

KREATE

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INDERES CORPORATE CUSTOMER COMPANY REPORT



It's time to bring the profits home

Kreate's Q3 earnings were largely in line with our estimates, as the EBITA margin rose above 6% thanks to record-high volume and the successful execution of projects. The order book developed more strongly than we expected, which led us to raise our revenue and earnings forecasts. However, offsetting this, we raised our forecast for the non-controlling interest's share of earnings, as KFS Finland has performed better than we had anticipated. Kreate's share has risen by ~170% since our recommendation change at the beginning of the year, and following the recent share price increase, the expected return based on our current estimates falls below our required return. We reiterate our EUR 38.0 target price and lower our recommendation to Reduce (was Accumulate).

Margin rose above 6%

Kreate's revenue grew by 121% in Q3 to 209.5 MEUR, which was in line with our estimates. EBITA tripled to 12.9 MEUR, slightly exceeding our estimate (12.3 MEUR). The margin rose to 6.2%, and according to management, the result was generated broadly across various operations and projects.

Earnings per share (EUR 0.87), however, fell significantly short of our forecast (EUR 0.99) due to a larger share of non-controlling interests in KFS Finland than we had anticipated. The order book fell 4% from its record high in Q2 to 848.5 MEUR, despite the fact that contracts announced by value amounted to only about 15 MEUR during the quarter. Meanwhile, undisclosed additions to the order book totaled 157 MEUR. This also includes the announced renovation and extension of the Government Palace and the earthworks contract for QTS's data center campus in Forssa, the values of which have not been disclosed. In addition to these named projects, we believe that the order book also includes unannounced data center projects, among others.

Order book supports our growth estimates for next year as well

As expected, Kreate reiterated its guidance for 2026 of 670-710 MEUR revenue and 32-36 MEUR EBITA. The company expects to recognize 195 MEUR in revenue from the order book during the remainder of the year, so we increased our revenue forecast for the current year to 696 MEUR (was 685 MEUR) and our EBITA forecast to 34.9 MEUR (was 34.1 MEUR). Our estimates thus fall within the upper half of the guidance ranges, and a fourth positive profit warning is not entirely out of the question.

We expect the company's order book, which is more than three times larger than it was a year ago, to sustain the earnings level next year as well. On the other hand, the order book includes significant multi-year projects, so revenue growth largely depends on the company's ability to secure and replace projects, such as data centers, that generate revenue quickly. We increased our EBITA forecasts for the next few years by about 5%. Conversely, our EPS-level estimates remained roughly unchanged.

Valuation appears neutral even in the longer term

Our target price values Kreate at a P/E ratio of approximately 13–12x and an EV/EBIT ratio of about 10x, based on our 2027–2028 forecasts. These multiples are within our accepted range (EV/EBIT 10–12x, P/E 10–13x), though the P/E multiple is already at the upper end. Based on this year's earnings, the share is valued at a P/E multiple of ~15x, meaning that the earnings growth we forecast for next year will largely be used to digest the multiples. The fair value of our DCF model is roughly in line with our target price.

The expected return is supported by the 5–6% dividend yield we forecast for the coming years. However, following the share price increase, the total expected return remains below the required return we apply. Upside to our estimates, and thus to the share price, could be provided by a stronger order intake and profitability than we expect if increased volume and successful project risk management lift margins more than we estimate.

Recommendation

Reduce

(was Accumulate)

Target price:

EUR 38.00

(was EUR 38.00)

Share price:

EUR 37.10

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	315.2	696.0	758.3	762.1
growth-%	14%	121%	9%	1%
EBITA	10.2	34.9	39.9	41.6
EBITA-%	3.2 %	5.0 %	5.3 %	5.5 %
Net Income	6.3	21.4	26.0	27.4
EPS (adj.)	0.71	2.40	2.93	3.08

P/E (adj.)	17.6	15.4	12.7	12.0
P/B	2.5	5.4	4.8	4.3
Dividend yield-%	4.8 %	5.4 %	5.9 %	6.2 %
EV/EBIT (adj.)	14.9	11.3	9.9	9.4
EV/EBITDA	8.3	8.2	7.1	6.9
EV/S	0.5	0.6	0.5	0.5

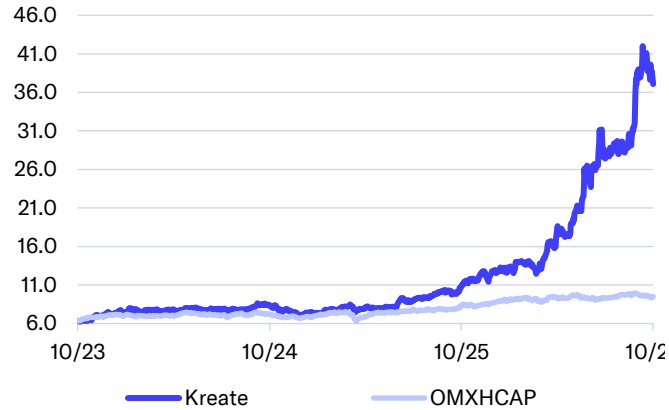
Source: Inderes

Guidance

(Unchanged)

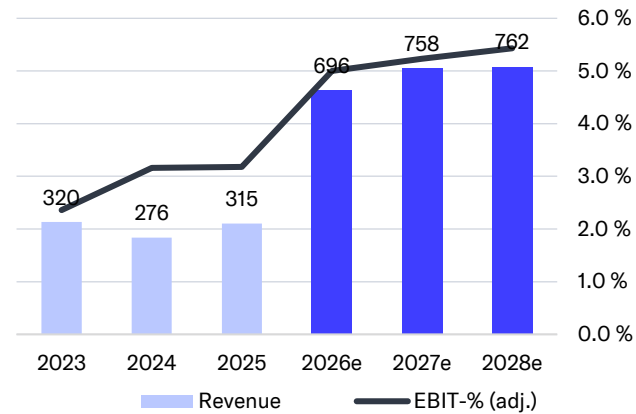
Kreate estimates that its revenue in 2026 will increase and be in the range of 670-710 MEUR (2025: 315 MEUR) and EBITA will increase and be in the range of 32-36 MEUR (2025: 10.2 MEUR).

Share price



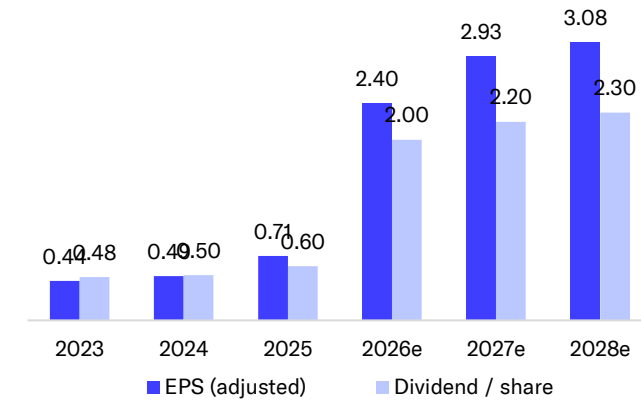
Source: Millistream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and DPS



Source: Inderes

Value drivers

- Stronger growth than the market in the medium term
- Still moderate room for improvement in profitability
- Strong return on capital potential
- Competitive advantage through specialized expertise in demanding projects
- Growth potential of the Swedish business

Risk factors

- The industry is partly dependent on economic cycles, especially in the private sector
- Drying up of public investments
- Managing growth
- Successful acquisitions

Valuation	2026e	2027e	2028e
Share price	37.1	37.1	37.1
Market cap	330	330	330
EV	392	391	388
P/E (adj.)	15.4	12.7	12.0
P/B	5.4	4.8	4.3
EV/Sales	0.6	0.5	0.5
EV/EBITDA	8.2	7.1	6.9
EV/EBIT (adj.)	11.3	9.9	9.4
Payout ratio (%)	83.2 %	75.2 %	74.7 %
Dividend yield-%	5.4 %	5.9 %	6.2 %

Source: Inderes

EBITA roughly in line, EPS fell short

Volume and project execution took profitability to a new level

Kreate's revenue grew by 121% to 209.5 MEUR (Q3'25: 94.7 MEUR), which was in line with our estimate (210.1 MEUR) and above the consensus (201.7 MEUR). Structural engineering revenue grew to 154 MEUR (Q3'25: 64 MEUR), driven by rock engineering, private-sector foundation construction, and the consolidation of KFS Finland. Transport infrastructure revenue nearly doubled to 58 MEUR, as, according to management, multi-year transport infrastructure projects have mostly progressed faster than anticipated.

The private sector's share of January–September revenue rose to 44% (35%), reflecting the growing weight of data centers, as well as the consolidation of KFS Finland. Kreate has worked on 11 data center campuses this year, and according to management, the lead time for a data center project is under a year, whereas a corresponding-size transport infrastructure project takes around two years. We understand that the company is currently working on nine

data center campuses. Contrary to our expectations, revenue in Sweden fell unexpectedly to 15.6 MEUR (Q3'25: 16.1 MEUR).

EBITA tripled to 12.9 MEUR (Q3'25: 4.0 MEUR) and the margin rose to 6.2% (estimate 5.8 %, Q2'26: 5.0%). Management attributes profitability to high volume, risk management, and successful project execution, emphasizing that earnings did not rely on individual projects.

The result before taxes was exactly as we had forecast (11.8 MEUR) because of higher-than-expected financial expenses. Diluted EPS fell to EUR 0.87 (estimate EUR 0.99). The discrepancy was primarily due to the 1.5 MEUR share of non-controlling interests relating principally to Keller, the other 50% owner of KFS Finland.

Order book and cash flow delivered a positive surprise

The order book stood at 848.5 MEUR, a mere 4% decrease from the record level in Q2. The order book received 110 MEUR in new projects, most of which were subject to

non-disclosure agreements or whose values were not disclosed, such as the earthworks contract for QTS's data center campus in Forssa and the foundation work for the Government Palace. According to the company's presentation, however, additions to the order book totaled 172 MEUR, as the order book was boosted not only by new projects but also by additional and change works on ongoing projects, among other things. Therefore, order intake was, in our view, very good for a quarter that is traditionally quiet.

Free cash flow from operating activities rose to 29.4 MEUR (Q3'25: 0.5 MEUR), driven by strong EBITDA and the release of working capital. Net debt decreased to 27.6 MEUR, and the net debt-to-EBITDA ratio was 0.7x. The balance sheet is therefore particularly strong, though one cannot draw too far-reaching conclusions from quarterly cash flow trends in the case of a construction company.

Estimates	Q3'25	Q3'26	Q3'26e	Q3'26e	Difference (%)	2026
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Act. vs. inderes	Inderes
Revenue	94.7	210	210	202	0%	696
EBITDA	6.0	16.6	16.3	15.9	2%	34.8
EBITA	4.0	12.9	12.3	11.5	5%	34.9
EBIT	4.0	12.9	12.3	11.5	5%	34.8
PTP	3.5	11.8	11.8	0.0	0%	31.7
EPS (adj.)	0.30	0.89	0.99	0.94	-10%	2.00
EPS (reported)	0.30	0.89	0.99	0.94	-10%	2.40
Revenue growth-%	22.0 %	121.1 %	121.9 %	113.0 %	-0.8 pp	120.8 %
EBITA-%	4.2 %	6.2 %	5.8 %	5.7 %	0.4 pp	5.0 %

Source: Inderes & Vara (3 analysts) (consensus)

Estimate changes remained marginal overall

Forecasts for the current year are in the upper half of the guidance range

Kreate reiterated its guidance for 2026 of 670-710 MEUR revenue and 32-36 MEUR EBITA. Based on the actual results from January to September, the guidance requires a revenue of 178–218 MEUR and an EBITA of 8.3–12.3 MEUR for Q4.

The company estimates that 195 MEUR of the end-September order book will be recognized during the current year. A year earlier, the corresponding figure was 87 MEUR, and Q4'25 revenue came in at 95 MEUR. Additionally, some of the quarter's new projects will already generate revenue this year according to management. Consequently, we raised our Q4 revenue estimate to ~204 MEUR (was 192 MEUR) and our EBITA forecast to 11.2 MEUR (was 11.0 MEUR).

Our revenue estimate for the whole year rose to 696 MEUR (was 685 MEUR) and our EBITA forecast to 34.9 MEUR (was 34.1 MEUR). However, our earnings per share forecast fell to EUR 2.40 (was EUR 2.64) as we raised our forecast for

the share of non-controlling interests following KFS Finland's development, which exceeded our expectations.

Earnings forecasts for next year rose slightly

We increased our revenue estimates for 2027–2028 by about 3% and our EBITA estimates by about 5%, driven by strong profitability and order book in the third quarter. We estimate revenue for next year at 758 MEUR (was 737 MEUR) and EBITA at 39.9 MEUR (was 38.0 MEUR), corresponding to a margin of 5.3%.

However, our earnings per share forecast for next year remained virtually unchanged at EUR 2.93 (was EUR 2.97), as the increase in the EBITA forecast was offset by a larger share of non-controlling interests. We raised our dividend forecasts in light of the strengthened balance sheet and cash flow. We forecast a dividend of EUR 2.00 to be paid for 2026 (was EUR 1.50). This corresponds to a payout ratio of around 83%, which is in line with the previous year.

Order book provides support for next year as well

The order book expected to be recognized as revenue in the coming years was valued at ~650 MEUR at September's end, compared to ~155 MEUR a year earlier. We believe this lays a solid foundation for our forecasts for next year, even though the company does not share how much will be recognized as revenue in 2027. However, we estimate that the amount includes multi-year railway and infrastructure projects, which are recognized over several years, so a significant share of next year's revenue still requires winning new contracts.

According to management, the market outlook strengthens further out, and tender calculations are now vigorous. It notes that cost inflation currently doesn't impact earnings by much due to contract terms and indexation.

The growing importance and short turnaround time of data centers make earnings more dependent than before on the timing and continuity of new major projects. Therefore, we will closely monitor order intake in the coming quarters.

Estimate revisions	2026	2026	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	685	696	2%	737	758	3%	742	762	3%
EBITA	34.1	34.9	2%	38.0	39.9	5%	39.8	41.6	5%
EBIT (exc. NRIs)	34.0	34.8	3%	37.8	39.7	5%	39.6	41.4	5%
EBIT	34.0	34.8	3%	37.8	39.7	5%	39.6	41.4	5%
PTP	31.4	31.7	1%	35.4	37.4	6%	37.3	39.2	5%
EPS (excl. NRIs)	2.64	2.40	-9%	2.97	2.93	-2%	3.14	3.08	-2%
DPS	1.50	2.00	33%	1.80	2.20	22%	2.00	2.30	15%

Source: Inderes

Valuation seems neutral

Earnings growth is consumed by multiple digestion

Based on our updated estimates and current valuation, Kreate's EV/EBIT multiple for 2026 is around 11x and its P/E multiple is around 15x. Next year, these multiples will decrease to approximately 10x and 13x, meaning the earnings growth we forecast will largely be used to absorb them. When determining enterprise value, we estimate the share of KFS Finland's non-controlling interests to be worth approximately 44 MEUR, corresponding to a multiple of about 11x the profit share.

The ~6% dividend yield, enabled by the business model's strong cash flow and low investment needs, also supports the stock's expected return in the coming years. Kreate has expressed its intention to pay an increasing dividend, and we believe the company has the potential to do so. The dividend/earnings percentage will be ~70-80% in the coming years, which is in line with the company's dividend policy (at least 50%). Additionally, the company has financing capacity for growth investments, though we don't expect it to make significant acquisitions in the near future.

Peer valuation is neutral overall

A viable peer group of Nordic listed companies in the industry is available for Kreate. Based on next year's forecasts, the median for the peer group is approximately 11x EV/EBIT and 11x P/E. Kreate trades at around a 10% discount to its peers on an EV/EBIT basis, whereas on a P/E basis, its valuation is around 10% higher than that of its peers. In our view, Kreate's strong return on capital and faster growth compared to its peers justify a peer-level valuation, despite its smaller size, but we don't believe the relative valuation offers significant upside for the share anymore. However, due to clear differences in the

companies' business models, we do not give significant weight to relative valuation in the overall valuation.

DCF is in line with our target price

Based on our DCF model, the share value is about EUR 38.4 (was EUR 38.6). In the model, we use a required return (WACC) of 8.5% and a cost of equity of 9.7%, and we deduct the share of non-controlling interests from the value.

In our model, the company's revenue growth stabilizes at 2.0% in the terminal period after stronger medium-term growth, and the EBIT margin is 4.5% of revenue. This is below the company's target EBITA margin of over 5%. We do not consider it justified to raise the forecast level to the target level before there is further evidence of profitability that is higher than recently and in line with the targets.

Continuity of data center cycle is at the heart of the shareholder story

Data center investments have grown rapidly and are driving our estimates for Kreate in the current and upcoming years. According to the company's own estimate, the market for infrastructure construction related to data center projects in Finland is worth approximately one billion euros. However, project realization depends on several factors, including the development of demand related to artificial intelligence, financing availability, and power grid connections, and the progression of later project phases in stages may also be postponed. Since Kreate's work is weighted toward the early earthwork and foundation phases of projects, any potential slowdown would quickly be reflected in the company's order intake. Therefore, we see continuity of earnings as the key risk for the share.

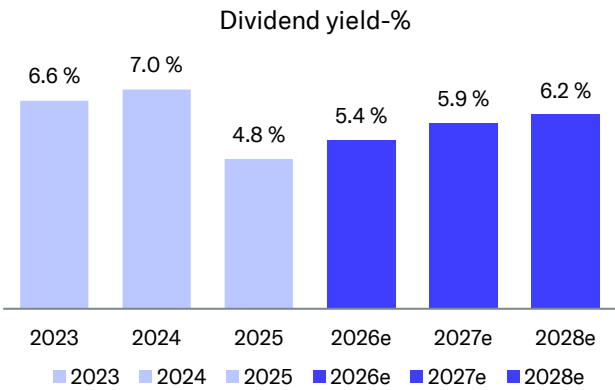
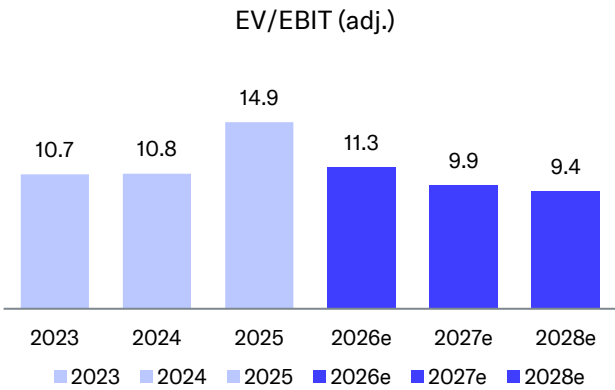
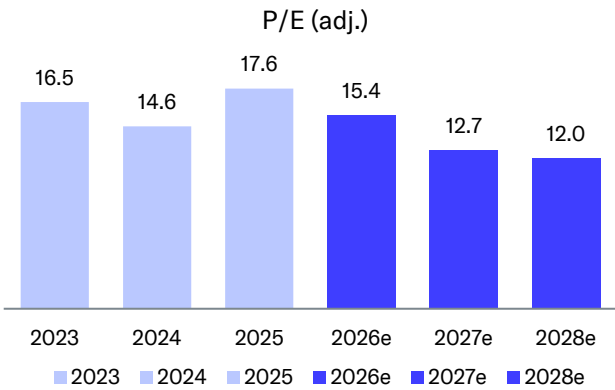
Valuation	2026e	2027e	2028e
Share price	37.1	37.1	37.1
Market cap	330	330	330
EV	392	391	388
P/E (adj.)	15.4	12.7	12.0
P/B	5.4	4.8	4.3
EV/Sales	0.6	0.5	0.5
EV/EBITDA	8.2	7.1	6.9
EV/EBIT (adj.)	11.3	9.9	9.4
Payout ratio (%)	83.2 %	75.2 %	74.7 %
Dividend yield-%	5.4 %	5.9 %	6.2 %

Source: Inderes

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	11.4	8.09	7.22	7.14	12.6	37.1	37.1	37.1	37.1
Market cap	99	73	64	64	112	330	330	330	330
EV	120	106	81	94	149	392	391	388	386
P/E (adj.)	12.6	12.7	16.5	14.6	17.6	15.4	12.7	12.0	12.2
P/B	2.4	1.7	1.5	1.5	2.5	5.4	4.8	4.3	4.0
EV/Sales	0.5	0.4	0.3	0.3	0.5	0.6	0.5	0.5	0.5
EV/EBITDA	8.4	7.8	5.8	6.1	8.3	8.2	7.1	6.9	6.9
EV/EBIT (adj.)	11.6	12.3	10.7	10.8	14.9	11.3	9.9	9.4	9.5
Payout ratio (%)	56.4 %	72.4 %	109.7 %	102.0 %	84.1 %	83.2 %	75.2 %	74.7 %	70.0 %
Dividend yield-%	4.0 %	5.7 %	6.6 %	7.0 %	4.8 %	5.4 %	5.9 %	6.2 %	5.7 %

Source: Inderes



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

Peer group valuation

Peer group valuation		Market cap	EV	EV/EBIT		EV/EBITDA		EV/Sales		P/E		Dividend yield-%		P/B
Company		MEUR	MEUR	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
YIT Oyj		992	1762	24.3	14.6	19.9	12.4	0.9	0.8	285.0	20.6		0.4	1.5
NRC Group ASA		157	232	12.4	9.4	6.2	5.5	0.4	0.4	21.6	11.4		3.7	0.9
Veidekke ASA		2672	2350	11.3	11.0	7.6	7.4	0.5	0.5	16.6	15.7	5.6	6.0	7.4
Ncc AB		1581	1990	12.8	11.0	7.6	6.9	0.4	0.4	11.8	10.2	6.0	6.5	2.0
Peab AB		2460	3517	12.8	11.8	8.5	8.0	0.6	0.6	11.9	10.8	4.3	4.6	1.5
Skanska AB		10222	8944	12.0	10.9	9.1	8.4	0.6	0.5	15.9	14.6	4.0	4.1	1.8
SRV Yhtiot Oyj		133	204	15.3	8.0	12.9	6.8	0.3	0.2	37.4	10.3		2.2	1.1
GRK Infra		1037	876	10.8	9.4	8.0	7.4	0.9	0.8	13.9	13.4	2.8	3.0	4.2
Consti Oyj		83	84	9.4	7.3	6.7	5.6	0.3	0.2	12.2	9.3	7.1	7.2	1.8
Kreate (Inderes)		330	392	11.3	9.9	8.2	7.1	0.6	0.5	15.4	12.7	5.4	5.9	5.4
Average				13.5	10.4	9.6	7.6	0.5	0.5	47.4	12.9	5.0	4.2	2.5
Median				12.4	10.9	8.0	7.4	0.5	0.5	15.9	11.4	4.9	4.1	1.8
Diff-% to median				-9%	-10%	3%	-4%	6%	3%	-3%	11%	9%	45%	210%

Income statement

Income statement	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26	Q4'26e	2026e	2027e	2028e	2029e
Revenue	320.0	275.5	52.4	73.5	94.7	94.6	315.2	97.6	185	210	203	696.0	758.3	762.1	769.8
Finland	298	243	44.9	64.5	79.1	76.4	264.9	82.1	170	194	184	630.2	680.6	680.6	687.4
Sweden	22.5	32.9	7.5	9.0	15.6	18.2	50.3	15.5	15.6	15.6	19.1	65.8	77.7	81.5	82.4
EBITDA	14.0	15.3	1.7	4.0	6.0	6.3	17.9	3.9	12.4	16.6	15.0	47.9	54.8	56.2	55.7
Depreciation	-6.4	-6.6	-1.7	-1.8	-2.0	-2.4	-7.9	-2.4	-3.2	-3.7	-3.8	-13.1	-15.2	-14.8	-14.9
EBITA	8.8	7.8	0.1	2.2	4.0	3.9	10.2	1.5	9.3	12.9	11.2	34.9	39.9	41.6	41.0
EBIT (excl. NRI)	7.6	8.7	0.0	2.2	4.0	3.9	10.0	1.5	9.3	12.9	11.2	34.8	39.7	41.4	40.8
EBIT	7.6	8.7	0.0	2.2	4.0	3.9	10.0	1.5	9.3	12.9	11.2	34.8	39.7	41.4	40.8
Net financial items	-2.9	-2.8	0.0	-0.8	-0.4	-0.4	-1.6	-0.6	-0.9	-1.1	-0.5	-3.1	-2.2	-2.2	-2.1
PTP	4.7	5.9	0.0	1.4	3.5	3.5	8.4	0.9	8.3	11.8	10.7	31.7	37.4	39.2	38.7
Taxes	-0.7	-1.3	0.2	-0.4	-0.6	-0.9	-1.7	0.1	-1.6	-2.6	-2.1	-6.3	-7.4	-7.8	-7.7
Minority interest	-0.2	-0.2	-0.1	0.2	-0.2	-0.2	-0.4	-0.2	-0.9	-1.5	-1.4	-4.0	-4.0	-4.0	-4.1
Net earnings	3.8	4.4	0.1	1.2	2.7	2.4	6.3	0.8	5.7	7.7	7.1	21.4	26.0	27.4	27.0
EPS (adj.)	0.44	0.49	0.01	0.14	0.30	0.26	0.71	0.09	0.64	0.87	0.80	2.40	2.93	3.08	3.03
EPS (rep.)	0.44	0.49	0.01	0.14	0.30	0.26	0.71	0.09	0.64	0.87	0.80	2.40	2.93	3.08	3.03

Key figures	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	16.8 %	-13.9 %	-3.7 %	8.1 %	22.0 %	25.3 %	14.4 %	86.3 %	152.2 %	121.2 %	115.1 %	120.8 %	8.9 %	0.5 %	1.0 %
Adjusted EBITA growth-%	-16.9 %	-10.5 %	-90.9 %	-7.6 %	35.0 %	69.6 %	30.4 %	1420.0 %	320.5 %	221.7 %	187.3 %	241.6 %	14.3 %	4.3 %	-1.4 %
Adjusted EBITA-%	2.7 %	2.8 %	0.2 %	3.0 %	4.2 %	4.1 %	3.2 %	1.6 %	5.0 %	6.2 %	5.5 %	5.0 %	5.3 %	5.5 %	5.3 %
Adjusted EBIT-%	2.4 %	3.2 %	0.0 %	3.0 %	4.2 %	4.1 %	3.2 %	1.6 %	5.0 %	6.2 %	5.5 %	5.0 %	5.2 %	5.4 %	5.3 %

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	75.8	110	119	122	123
Goodwill	40.4	63.3	72.0	72.0	72.0
Intangible assets	0.3	0.2	0.1	0.0	-0.1
Tangible assets	23.5	34.1	45.2	49.3	49.5
Associated companies	10.5	11.4	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.2	0.3	0.3	0.3	0.3
Deferred tax assets	0.9	0.9	0.9	0.9	0.9
Current assets	55.6	77.4	138	152	157
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	0.7	0.3	0.3	0.3	0.3
Receivables	44.1	58.4	110	121	126
Cash and equivalents	10.8	18.7	27.8	30.3	30.5
Balance sheet total	131	188	257	274	279

Source: Inderes

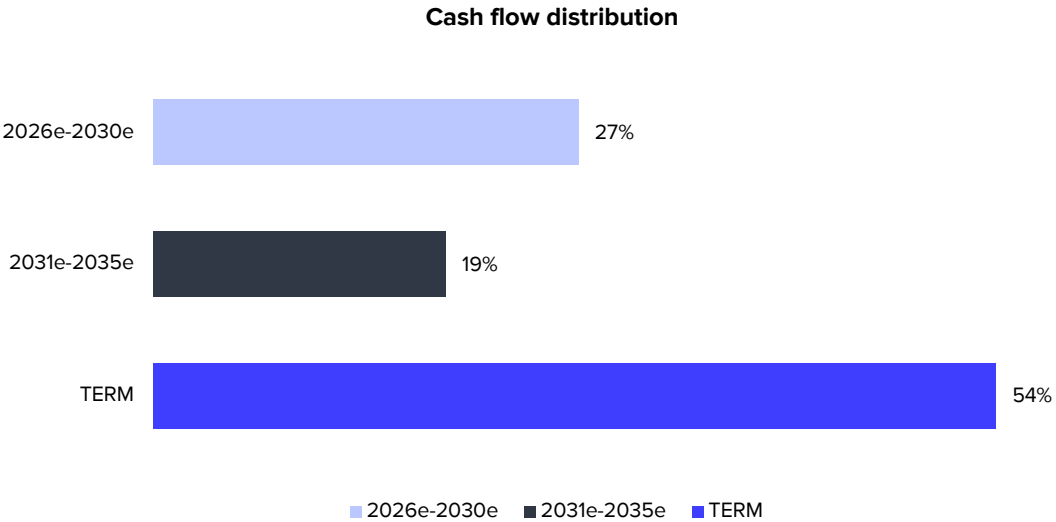
Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	43.6	45.6	68.3	76.5	84.4
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	25.2	27.1	43.1	51.3	59.2
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	18.0	17.7	17.7	17.7	17.7
Minorities	0.3	0.7	7.4	7.4	7.4
Non-current liabilities	34.5	48.8	46.4	47.1	44.7
Deferred tax liabilities	1.4	1.6	2.6	2.6	2.6
Provisions	3.3	3.3	6.7	6.7	6.7
Interest bearing debt	29.8	43.9	37.1	37.8	35.4
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0	0.0
Current liabilities	53.3	93.3	142	151	150
Interest bearing debt	10.9	10.7	9.3	9.5	8.8
Payables	42.1	82.3	132	141	141
Other current liabilities	0.3	0.3	0.3	0.3	0.3
Balance sheet total	131	188	257	274	279

DCF-calculation

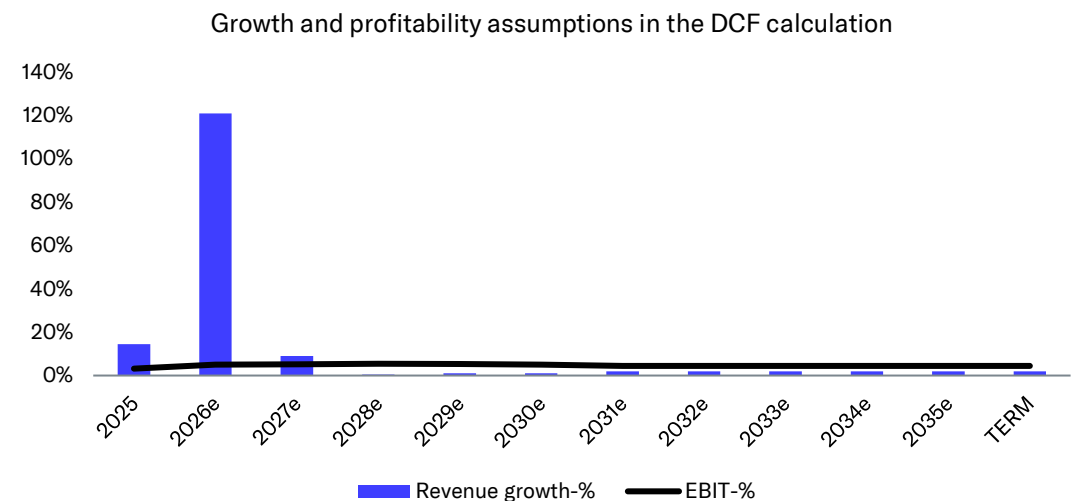
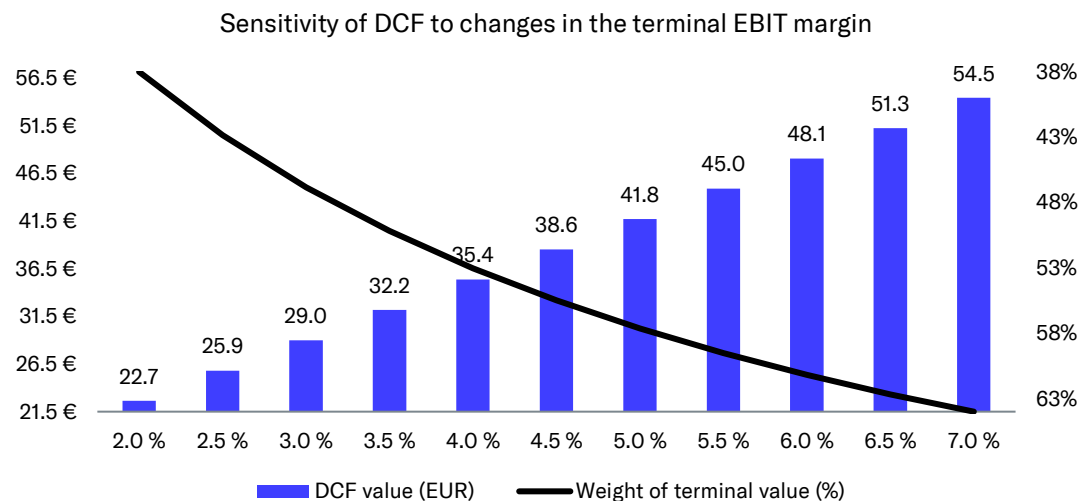
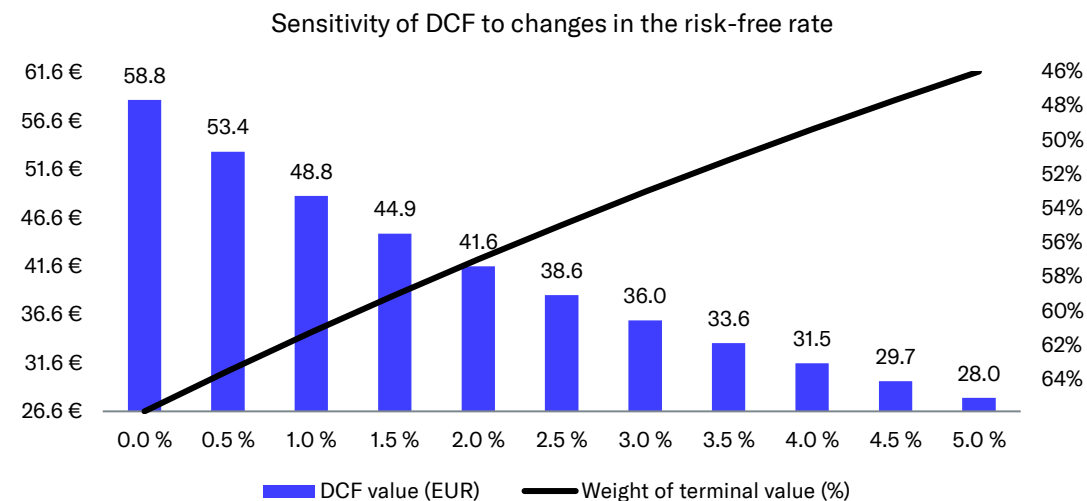
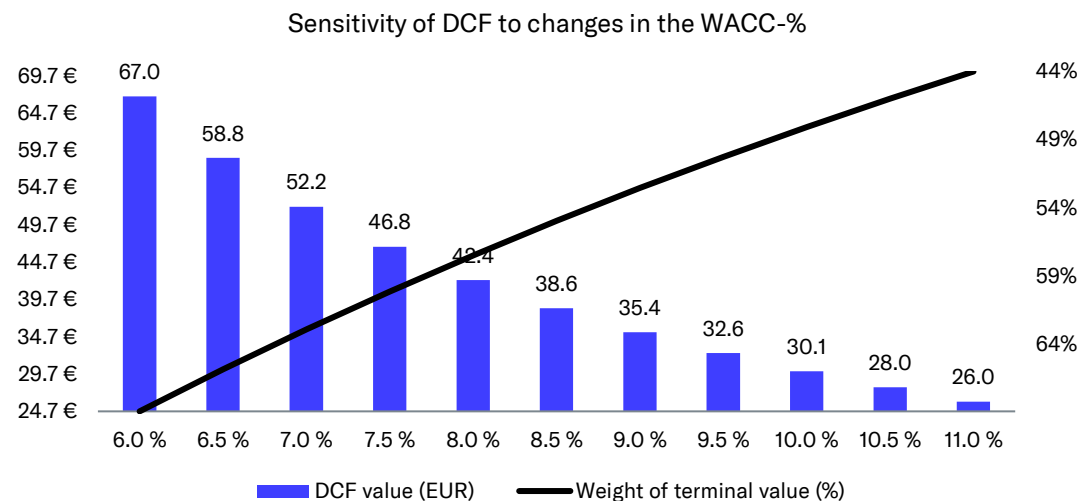
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	14.4 %	120.8 %	8.9 %	0.5 %	1.0 %	1.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	3.2 %	5.0 %	5.2 %	5.4 %	5.3 %	5.0 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %
EBIT (operating profit)	10.0	34.8	39.7	41.4	40.8	38.9	35.7	36.4	37.1	37.9	38.6	
+ Depreciation	7.9	13.1	15.2	14.8	14.9	15.0	15.2	15.5	15.8	15.8	16.0	
- Paid taxes	-1.5	-5.3	-7.4	-7.8	-7.7	-7.3	-6.7	-6.9	-7.1	-7.2	-7.4	
- Tax, financial expenses	-0.3	-0.6	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.3	-0.2	-0.2	
+ 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	26.3	-1.5	-2.7	-4.5	-4.5	-3.8	-3.0	0.1	0.1	0.1	0.1	
Operating cash flow	42.4	40.5	44.3	43.5	43.1	42.4	40.8	44.7	45.6	46.3	47.0	
+ Change in other long-term liabilities	0.0	3.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-41.4	-32.8	-19.1	-14.9	-15.3	-15.4	-16.1	-16.4	-15.9	-16.1	-16.3	
Free operating cash flow	1.0	11.2	25.2	28.6	27.9	27.0	24.7	28.3	29.7	30.2	30.8	
+/- Other	3.6	18.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	4.6	29.2	25.2	28.6	27.9	27.0	24.7	28.3	29.7	30.2	30.8	486
Discounted FCFF		28.7	22.9	23.9	21.5	19.2	16.2	17.2	16.6	15.5	14.6	230
Sum of FCFF present value		427	398	375	351	330	311	294	277	261	245	230
Enterprise value DCF		427										
- Interest bearing debt		-54.6										
+ Cash and cash equivalents		18.7										
+ Associated companies		0.0										
-Minorities		-44.0										
-Dividend/capital return		-5.3										
Equity value DCF		342										
Equity value DCF per share		38.4										

WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	4.5 %
Equity Beta	1.30
Market risk premium	4.75%
Liquidity premium	0.50%
Risk free interest rate	3.0 %
Cost of equity	9.7 %
Weighted average cost of capital (WACC)	8.5 %

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	2024	2025	2026e	2027e	Per share data	2024	2025	2026e	2027e
Revenue	275.5	315.2	696.0	758.3	EPS (reported)	0.49	0.71	2.40	2.93
EBITDA	15.3	17.9	47.9	54.8	EPS (adj.)	0.49	0.71	2.40	2.93
EBIT	8.7	10.0	34.8	39.7	OCF / share	-0.07	4.77	4.56	4.98
PTP	5.9	8.4	31.7	37.4	OFCF / share	-0.82	0.52	3.28	2.83
Net Income	4.4	6.3	21.4	26.0	Book value / share	4.87	5.05	6.85	7.77
Extraordinary items	0.0	0.0	0.0	0.0	Dividend / share	0.50	0.60	2.00	2.20
Balance sheet	2024	2025	2026e	2027e	Growth and profitability	2024	2025	2026e	2027e
Balance sheet total	131.4	187.6	256.5	274.4	Revenue growth-%	-14%	14%	121%	9%
Equity capital	43.6	45.6	68.3	76.5	EBITDA growth-%	9%	17%	167%	15%
Goodwill	40.4	63.3	72.0	72.0	EBIT (adj.) growth-%	15%	15%	248%	14%
Net debt	29.9	35.9	18.5	16.9	EPS (adj.) growth-%	12%	46%	237%	22%
Cash flow	2024	2025	2026e	2027e	EBITDA-%	5.5 %	5.7 %	6.9 %	7.2 %
EBITDA	15.3	17.9	47.9	54.8	EBIT (adj.)-%	3.2 %	3.2 %	5.0 %	5.2 %
Change in working capital	-13.9	26.3	-1.5	-2.7	EBIT-%	3.2 %	3.2 %	5.0 %	5.2 %
Operating cash flow	-0.6	42.4	40.5	44.3	ROE-%	10.1 %	14.4 %	40.4 %	40.0 %
CAPEX	-6.9	-41.4	-32.8	-19.1	ROI-%	10.4 %	10.9 %	32.4 %	33.3 %
Free cash flow	-7.3	4.6	29.2	25.2	Equity ratio	33.2 %	24.3 %	26.6 %	27.9 %
Valuation multiples	2024	2025	2026e	2027e	Gearing	68.6 %	78.8 %	27.1 %	22.1 %
EV/S	0.3	0.5	0.6	0.5	Net debt/EBITDA	2.0	2.0	0.4	0.3
EV/EBITDA	6.1	8.3	8.2	7.1	EBITDA/net financials	5.5	11.1	15.3	24.4
EV/EBIT (adj.)	10.8	14.9	11.3	9.9					
P/E (adj.)	14.6	17.6	15.4	12.7					
P/B	1.5	2.5	5.4	4.8					
Dividend-%	7.0 %	4.8 %	5.4 %	5.9 %					

Source: Inderes

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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
11/22/2021	Buy	13.00 €	10.75 €
11/24/2021	Buy	13.00 €	11.45 €
1/27/2022	Accumulate	13.00 €	11.75 €
4/27/2022	Buy	12.00 €	9.00 €
7/28/2022	Buy	12.00 €	8.80 €
10/4/2022	Buy	11.00 €	8.02 €
10/27/2022	Buy	11.00 €	8.45 €
11/21/2022	Accumulate	10.50 €	8.92 €
1/12/2023	Accumulate	10.50 €	9.05 €
2/1/2023	Accumulate	10.50 €	9.30 €
5/2/2023	Accumulate	9.00 €	7.94 €
7/12/2023	Reduce	7.90 €	7.58 €
7/20/2023	Accumulate	7.90 €	7.44 €
10/26/2023	Accumulate	7.00 €	6.32 €
11/28/2023	Accumulate	7.30 €	6.84 €
2/1/2024	Accumulate	8.50 €	7.94 €
4/29/2024	Accumulate	8.50 €	7.80 €
7/17/2024	Accumulate	8.50 €	7.82 €
10/1/2024	Accumulate	9.00 €	8.36 €
10/28/2024	Reduce	8.80 €	8.36 €
1/13/2025	Accumulate	8.00 €	7.30 €
2/6/2025	Accumulate	8.00 €	7.50 €
4/25/2025	Accumulate	8.60 €	7.92 €
7/15/2025	Accumulate	9.20 €	8.78 €
10/6/2025	Reduce	9.40 €	10.20 €
Analyst changed			
10/23/2025	Reduce	10.50 €	10.65 €
10/29/2025	Reduce	11.00 €	11.05 €
1/9/2026	Reduce	12.50 €	13.30 €
2/8/2026	Accumulate	15.00 €	14.00 €
3/31/2026	Accumulate	16.00 €	14.20 €
4/28/2026	Accumulate	20.00 €	18.65 €
6/17/2026	Accumulate	25.00 €	23.40 €
7/15/2026	Accumulate	30.00 €	28.30 €
9/23/2026	Accumulate	38.00 €	35.70 €
10/27/2026	Reduce	38.00 €	37.10 €



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