

## Challenging outlook, earnings set to improve

Solteq reports Q4 figures on February 12. Despite a December guidance cut and change negotiations announced in January, we expect Q4 comparable operating profit to have improved modestly, while sales to have declined y/y.

### Lowered guidance and announced change negotiations

Solteq lowered its comparable operating result guidance in December to remain at the same level or improve (prev. improve significantly), while maintaining its net sales guidance of a slight decrease. The company also announced change negotiations in January affecting up to 40 employees, and targeting EUR 2.1m in annual cost savings to right-size operations amid prolonged weak customer demand and delayed decision-making in new customer projects. In Utilities, improved productization has reduced labor needs, while Retail & Commerce is being restructured to match market demand. Despite the profit warning and restructuring, we expect Q4 to be the most resilient quarter of the year, with comparable net sales of EUR 11.6m (–3% y/y) and comparable operating result of EUR 0.5m. We estimate net sales for both R&C and Utilities to have declined by 3% y/y, with comparable EBIT of EUR 0.8m for R&C and EUR –0.3m for Utilities.

### Cost savings critical, but return to growth still key

Looking ahead to 2026, the restructuring should provide earnings support of some EUR 2m annually, which is crucial given financing costs of around EUR 0.45m per quarter related to the company's outstanding bond, with refinancing negotiations expected in H1. We expect one-off costs in Q1, with savings materializing from Q2 onwards, but cost-cutting alone is not a long-term solution and a sustainable improvement requires revenue growth, which remains challenging amid market weakness. While Utilities' productization gains are encouraging, new customer wins are essential for top-line push and sustainable earnings growth. Our revised 2026E estimates of EUR 46.2m in net sales and EUR 3.0m in comparable operating profit (prev. EUR 47.5m & EUR 3.4m) reflect lower net sales expectations, partly offsetting the restructuring benefits.

### ACCUMULATE with a TP of EUR 0.45 (prev. EUR 0.52)

Solteq trades below peer median at 6–5x EV/EBITDA on our 2026–27E estimates. Planned cost savings should support earnings and improve turnaround visibility, but a sustained recovery still depends on improvements in Utilities and a top-line recovery. Given the strained balance sheet and high financing costs, we remain cautious. We keep our ACCUMULATE rating but lower our TP to EUR 0.45 (prev. EUR 0.52).

## Rating

+ Accumulate



Share price, EUR (Last trading day's closing price) **0.41**  
Target price, EUR **0.45**

Latest change in recommendation 13-Feb-25

Latest report on company 30-Oct-25

Research paid by issuer: YES

No. of shares outstanding, '000's 19 397

No. of shares fully diluted, '000's 19 397

Market cap, EURm 8

Free float, % 73.0 %

Exchange rate 0.0

Reuters code SOLTEQ.HE

Bloomberg code SOLTEQ FH

Average daily volume, EURm 0.008

Next interim report 12-Feb-26

Web site solteq.com/en/investors

Analyst Atte Pitkälä

E-mail atte.pitkajarvi@evli.com

Telephone +358 440 476 597

+ BUY + ACCUMULATE - REDUCE - SELL

## KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2023	57.7	–3.5	–6.1%	6.0	–0.28	–2.3	0.7	–11.1	40.8%	0.00
2024	50.9	1.8	3.6%	3.6	–0.06	–10.3	0.6	18.2	29.1%	0.00
2025E	46.3	0.9	2.0%	–1.0	–0.06	–7.0	0.6	31.3	–12.7%	0.00
2026E	46.2	2.7	5.8%	0.6	0.03	14.2	0.6	10.7	7.4%	0.00
2027E	48.2	4.0	8.3%	1.9	0.09	4.5	0.6	6.7	24.2%	0.00
Market cap, EURm	8		Gearing 2025E, %		145.0 %		CAGR EPS 2024–27, %		0.0 %	
Net debt 2025E, EURm	21		Price/book 2025E		0.5		CAGR Sales 2024–27, %		–1.8 %	
Enterprise value, EURm	29		Dividend yield 2025E, %		0.0 %		ROE 2025E, %		–7.4 %	
Total assets 2025E, EURm	49		Tax rate 2025E, %		19.8 %		ROCE 2025E, %		2.4 %	
Goodwill 2025E, EURm	39		Equity ratio 2025E, %		30.0 %		PEG, P/E 25/CAGR		0.0	

All the important disclosures can be found on the last pages of this report.

Table 1: Estimate summary

Solteq	2023	Q1/'24	Q2/'24	Q3/'24	Q4/'24	2024	Q1/'25	Q2/'25	Q3/'25	Q4/'25E	2025E	2026E	2027E
<b>Net sales</b>	<b>57.7</b>	<b>13.6</b>	<b>13.4</b>	<b>11.4</b>	<b>12.5</b>	<b>50.9</b>	<b>12.1</b>	<b>12.2</b>	<b>10.4</b>	<b>11.6</b>	<b>46.3</b>	<b>46.2</b>	<b>48.2</b>
sales growth %	-15.7%	-19.7%	-6.1%	-6.5%	-12.5%	-11.8%	-10.7%	-9.3%	-9.1%	-7.0%	-9.1%	-0.1%	4.4%
comparable growth %	-5.3%	-3.8%	-1.6%	-6.5%	-12.4%	-6.1%	-7.2%	-5.5%	-5.1%	-2.8%	-5.2%		
<b>EBITDA</b>	<b>8.7</b>	<b>0.4</b>	<b>0.6</b>	<b>0.9</b>	<b>2.2</b>	<b>4.1</b>	<b>0.6</b>	<b>0.5</b>	<b>0.4</b>	<b>0.8</b>	<b>2.3</b>	<b>4.1</b>	<b>5.6</b>
<b>Adj. EBITDA</b>	<b>-1.7</b>	<b>0.3</b>	<b>0.5</b>	<b>1.1</b>	<b>0.8</b>	<b>2.7</b>	<b>0.5</b>	<b>0.4</b>	<b>0.4</b>	<b>0.8</b>	<b>2.2</b>	<b>4.4</b>	<b>5.6</b>
Adj. EBITDA-%	-2.9%	2.1%	3.9%	9.3%	6.4%	5.2%	4.5%	3.3%	4.1%	6.9%	4.7%	9.4%	11.7%
<b>EBIT</b>	<b>-3.5</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.3</b>	<b>1.8</b>	<b>1.8</b>	<b>0.2</b>	<b>0.2</b>	<b>0.1</b>	<b>0.5</b>	<b>0.9</b>	<b>2.7</b>	<b>4.0</b>
EBIT-%	-6.1%	-1.8%	0.0%	2.6%	14.1%	3.6%	1.3%	1.7%	0.8%	4.3%	2.0%	5.8%	8.3%
Adjustment items	-1.0	0.0	0.0	0.3	-1.4	-1.1	0.0	-0.1	0.0	0.0	-0.1	0.3	0.0
<b>Adj. EBIT</b>	<b>-4.6</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.6</b>	<b>0.3</b>	<b>0.7</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.5</b>	<b>0.8</b>	<b>3.0</b>	<b>4.0</b>
Adj. EBIT-%	-7.9%	-1.8%	0.0%	5.4%	2.7%	1.4%	1.1%	0.6%	1.1%	4.3%	1.8%	6.5%	8.3%
<b>Retail &amp; Commerce</b>	<b>2023</b>	<b>Q1/'24</b>	<b>Q2/'24</b>	<b>Q3/'24</b>	<b>Q4/'24</b>	<b>2024</b>	<b>Q1/'25</b>	<b>Q2/'25</b>	<b>Q3/'25</b>	<b>Q4/'25E</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>
<b>Net sales</b>	<b>44.0</b>	<b>10.4</b>	<b>10.0</b>	<b>8.5</b>	<b>9.7</b>	<b>38.6</b>	<b>9.2</b>	<b>9.1</b>	<b>7.7</b>	<b>8.9</b>	<b>35.0</b>	<b>34.7</b>	<b>35.9</b>
sales growth %	-18.3%	-22.8%	-7.3%	-7.5%	-7.3%	-12.1%	-11.5%	-9.1%	-9.2%	-8.2%	-9.5%	-0.7%	3.5%
comparable growth %							-6.9%	-4.1%	-4.0%	-2.8%	-4.5%		
<b>Adj. EBITDA</b>	<b>2.3</b>	<b>0.7</b>	<b>0.7</b>	<b>1.0</b>	<b>1.3</b>	<b>3.7</b>	<b>1.0</b>	<b>0.9</b>	<b>0.7</b>	<b>1.0</b>	<b>3.6</b>	<b>4.2</b>	<b>4.6</b>
Adj. EBITDA-%	5.3%	7.2%	6.9%	11.3%	13.1%	9.5%	10.6%	9.8%	9.5%	11.2%	10.3%	12.1%	12.8%
<b>EBIT</b>	<b>5.2</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>2.4</b>	<b>3.6</b>	<b>0.8</b>	<b>0.8</b>	<b>0.5</b>	<b>0.8</b>	<b>2.9</b>	<b>3.2</b>	<b>3.5</b>
EBIT-%	11.8%	4.0%	3.7%	5.1%	24.7%	9.4%	8.4%	8.6%	6.8%	9.0%	8.3%	9.1%	9.7%
<b>Adj. EBIT</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.7</b>	<b>1.0</b>	<b>2.5</b>	<b>0.7</b>	<b>0.7</b>	<b>0.6</b>	<b>0.8</b>	<b>2.8</b>	<b>3.3</b>	<b>3.5</b>
Adj. EBIT-%	1.0%	4.2%	3.9%	9.0%	10.9%	6.9%	8.2%	7.6%	7.3%	9.0%	8.0%	9.5%	9.7%
<b>Utilities</b>	<b>2023</b>	<b>Q1/'24</b>	<b>Q2/'24</b>	<b>Q3/'24</b>	<b>Q4/'24</b>	<b>2024</b>	<b>Q1/'25</b>	<b>Q2/'25</b>	<b>Q3/'25</b>	<b>Q4/'25E</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>
<b>Net sales</b>	<b>13.7</b>	<b>3.2</b>	<b>3.4</b>	<b>2.9</b>	<b>2.8</b>	<b>12.2</b>	<b>2.9</b>	<b>3.0</b>	<b>2.6</b>	<b>2.7</b>	<b>11.3</b>	<b>11.5</b>	<b>12.3</b>
sales growth %	-6.2%	-7.5%	-2.5%	-3.3%	-27.0%	-10.7%	-8.2%	-9.9%	-8.7%	-2.8%	-7.5%	3.5%	7.0%
<b>Adj. EBITDA</b>	<b>-4.0</b>	<b>-0.5</b>	<b>-0.2</b>	<b>0.1</b>	<b>-0.5</b>	<b>-1.0</b>	<b>-0.4</b>	<b>-0.5</b>	<b>-0.3</b>	<b>-0.2</b>	<b>-1.4</b>	<b>0.2</b>	<b>1.0</b>
Adj. EBITDA-%	-29.0%	-14.5%	-4.8%	3.2%	-17.1%	-0.1%	-14.6%	-16.2%	-11.8%	-7.4%	-12.6%	1.3%	8.5%
<b>EBIT</b>	<b>-8.7</b>	<b>-0.7</b>	<b>-0.4</b>	<b>-0.1</b>	<b>-0.6</b>	<b>-1.8</b>	<b>-0.6</b>	<b>-0.6</b>	<b>-0.4</b>	<b>-0.3</b>	<b>-2.0</b>	<b>-0.5</b>	<b>0.5</b>
EBIT-%	-63.7%	-20.7%	-10.9%	-4.9%	-22.8%	-14.8%	-21.0%	-19.2%	-17.0%	-11.1%	-17.6%	-3.9%	4.1%
<b>Adj. EBIT</b>	<b>-5.0</b>	<b>-0.7</b>	<b>-0.4</b>	<b>-0.1</b>	<b>-0.7</b>	<b>-1.8</b>	<b>-0.6</b>	<b>-0.6</b>	<b>-0.4</b>	<b>-0.3</b>	<b>-2.0</b>	<b>-0.3</b>	<b>0.5</b>
Adj. EBIT-%	-36.7%	-20.7%	-10.9%	-3.7%	-23.8%	-14.7%	-21.0%	-20.8%	-17.0%	-11.1%	-17.6%	-2.6%	4.1%

Source: Evli Research

Table 2: Peer group

SOLTEQ PEER GROUP	MCAP	EV/EBITDA			EV/EBIT			P/E			EV/Sales		
NORDIC IT SERVICES	EUR m	2025	2026	2027	2025	2026	2027	2025	2026	2027	2025	2026	2027
TietoEVRY Oyj	2066	9.7x	8.5x	8.2x	11.2x	11.1x	10.3x	13.4x	12.4x	11.3x	1.5x	1.4x	1.4x
Atea ASA	1447	9.2x	7.8x	7.1x	14.4x	11.6x	10.6x	18.8x	14.7x	13.0x	0.3x	0.3x	0.3x
Bouvet ASA	514	11.0x	9.6x	9.0x	13.2x	11.5x	10.7x	16.1x	15.3x	14.0x	1.6x	1.4x	1.3x
Knowit AB	335	7.1x	6.2x	5.8x	14.1x	10.7x	9.4x	14.8x	11.5x	11.0x	0.7x	0.6x	0.6x
Gofore Oyj	190	12.1x	7.5x	6.4x	20.7x	11.4x	9.0x	15.8x	10.6x	8.5x	1.3x	1.0x	0.9x
Digia Oyj	175	7.4x	6.9x	6.5x	9.8x	8.7x	8.1x	10.2x	9.2x	8.7x	0.9x	0.9x	0.8x
Silli Solutions Oyj	36	7.2x	4.7x	4.2x	77.1x	8.8x	7.2x	15.3x	7.3x	6.0x	0.4x	0.4x	0.4x
Netum Group Oyj	13	12.1x	8.5x	8.0x				21.1x	24.8x	13.7x	0.6x	0.6x	0.6x
Vincit Oyj	21	9.2x	3.5x	3.1x		10.4x	7.3x		13.8x	8.9x	0.3x	0.3x	0.3x
<b>Peer group average</b>	<b>788</b>	<b>9.5x</b>	<b>7.0x</b>	<b>6.5x</b>	<b>22.9x</b>	<b>10.5x</b>	<b>9.1x</b>	<b>15.7x</b>	<b>13.3x</b>	<b>10.6x</b>	<b>0.8x</b>	<b>0.8x</b>	<b>0.7x</b>
<b>Peer group median</b>	<b>425</b>	<b>9.2x</b>	<b>7.5x</b>	<b>6.5x</b>	<b>14.1x</b>	<b>10.9x</b>	<b>9.2x</b>	<b>15.6x</b>	<b>12.4x</b>	<b>11.0x</b>	<b>0.7x</b>	<b>0.6x</b>	<b>0.6x</b>
<b>Solteq (Evli est.)</b>	<b>8</b>	<b>13.6x</b>	<b>6.5x</b>	<b>4.7x</b>	<b>36.2x</b>	<b>9.6x</b>	<b>6.7x</b>	<b>neg.</b>	<b>14.2x</b>	<b>4.5x</b>	<b>0.6x</b>	<b>0.6x</b>	<b>0.5x</b>

Prem./disc. to peer median 47.4% -14.1% -28.0% 156.2% -12.0% -26.9% 14.4% -58.9% -7.2% -8.0% -16.9%

Source: FactSet, Evli Research

Think about adjusting EV/EBIT and P/E

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	0.41 PV of Free Cash Flow	35 Long-term growth, %	2.0 % Risk-free interest rate, %	2.25 %
DCF share value	2.49 PV of Horizon value	34 WACC, %	11.0 % Market risk premium, %	5.8 %
Share price potential, %	507.2 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %	7.8 %
Maximum value	2.7 Marketable securities	3 Minimum WACC, %	10.5 % Equity beta coefficient	1.30
Minimum value	2.3 Debt – dividend	–24 Maximum WACC, %	11.5 % Target debt ratio, %	20 %
Horizon value, %	49.1 % Value of stock	48 No. of shares, Mn	19.4 Effective tax rate, %	20 %

DCF valuation, EURm	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	TERMINAL
Net sales	51	46	46	48	51	53	55	58	59	61	62	64
Sales growth (%)	–11.8%	–9.0%	–0.1%	4.4%	5.4%	5.0%	4.0%	4.0%	3.0%	3.0%	2.0%	2.0%
Operating income (EBIT)	2	1	3	4	5	6	6	6	6	6	7	7
Operating income margin %	3.6%	2.0%	5.8%	8.3%	10.2%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%
+ Depreciation+amort.	2	1	1	2	2	2	2	2	2	2	2	2
EBITDA	4	2	4	6	7	7	8	8	8	9	9	
– Paid taxes	–1	0	–1	–1	–1	–1	–1	–1	–1	–1	–1	
– Change in NWC	1	0	0	0	0	0	0	0	0	0	0	
NWC / Sales, %	–11.3%	–11.4%	–11.4%	–11.4%	–11.3%	–11.3%	–11.3%	–11.3%	–11.2%	–11.2%	–11.2%	
+ Change in other liabs	0											
– Operative CAPEX	0	0	0	0	0	0	0	0	0	0	0	
opCAPEX / Sales, %	3.7%	1.6%	2.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	
– Acquisitions												
+ Divestments	4											
– Other items	–1											
= FCFF	7	2	3	5	6	7	7	7	7	7	7	85
= Discounted FCFF		2	3	4	5	4	4	4	4	3	3	34
= DFCF min WACC		2	3	4	5	4	4	4	4	3	3	37
= DFCF max WACC		2	3	4	4	4	4	4	3	3	3	31

## Sensitivity analysis, EUR

		Terminal WACC				
		8.98 %	9.98 %	10.98 %	11.98 %	12.98 %
Terminal EBIT–%	8.50 %	3.10	2.59	2.20	1.88	1.62
	9.50 %	3.32	2.77	2.34	2.00	1.72
	10.50 %	3.54	2.95	2.49	2.12	1.83
	11.50 %	3.76	3.12	2.63	2.24	1.93
	12.50 %	3.98	3.30	2.78	2.36	2.03

## INTERIM FIGURES

EVLI ESTIMATES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Net sales	13.6	13.4	11.4	12.5	50.9	12.1	12.2	10.4	11.6	46.3	46.2	48.2
EBITDA	0.4	0.6	0.9	2.2	4.1	0.6	0.5	0.4	0.8	2.3	3.6	5.6
EBITDA margin (%)	2.7%	4.6%	7.8%	17.7%	8.0%	4.7%	4.5%	3.8%	6.9%	5.0%	7.9%	11.7%
EBIT	-0.2	0.0	0.3	1.8	1.8	0.2	0.2	0.1	0.5	0.9	2.7	4.0
EBIT margin (%)	-1.8%	0.0%	2.6%	14.1%	3.6%	1.3%	1.7%	0.8%	4.3%	2.0%	5.8%	8.3%
Net financial items	-0.5	-0.5	-0.8	-0.6	-2.4	-0.5	-0.6	-0.7	-0.5	-2.4	-2.0	-1.8
Pre-tax profit	-0.7	-0.5	-0.5	1.1	-0.6	-0.4	-0.4	-0.6		-1.4	0.7	2.2
Tax	0.0	0.0	0.0	-0.5	-0.6	-0.1	0.4	-0.1		0.3	-0.1	-0.4
Tax rate (%)	0.1%	-7.2%	-8.4%	47.4%	-102.3%	-24.9%	96.6%	-8.5%		19.8%	20.0%	20.0%
Net profit	-0.7	-0.5	-0.6	0.6	-1.2	-0.5	0.0	-0.7		-1.1	0.6	1.8
EPS	-0.04	-0.03	-0.03	0.03	-0.06	-0.02	0.00	-0.03		-0.06	0.03	0.09
EPS adj. (diluted)	-0.04	-0.03	-0.03	0.03	-0.06	-0.02	0.00	-0.03		-0.06	0.03	0.09
Dividend per share												
SALES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Retail & Commerce	10.4	10.0	8.5	9.7	38.6	9.2	9.1	7.7	8.9	35.0	34.7	35.9
Utilities	3.2	3.4	2.9	2.8	12.2	2.9	3.0	2.6	2.7	11.3	11.5	12.3
Total	13.6	13.4	11.4	12.5	50.9	12.1	12.2	10.4	11.6	46.3	46.2	48.2
SALES GROWTH, Y/Y %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Retail & Commerce	-22.8%	-7.3%	-7.5%	-7.3%	-12.1%	-11.5%	-9.1%	-9.2%	-8.2%	-9.5%	-0.7%	3.5%
Utilities	-7.5%	-2.5%	-3.3%	-27.0%	-10.7%	-8.2%	-9.9%	-8.6%	-2.8%	-7.5%	1.7%	7.0%
Total	-19.7%	-6.1%	-6.5%	-12.6%	-11.8%	-10.7%	-9.3%	-9.1%	-7.0%	-9.0%	-0.1%	4.4%
EBIT, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Retail & Commerce	0.4	0.4	0.4	2.4	3.6	0.8	0.8	0.5	0.8	2.9	3.2	3.5
Utilities	-0.7	-0.4	-0.1	-0.6	-1.8	-0.6	-0.6	-0.4	-0.3	-1.9	-0.5	0.5
Total	-0.2	0.0	0.3	1.8	1.8	0.2	0.2	0.1	0.5	0.9	2.7	4.0
EBIT margin %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Retail & Commerce	4.0%	3.7%	5.1%	24.7%	9.4%	8.4%	8.6%	6.8%	9.0%	8.3%	9.1%	9.8%
Utilities	-20.7%	-10.9%	-4.9%	-22.8%	-14.8%	-21.0%	-19.2%	-17.0%	-11.1%	-17.2%	-3.9%	4.1%
Total	-1.8%	0.0%	2.6%	14.1%	3.6%	1.3%	1.7%	0.8%	4.3%	2.0%	5.8%	8.3%

INCOME STATEMENT, EURm	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sales	60.5	69.1	68.4	57.7	50.9	46.3	46.2	48.2
<i>Sales growth (%)</i>	3.7%	14.2%	-0.9%	-15.8%	-11.8%	-9.0%	-0.1%	4.4%
EBITDA	10.4	12.3	5.5	8.7	4.1	2.3	3.6	5.6
<i>EBITDA margin (%)</i>	17.2%	17.8%	8.1%	15.1%	8.0%	5.0%	7.9%	11.7%
Depreciation	-5.0	-5.1	-10.0	-12.2	-2.3	-1.4	-0.9	-1.6
EBITA	5.4	7.2	-4.4	-3.5	1.8	0.9	2.7	4.0
Goodwill amortization / writedown								
EBIT	5.4	7.2	-4.4	-3.5	1.8	0.9	2.7	4.0
<i>EBIT margin (%)</i>	8.9%	10.4%	-6.5%	-6.1%	3.6%	2.0%	5.8%	8.3%
Reported EBIT	5.4	7.2	-4.4	-3.5	1.8	0.9	2.7	4.0
<i>EBIT margin (reported) (%)</i>	8.9%	10.4%	-6.5%	-6.1%	3.6%	2.0%	5.8%	8.3%
Net financials	-2.6	-1.9	-2.2	-1.2	-2.4	-2.4	-2.0	-1.8
Pre-tax profit	2.7	5.3	-6.6	-4.7	-0.6	-1.4	0.7	2.2
Taxes	-0.8	-1.1	1.2	-0.7	-0.6	0.3	-0.1	-0.4
Minority shares								
Net profit	2.0	4.1	-5.4	-5.4	-1.2	-1.1	0.6	1.8
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	12	13	10	2	2	1	1	1
Goodwill	39	42	46	41	39	39	39	39
Right of use assets	7	5	3	2	2	2	2	2
Inventory	0	0	0	0	0	0	0	0
Receivables	12	12	11	10	6	6	6	6
Liquid funds	5	4	2	2	3	2	2	2
Total assets	75	76	74	57	52	49	49	50
Liabilities								
Shareholders' equity	27	28	23	17	16	15	15	17
Minority interest								
Convertibles								
Lease liabilities	7	5	3	2	2	2	2	2
Deferred taxes	1	1	1	0	0	0	0	0
Interest bearing debt	24	24	30	24	22	22	21	19
Non-interest bearing current liabilities	16	18	17	13	12	11	11	11
Other interest-free debt					1	1	1	1
Total liabilities	75	76	74	57	52	49	49	50
CASH FLOW, EURm								
+ EBITDA	10	12	6	9	4	2	4	6
- Net financial items	-3	-2	-2	-1	-2	-2	-2	-2
- Taxes	-1	-1	0	-1	-1	0	0	0
- Increase in Net Working Capital	0	1	1	-3	1	0	0	0
+/- Other	-1	0	0	-9	-1			
= Cash flow from operations	6	10	4	-5	2	0	1	4
- Capex	-5	-4	-4	-3	-2	-1	-1	-2
- Acquisitions		-3	-5					
+ Divestments	4			14	4			
= Free cash flow	6	4	-6	6	4	-1	1	2
+/- New issues/buybacks	0	0	2	0	0			
- Paid dividend	3	2						
+/- Other	-4	-2	4	-6	-2	0	-1	-2
Change in cash	1	-1	-2	0	1	-1	0	0

KEY FIGURES	2021	2022	2023	2024	2025E	2026E	2027E
M-cap	91	24	15	12	8	8	8
Net debt (excl. convertibles)	26	31	25	20	21	21	19
Enterprise value	117	55	39	33	29	29	27
Sales	69	68	58	51	46	46	48
EBITDA	12	6	9	4	2	4	6
EBIT	7	-4	-4	2	1	3	4
Pre-tax	5	-7	-5	-1	-1	1	2
Earnings	4	-5	-5	-1	-1	1	2
Equity book value (excl. minorities)	28	23	17	16	15	15	17

Valuation multiple	2021	2022	2023	2024	2025E	2026E	2027E
EV/Sales	1.7	0.8	0.7	0.6	0.6	0.6	0.6
EV/EBITDA	9.5	10.0	4.5	8.0	12.8	7.9	4.8
EV/EBITA	16.3	-12.5	-11.1	18.2	31.3	10.7	6.7
EV/EBIT	16.3	-12.5	-11.1	18.2	31.3	10.7	6.7
EV/OCF	11.7	14.2	-7.4	21.1	-110.3	19.3	7.4
EV/FCF	21.2	-19.1	5.0	4.5	18.1	9.3	5.3
P/FCFR	25.6	-4.3	2.5	3.4	-7.9	13.6	4.1
P/E	21.9	-4.4	-2.3	-10.3	-7.0	14.2	4.5
P/BV	3.2	1.1	0.9	0.8	0.5	0.5	0.5
Target EV/EBITDA					13.1	8.1	4.9
Target EV/EBIT					32.2	11.0	6.9
Target EV/FCFF					-29.8	50.6	14.4
Target P/BV					0.6	0.6	0.5
Target P/E, diluted					-7.7	15.6	5.0

Per share measures	2021	2022	2023	2024	2025E	2026E	2027E
Number of shares (million)	19.40	19.40	19.40	19.40	19.40	19.40	19.40
Number of shares (diluted, million)	19.40	19.40	19.40	19.40	19.40	19.40	19.40
EPS	0.21	-0.28	-0.28	-0.06	-0.06	0.03	0.09
Operating cash flow per share	0.51	0.20	-0.27	0.08	-0.01	0.08	0.19
Free cash flow per share	0.18	-0.29	0.31	0.19	-0.05	0.03	0.10
Book value per share	1.44	1.16	0.89	0.82	0.76	0.79	0.88
Dividend per share	0.10						
Dividend payout ratio, %	46.8%						
Dividend yield, %	2.1%						
FCF yield, %	3.9%	-23.5%	40.8%	29.1%	-12.7%	7.4%	24.2%

Efficiency measures	2021	2022	2023	2024	2025E	2026E	2027E
ROE	15.2%	-21.5%	-27.1%	-7.3%	-7.4%	3.7%	10.8%
ROCE	12.4%	-7.8%	-7.1%	4.3%	2.4%	7.1%	10.5%

Financial ratios	2021	2022	2023	2024	2025E	2026E	2027E
Inventories as % of sales	0.3%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%
Receivables as % of sales	17.0%	16.2%	16.9%	12.2%	12.2%	12.2%	12.2%
Non-int. bearing liabilities as % of sales	25.5%	25.6%	22.4%	22.9%	22.9%	22.9%	22.9%
NWC/sales, %	-8.2%	-9.2%	-5.4%	-11.3%	-11.4%	-11.4%	-11.4%
Operative CAPEX/Sales, %	5.1%	6.4%	4.9%	3.7%	1.6%	2.0%	3.5%
CAPEX/sales (incl. acquisitions), %	1.0%	-1.1%	4.9%	3.7%	1.6%	2.0%	3.5%
FCFF/EBITDA	0.4	-0.5	0.9	1.8	0.7	0.8	0.9
Net Debt/EBITDA, book-weighted	2.1	5.7	2.8	5.0	9.3	5.7	3.4
Debt/equity, market-weighted	0.3	1.3	1.7	1.8	2.7	2.7	2.4
Equity ratio, book-weighted	0.4	0.3	0.3	0.3	0.3	0.3	0.3
Gearing, %	92.6%	139.4%	142.3%	128.3%	145.0%	135.9%	110.7%

**COMPANY DESCRIPTION:** Solteq is a Nordic software and IT-services provider specializing in digital business solutions. Solteq's strength has been in commerce related solutions with a focus on selected sectors, namely the retail and wholesale, industry, energy, and services sectors.

**INVESTMENT CASE:** Solteq's investment case revolves around the success of executing its strategy of shifting from its IT-services oriented past towards increasingly becoming a software house. Implied margin upside potential is considerable, with segment targets putting margins clearly in the double digits. Growth will increasingly need to be sought from abroad, as domestic growth potential is somewhat restricted within core competencies.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Profiz Business Solution Oyj	2 195 569	0.900	11.3 %
Elo Mutual Pension Insurance Company	2 000 000	0.820	10.3 %
Ilmarinen Mutual Pensions Insurance Company	1 651 293	0.677	8.5 %
Varma Mutual Pension Insurance Company	1 545 597	0.634	8.0 %
Aktia Capital Mutual Fund	770 000	0.316	4.0 %
Aalto Seppo Tapio	625 000	0.256	3.2 %
Saadetdin Ali	602 216	0.247	3.1 %
Säästöpankki Small Cap Mutual Fund	500 000	0.205	2.6 %
Incedo Oy	304 001	0.125	1.6 %
Kelhu Markku Juhani	300 000	0.123	1.5 %
Ten largest	10 493 676	4.302	54.1 %
Residual	8 902 825	3.650	45.9 %
Total	19 396 501	7.953	100%

#### EARNINGS CALENDAR

#### OTHER EVENTS

#### COMPANY MISCELLANEOUS

CEO: Aarne Aktan  
CFO: Mikko Sairanen  
IR:

Revontulenkujä 1, FI-02100 Espoo  
Tel:

## DEFINITIONS

<b>P/E</b>  $\frac{\text{Price per share}}{\text{Earnings per share}}$	<b>EPS</b>  $\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
<b>P/BV</b>  $\frac{\text{Price per share}}{\text{Shareholder's equity} + \text{taxed provisions per share}}$	<b>DPS</b>  Dividend for the financial period per share
<b>Market cap</b>  Price per share * Number of shares	<b>OCF (Operating cash flow)</b>  EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
<b>EV (Enterprise value)</b>  Market cap + net debt + minority interest at market value – share of associated companies at market value	<b>FCF (Free cash flow)</b>  Operating cash flow – Operative CAPEX – acquisitions + divestments
<b>EV/Sales</b>  $\frac{\text{Enterprise value}}{\text{Sales}}$	<b>FCF yield, %</b>  $\frac{\text{Free cash flow}}{\text{Market cap}}$
<b>EV/EBITDA</b>  $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	<b>Operative CAPEX / Sales</b>  $\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
<b>EV/EBIT</b>  $\frac{\text{Enterprise value}}{\text{Operating profit}}$	<b>Net working capital</b>  Current assets – current liabilities
<b>Net debt</b>  Interest bearing debt – financial assets	<b>Capital employed / Share</b>  $\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
<b>Total assets</b>  Balance sheet total	<b>Gearing</b>  $\frac{\text{Net debt}}{\text{Equity}}$
<b>Div yield, %</b>  $\frac{\text{Dividend per share}}{\text{Price per share}}$	<b>Debt/Equity, %</b>  $\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
<b>Payout ratio, %</b>  $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	<b>Equity ratio, %</b>  $\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
<b>ROCE, %</b>  $\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	<b>CAGR, %</b>  Cumulative annual growth rate = Average growth rate per year
<b>ROE, %</b>  $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$	

**Important Disclosures**

Evli Research Partners Plc ("ERP") uses 12-month target prices. Target prices are defined by utilizing analytical techniques based on financial theory including (but not limited to) discounted cash flow analysis and comparative valuation. The selection of valuation methods depends on different circumstances. Target prices may be altered on the basis of new information coming to light in the underlying company or changes in interest rates, changes in foreign exchange rates, other securities prices or market indices or outlook for the aforementioned factors or other factors that may change the conditions of financial markets. The valuation assumptions used are sensitive to changes and can significantly affect fair values. A change of a single percentage point in any used assumption could affect fair values by more than +/-20%. Recommendations and changes by analysts are available at [Analysts' recommendations and ratings revisions](#).

Investment recommendations are defined as follows:

Target price compared to share price

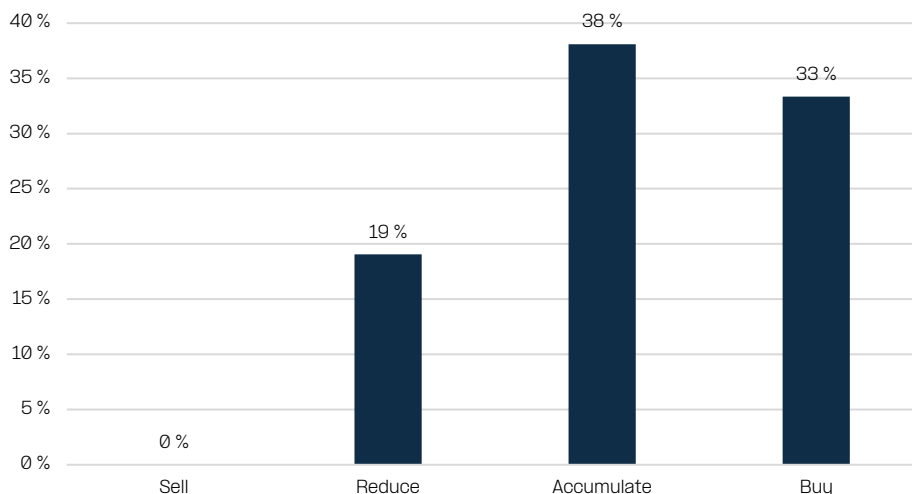
< -10 %  
 -10 - 0 %  
 0 - (+10) %  
 > 10 %

Recommendation

SELL  
 REDUCE  
 ACCUMULATE  
 BUY

ERP may temporarily suspend the rating and, if applicable, the target price to comply with regulations and/or firm policies, in which case a NOT RATED classification is used.

ERP's investment recommendation of the analyzed company is updated at least 2 times per year.



The graph above shows the distribution of ERP's recommendations of companies under coverage on the 16th of May, 2025. If recommendation is not given, it is not mentioned here.

Name(s) of the analyst(s): Atte Pitkääjärvi

This research report has been prepared by Evli Research Partners Plc ("ERP" or "Evli Research"). ERP is a subsidiary of Evli Plc. Production of the investment recommendation has been concluded on 10.2.2026, 8:55. This report has been published on 10.2.2026, 9:20.

None of the analysts contributing to this report, persons under their guardianship or corporations under their control have a position in the shares of the company or related securities.

The date and time for any price of financial instruments mentioned in the recommendation refer to the previous trading day's closing price(s) unless otherwise stated in the report.

Each analyst responsible for the content of this report assures that the expressed views accurately reflect the personal views of each analyst on the covered companies and securities. Each analyst assures that (s)he has not been, nor are or will be, receiving direct or indirect compensation related to the specific recommendations or views contained in this report.

Companies in the Evli Group, affiliates or staff of companies in the Evli Group, may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the publication or report

According to ERP's best knowledge, the issuer(s) of the securities hold(s) in excess of 5% of the total issued share capital of the issuer(s).

Neither ERP nor any company within the Evli Group have managed or co-managed a public offering of the company's securities during the last 12 months prior to, received compensation for investment banking services from the company during the last 12 months prior to the publication of the research report

ERP has signed an agreement with the issuer of the financial instruments mentioned in the recommendation, which includes production of research reports. This assignment has a limited economic and financial impact on ERP and/or Evli. Under the assignment ERP performs services including, but not limited to, arranging investor meetings or –events, investor relations communication advisory and production of research material.

ERP or another company within the Evli Group does not have an agreement with the company to perform market making or liquidity providing services.

For the prevention and avoidance of conflicts of interests with respect to this report, there is an information barrier (Chinese wall) between Investment Research and Corporate Finance units concerning unpublished investment banking services to the company. The remuneration of the analyst(s) is not tied directly or indirectly to investment banking transactions or other services performed by Evli Plc or any company within Evli Group.

This report has not been disclosed to the company prior to its dissemination.

This report is provided and intended for informational purposes only and may not be used or considered under any circumstances as an offer to sell or buy any securities or as advice to trade any securities.

This report is based on sources ERP considers to be correct and reliable. The sources include information providers FactSet and Bloomberg, stock-exchange releases from the companies and other company news, and publicly available online sources. However, ERP does not guarantee the materialization, correctness, accuracy or completeness of the information, opinions, estimates or forecasts expressed or implied in the report. In addition, circumstantial changes may have an influence on opinions and estimates presented in this report. The opinions and estimates presented are valid at the moment of their publication and they can be changed without a separate announcement. Neither ERP nor any company within the Evli Group are responsible for amending, correcting or updating any information, opinions or estimates contained in this report. Neither ERP nor any company within the Evli Group will compensate any direct or consequential loss caused by or derived from the use of the information represented in this publication.

All information published in this report is for the original recipient's private and internal use only. ERP reserves all rights to the report. No part of this publication may be reproduced or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, or stored in any retrieval system of any nature, without the written permission of ERP.

This report or its copy may not be published or distributed in Australia, Canada, Hong Kong, Japan, New Zealand, Singapore or South Africa. The publication or distribution of this report in certain other jurisdictions may also be restricted by law. Persons into whose possession this report comes are required to inform themselves about and to observe any such restrictions.

Evli Plc is not registered as a broker-dealer with the U. S. Securities and Exchange Commission ("SEC"), and it and its analysts are not subject to SEC rules on securities analysts' certification as to the currency of their views reflected in the research report. Evli Bank is not a member of the Financial Industry Regulatory Authority ("FINRA"). It and its securities analysts are not subject to FINRA's rules on Communications with the Public and Research Analysts and Research Reports and the attendant requirements for fairness, balance and disclosure of potential conflicts of interest. This research report is only being offered in U.S. by Auerbach Grayson & Company, LLC (Auerbach Grayson) to Major U.S. Institutional Investors and is not available to, and should not be used by, any U.S. person or entity that is not a Major U.S. Institutional Investor. Auerbach Grayson is a broker-dealer registered with the U.S. Securities and Exchange Commission and is a member of the FINRA. U.S. entities seeking more information about any of the issuers or securities discussed in this report should contact Auerbach Grayson. The securities of non-U.S. issuers may not be registered with or subject to SEC reporting and other requirements.

ERP is not a supervised entity but its parent company Evli Plc is supervised by the Finnish Financial Supervision Authority.

**Contact information****SALES, TRADING AND RESEARCH****Equity Sales & Trading**

Joachim Dannberg (head)	+358 9 4766 9123
Aleksi Jalava	+358 9 4766 9123
Pasi Väisänen	+358 9 4766 9123

**Evli Investment Solutions**

Johannes Asuja	+358 9 4766 9205
----------------	------------------

**Equity Research**

Jerker Salokivi (head)	+358 9 4766 9149
Joonas Ilvonen	+358 44 430 9071
Atte Jortikka	+358 40 054 3725
Atte Pitkälampi	+358 44 047 6597

# EVLI

**EVLI PLC**  
Aleksanterinkatu 19 A  
P.O. Box 1081  
FIN-00101 Helsinki, FINLAND  
Phone +358 9 476 690  
Internet www.evli.com  
E-mail firstname.lastname@evli.com

**EVLI PLC,  
STOCKHOLMSFILIAL**  
Regeringsgatan 67 P.O. Box 16354  
SE-103 26 Stockholm  
Sverige  
stockholm@evli.com  
Tel +46 (0)8 407 8000