29 June 2026

Construction

Kreate Group

Infra still surging: Q2 26 results due on 14 July

Order intake remained very strong and prompted Kreate to upgrade its full-year guidance for a second time in H1 26. The market outlook remains robust with datacentre and infrastructure investments still among the top performing sectors in the Finnish construction market. After updating our estimates in line with the revised guidance, we increase our fair value range to EUR22.2-23.8 (previously EUR16.5-18.1).

Order inflow remains strong. Market conditions have remained strong in Q2 26, with high activity across railway infrastructure and datacentre projects. Kreate has secured multiple new projects, reinforcing the strong volume outlook and supporting another upgrade to the full-year financial guidance. We estimate revenue growth to have continued at a very strong pace, confirming that the strong momentum seen in Q1 was not temporary and that the strengthened market position, including rock engineering via the SRV Infra acquisition, is yielding results. However, despite the robust top-line development and upgraded guidance, there was no operational leverage, as relative profitability remained unchanged.

Q2 expectations. We expect that Kreate's sales growth remained strong. We estimate Q2 revenue growth of 119% y/y with an EBITA margin of 3.8%, broadly in line with LSEG Data & Analytics consensus. Q2 performance is considered more representative of the expected full-year outcome than the weaker Q1 figures due to seasonality in the infrastructure construction business. We believe that the accelerated revenue growth is likely to have absorbed the earlier growth investments, enabling a slight margin improvement y/y in Q2.

Estimate changes. We have raised our EBITA forecasts for 2026-28 by 16%, 16% and 19%, respectively.

Valuation. Kreate's shares are trading at a 2026E EV/EBITA of 10.5x, a 6% discount to the peer group. Historically, Kreate has traded at a discount of 9% on average to the peer group. We believe further upside to the shares would require more evidence of improving margins towards the targeted level of over 5%.

Key data

Price (EUR)	23.4
Country	Finland
Bloomberg	KREATE FH
Reuters	KREATE.HE
Free float	100.0%
Market cap (EURm)	208
Net debt (current Y/E) (EURm)	56
No. of shares (m)	8.9
Next event	Q2: 14-Jul

** Price as at 14:33 EET on 29 June 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	16.8%	13.6%	16.6%
EBITDA	9.4%	11.2%	13.9%
EBIT (adj.)	13.0%	13.6%	16.6%
EPS (adj.)	n.m.	n.m.	n.m.

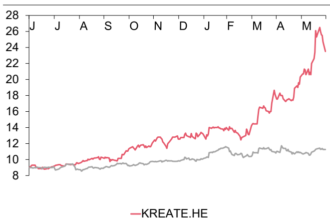
Source: Danske Bank Equity Research estimates

Key financials

Year-end Dec (EUR)	2024	2025	2026E	2027E	2028E
Revenues (m)	276	315	626	610	583
Revenues growth	-13.9%	14.4%	98.6%	-2.6%	-4.4%
EBITDA (m)	15.3	17.9	35.3	37.6	36.8
EBIT adj. (m)	8.4	9.1	23.8	25.9	25.1
EBIT growth	20.0%	8.3%	n.m.	8.9%	-3.1%
Pre-tax profit (m)	5.9	8.4	21.1	23.3	22.9
EPS adj.	0.52	0.75	1.90	2.06	2.02
DPS	0.50	0.60	1.14	1.13	1.21
Dividend yield	7.0%	4.8%	4.9%	4.8%	5.2%
FCFE yield (pre-IFRS16)	-3.3%	-18.6%	-6.6%	10.0%	9.8%
EBIT margin (adj.)	3.0%	2.9%	3.8%	4.2%	4.3%
Net debt/EBITDA (x)	2.0	2.1	1.6	1.2	1.0
ROIC	10.1%	9.4%	19.5%	18.4%	17.9%
EV/sales (x)	0.3	0.4	0.4	0.4	0.4
EV/EBITDA (adj.) (x)	5.6	8.1	7.2	6.5	6.4
EV/EBITA (adj.) (x)	9.7	14.9	10.5	9.4	9.3
EV/EBIT (adj.) (x)	9.9	15.0	10.7	9.4	9.4
P/E (adj.) (x)	13.8	16.7	12.3	11.4	11.6

Source: Company data, Danske Bank Equity Research estimates

Price performance



	1M	3M	12M	5Y
Absolute	16%	79%	170%	134%
Rel. local market	22%	64%	112%	117%
Rel. EU sector	12%	65%	116%	25%

Source: FactSet, Danske Bank Equity Research

Analyst(s)

Mika Karppinen

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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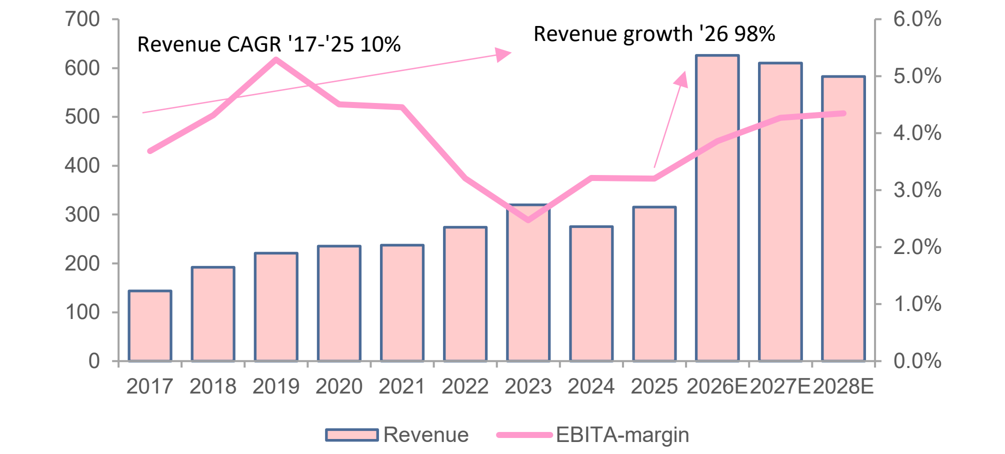
Investment case

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, 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 we believe that growth will tail off for a few years. Kreate's financial targets [by 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 infrastructure construction market supported by the SRV Infra acquisition (completed on 31 December 2025) but the longer-term growth drivers are limited by market growth.

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



Source: Company data, Danske Bank Equity Research estimates

Table 1. Kreate estimates

					DBER estimates					DBER estimates		
EURm	**Q1 25**	**Q2 25**	**Q3 25**	**Q4 25**	**Q1 26**	**Q2 26E**	**Q3 26E**	**Q4 26E**	**2025**	**2026E**	**2027E**	**2028E**
Sales	52.4	73.5	94.7	94.6	97.6	161.0	187.0	180.4	315.2	626.0	610.0	583.0
EBITA	0.1	2.2	4.0	3.9	1.5	6.1	8.2	8.3	10.1	24.2	26.1	25.4
EBIT	0.0	2.2	4.0	3.9	1.5	6.1	8.2	8.0	10.0	23.9	25.9	25.1
EBITA margin	*0.2%*	*3.0%*	*4.2%*	*4.1%*	*1.5%*	*3.8%*	*4.4%*	*4.6%*	*3.2%*	*3.9%*	*4.3%*	*4.4%*
EBIT margin	*0.0%*	*3.0%*	*4.2%*	*4.1%*	*1.5%*	*3.8%*	*4.4%*	*4.4%*	*3.2%*	*3.8%*	*4.2%*	*4.3%*
PTP	-0.1	1.4	3.5	3.6	0.9	5.3	7.8	7.1	8.4	21.1	23.3	22.9
Net profit	0.1	1.0	2.9	2.7	1.0	4.3	6.2	5.4	6.7	16.9	18.3	17.9
EPS (EUR)	0.01	0.11	0.33	0.30	0.11	0.48	0.70	0.61	0.75	1.90	2.06	2.02
DPS (EUR)									0.60	1.14	1.13	1.21

Source: Company data, Danske Bank Equity Research (DBER) estimates

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 a limited correlation to GDP growth. We believe the overall market outlook for the coming years is positive, supported, for example, by planned and recently confirmed sizeable railway projects as well as multiple planned industrial, mobility & 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 63% of revenues from the public sector, of which 73% arises from the Finnish state.

Q2 26E results preview

Kreate continued the positive trajectory with the signing of new orders during Q2 as well as upgrading its full-year guidance for a second time in June. Kreate is now guiding for revenues of EUR600-650m (previously EUR510m-550m) with EBITA of EUR21-26m (previously EUR18-22m). The most sizeable of the announced projects in Q2 were the Vantaa railway project (Kreate indicates a total project value EUR125m) and the Junatie metro bridge (EUR60m). In addition to these, the inflated order backlog most likely includes sizeable datacentre projects and defence-related orders that will not be published. Kreate's full-year revenues are also supported by the consolidation of a JV with Keller, KFS Finland, which will increase sales this year by some EUR30m, according to management.

We expect Kreate's sales growth to have continued to be strong in Q2 in line with previous quarters, supported by the improved order backlog and new project starts. We estimate Q2 revenue growth of 119% y/y with an EBITA margin of 3.8%, broadly in line with LSEG Data & Analytics consensus. The accelerated revenue growth is likely to have absorbed the earlier growth investments, enabling a slight margin improvement y/y in Q2E.

Table 2 : Kreate Q2 26 estimates

EURm	DBER Q2 26E	Consensus (LSEG)	Actual Q2 25
Sales	161.0	152.5	73.5
EBITA	**6.1**	**5.1**	**2.2**
EBIT	**6.1**	**5.1**	**2.2**
EBITA margin	3.8%	3.3%	3.0%
EBIT margin	3.8%	3.3%	3.0%
PTP	5.3	5.0	1.4
Net profit	**4.2**	**3.5**	**1.0**
EPS (EUR)	0.48	0.41	0.11

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

Valuation

We increase our fair value range for Kreate to EUR22.2-23.8 (previously EUR16.5-18.1) per share. The midpoint implies 10.3x 2026E EV/EBITA (previously 9.6x), which is some 7% 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 generally higher expected earnings leverage for the peer companies. Currently, the shares are trading at an EV/EBITA for 2026E of 10.5x, a 6% discount to the peer group. Historically, Kreate has traded at a discount of 9% on average to the peer group. We believe further upside to the shares would require more evidence of improving margins towards the targeted level of over 5%, which at this moment has not materialised despite strong top-line growth.

Table 3. Peer group valuation

		Mkt cap	Price*	EV/Sales (x)			EV/EBITA (x)			P/E (x)			Div Yield (%)	FCF Yield (%)
Company	Ticker	Lcl ccy	(lcl ccy)	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2026E
AF Gruppen	AFGA.OL	21,814	191.1	0.6	0.6	0.6	10.9	10.1	9.8	16.8	16.0	15.3	5.8	7.3
Bonava	BONAVb.ST	2,672	9.1	0.7	0.6	0.5	10.7	6.1	4.8	11.0	5.2	3.5	0.0	-18.1
Consti	CONSTI.HE	91	11.2	0.3	0.2	0.2	9.8	7.2	6.5	12.2	9.3	7.9	6.5	2.6
JM	JM.ST	8,465	131.4	1.8	1.6	1.4	21.3	16.4	12.8	24.7	16.2	11.8	1.9	-21.5
GRK	GRK.HE	766	18.7	0.6	0.6	0.5	8.9	8.3	7.9	15.9	15.7	14.9	2.8	0.0
NCC	NCCb.ST	19,575	196.5	0.4	0.4	0.4	10.0	9.2	8.3	11.5	10.4	8.3	5.3	12.9
NRC Group	NRC.OL	1,464	8.4	0.3	0.3	0.3	13.7	9.0	8.0	17.2	10.4	8.9	0.0	7.7
Peab	PEABb.ST	24,086	92.2	0.6	0.5	0.5	11.6	10.4	9.8	11.5	10.6	10.3	4.4	13.8
Selvaag Bolig	SBOS.OL	3,154	33.5	1.6	2.2	2.1	17.2	23.3	19.8	8.2	14.6	10.9	6.8	5.3
Skanska	SKAb.ST	103,481	258.8	0.5	0.5	0.5	11.2	10.1	9.2	15.3	13.9	12.7	4.0	6.8
SRV	SRV1V.HE	88	5.2	0.2	0.2	0.2	19.4	9.5	7.7	52	10.2	7.4	0.0	-5.3
Veidekke	VEI.OL	25,908	191.2	0.5	0.4	0.4	10.9	10.1	9.7	16.7	15.6	15.0	5.8	8.9
YIT	YIT.HE	627	2.7	0.7	0.6	0.6	19	11.7	9.8	90.0	18.0	11.3	0.0	29.4
Median				**0.6**	**0.5**	**0.5**	**11.2**	**10.1**	**9.2**	**15.9**	**13.9**	**10.9**	**4.0**	**6.8**
Kreate by DBER	**KREATE-FI**	**222**	**24.7**	**0.4**	**0.4**	**0.4**	**10.5**	**9.7**	**9.5**	**12.3**	**12.0**	**12.1**	**4.9**	**-6.6**

**Prices as at close on 26 June 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, its margins are currently at a relatively low level, primarily driven by front-loaded growth investments, market integration costs from acquisitions (such as SRV Infra and KFS Finland), and a highly competitive environment within the broader infrastructure sector. Therefore, history is not a guarantee for the future. 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.

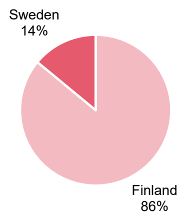
Key personnel leaving the company poses a risk for continuity. The operational competence is held by project directors, project managers, tender calculators and everyday worksite management. We believe the high level of employee ownership and incentive culture could mitigate the risk.

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.

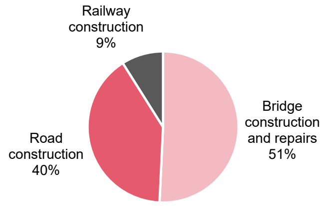
Kreate is exposed to the construction cycle, even though cyclicality is more limited in infrastructure construction than in building construction. The competitive landscape is naturally always tight, but in the most demanding projects requiring special expertise, competition has remained more moderate.

Company summary

Sales breakdown by geographical area



Sales breakdown by division



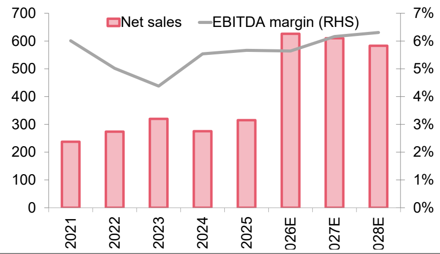
Company information

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

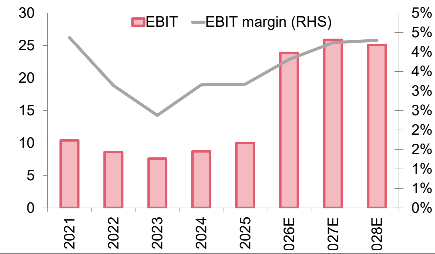
Main shareholders

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%

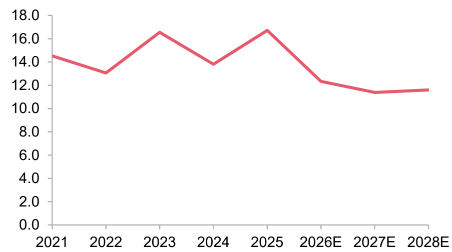
Net sales and EBITDA margin (EURm)



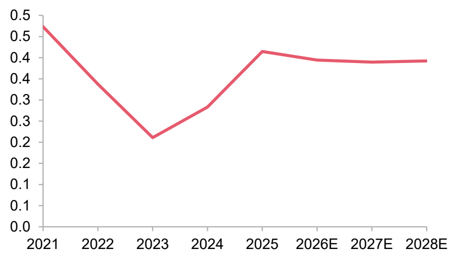
EBIT and EBIT margin (EURm)



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.

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	610	583
Cost of sales & operating costs	-206	-221	-223	-260	-306	-260	-297	-591	-572	-546
EBITDA	**14.9**	**14.3**	**14.3**	**13.7**	**14.0**	**15.3**	**17.9**	**35.3**	**37.6**	**36.8**
EBITDA, adj.	13.9	13.1	13.6	13.1	13.4	15.0	17.0	35.2	37.6	36.8
Depreciation	-3.2	-3.7	-3.7	-5.0	-6.1	-6.4	-7.8	-11.2	-11.7	-11.5
EBITA	**11.7**	**10.6**	**10.6**	**8.8**	**7.9**	**8.9**	**10.1**	**24.2**	**25.9**	**25.2**
EBIT incl. EO, bef. ass.	**11.5**	**10.4**	**10.4**	**8.6**	**7.6**	**8.7**	**10.0**	**23.9**	**25.9**	**25.1**
EBIT, adj.	10.5	9.2	9.7	8.0	7.0	8.4	9.1	23.8	25.9	25.1
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**	**21.1**	**23.3**	**22.9**
Taxes	-1.6	-1.5	-1.3	-1.1	-0.8	-1.3	-1.7	-4.2	-4.2	-4.1
Minorities									-0.8	-0.8
Net profit, rep.	**8.7**	**7.8**	**7.0**	**5.5**	**3.9**	**4.6**	**6.7**	**16.9**	**18.3**	**17.9**
Net profit, adj.	8.7	7.8	7.9	5.5	3.9	4.6	6.7	16.9	18.3	17.9

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	35.3	37.6	36.8
Change in working capital	5.6	1.6	-4.5	-5.1	17.1	-13.4	1.4	-30.0	0.0	0.4
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	-4.2	-4.2	-4.1
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**	**-1.7**	**30.8**	**30.9**
Capex	-5.0	-4.6	-5.6	-4.6	-6.9	-1.9	-5.7	-12.1	-10.0	-10.5
Div to min										
Free cash flow	**13.3**	**8.6**	**-0.2**	**1.4**	**22.7**	**-2.2**	**9.2**	**-13.8**	**20.8**	**20.4**
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**	**-13.8**	**20.8**	**20.4**
Dividend paid			-4.0	-4.0	-4.1	-4.2	-4.4	-5.3	-10.1	-10.1
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**	**-17.7**	**-17.7**
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**	**-16.7**	**3.1**	**2.7**

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	2.0	5.1	7.8
Inventory	0.0								0.1	
Trade receivables	32.1	30.4	34.2	49.8	34.6	44.8	58.7	100	97.6	93.3
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	28.1	27.6
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**	**214**	**213**	**211**
Shareholders' equity	**20.2**	**26.6**	**41.1**	**42.5**	**42.8**	**43.6**	**45.7**	**57.2**	**66.2**	**74.9**
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	94.7	90.7
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**	**147**	**136**
Total liabilities and equity	**105**	**101**	**107**	**135**	**135**	**131**	**188**	**214**	**213**	**211**
Net debt	31.9	26.4	19.4	30.5	13.8	24.7	29.8	49.5	39.4	29.7

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	1.90	2.06	2.02
EPS adj. (EUR)	0.97	0.87	0.88	0.62	0.44	0.52	0.75	1.90	2.06	2.02
DPS (EUR)	0.00	0.44	0.45	0.46	0.48	0.50	0.60	1.14	1.13	1.21
CFFO/share (EUR)	1.9	1.3	0.6	0.7	3.3	-0.0	1.7	-0.2	3.5	3.5
Book value/share (EUR)	2.24	2.96	4.57	4.78	4.81	4.87	5.06	6.36	7.27	8.16

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%	5.6%	6.2%	6.3%
EBITA margin	5.3%	4.5%	4.5%	3.2%	2.5%	3.2%	3.2%	3.9%	4.2%	4.3%
EBIT margin	5.2%	4.4%	4.4%	3.1%	2.4%	3.2%	3.2%	3.8%	4.2%	4.3%
EBIT adj margin	4.7%	3.9%	4.1%	2.9%	2.2%	3.0%	2.9%	3.8%	4.2%	4.3%
Sales growth	14.9%	6.4%	1.0%	15.3%	16.9%	-13.9%	14.4%	98.6%	-2.6%	-4.4%
EBITDA growth	38.7%	-4.0%	-0.1%	-3.8%	2.0%	8.9%	17.0%	97.7%	6.5%	-2.2%
EBITA growth	41.0%	-9.4%	-0.2%	-16.9%	-10.0%	12.0%	14.0%	n.m.	7.1%	-2.4%
EPS adj growth	n.m.	-10.7%	1.5%	-29.7%	-29.6%	18.6%	45.2%	n.m.	8.3%	-1.8%

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%	19.5%	18.4%	17.9%
ROIC (after tax, excl. GW, adj.)	41.3%	39.2%	33.7%	20.4%	20.1%	25.3%	28.0%	55.0%	41.6%	41.1%
ROE (adj.)	26.3%	24.8%	23.4%	13.3%	9.1%	10.6%	15.0%	32.8%	29.6%	25.4%
ROIC (adj.) - WACC	5.0%	3.6%	3.3%	-0.7%	-1.7%	0.2%	-0.5%	9.5%	8.4%	8.0%

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	23.4	23.4	23.4
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**	**208**	**208**	**208**
Net debt, year-end (m)	33	28	21	33	17	30	36	56	46	36
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**	**253**	**244**	**235**

VALUATION	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
EV/sales (x)			0.48	0.35	0.22	0.30	0.43	0.40	0.40	0.40
EV/EBITDA (x)			8.4	7.3	5.3	5.6	8.1	7.2	6.5	6.4
EV/EBITA (x)			11.5	11.6	9.6	9.7	14.9	10.5	9.4	9.3
EV/EBIT (x)			11.8	11.9	10.1	9.9	15.0	10.7	9.4	9.4
P/E (reported) (x)			14.5	13.1	16.6	13.8	16.7	12.3	11.4	11.6
P/E (adj.) (x)			12.9	13.1	16.6	13.8	16.7	12.3	11.4	11.6
P/BV (x)			2.48	1.69	1.50	1.47	2.48	3.68	3.22	2.87
EV/invested capital (x)			4.3	2.6	3.5	2.5	7.2	5.0	4.9	4.8
Dividend yield			3.96%	5.69%	6.65%	7.00%	4.78%	4.86%	4.83%	5.17%
Total yield (incl. buybacks)			3.96%	6.38%	7.43%	7.00%	4.78%	4.86%	4.83%	5.17%
FCFE-yield			-0.20%	1.95%	35.35%	-3.46%	8.21%	-6.62%	9.99%	9.79%

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	1.6	1.2	1.0
Net debt/equity (x), year-end	1.3	1.0	0.5	0.8	0.4	0.7	0.8	1.0	0.7	0.5
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	8.2	10.0	11.4
Cash conversion (FCF/net profit)	152.4%	110.3%	-2.8%	25.3%	585.1%	-47.8%	137.2%	-81.7%	113.7%	113.6%
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 26E	Q3 26E	Q4 26E
Sales (m)	52.4	73.5	94.7	94.6	97.6	161	187	180
EBITDA (m)	1.7	4.0	5.9	6.2	3.9	8.8	11.1	11.5
EBIT before non-recurring items (m)	0.0	2.2	3.5	3.3	1.4	6.1	8.2	8.0
Net profit (adj.) (m)	0.2	1.0	2.4	3.0	0.9	4.3	6.2	5.5
EPS (adj.) (EUR)	0.03	0.11	0.27	0.34	0.10	0.48	0.70	0.62
EBITDA margin	3.2%	5.4%	6.3%	6.6%	4.0%	5.5%	6.0%	6.4%
EBIT margin (adj.)	0.0%	3.0%	3.7%	3.5%	1.4%	3.8%	4.4%	4.4%

Source: Company data, Danske Bank Equity Research estimates

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