

Earnings recovery still in focus

Solteq's Q1 fell short on weak R&C, yet guidance was reiterated and the 2026 recovery rests on cost savings and a gradual demand pickup.

Soft start mainly driven by R&C

Solteq's Q1 came in below our estimates, driven by softer than expected performance in R&C. Comparable revenue declined 7.5% y/y to EUR 11.2m (Evli EUR 11.8m), and the comparable operating result was EUR -0.3m (Evli EUR 0.5m). The reported operating result of EUR -1.0m was weighed down by NRIs of around EUR 0.7m related to the change negotiations carried out during the quarter. The miss was concentrated in R&C, where comparable revenue fell 12% y/y to EUR 8.1m (Evli EUR 8.9m) and the comparable operating result was EUR 0.0m (Evli EUR 0.8m), reflecting subdued demand. Utilities continued its gradual turnaround, with revenue up 6% y/y to EUR 3.1m and a comparable operating result of EUR -0.3m (up from EUR -0.6m).

Cost savings drive the recovery from Q2 onwards

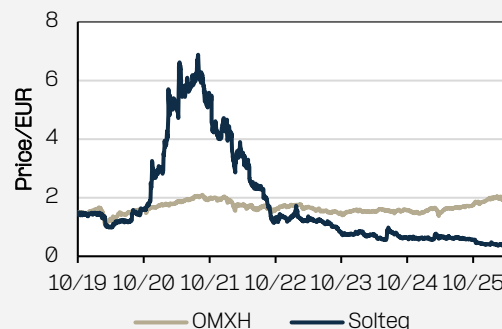
Solteq kept its 2026 guidance (comparable revenue at the same level, comparable operating result improves clearly). We cut our 2026 estimates to reflect the Q1 miss and a slightly softer FY26 outlook for R&C, though partially offset by higher expectations in Utilities. We now expect FY26E net sales of EUR 45.8m (prev. EUR 46.8m) and comparable operating result of EUR 1.7m (prev. EUR 3.0m). The concluded change negotiations are expected to deliver some EUR 2.5m in annual savings, with EUR 1.8m falling in 2026 (Q2 to Q4). R&C demand is expected to remain cautious near term, though performance should improve from the weak Q1 base as cost savings flow through, while Utilities looks more constructive, with both growth and earnings set to continue improving. Q2 is therefore an important checkpoint, both as the first read on whether the recovery is shaping up and for the bond refinancing, where a stronger quarter would support the terms achievable.

ACCUMULATE with a TP of EUR 0.33 (prev. 0.37)

Solteq trades at ~11x EV/EBITDA on our 2026E estimates, which is elevated although this year is set to be a bridge year. On 2027E the multiple compresses to ~6x, in line with the Nordic IT services peer group. Management's progressively more constructive tone on Utilities and the leaner cost base support our view of a stronger earnings profile beyond this year, though the pace of demand recovery remains uncertain. We lower our TP to EUR 0.33 (0.37) on the reduced FY26E estimates, but keep our ACCUMULATE rating.

Rating

+ Accumulate



Share price, EUR (Last trading day's closing price) **0.31**
Target price, EUR 0.33

Latest change in recommendation 13-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 6

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 21-Aug-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	45.8	1.0	2.2%	-1.7	-0.07	-4.4	0.7	31.1	-28.4%	0.00
2027E	47.7	3.4	7.1%	1.1	0.04	7.5	0.6	8.8	19.0%	0.00
2028E	49.8	4.2	8.4%	1.7	0.07	4.2	0.6	6.7	27.4%	0.02
Market cap, EURm	6		Gearing 2026E, %		187.3 %		CAGR EPS 2025-28, %		0.0 %	
Net debt 2026E, EURm	25		Price/book 2026E		0.5		CAGR Sales 2025-28, %		2.2 %	
Enterprise value, EURm	31		Dividend yield 2026E, %		0.0 %		ROE 2026E, %		-9.7 %	
Total assets 2026E, EURm	50		Tax rate 2026E, %		13.9 %		ROCE 2026E, %		2.5 %	
Goodwill 2026E, EURm	39		Equity ratio 2026E, %		26.6 %		PEG, P/E 26/CAGR		0.0	

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

Table 1: Estimate summary

Solteq	2024	Q1/'25	Q2/'25	Q3/'25	Q4/'25	2025	Q1/'26	Q2/'26E	Q3/'26E	Q4/'26E	2026E	2027E	2028E
Net sales	50.9	12.1	12.2	10.4	12.1	46.7	11.2	12.0	10.4	12.2	45.8	47.7	49.8
<i>sales growth %</i>	-11.8%	-10.7%	-9.3%	-9.1%	-3.2%	-8.1%	-7.5%	-1.3%	0.1%	1.1%	-2.0%	4.1%	4.5%
EBITDA	4.1	0.6	0.5	0.4	0.6	2.1	-0.7	0.7	1.0	1.3	2.3	4.7	5.4
Adj. EBITDA	2.7	0.5	0.4	0.4	0.8	2.2	-0.1	0.7	1.0	1.3	2.9	4.7	5.4
<i>Adj. EBITDA-%</i>	5.2%	4.5%	3.3%	4.1%	6.5%	4.6%	-0.6%	5.8%	9.6%	10.7%	6.4%	9.9%	10.9%
EBIT	1.8	0.2	0.2	0.1	0.3	0.8	-1.0	0.4	0.7	0.9	1.0	3.4	4.2
<i>EBIT-%</i>	3.6%	1.3%	1.7%	0.8%	2.7%	1.6%	-8.9%	3.3%	6.7%	7.4%	2.2%	7.2%	8.5%
Adj. EBIT	0.4	0.1	0.1	0.1	0.5	0.8	-0.3	0.4	0.7	0.9	1.7	3.4	4.2
<i>Adj. EBIT-%</i>	0.7%	1.1%	0.6%	1.1%	4.1%	1.7%	-3.1%	3.3%	6.7%	7.4%	3.6%	7.1%	8.5%
Retail & Commerce	2024	Q1/'25	Q2/'25	Q3/'25	Q4/'25	2025	Q1/'26	Q2/'26E	Q3/'26E	Q4/'26E	2026E	2027E	2028E
Net sales	38.6	9.2	9.1	7.7	8.8	34.9	8.1	8.7	7.6	8.7	33.1	34.1	35.3
<i>sales growth %</i>	-12.1%	-11.5%	-9.1%	-9.2%	-8.9%	-9.7%	-11.7%	-4.7%	-1.9%	-1.6%	-5.1%	3.0%	3.5%
Adj. EBITDA	3.7	1.0	0.9	0.7	1.0	3.6	0.1	0.7	0.8	0.9	2.5	3.7	4.1
<i>Adj. EBITDA-%</i>	9.5%	10.6%	9.8%	9.5%	11.3%	10.3%	1.6%	7.9%	10.4%	10.2%	7.6%	11.0%	11.7%
EBIT	3.6	0.8	0.8	0.5	0.8	2.8	-0.5	0.5	0.6	0.7	1.3	2.9	3.3
<i>EBIT-%</i>	9.4%	8.4%	8.6%	6.8%	8.5%	8.1%	-5.9%	5.7%	7.9%	8.0%	4.0%	8.5%	9.4%
Adj. EBIT	2.2	0.7	0.7	0.6	0.8	2.8	0.0	0.5	0.6	0.7	1.8	2.9	3.3
<i>Adj. EBIT-%</i>	5.9%	8.2%	7.6%	7.3%	9.4%	8.1%	-0.4%	5.7%	7.9%	8.0%	5.3%	8.5%	9.4%
Utilities	2024	Q1/'25	Q2/'25	Q3/'25	Q4/'25	2025	Q1/'26	Q2/'26E	Q3/'26E	Q4/'26E	2026E	2027E	2028E
Net sales	12.2	2.9	3.0	2.6	3.2	11.8	3.1	3.3	2.8	3.5	12.7	13.6	14.6
<i>sales growth %</i>	-10.7%	-8.2%	-9.9%	-8.7%	16.4%	-3.2%	5.9%	9.2%	6.0%	8.3%	7.4%	7.0%	7.0%
Adj. EBITDA	-1.0	-0.4	-0.5	-0.3	-0.2	-1.4	-0.2	0.0	0.2	0.3	0.3	0.9	1.3
<i>Adj. EBITDA-%</i>	-0.1	-14.6%	-16.2%	-11.8%	-6.4%	-0.1	-6.2%	-0.2%	7.0%	8.4%	2.3%	6.8%	9.0%
EBIT	-1.8	-0.6	-0.6	-0.4	-0.4	-2.1	-0.5	-0.1	0.1	0.2	-0.3	0.5	0.9
<i>EBIT-%</i>	-14.8%	-21.0%	-19.2%	-17.0%	-13.3%	-17.5%	-17.0%	-3.0%	3.6%	5.7%	-2.6%	3.7%	6.2%
Adj. EBIT	-1.8	-0.6	-0.6	-0.4	-0.3	-2.0	-0.3	-0.1	0.1	0.2	-0.1	0.5	0.9
<i>Adj. EBIT-%</i>	-14.7%	-21.0%	-20.8%	-17.0%	-10.5%	-17.2%	-10.2%	-3.0%	3.6%	5.7%	-0.9%	3.7%	6.2%

Source: Evli Research

Table 2: Peer group

SOLTEQ PEER GROUP	MCAP	EV/EBITDA			EV/EBIT			P/E			EV/Sales		
		2026	2027	2028	2026	2027	2028	2026	2027	2028	2026	2027	2028
NORDIC IT SERVICES	EUR m												
Tieto Corp.	2133	8.8x	8.3x	8.0x	11.0x	10.2x	9.8x	11.6x	10.6x	9.7x	1.5x	1.5x	1.4x
Atea ASA	1581	7.5x	6.9x	6.4x	11.4x	10.1x	9.3x	14.8x	13.7x	12.4x	0.3x	0.3x	0.3x
Bouvet ASA	483	8.4x	7.8x	7.6x	10.1x	9.4x	9.0x	14.0x	12.9x	12.4x	1.2x	1.2x	
Knowit AB	192	5.1x	4.4x	3.9x	11.9x	8.6x	7.2x	13.8x	9.7x	7.9x	0.5x	0.4x	0.4x
Gofore Oyj	179	6.9x	5.9x	5.3x	11.6x	9.1x	7.9x	12.4x	9.8x	9.1x	0.8x	0.8x	0.7x
Digia Oyj	146	6.5x	6.0x	5.7x	9.0x	7.8x	7.4x	9.4x	8.6x	8.0x	0.8x	0.7x	0.7x
Siii Solutions Oyj	23	4.4x	3.9x	3.7x	13.2x	9.0x	8.3x	11.8x	7.9x	7.2x	0.3x	0.2x	0.2x
Netum Group Oyj	15	10.0x	8.6x	8.3x	12.1x	10.4x	11.5x	13.7x	12.4x	11.3x	0.7x	0.7x	0.7x
Vincit Oyj	17	2.8x	2.3x	2.2x	12.2x	6.0x	4.9x	16.7x	10.0x	8.1x	0.2x	0.2x	0.2x
Peer group average	786	6.7x	6.0x	5.7x	11.4x	9.0x	8.4x	13.1x	10.6x	9.6x	0.7x	0.7x	0.6x
Peer group median	337	6.9x	6.0x	5.7x	11.6x	9.1x	8.3x	13.7x	10.0x	9.1x	0.7x	0.7x	0.5x
Solteq (Evli est.)	6	10.6x	6.3x	5.2x	18.8x	8.8x	6.7x		7.5x	4.2x	0.7x	0.6x	0.6x

Prem./disc. to peer median 53.0% 5.2% -9.1% 61.8% -3.2% -19.2% -25.0% -54.4% -2.3% -8.0% 5.4%

Source: FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	0.31 PV of Free Cash Flow	29 Long-term growth, %	2.0 % Risk-free interest rate, %
DCF share value	1.64 PV of Horizon value	26 WACC, %	11.0 % Market risk premium, %
Share price potential, %	430.3 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %
Maximum value	1.8 Marketable securities	1 Minimum WACC, %	10.5 % Equity beta coefficient
Minimum value	1.5 Debt – dividend	-25 Maximum WACC, %	11.5 % Target debt ratio, %
Horizon value, %	47.8 % Value of stock	32 No. of shares, Mn	19.4 Effective tax rate, %

DCF valuation, EURm	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	TERMINAL
Net sales	47	46	48	50	52	54	56	57	59	61	62	63
Sales growth (%)	-8.1%	-2.0%	4.1%	4.5%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	2.0%	2.0%
Operating income (EBIT)	1	1	3	4	5	6	6	6	6	6	6	7
Operating income margin %	1.6%	2.2%	7.1%	8.4%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%
+ Depreciation+amort.	1	1	2	1	1	1	1	1	1	1	1	1
EBITDA	2	2	5	5	7	7	7	7	7	8	8	
- 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, %	-9.4%	-9.4%	-9.4%	-9.4%	-9.4%	-9.4%	-9.4%	-9.4%	-9.4%	-9.4%	-9.4%	
+ Change in other liabs	0											
- Operative CAPEX	0	-1	-1	0	0	0	0	0	0	0	0	
opCAPEX / Sales, %	1.2%	3.1%	3.2%	2.1%	2.2%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	
- Acquisitions												
+ Divestments												
- Other items												
= FCFF	0	1	4	4	6	6	6	6	6	6	6	72
= Discounted FCF		1	3	3	4	3	3	3	3	3	2	26
= DFCF min WACC		1	3	3	4	4	3	3	3	3	2	29
= DFCF max WACC		1	3	3	4	3	3	3	3	2	2	24

Sensitivity analysis, EUR

		Terminal WACC				
		8.98 %	9.98 %	10.98 %	11.98 %	12.98 %
Terminal EBIT-%	8.50 %	2.11	1.70	1.38	1.12	0.91
	9.50 %	2.32	1.86	1.51	1.23	1.00
	10.50 %	2.52	2.03	1.64	1.34	1.09
	11.50 %	2.72	2.19	1.78	1.45	1.18
	12.50 %	2.92	2.35	1.91	1.56	1.27

INTERIM FIGURES

EVLI ESTIMATES, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Net sales	12.1	12.2	10.4	12.1	46.7	11.2	12.0	10.4	12.2	45.8	47.7	49.8
EBITDA	0.6	0.5	0.4	0.6	2.1	-0.7	0.7	1.0	1.2	2.2	5.1	5.3
<i>EBITDA margin (%)</i>	4.7%	4.5%	3.8%	5.2%	4.6%	-6.3%	5.7%	9.5%	9.7%	4.7%	10.7%	10.6%
EBIT	0.2	0.2	0.1	0.3	0.8	-1.0	0.4	0.7	0.9	1.0	3.4	4.2
<i>EBIT margin (%)</i>	1.3%	1.7%	0.9%	2.7%	1.6%	-8.9%	3.3%	6.7%	7.4%	2.2%	7.1%	8.4%
Net financial items	-0.5	-0.6	-0.7	-0.9	-2.7	-0.7	-0.7	-0.6	-0.6	-2.6	-2.4	-2.4
Pre-tax profit	-0.4	-0.4	-0.6	-0.5	-1.9	-1.7	-0.3	0.1	0.3	-1.6	1.0	1.8
Tax	-0.1	0.4	-0.1	0.3	0.6	0.2	0.1	0.0	-0.1	0.2	-0.2	-0.4
<i>Tax rate (%)</i>	-24.9%	96.6%	-8.5%	57.0%	29.9%	14.2%	20.0%	20.0%	20.0%	13.9%	20.0%	20.0%
Net profit	-0.5	0.0	-0.7	-0.2	-1.4	-1.4	-0.2	0.1	0.2	-1.4	0.8	1.4
EPS	-0.02	0.00	-0.03	-0.01	-0.07	-0.07	-0.01	0.00	0.01	-0.07	0.04	0.07
EPS adj. (diluted)	-0.02	0.00	-0.03	-0.01	-0.07	-0.07	-0.01	0.00	0.01	-0.07	0.04	0.07
Dividend per share												0.02
SALES, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Retail & Commerce	9.2	9.1	7.7	8.8	34.9	8.1	8.7	7.6	8.7	33.1	34.1	35.3
Utilities	2.9	3.0	2.6	3.2	11.8	3.1	3.3	2.8	3.5	12.7	13.6	14.6
Total	12.1	12.2	10.4	12.1	46.7	11.2	12.0	10.4	12.2	45.8	47.7	49.8
SALES GROWTH, Y/Y%	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Retail & Commerce	-11.5%	-9.1%	-9.2%	-8.9%	-9.7%	-11.7%	-4.7%	-1.9%	-1.6%	-5.1%	3.0%	3.5%
Utilities	-8.2%	-9.9%	-8.6%	16.3%	-3.2%	5.9%	9.2%	6.0%	8.3%	7.4%	7.0%	7.0%
Total	-10.7%	-9.3%	-9.1%	-3.3%	-8.1%	-7.5%	-1.3%	0.1%	1.1%	-2.0%	4.1%	4.5%
EBIT, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Retail & Commerce	0.8	0.8	0.5	0.8	2.8	-0.5	0.5	0.6	0.7	1.3	2.9	3.3
Utilities	-0.6	-0.6	-0.4	-0.4	-2.1	-0.5	-0.1	0.1	0.2	-0.3	0.5	0.9
Total	0.2	0.2	0.1	0.3	0.8	-1.0	0.4	0.7	0.9	1.0	3.4	4.2
EBIT margin %	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Retail & Commerce	8.4%	8.6%	6.8%	8.5%	8.1%	-5.9%	5.8%	7.9%	8.1%	4.0%	8.5%	9.4%
Utilities	-21.0%	-19.2%	-17.0%	-13.3%	-17.5%	-17.0%	-3.0%	3.6%	5.7%	-2.6%	3.7%	6.2%
Total	1.3%	1.7%	0.8%	2.7%	1.6%	-8.9%	3.3%	6.7%	7.4%	2.2%	7.1%	8.4%

INCOME STATEMENT, EURm	2021	2022	2023	2024	2025	2026E	2027E	2028E
Sales	69.1	68.4	57.7	50.9	46.7	45.8	47.7	49.8
<i>Sales growth (%)</i>	14.2%	-0.9%	-15.8%	-11.8%	-8.1%	-2.0%	4.1%	4.5%
EBITDA	12.3	5.5	8.7	4.1	2.1	2.2	5.1	5.3
<i>EBITDA margin (%)</i>	17.8%	8.1%	15.1%	8.0%	4.6%	4.7%	10.7%	10.6%
Depreciation	-5.1	-10.0	-12.2	-2.3	-1.4	-1.2	-1.7	-1.1
EBITA	7.2	-4.4	-3.5	1.8	0.8	1.0	3.4	4.2
Goodwill amortization / writedown								
EBIT	7.2	-4.4	-3.5	1.8	0.8	1.0	3.4	4.2
<i>EBIT margin (%)</i>	10.4%	-6.5%	-6.1%	3.6%	1.6%	2.2%	7.1%	8.4%
Reported EBIT	7.2	-4.4	-3.5	1.8	0.8	1.0	3.4	4.2
<i>EBIT margin (reported) (%)</i>	10.4%	-6.5%	-6.1%	3.6%	1.6%	2.2%	7.1%	8.4%
Net financials	-1.9	-2.2	-1.2	-2.4	-2.7	-2.6	-2.4	-2.4
Pre-tax profit	5.3	-6.6	-4.7	-0.6	-1.9	-1.6	1.0	1.8
Taxes	-1.1	1.2	-0.7	-0.6	0.6	0.2	-0.2	-0.4
Minority shares								
Net profit	4.1	-5.4	-5.4	-1.2	-1.4	-1.4	0.8	1.4
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	13	10	2	2	1	1	1	1
Goodwill	42	46	41	39	39	39	39	39
Right of use assets	5	3	2	2	1	1	2	2
Inventory	0	0	0	0	0	0	0	0
Receivables	12	11	10	6	6	6	7	7
Liquid funds	4	2	2	3	1	1	1	1
Total assets	76	74	57	52	50	50	50	51
Liabilities								
Shareholders' equity	28	23	17	16	15	13	14	16
Minority interest								
Convertibles								
Lease liabilities	5	3	2	2	2	1	2	2
Deferred taxes	1	1	0	0				
Interest bearing debt	24	30	24	22	23	25	24	22
Non-interest bearing current liabilities	18	17	13	12	11	11	11	11
Other interest-free debt				1	0	0	0	0
Total liabilities	76	74	57	52	50	50	50	51
CASH FLOW, EURm								
+ EBITDA	12	6	9	4	2	2	5	5
- Net financial items	-2	-2	-1	-2	-3	-3	-2	-2
- Taxes	-1	0	-1	-1	0	0	0	0
- Increase in Net Working Capital	1	1	-3	1	-1	0	0	0
+/- Other	0	0	-9	-1				
= Cash flow from operations	10	4	-5	2	-2	0	3	3
- Capex	-4	-4	-3	-2	-1	-1	-2	-1
- Acquisitions	-3	-5						
+ Divestments			14	4				
= Free cash flow	4	-6	6	4	-3	-2	1	2
+/- New issues/buybacks	0	2	0	0	0			
- Paid dividend	2							0
+/- Other	-2	4	-6	-2	1	2	-1	-1
Change in cash	-1	-2	0	1	-2	0	0	0

KEY FIGURES	2022	2023	2024	2025	2026E	2027E	2028E
M-cap	24	15	12	8	6	6	6
Net debt (excl. convertibles)	31	25	20	23	25	24	22
Enterprise value	55	39	33	31	31	30	28
Sales	68	58	51	47	46	48	50
EBITDA	6	9	4	2	2	5	5
EBIT	-4	-4	2	1	1	3	4
Pre-tax	-7	-5	-1	-2	-2	1	2
Earnings	-5	-5	-1	-1	-1	1	1
Equity book value (excl. minorities)	23	17	16	15	13	14	16

Valuation multiple	2022	2023	2024	2025	2026E	2027E	2028E
EV/Sales	0.8	0.7	0.6	0.7	0.7	0.6	0.6
EV/EBITDA	10.0	4.5	8.0	14.7	14.4	5.9	5.3
EV/EBITA	-12.5	-11.1	18.2	40.9	31.1	8.8	6.7
EV/EBIT	-12.5	-11.1	18.2	40.9	31.1	8.8	6.7
EV/OCF	14.2	-7.4	21.1	-15.1	-108.4	11.2	10.4
EV/FCF	-19.1	5.0	4.5	-95.8	24.3	7.6	6.3
P/FCFR	-4.3	2.5	3.4	-3.0	-3.5	5.3	3.6
P/E	-4.4	-2.3	-10.3	-5.8	-4.4	7.5	4.2
P/BV	1.1	0.9	0.8	0.5	0.5	0.4	0.4
Target EV/EBITDA					14.6	5.9	5.4
Target EV/EBIT					31.5	8.9	6.8
Target EV/FCFF					-18.4	26.5	17.3
Target P/BV					0.5	0.5	0.4
Target P/E, diluted					-4.7	8.0	4.4

Per share measures	2022	2023	2024	2025	2026E	2027E	2028E
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	-0.28	-0.28	-0.06	-0.07	-0.07	0.04	0.07
Operating cash flow per share	0.20	-0.27	0.08	-0.11	-0.01	0.14	0.14
Free cash flow per share	-0.29	0.31	0.19	-0.14	-0.09	0.06	0.09
Book value per share	1.16	0.89	0.82	0.76	0.69	0.73	0.80
Dividend per share							0.02
Dividend payout ratio, %							30.0%
Dividend yield, %							7.2%
FCF yield, %	-23.5%	40.8%	29.1%	-33.4%	-28.4%	19.0%	27.4%

Efficiency measures	2022	2023	2024	2025	2026E	2027E	2028E
ROE	-21.5%	-27.1%	-7.3%	-8.9%	-9.7%	5.8%	9.7%
ROCE	-7.8%	-7.1%	4.3%	1.9%	2.5%	8.6%	10.7%

Financial ratios	2022	2023	2024	2025	2026E	2027E	2028E
Inventories as % of sales	0.2%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
Receivables as % of sales	16.2%	16.9%	12.2%	13.6%	13.6%	13.6%	13.6%
Non-int. bearing liabilities as % of sales	25.6%	22.4%	22.9%	23.0%	23.0%	23.0%	23.0%
NWC/sales, %	-9.2%	-5.4%	-11.3%	-9.4%	-9.4%	-9.4%	-9.4%
Operative CAPEX/Sales, %	6.4%	4.9%	3.7%	1.2%	3.1%	3.2%	2.1%
CAPEX/sales (incl. acquisitions), %	-1.1%	4.9%	3.7%	1.2%	3.1%	3.2%	2.1%
FCFF/EBITDA	-0.5	0.9	1.8	-0.2	0.6	0.8	0.8
Net Debt/EBITDA, book-weighted	5.7	2.8	5.0	11.0	11.6	4.7	4.2
Debt/equity, market-weighted	1.3	1.7	1.8	2.9	4.1	3.9	3.7
Equity ratio, book-weighted	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Gearing, %	139.4%	142.3%	128.3%	158.6%	187.3%	168.6%	142.4%

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	0.681	11.3 %
Elo Mutual Pension Insurance Company	2 000 000	0.620	10.3 %
Ilmarinen Mutual Pensions Insurance Company	1 651 293	0.512	8.5 %
Varma Mutual Pension Insurance Company	1 545 597	0.479	8.0 %
Aktia Capital Mutual Fund	770 000	0.239	4.0 %
Aalto Seppo Tapio	625 000	0.194	3.2 %
Saadetdin Ali	602 216	0.187	3.1 %
Säästöpankki Small Cap Mutual Fund	404 937	0.126	2.1 %
Incedo Oyj	304 001	0.094	1.6 %
Kelhu Markku Juhani	300 000	0.093	1.5 %
Ten largest	10 398 613	3.224	53.6 %
Residual	8 997 888	2.789	46.4 %
Total	19 396 501	6.013	100%

EARNINGS CALENDAR

August 21, 2026 Q2 report
October 29, 2026 Q3 report

OTHER EVENTS

COMPANY MISCELLANEOUS

CEO: Aarne Aktan Revontulenkujä 1, FI-02100 Espoo
CFO: Mikko Sairanen Tel:
IR:

DEFINITIONS

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

Important Disclosures

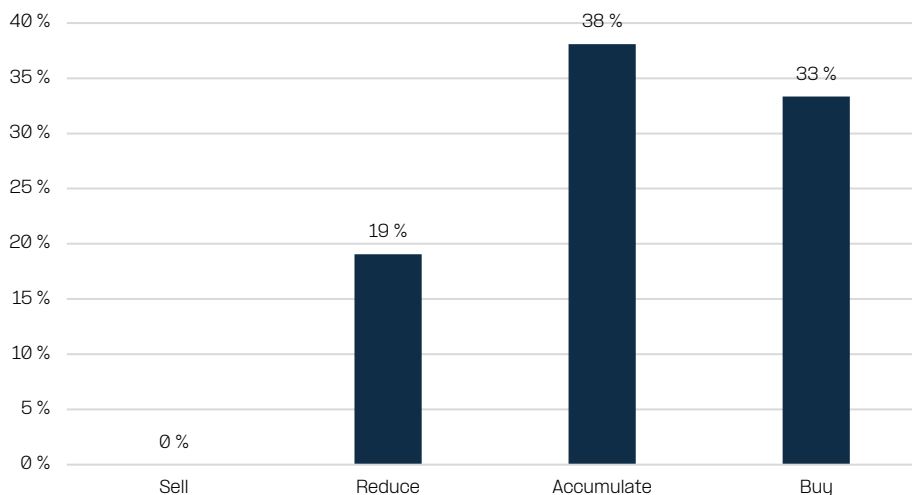
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – 0 %	RECUDE
0 – (+10) %	ACCUMULATE
> 10 %	BUY

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

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