

## Soft Q1 below estimates

Solteq reported a weak Q1, with both revenue and earnings below estimates. The Retail and Commerce segment was hit by the subdued customer demand more than expected, while Utilities continued its gradual improvement and slightly beat our revenue estimate. Guidance was reiterated, but bond refinancing remains the key uncertainty.

- Comparable net sales in Q1 were EUR 11.2m (Q1'25: EUR 12.1m) vs. Evli EUR 11.8m, a decline of 7.5% y/y. The miss versus our estimate came from R&C.
- Comparable operating result in Q1 was EUR -0.3m (Q1'25: EUR 0.1m) vs. Evli EUR 0.5m, clearly below our estimate. Operating result was EUR -1.0m (Q1'25: EUR 0.2m) vs. Evli EUR -0.1m, weighed down by NRIs.
- **Retail and Commerce:** Comparable revenue in Q1 amounted to EUR 8.1m (Q1'25: EUR 9.2m) vs. Evli EUR 8.9m, declining by 12% in comparable terms. The segment's comparable operating result was EUR 0.0m (Q1'25: EUR 0.8m) vs. our estimate of EUR 0.8m, a clear miss driven by subdued customer demand. Management noted that new service offerings and digital commerce solutions to be introduced during 2026 are expected to support a gradual recovery in demand.
- **Utilities:** Revenue in Q1 amounted to EUR 3.1m (Q1'25: EUR 2.9m) vs. Evli EUR 2.9m, slightly above our estimate. The segment's comparable operating result was EUR -0.3m (Q1'25: EUR -0.6m), in line with our estimate. The cost-saving measures are expected to strengthen software business profitability particularly from Q2 onwards.
- Solteq concluded change negotiations during Q1, expected to yield approximately EUR 2.5m in annual savings, of which roughly EUR 1.8m is expected to be realized during the current financial year.
- **Guidance for 2026 (reiterated):** Comparable revenue to remain at the same level and comparable operating result to improve clearly.
- The covenants for Solteq's outstanding bond of EUR 18.7m maturing on October 1, 2026, were not met, which restricts distributions and new debt but does not trigger acceleration. Refinancing negotiations are ongoing, and an improvement in performance is critical going forward to secure more favourable terms.

Rating + Accumulate

Q1'26	Actual	Evli	Year ago
Net sales	11.2	11.8	12.1
EBIT	-1.0	-0.1	0.2
Adj. EBIT	-0.3	0.5	0.1

**Share price, EUR** (Last trading day's closing price) **0.35**  
Target price, EUR 0.37

Latest change in recommendation	14-Feb-25
Latest report on company	27-Apr-26
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	7
Free float, %	73.0 %
Exchange rate	0.0
Reuters code	SOLTEQ.HE
Bloomberg code	SOLTEQ FH
Average daily volume, EURm	0.007
Next interim report	29-Apr-26
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+++ 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
2024	50.9	1.8	3.6%	3.6	-0.06	-10.3	0.6	18.2	29.1%	0.00
2025	46.7	0.8	1.6%	-2.7	-0.07	-5.8	0.7	40.9	-33.4%	0.00
2026E	46.5	2.4	5.1%	0.0	-0.01	-26.9	0.6	12.8	-0.5%	0.00
2027E	47.5	3.5	7.4%	1.0	0.04	9.3	0.6	8.3	15.0%	0.00
2028E	49.3	4.0	8.1%	1.5	0.06	6.0	0.6	6.9	21.6%	0.02
Market cap, EURm	7			Gearing 2026E, %	161.3 %			CAGR EPS 2025-28, %		0.0 %
Net debt 2026E, EURm	23			Price/book 2026E	0.5			CAGR Sales 2025-28, %		1.8 %
Enterprise value, EURm	30			Dividend yield 2026E, %	0.0 %			ROE 2026E, %		-1.7 %
Total assets 2026E, EURm	50			Tax rate 2026E, %	0.0 %			ROCE 2026E, %		6.0 %
Goodwill 2026E, EURm	39			Equity ratio 2026E, %	29.0 %			PEG, P/E 26/CAGR		0.0

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

**Important Disclosures**

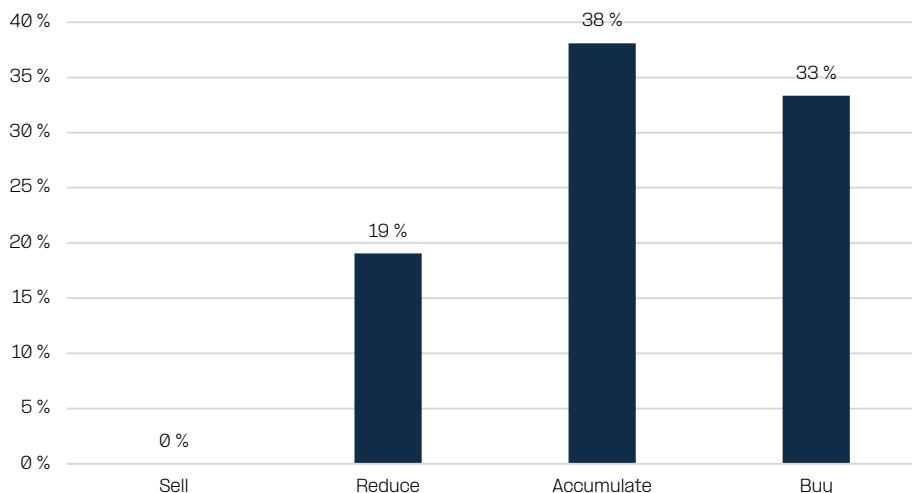
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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 - 0 %	REDUCE
0 - (+10) %	ACCUMULATE
> 10 %	BUY

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