estimates

Price performance



	1M	3M	12M	5Y
Absolute	27%	68%	215%	175%
Rel. local market	33%	69%	151%	164%
Rel. EU sector	33%	84%	172%	58%

Source: FactSet, Danske Bank Equity Research

Analyst

Miro Peltomäki

Find our research here:
https://research.danskebank.com

Important disclosures and certifications are contained from page 9 of this report

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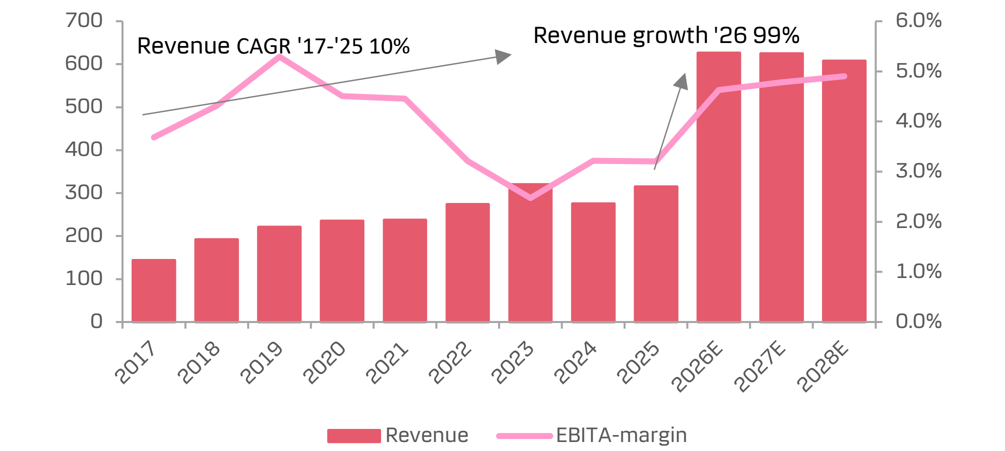
Investment case

Kreate is an infrastructure construction company in the Finnish market, specialising in complex projects in challenging environments that require special competence in infrastructure construction. Kreate is the number four player in the Finnish infrastructure construction market in sales value terms, with a strong track record of growth and decent profitability. It reported a 2017-25 revenue CAGR of 10%, with an average EBITA margin of 3.9%, driven by successful execution of projects. We estimate 99% y/y growth in revenue in 2026, after which growth should cool off for a few years. Kreate's financial targets [by the end of 2027] include sales growth of 5-10%, an EBITA margin of over 5%, net debt/EBITDA <2.5x and over 50% of net earnings as dividends. We expect Kreate's strong growth to continue in the coming quarters, driven by a strong tailwind in the infrastructure construction market and supported by the SRV Infra acquisition (completed on 31 December 2025), but longer-term growth potential is limited by market growth.

Chart 1. Kreate revenue (EURm) and EBITA margin development



Source: Company data, Danske Bank Equity Research estimates

Table 1. Profit estimates

EURm	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26	Q3 26E	Q4 26E	2025	2026E	2027E	2028E
Sales	**52.4**	**73.5**	**94.7**	**94.6**	**97.6**	**185.4**	**187.0**	**156.0**	**315.2**	**626.0**	**625.0**	**608.0**
EBITA	**0.1**	**2.2**	**4.0**	**3.9**	**1.5**	**9.3**	**9.9**	**8.3**	**10.1**	**29.0**	**29.9**	**29.8**
EBIT	**0.0**	**2.2**	**4.0**	**3.9**	**1.5**	**9.3**	**9.9**	**8.0**	**10.0**	**28.7**	**29.7**	**29.5**
EBITA margin	*0.2%*	*3.0%*	*4.2%*	*4.1%*	*1.5%*	5.0%	5.3%	5.3%	3.2%	4.6%	4.8%	4.9%
EBIT margin	*0.0%*	*3.0%*	*4.2%*	*4.1%*	*1.5%*	5.0%	5.3%	5.1%	3.2%	4.6%	4.8%	4.9%
PTP	-0.1	1.4	3.5	3.6	0.9	8.4	9.4	7.1	8.4	25.9	27.1	27.3
Net profit	**0.1**	**1.0**	**2.9**	**2.7**	**1.0**	**6.8**	**7.6**	**5.3**	**6.7**	**20.7**	**21.4**	**21.6**
EPS (EUR)	0.01	0.11	0.33	0.30	0.11	0.77	0.85	0.60	0.75	2.33	2.41	2.43
DPS (EUR)									0.60	1.40	1.32	1.46

Source: Company data, Danske Bank Equity Research estimates

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The Finnish infrastructure construction market, worth EUR7bn in 2025, according to Kreate, has historically been quite resilient, with a 2008-25 CAGR of 1.4% and limited correlation to GDP growth. We believe the overall market outlook for the coming years is positive, supported, for example, by datacentre investments, planned and recently confirmed sizeable railway projects, as well as multiple planned industrial, mobility and military and green transition projects. The market is supported by the Finnish state's 12-year plan for transport infrastructure, which started in 2021. Kreate operates in segments with an addressable market of around EUR5bn, which are poised to benefit from structural drivers such as urbanisation and a large renovation backlog. For example, the rail construction part of the market, in which Kreate has been investing strongly in recent years, looks set to perform well in the long term, driven by government efforts to improve public transportation.

Competitive advantage in complex projects with satisfied customers

Kreate is a medium-sized company with a broad offering in infrastructure construction. Kreate believes that it has a key competitive advantage in complex urban projects, which require expertise in multiple disciplines. According to the company, Kreate is the market leader (by revenue share) in two of five disciplines – foundations & ground engineering and bridges. Within the disciplines of rock engineering and roads & streets, Kreate is number two to three, and in railways Kreate is a challenger with a position of number three to five. The recently completed SRV Infra acquisition widened Kreate's expertise to include underground rock construction. According to Kreate, the company's customer satisfaction is high, driven by successful execution of previous projects. The customer base is diverse with private sector accounting for 46% of sales during H1 26.

Q2 26 results review

Kreate reported a clear beat in both revenue and EBITA in Q2. Revenue of EUR185.4m (+152% y/y) was 20% above LSEG consensus expectations and 15% above our estimate. EBITA came in at EUR9.3m (+323% y/y), 82% above consensus and +52% over our estimate, supported mainly by the higher volumes. EBITA margin improved to 5.0% vs. LSEG consensus of 3.3% and 3.0% a year ago, supported by the growing volumes and growth investments made in earlier years and Q1. The order backlog development was also very strong, increasing to EUR885m versus EUR689m in Q1 26 and EUR281m a year ago. Order intake during Q2 included c.EUR260m of published projects and EUR124m of unpublished projects, suggesting that the company was very competitive in a large variety of projects.

Kreate's cash flow totalled EUR3.8m versus EUR9.3m a year ago, burdened by the unfavourable development in NWC arising from the growing volumes; however, net working capital was still negative.

Table 2. Kreate Q2 26 figures

EURm	Actual Q2 26	DBER Q2 26E	Dev.	Consensus (LSEG)	Dev.	Actual Q2 25	Change y/y
Sales	**185.4**	**161.0**	**15%**	**155.0**	**20%**	**73.5**	**152%**
EBITA	**9.3**	**6.1**	**52%**	**5.1**	**82%**	**2.2**	**323%**
EBIT	**9.3**	**6.1**	**52%**	**5.1**	**82%**	**2.2**	**323%**
EBITA margin	5.0%	3.8%	32%	3.3%	52%	3.0%	67%
EBIT margin	5.0%	3.8%	32%	3.3%	52%	3.0%	67%
Net profit	**6.7**	**4.3**	**56%**	**4.2**	**60%**	**1.0**	**570%**
EPS	0.64	0.48	33%	0.50	28%	0.11	482%

Source: Company data, LSEG Data & Analytics, Danske Bank Equity Research (DBER) estimates

For 2026, Kreate is guiding (updated for a second time this year in mid-June) for revenues of EUR600m-650m with EBITA in the range of EUR21m26m. The market outlook is strengthening in both Finland and Sweden in most segments, and we see a realistic chance for further guidance uplifts during the latter half of the year.

We increase our EBITA estimates for 2026-28 by 20%, 15% and 17%, respectively, as the company provided credible evidence of higher profitability. Also, management confirmed that the Q2 performance did not include any significant one-off items affecting profitability positively, so it should be fairly indicative of the performance for the rest of the year.

Valuation

We increase our fair value range to EUR27.2-28.8 (previously EUR22.2-23.8) per share. The midpoint implies 10.0x 2026E EV/EBITA (previously 10.3x), which is some 10% below the historical forward EV/EBITA multiple for the peer group (11.0x).

In our view, a slight valuation discount to peers is justified due to its smaller size and higher expected earnings volatility compared with the peer companies. Currently, the shares are trading at an EV/EBITA for 2026E of 10.1x, a 9% discount to the peer group. Historically, Kreate has traded at a discount of 10% on average to the peer group.

Table 3. Peer group valuation

Company	Ticker	Mkt cap lcl ccy	Price* lcl ccy	EV/Sales (x) 2026E	EV/Sales (x) 2027E	EV/Sales (x) 2028E	EV/EBITA (x) 2026E	EV/EBITA (x) 2027E	EV/EBITA (x) 2028E	P/E (x) 2026E	P/E (x) 2027E	P/E (x) 2028E	Div Yield (W%) 2026E	FCF Yield (%) 2026E
AF Gruppen	AFGA.OL	22,191	194.9	0.6	0.6	0.6	11.1	10.0	9.7	17.2	15.7	15.4	5.8	6.0
Bonava	BONAVb.ST	2,761	9.4	0.7	0.6	0.5	10.8	6.2	4.9	11.5	5.7	3.7	0.0	-17.5
Consti	CONSTI.HE	91	11.2	0.3	0.3	0.2	9.8	7.2	6.5	12.3	9.3	8.0	6.5	2.6
JM	JM.ST	7,623	117.4	1.8	1.6	1.4	22.5	16.8	12.9	28.4	17.4	11.7	2.1	-23.2
GRK	GRK.HE	745	17.4	0.6	0.5	0.5	8.0	12.3	6.8	14.7	14.6	12.4	3.0	0.8
NCC	NCCb.ST	18,441	183.7	0.4	0.4	0.3	10.0	8.6	7.8	11.3	10.0	7.8	5.9	12.5
NRC Group	NRC.OL	1,453	8.4	0.3	0.3	0.3	12.1	9.0	7.9	17.1	10.4	8.8	0.0	9.4
Peab	PEABb.ST	22,987	87.3	0.5	0.5	0.5	11.3	10.1	9.5	10.9	10.0	9.7	4.6	7.9
Selvaag Bolig	SBOS.OL	3,117	33.2	1.6	2.2	2.0	17.9	22.4	18.4	9.1	12.9	8.8	6.5	-14.9
Skanska	SKAb.ST	101,728	252.4	0.5	0.5	0.4	10.8	9.8	8.9	14.6	13.7	12.4	4.1	6.7
SRV	SRV1V.HE	92	5.4	0.2	0.2	0.2	19.7	9.7	7.9	54	10.5	7.7	0.0	-5.1
Veidekke	VEI.OL	25,434	188.2	0.5	0.4	0.4	10.6	10.0	9.6	16.2	15.2	14.1	6.0	10.1
YIT	YIT.HE	576	2.5	0.6	0.6	0.6	18	11.2	9.4	99.0	16.0	10.3	0.0	31.9
Median				0.5	0.5	0.5	11.1	10.0	8.9	14.7	12.9	9.7	4.1	6.0
Kreate by DBER	**KREATE-FI**	**249**	**28.0**	**0.5**	**0.4**	**0.4**	**10.1**	**9.5**	**9.1**	**12.0**	**11.6**	**11.5**	**5.0**	**-3.9**

**Prices as at 15:30 EET on 14 July 2026*

Source: Company data, LSEG Data & Analytics prices and peer data, Danske Bank Equity Research (DBER) estimates for Kreate

Key risks

We consider the governance of operational project management to be a key risk for Kreate in low-margin infrastructure construction. While Kreate has a track record of generating quite good margins, they are still at a relatively low level, and difficulties in a single large project could have a large impact on the entire company's profitability. We believe the following factors mitigate the typical project risk:

- In infrastructure markets, costs from changes/surprises are typically borne by the customer.
- Contract prices are typically fixed, but the customer is responsible for designs and risk related to quantities.
- The infrastructure contractor usually has independent responsibilities.
  - The infrastructure contractor is usually a sole provider in a work phase, whereas in building construction there can be several contractors working in overlapping phases.
  - The infrastructure contractor works more independently and with fewer dependencies on others, compared with building construction.
- Thorough risk assessment and pricing of risks.
- Incentives aligned with responsibility for project profitability is a key parameter.
- Transparent and frequent monitoring in a lean organisation.
- Heavily increasing construction costs can cause fluctuations in margins.
- In infrastructure construction, the lead times between the signing and the start of the project are usually shorter than in building construction, enabling the company to hedge its sourcing volumes better.

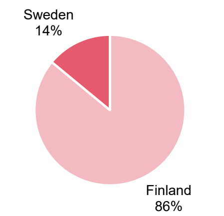
Key personnel leaving the company poses a risk for continuity. The operational competence is held by project directors, project managers, tender calculators and everyday worksite management. We believe the high level of employee ownership and incentive culture could mitigate the risk.

A high share of public sector revenue may be a risk if public finances were to deteriorate significantly. However, the public sector is usually viewed as a mitigating factor for risk levels. In times of economic downturn, governments usually stimulate the economy through monetary and fiscal policy.

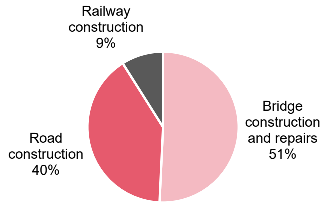
Kreate is exposed to the construction cycle, even though cyclicality is more limited in infrastructure construction than in building construction. The competitive landscape is naturally always tight, but in the most demanding projects requiring special expertise, competition has remained more moderate.

Company summary

Sales breakdown by geographical area



Sales breakdown by division



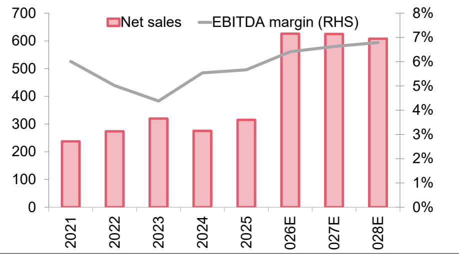
Company information

Kreate Group
Äyritie 8C, 01510 Vantaa
Finland
www.kreategroup.fi

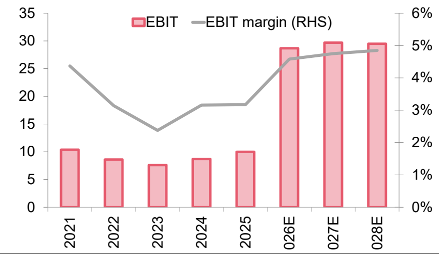
Main shareholders

Name	Votes (%)	Capital (%)
Harjavalta Oy	19.9%	19.9%
Tirinom Oy	11.1%	11.1%
Ilmarinen	4.7%	4.7%
Valtonen Seppo	4.0%	4.0%
Varma	4.0%	4.0%

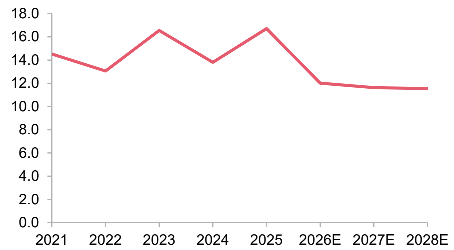
Net sales and EBITDA margin (EURm)



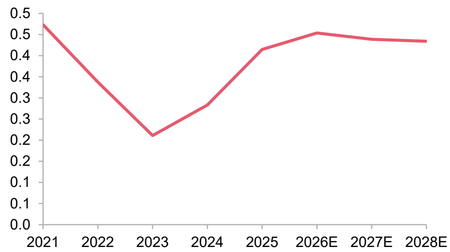
EBIT and EBIT margin (EURm)



P/E NTM (x)



EV/sales NTM (x)



Source: FactSet, Company data, Danske Bank Equity Research estimates

Click here for link to ESG webpage for all companies under coverage.

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Summary tables

INCOME STATEMENT										
Year end Dec, EURm	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Net sales	221	235	238	274	320	276	315	626	625	608
Cost of sales & operating costs	-206	-221	-223	-260	-306	-260	-297	-586	-584	-567
EBITDA	**14.9**	**14.3**	**14.3**	**13.7**	**14.0**	**15.3**	**17.9**	**40.1**	**41.4**	**41.3**
EBITDA, adj.	13.9	13.1	13.6	13.1	13.4	15.0	17.0	40.0	41.4	41.3
Depreciation	-3.2	-3.7	-3.7	-5.0	-6.1	-6.4	-7.8	-11.2	-11.7	-11.6
EBITA	**11.7**	**10.6**	**10.6**	**8.8**	**7.9**	**8.9**	**10.1**	**29.0**	**29.7**	**29.7**
EBIT incl. EO, bef. ass.	**11.5**	**10.4**	**10.4**	**8.6**	**7.6**	**8.7**	**10.0**	**28.7**	**29.7**	**29.5**
EBIT, adj.	10.5	9.2	9.7	8.0	7.0	8.4	9.1	28.6	29.7	29.5
Financial items, net	-1.2	-1.1	-2.1	-2.0	-2.9	-2.8	-1.6	-2.8	-2.6	-2.2
Pre-tax profit	**10.3**	**9.3**	**8.3**	**6.6**	**4.7**	**5.9**	**8.4**	**25.9**	**27.1**	**27.3**
Taxes	-1.6	-1.5	-1.3	-1.1	-0.8	-1.3	-1.7	-5.2	-4.9	-4.9
Minorities									-0.8	-0.8
Net profit, rep.	**8.7**	**7.8**	**7.0**	**5.5**	**3.9**	**4.6**	**6.7**	**20.7**	**21.4**	**21.6**
Net profit, adj.	8.7	7.8	7.9	5.5	3.9	4.6	6.7	20.7	21.4	21.6

CASH FLOW										
EURm	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
EBITDA	14.9	14.3	14.3	13.7	14.0	15.3	17.9	40.1	41.4	41.3
Change in working capital	5.6	1.6	-4.5	-5.1	17.1	-13.4	1.4	-30.0	-0.1	0.3
Net interest paid	-0.2	-0.3	-1.4	-1.9	-2.9	-2.8	-1.6	-2.8	-2.6	-2.2
Taxes paid	-1.0	-1.3	-2.1	-1.1	-0.7	-1.3	-1.7	-5.2	-4.9	-4.9
Other operating cash items	0.0	-0.4	-0.2	0.7	2.4	2.1	-0.6			
Cash flow from operations	**18.3**	**13.2**	**5.4**	**6.0**	**29.6**	**-0.3**	**14.9**	**2.2**	**33.8**	**34.5**
Capex	-5.0	-4.6	-5.6	-4.6	-6.9	-1.9	-5.7	-12.1	-10.3	-10.9
Div to min										
Free cash flow	**13.3**	**8.6**	**-0.2**	**1.4**	**22.7**	**-2.2**	**9.2**	**-9.9**	**23.5**	**23.6**
Disposals/(acquisitions)	1.3		0.6	-5.5			-30.0			
Free cash flow to equity	**14.6**	**8.6**	**0.4**	**-4.1**	**22.7**	**-2.2**	**-20.8**	**-9.9**	**23.5**	**23.6**
Dividend paid			-4.0	-4.0	-4.1	-4.2	-4.4	-5.3	-12.4	-11.8
Share buybacks				-0.5	-0.5					
New issue common stock			11.2							
Incr./(decr.) in debt		6.1	-8.6	-16.8	-3.0		23.0	3.0	-7.0	-7.0
Minorities & other financing CF	-0.6	-1.1	-0.8	28.5	-0.8	-6.5	10.2	-0.6	-0.6	-0.6
Cash flow from financing	**-1.7**	**-13.2**	**-2.2**	**7.2**	**-8.4**	**-10.7**	**28.7**	**-2.9**	**-20.0**	**-19.4**
Disc. ops & other	0.1	0.1	0.2							
Incr./(decr.) in cash	**6.6**	**-4.6**	**-1.8**	**3.1**	**14.3**	**-12.9**	**7.9**	**-12.8**	**3.5**	**4.2**

BALANCE SHEET										
EURm	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Cash & cash equivalents	12.7	8.1	6.3	9.4	23.7	10.8	18.7	5.9	9.4	13.5
Inventory	0.0								0.1	
Trade receivables	32.1	30.4	34.2	49.8	34.6	44.8	58.7	100	100.0	97.3
Other current assets	0.3	0.1	0.6	0.4	0.7					
Goodwill	35.6	35.6	35.6	40.0	40.0	40.4	63.3	63.3	63.3	63.3
Other intangible assets	0.9	1.0	0.9	0.7	0.5	0.3	0.2	0.0	0.1	0.0
Fixed tangible assets	14.1	15.8	17.9	19.9	20.4	18.3	27.9	29.3	28.4	28.2
Associated companies	7.6	8.4	8.9	10.0	10.5	10.5	11.4	11.5	11.5	11.5
Other non-current assets	0.5	0.4	1.1	1.4	1.3	1.1	1.2	1.2	1.2	1.2
Total assets	**105**	**101**	**107**	**135**	**135**	**131**	**188**	**218**	**220**	**222**
Shareholders' equity	**20.2**	**26.6**	**41.1**	**42.5**	**42.8**	**43.6**	**45.7**	**61.1**	**70.9**	**81.5**
Of which minority interests						0.3	0.7	0.7	1.5	2.3
Current liabilities	38.6	38.0	37.2	47.7	49.9	45.7	85.6	97.1	97.0	94.4
Interest-bearing debt	28.4	34.5	25.7	39.9	37.5	35.5	48.5	51.5	44.5	37.5
Pension liabilities										
Oth non-curr. liabilities	0.5	0.7	1.1	1.5	1.5	1.4	1.6	1.6	1.6	1.6
Total liabilities	**69.1**	**74.7**	**65.5**	**92.0**	**91.8**	**87.8**	**142**	**156**	**149**	**140**
Total liabilities and equity	**105**	**101**	**107**	**135**	**135**	**131**	**188**	**218**	**220**	**222**
Net debt	31.9	26.4	19.4	30.5	13.8	24.7	29.8	45.6	35.1	24.0

Source: Company data, Danske Bank Equity Research estimates

Summary tables

PER SHARE DATA	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
No. of shares, fully diluted (y.e.) (m)	9.0	9.0	9.0	8.9	8.9	8.9	8.9	8.9	8.9	8.9
No. of shares, fully diluted (avg.) (m)	9.0	9.0	9.0	8.9	8.9	8.9	8.9	8.9	8.9	8.9
EPS (EUR)	0.97	0.87	0.78	0.62	0.44	0.52	0.75	2.33	2.41	2.43
EPS adj. (EUR)	0.97	0.87	0.88	0.62	0.44	0.52	0.75	2.33	2.41	2.43
DPS (EUR)	0.00	0.44	0.45	0.46	0.48	0.50	0.60	1.40	1.32	1.46
CFFO/share (EUR)	1.9	1.3	0.6	0.7	3.3	-0.0	1.7	0.2	3.8	3.9
Book value/share (EUR)	2.24	2.96	4.57	4.78	4.81	4.87	5.06	6.79	7.80	8.90

MARGINS AND GROWTH	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
EBITDA margin	6.7%	6.1%	6.0%	5.0%	4.4%	5.5%	5.7%	6.4%	6.6%	6.8%
EBITA margin	5.3%	4.5%	4.5%	3.2%	2.5%	3.2%	3.2%	4.6%	4.8%	4.9%
EBIT margin	5.2%	4.4%	4.4%	3.1%	2.4%	3.2%	3.2%	4.6%	4.8%	4.9%
EBIT adj margin	4.7%	3.9%	4.1%	2.9%	2.2%	3.0%	2.9%	4.6%	4.8%	4.9%
Sales growth	14.9%	6.4%	1.0%	15.3%	16.9%	-13.9%	14.4%	98.6%	-0.2%	-2.7%
EBITDA growth	38.7%	-4.0%	-0.1%	-3.8%	2.0%	8.9%	17.0%	n.m.	3.2%	-0.3%
EBITA growth	41.0%	-9.4%	-0.2%	-16.9%	-10.0%	12.0%	14.0%	n.m.	2.5%	-0.1%
EPS adj growth	n.m.	-10.7%	1.5%	-29.7%	-29.6%	18.6%	45.2%	n.m.	3.3%	0.7%

PROFITABILITY	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
ROIC (after tax, incl. GW, adj.)	15.0%	13.6%	13.2%	9.3%	8.3%	10.1%	9.4%	23.4%	21.0%	21.0%
ROIC (after tax, excl. GW, adj.)	41.3%	39.2%	33.7%	20.4%	20.1%	25.3%	28.0%	66.1%	47.6%	47.7%
ROE (adj.)	26.3%	24.8%	23.4%	13.3%	9.1%	10.6%	15.0%	38.8%	32.5%	28.3%
ROIC (adj.) - WACC	5.0%	3.6%	3.3%	-0.7%	-1.7%	0.2%	-0.5%	13.4%	11.0%	11.0%

MARKET VALUE	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Share price (EUR)			11.4	8.09	7.22	7.14	12.6	28.0	28.0	28.0
No. shares reduced by buybacks (m)	9.0	9.0	9.0	8.9	8.9	8.9	8.9	8.9	8.9	8.9
Mkt cap used in EV (m)			**102**	**72**	**64**	**64**	**112**	**249**	**249**	**249**
Net debt, year-end (m)	33	28	21	33	17	30	36	52	42	31
MV of min/ass and oth (m)	-8	-8	-9	-10	-11	-10	-11	-11	-10	-9
Enterprise value (m)			**114**	**95**	**70**	**83**	**137**	**290**	**281**	**270**

VALUATION	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
EV/sales (x)			0.48	0.35	0.22	0.30	0.43	0.46	0.45	0.44
EV/EBITDA (x)			8.4	7.3	5.3	5.6	8.1	7.2	6.8	6.6
EV/EBITA (x)			11.5	11.6	9.6	9.7	14.9	10.1	9.5	9.1
EV/EBIT (x)			11.8	11.9	10.1	9.9	15.0	10.2	9.5	9.2
P/E (reported) (x)			14.5	13.1	16.6	13.8	16.7	12.0	11.6	11.5
P/E (adj.) (x)			12.9	13.1	16.6	13.8	16.7	12.0	11.6	11.5
P/BV (x)			2.48	1.69	1.50	1.47	2.48	4.12	3.59	3.15
EV/invested capital (x)			4.3	2.6	3.5	2.5	7.2	5.8	5.6	5.5
Dividend yield			3.96%	5.69%	6.65%	7.00%	4.78%	4.99%	4.73%	5.20%
Total yield (incl. buybacks)			3.96%	6.38%	7.43%	7.00%	4.78%	4.99%	4.73%	5.20%
FCFE-yield			-0.20%	1.95%	35.35%	-3.46%	8.21%	-3.98%	9.45%	9.46%

FINANCIAL RATIOS	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Net debt/EBITDA (x)	1.8	2.1	1.5	2.5	1.2	2.0	2.1	1.3	1.0	0.7
Net debt/equity (x), year-end	1.3	1.0	0.5	0.8	0.4	0.7	0.8	0.8	0.6	0.4
Dividend payout ratio	0.0%	50.7%	57.6%	74.2%	110.0%	96.7%	79.9%	60.0%	55.0%	60.0%
Interest coverage (x)	9.4	8.8	5.0	4.4	2.6	3.1	4.8	9.8	11.4	13.4
Cash conversion (FCF/net profit)	152.4%	110.3%	-2.8%	25.3%	585.1%	-47.8%	137.2%	-47.9%	109.9%	109.2%
Capex/sales	2.2%	2.0%	2.4%	1.7%	2.2%	0.7%	1.8%	1.9%	1.6%	1.8%
NWC/sales	-2.8%	-3.2%	-1.0%	0.9%	-4.6%	-0.3%	-8.5%	0.5%	0.5%	0.5%

QUARTERLY P&L	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26	Q3 26E	Q4 26E
Sales (m)	52.4	73.5	94.7	94.6	97.6	185	187	156
EBITDA (m)	1.7	4.0	5.9	6.2	3.9	12.5	12.8	10.9
EBIT before non-recurring items (m)	0.0	2.2	3.5	3.3	1.4	9.3	9.9	8.0
Net profit (adj.) (m)	0.2	1.0	2.4	3.0	0.9	6.8	7.6	5.4
EPS (adj.) (EUR)	0.03	0.11	0.27	0.34	0.10	0.77	0.85	0.61
EBITDA margin	3.2%	5.4%	6.3%	6.6%	4.0%	6.7%	6.9%	7.0%
EBIT margin (adj.)	0.0%	3.0%	3.7%	3.5%	1.4%	5.0%	5.3%	5.1%

Source: Company data, Danske Bank Equity Research estimates

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