

## Project timing boosting Q4

Timing of project revenue recognition is set to boost Q4 figures. Positive market and order backlog development remains crucial to enable growth in the coming years.

**Revenue guidance raised due to timing of revenue recognition**  
 SRV raised its revenue guidance for 2025 on January 19<sup>th</sup> due to revenue recognition from on-going projects being more front-loaded than anticipated during the remainder of the year and now expects revenue of EUR 700–715m (prev. 650–680m). The operative operating profit guidance was specified to EUR 6.0–7.5m (previously expected to be positive). The raised revenue guidance is in our view trivial, being related to project timing. The implied operative operating profit margin of around 1.5–2.2% for Q4 is positive given margins below 1% during Q1–Q3/25. We expect the improvement to be partly related to the increased volumes, but also to some extent due to operative performance.

### Anticipating revenue decline in 2026

We have adjusted our estimates based on the guidance revision and accounted for the divestment of SRV Infra, completed at the end of 2025. The main revisions relate to lowered revenue estimates due to the aforementioned revenue timing and from the lost revenue through SRV Infra and the +EUR 20m EBIT impact from the divestment. We now expect revenue to decline by 1.4% in 2026. Given the order backlog development during 2025 as well as the shift of a larger share of revenue to Q4/25 and sold operations, expectations could arguably be tilted towards a larger revenue decline. From an investment case perspective, we assign little value on the revenue during 2026. Of much more importance is the order backlog development, which based on news during the end of 2025 is showing some promising signs for business construction.

### REDUCE–rating with a TP of EUR 4.8

Following our estimates revisions, potential is pushed all the more towards 2027 and beyond. Market recovery or stronger signs thereof, especially in residential construction, will be crucial in 2026. We retain our TP of EUR 4.8 and REDUCE–rating.



■■■ 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	610.1	–6.8	–1.1%	–21.1	–0.90	–4.4	0.3	–29.6	–31.4%	
2024	745.9	12.0	1.6%	13.7	0.31	15.8	0.3	17.8	16.2%	
2025E	706.5	27.7	3.9%	28.8	0.96	5.0	0.3	6.6	35.2%	
2026E	696.9	8.9	1.3%	13.6	0.07	65.7	0.2	19.0	16.5%	
2027E	776.0	17.0	2.2%	–10.9	0.37	13.1	0.2	10.6	–13.3%	0.11
Market cap, EURm			82	Gearing 2025E, %		41.4 %	CAGR EPS 2024–27, %		5.4 %	
Net debt 2025E, EURm			101	Price/book 2025E		0.6	CAGR Sales 2024–27, %		13 %	
Enterprise value, EURm			183	Dividend yield 2025E, %		0.0 %	ROE 2025E, %		13.4 %	
Total assets 2025E, EURm			477	Tax rate 2025E, %		16.8 %	ROCE 2025E, %		9.5 %	
Goodwill 2025E, EURm			2	Equity ratio 2025E, %		29.0 %	PEG, P/E 25/CAGR		–0.6	

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

SRV	2023	Q1/24	Q2/24	Q3/24	Q4/24	2024	Q1/25	Q2/25	Q3/25	Q4/25E	2025E	2026E	2027E
<b>Revenue</b> <i>change, %</i>	<b>610.0</b> <i>20.8%</i>	<b>167.0</b> <i>30.2%</i>	<b>186.3</b> <i>24.9%</i>	<b>183.5</b> <i>16.1%</i>	<b>209.1</b> <i>22.3%</i>	<b>745.8</b> <i>-3.4%</i>	<b>161.4</b> <i>-9.4%</i>	<b>168.7</b> <i>-12.9%</i>	<b>159.7</b> <i>3.7%</i>	<b>216.7</b> <i>-5.3%</i>	<b>706.5</b> <i>-1.4%</i>	<b>696.9</b> <i>11.4%</i>	<b>776.0</b>
Revenue – Business construction <i>change, %</i>	508.5 <i>19.0%</i>	156.1 <i>37.1%</i>	173.3 <i>56.1%</i>	167.2 <i>28.1%</i>	191.5 <i>25.1%</i>	688.1 <i>35.3%</i>	149.8 <i>-4.0%</i>	156.1 <i>-9.9%</i>	147.6 <i>-11.7%</i>	203.0 <i>6.0%</i>	656.5 <i>-4.6%</i>	620.4 <i>-5.5%</i>	639.0 <i>3.0%</i>
Revenue – Housing construction <i>change, %</i>	100.4 <i>-68.5%</i>	10.9 <i>-54.0%</i>	13.0 <i>-58.6%</i>	16.2 <i>-0.6%</i>	17.5 <i>-39.0%</i>	57.7 <i>-42.6%</i>	11.7 <i>7.3%</i>	12.6 <i>-3.1%</i>	12.0 <i>-25.9%</i>	13.7 <i>-21.7%</i>	50.0 <i>-13.3%</i>	76.0 <i>52.0%</i>	136.5 <i>79.6%</i>
<b>Operative operating profit</b> <i>-margin</i>	<b>3.1</b> <i>0.5%</i>	<b>1.3</b> <i>0.8%</i>	<b>1.5</b> <i>0.8%</i>	<b>4.5</b> <i>2.5%</i>	<b>3.0</b> <i>1.4%</i>	<b>10.3</b> <i>1.4%</i>	<b>0.7</b> <i>0.4%</i>	<b>0.8</b> <i>0.5%</i>	<b>1.3</b> <i>0.8%</i>	<b>3.9</b> <i>1.8%</i>	<b>6.8</b> <i>1.0%</i>	<b>8.9</b> <i>1.3%</i>	<b>17.0</b> <i>2.2%</i>
<b>Operating profit</b> <i>-margin</i>	<b>-4.8</b> <i>-0.8%</i>	<b>1.3</b> <i>0.8%</i>	<b>1.5</b> <i>0.8%</i>	<b>4.5</b> <i>2.5%</i>	<b>4.7</b> <i>2.2%</i>	<b>12.0</b> <i>1.6%</i>	<b>0.7</b> <i>0.4%</i>	<b>0.7</b> <i>0.4%</i>	<b>1.3</b> <i>0.8%</i>	<b>24.9</b> <i>11.5%</i>	<b>27.7</b> <i>3.9%</i>	<b>8.9</b> <i>1.3%</i>	<b>17.0</b> <i>2.2%</i>
Net financials	-9.0	-0.7	-1.4	-2.8	-1.4	-6.3	-1.2	-2.0	-2.9	-2.0	-8.1	-7.4	-9.2
<b>Pre-tax profit</b>	<b>-13.8</b>	<b>0.5</b>	<b>0.1</b>	<b>1.7</b>	<b>3.3</b>	<b>5.7</b>	<b>-0.5</b>	<b>-1.4</b>	<b>-1.6</b>	<b>22.9</b>	<b>19.5</b>	<b>1.6</b>	<b>7.8</b>
Income taxes	0.7	0.0	0.1	-0.8	0.3	-0.4	0.3	0.5	-0.3	-4.6	-4.0	-0.3	-1.6
<b>Net earnings</b>	<b>-13.1</b>	<b>0.5</b>	<b>0.2</b>	<b>1.0</b>	<b>3.6</b>	<b>5.3</b>	<b>-0.2</b>	<b>-0.8</b>	<b>-1.9</b>	<b>18.4</b>	<b>15.5</b>	<b>1.2</b>	<b>6.3</b>
EPS*	-0.85	-0.01	-0.02	0.02	0.18	0.18	-0.05	-0.08	-0.14	1.05	0.78	0.01	0.37

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	4.83 PV of Free Cash Flow	160 Long-term growth, %	2.0 % Risk-free interest rate, %	2.25 %
DCF share value	9.27 PV of Horizon value	127 WACC, %	10.0 % Market risk premium, %	5.8 %
Share price potential, %	92.0 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %	3.8 %
Maximum value	10.3 Marketable securities	41 Minimum WACC, %	9.5 % Equity beta coefficient	1.40
Minimum value	8.4 Debt – dividend	-170 Maximum WACC, %	10.5 % Target debt ratio, %	20 %
Horizon value, %	44.3 % Value of stock	157 No. of shares, Mn	17.0 Effective tax rate, %	20 %

DCF valuation, EURm	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	TERMINAL
Net sales	746	707	697	776	834	876	902	929	948	967	986	1 006
<i>Sales growth (%)</i>	<i>22.3%</i>	<i>-5.3%</i>	<i>-1.4%</i>	<i>11.4%</i>	<i>7.5%</i>	<i>5.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>	<i>2.0%</i>
Operating income (EBIT)	12	28	9	17	25	31	34	39	38	34	30	30
<i>Operating income margin %</i>	<i>16%</i>	<i>3.9%</i>	<i>1.3%</i>	<i>2.2%</i>	<i>3.0%</i>	<i>3.5%</i>	<i>3.8%</i>	<i>4.2%</i>	<i>4.0%</i>	<i>3.5%</i>	<i>3.0%</i>	<i>3.0%</i>
+ Depreciation+amort.	10	6	4	4	5	5	5	5	5	6	6	6
EBITDA	22	33	13	21	30	36	39	44	43	39	35	
- Paid taxes	0	-5	-2	-3	-5	-6	-7	-8	-8	-7	-6	
- Change in NWC	-2	6	14	-16	-10	-6	-4	-4	-3	-3	-3	
<i>NWC / Sales, %</i>	<i>14.6%</i>	<i>14.6%</i>	<i>12.8%</i>	<i>13.6%</i>	<i>13.8%</i>							
+ Change in other liabs	-9											
- Operative CAPEX	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2	-2	-3
<i>opCAPEX / Sales, %</i>	<i>0.7%</i>	<i>1.1%</i>	<i>0.8%</i>	<i>0.7%</i>	<i>0.7%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.6%</i>	<i>0.7%</i>
- Acquisitions												
+ Divestments		9										
- Other items	5											
= FOFF	14	41	23	0	13	22	27	31	31	28	23	298
= Discounted FCF	41	21	0	10	15	17	17	16	13	10	10	127
= DFCF min WACC	41	21	0	10	15	17	18	17	14	10	10	141
= DFCF max WACC	41	21	0	9	15	16	17	16	13	10	10	115

## Sensitivity analysis, EUR

Terminal WACC					
	8.00 %	9.00 %	10.00 %	11.00 %	12.00 %
Terminal EBIT-%	1.00 %	4.31	3.57	2.95	2.43
	2.00 %	9.28	7.49	6.11	5.02
	3.00 %	14.24	11.41	9.27	7.61
	4.00 %	19.21	15.33	12.43	10.20
	5.00 %	24.17	19.24	15.59	12.79
					10.58

## INTERIM FIGURES

EVLI ESTIMATES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Net sales	167.0	186.3	183.5	209.1	745.9	161.4	168.7	159.7	216.7	706.5	696.9	776.0
EBITDA	2.7	3.7	5.8	9.4	21.6	2.1	2.1	2.8	26.3	33.3	12.8	21.4
EBITDA margin (%)	1.6%	2.0%	3.2%	4.5%	2.9%	1.3%	1.2%	1.8%	12.2%	4.7%	1.8%	2.8%
EBIT	1.3	1.5	4.5	4.7	12.0	0.7	0.7	1.4	24.9	27.7	8.9	17.0
EBIT margin (%)	0.8%	0.8%	2.5%	2.3%	1.6%	0.4%	0.4%	0.9%	11.5%	3.9%	1.3%	2.2%
Net financial items	-0.7	-14	-2.8	-14	-6.3	-12	-2.0	-3.0	-2.0	-8.2	-7.4	-9.2
Pre-tax profit	0.5	0.1	1.7	3.3	5.7	-0.5	-1.4	-1.5	22.9	19.5	1.6	7.8
Tax		0.1	-0.8	0.3	-0.4	0.3	0.5	0.5	-4.6	-3.3	-0.3	-16
Tax rate (%)		-100.0%	44.1%	-9.0%	6.2%	60.0%	39.7%	29.9%	200.0%	16.8%	200.0%	200.0%
Net profit	0.5	0.2	1.0	3.6	5.3	-0.2	-0.8	-1.1	18.4	16.3	1.2	6.3
EPS	0.03	0.01	0.06	0.21	0.31	-0.01	-0.05	-0.06	1.08	0.96	0.07	0.37
EPS adj. (diluted)	0.03	0.01	0.06	0.21	0.31	-0.01	-0.05	-0.06	1.08	0.96	0.07	0.37
Dividend per share												0.11
SALES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Group	167.0	186.3	183.5	209.1	745.9	161.4	168.7	159.7	216.7	706.5	696.9	776.0
Total	167.0	186.3	183.5	209.1	745.9	161.4	168.7	159.7	216.7	706.5	696.9	776.0
SALES GROWTH, Y/Y %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Group	20.8%	30.2%	24.9%	15.0%	22.3%	-3.4%	-9.5%	-13.0%	3.6%	-5.3%	-14%	11.4%
Total	20.8%	30.2%	24.9%	15.0%	22.3%	-3.4%	-9.5%	-13.0%	3.6%	-5.3%	-14%	11.4%
EBIT, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Group	1.3	1.5	4.5	4.7	12.0	0.7	0.7	1.4	24.9	27.7	8.9	17.0
Total	1.3	1.5	4.5	4.7	12.0	0.7	0.7	1.4	24.9	27.7	8.9	17.0
EBIT margin %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Group	0.8%	0.8%	2.5%	2.3%	1.6%	0.4%	0.4%	0.9%	11.5%	3.9%	1.3%	2.2%
Total	0.8%	0.8%	2.5%	2.3%	1.6%	0.4%	0.4%	0.9%	11.5%	3.9%	1.3%	2.2%

<b>INCOME STATEMENT, EURm</b>	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sales	975.5	932.5	770.1	610.1	745.9	706.5	696.9	776.0
<i>Sales growth (%)</i>	-8.1%	-4.4%	-17.4%	-20.8%	22.3%	-5.3%	-1.4%	11.4%
EBITDA	20.4	4.5	-67.0	-1.2	21.6	33.3	12.8	21.4
<i>EBITDA margin (%)</i>	2.1%	0.5%	-8.7%	-0.2%	2.9%	4.7%	1.8%	2.8%
Depreciation	-18.9	-6.3	-9.3	-5.6	-9.6	-5.6	-3.9	-4.3
EBITA	1.5	-1.8	-76.3	-6.8	12.0	27.7	8.9	17.0
Goodwill amortization / writedown								
EBIT	1.5	-1.8	-76.3	-6.8	12.0	27.7	8.9	17.0
<i>EBIT margin (%)</i>	0.2%	-0.2%	-9.9%	-1.1%	1.6%	3.9%	1.3%	2.2%
Reported EBIT	1.5	-1.8	-76.3	-6.8	12.0	27.7	8.9	17.0
<i>EBIT margin (reported) (%)</i>	0.2%	-0.2%	-9.9%	-1.1%	1.6%	3.9%	1.3%	2.2%
Net financials	-29.4	-18.6	-2.7	-9.0	-6.3	-8.2	-7.4	-9.2
Pre-tax profit	-27.9	-20.4	-79.0	-15.8	5.7	19.5	1.6	7.8
Taxes	2.9	0.5	-6.6	0.7	-0.4	-3.3	-0.3	-1.6
Minority shares	2.3							
Net profit	-27.1	-21.4	-85.7	-15.4	5.3	16.3	1.2	6.3
Cash NRIs								
Non-cash NRIs								
<b>BALANCE SHEET, EURm</b>								
Assets								
Fixed assets	120	122	15	18	18	10	12	14
Goodwill	2	2	2	2	2	2	2	2
Right of use assets	130	82	84	96	91	92	92	91
Inventory	355	227	163	157	167	175	160	186
Receivables	155	143	103	89	96	90	89	99
Liquid funds	97	68	45	40	41	71	42	35
Total assets	899	686	448	439	451	477	434	464
Liabilities								
Shareholders' equity	170	150	113	105	113	130	131	137
Minority interest	-4							
Convertibles	15	15	34	34	34	34		
Lease liabilities	136	89	92	106	106	110	101	100
Deferred taxes	3	1	1	0	0	0	0	0
Interest bearing debt	250	149	34	33	31	28	28	33
Non-interest bearing current liabilities	285	243	148	138	154	162	160	180
Other interest-free debt	21	15	7	3	3	3	3	3
Total liabilities	899	686	449	439	451	477	434	464
<b>CASH FLOW, EURm</b>								
+ EBITDA	20	5	-67	-1	22	33	13	21
- Net financial items	-29	-19	-3	-9	-6	-8	-7	-9
- Taxes	-2	-2	-2	0	0	-3	0	-2
- Increase in Net Working Capital	107	98	11	9	-2	6	14	-16
+/- Other	-49	-13	50	0	5			
= Cash flow from operations	46	69	-10	-2	19	28	19	-5
- Capex	2	45	-58	-19	-5	-8	-5	-6
- Acquisitions	-5							
+ Divestments	29					9		
= Free cash flow	72	114	-68	-21	14	29	14	-11
+/- New issues/buybacks	100	5	49	8	3			
- Paid dividend								2
+/- Other	-103	-148	-4	8	-16	1	-42	4
Change in cash	69	-29	-23	-6	1	30	-29	-7

KEY FIGURES	2021	2022	2023	2024	2025E	2026E	2027E
M-cap	139	65	67	84	82	82	82
Net debt (excl. convertibles)	170	80	99	96	68	87	98
Enterprise value	325	178	200	214	183	189	180
Sales	933	770	610	746	707	697	776
EBITDA	5	-67	-1	22	33	13	21
EBIT	-2	-76	-7	12	28	9	17
Pre-tax	-20	-79	-16	6	20	2	8
Earnings	-21	-86	-15	5	16	1	6
Equity book value (excl. minorities)	150	113	105	113	130	131	137
Valuation multiple	2021	2022	2023	2024	2025E	2026E	2027E
EV/Sales	0.3	0.2	0.3	0.3	0.3	0.2	0.2
EV/EBITDA	72.2	-2.7	-173.7	9.9	5.5	13.2	8.4
EV/EBITA	-180.4	-2.3	-29.6	17.8	6.6	19.0	10.6
EV/EBIT	-180.4	-2.3	-29.6	17.8	6.6	19.0	10.6
EV/OCF	4.7	-17.7	-105.2	11.3	6.6	8.9	-33.7
EV/FCF	3.4	-3.2	-558.8	15.7	4.5	7.4	-3939.7
P/FCF	0.0	-1.0	-3.2	6.2	2.8	6.0	-7.5
P/E	-6.5	-0.8	-4.4	15.8	5.0	65.7	13.1
P/BV	0.9	0.6	0.6	0.7	0.6	0.6	0.6
Target EV/EBITDA					5.5	13.2	8.4
Target EV/EBIT					6.6	18.9	10.6
Target EV/FCFF					6.3	12.5	-16.5
Target P/BV					0.6	0.6	0.6
Target P/E, diluted					5.0	65.3	13.0
Per share measures	2021	2022	2023	2024	2025E	2026E	2027E
Number of shares (million)	9.43	16.98	16.98	16.94	16.96	16.96	16.96
Number of shares (diluted, million)	9.43	16.98	16.98	16.94	16.96	16.96	16.96
EPS	-2.27	-5.05	-0.90	0.31	0.96	0.07	0.37
Operating cash flow per share	7.31	-0.59	-0.11	1.11	1.64	1.12	-0.32
Free cash flow per share	12.08	-3.99	-1.24	0.81	1.70	0.80	-0.64
Book value per share	15.88	6.64	6.20	6.70	7.64	7.72	8.09
Dividend per share							0.11
Dividend payout ratio, %							30.0%
Dividend yield, %							2.3%
FCF yield, %	81.7%	-105.1%	-31.4%	16.2%	35.2%	16.5%	-13.3%
Efficiency measures	2021	2022	2023	2024	2025E	2026E	2027E
ROE	-13.4%	-65.3%	-14.1%	4.9%	13.4%	1.0%	4.7%
ROOE	0.7%	-21.4%	-2.5%	4.3%	9.5%	3.2%	6.4%
Financial ratios	2021	2022	2023	2024	2025E	2026E	2027E
Inventories as % of sales	24.4%	21.1%	25.8%	22.4%	24.8%	23.0%	24.0%
Receivables as % of sales	15.4%	13.3%	14.5%	12.8%	12.8%	12.8%	12.8%
Non-int. bearing liabilities as % of sales	26.1%	19.2%	22.7%	20.6%	23.0%	23.0%	23.3%
NWC/sales, %	13.7%	15.1%	17.6%	14.6%	14.6%	12.8%	13.6%
Operative CAPEX/Sales, %	-4.8%	7.5%	3.1%	0.7%	1.1%	0.8%	0.7%
CAPEX/sales (incl. acquisitions), %	-4.8%	7.5%	3.1%	0.7%	1.1%	0.8%	0.7%
FCFF/EBITDA	21.5	0.8	0.3	0.6	1.2	1.8	0.0
Net Debt/EBITDA, book-weighted	37.8	-1.2	-86.3	4.5	2.0	6.8	4.6
Debt/equity, market-weighted	1.1	0.5	0.5	0.4	0.3	0.3	0.4
Equity ratio, book-weighted	0.3	0.4	0.4	0.4	0.4	0.4	0.4
Gearing, %	103.0%	55.0%	71.6%	65.6%	41.4%	66.8%	71.7%

**COMPANY DESCRIPTION:** SRV is a Finnish project management contractor that develops and builds commercial and business premises, residential units as well as infrastructure and logistics projects.

**INVESTMENT CASE:** SRV's road has been bumpy in the past few years and earnings have been weak despite good demand. The current slower residential construction market presents challenges yet several factors support the company including a healthy balance sheet, low amount of unsold developer contracted units and a solid backlog of lower-risk business construction projects. With the revised strategy, SRV aims towards sustainable profitability driven by increasing the share accounted for by housing construction and especially by housing and business premises construction based on in-house project development in a controlled manner.

OWNERSHIP STRUCTURE	SHARES	EURm	%
As Pontos Baltic	2 877 709	13.899	17.0 %
Ilmarinen Mutual Pension Insurance Company	1 942 246	9.381	11.5 %
Kolpi Investments Oy	1 446 353	6.986	8.5 %
Havu Capital Oy	957 562	4.625	5.6 %
OP Life Assurance Company Ltd	766 583	3.703	4.5 %
Lareale Investments Oy	654 055	3.159	3.9 %
Tungelin Investments Oy	654 055	3.159	3.9 %
Varma Mutual Pension Insurance Company	483 611	2.336	2.9 %
Pohjola Insurance Ltd	394 650	1.906	2.3 %
Nordea Life Assurance Finland Ltd.	391 207	1.890	2.3 %
Ten largest	10 568 031	51.044	62.3 %
Residual	6 394 740	30.887	37.7 %
Total	16 962 771	81.930	100%

#### EARNINGS CALENDAR

#### OTHER EVENTS

#### COMPANY MISCELLANEOUS

CEO: Saku Sipola  
CFO: Jarkko Rantala  
IR:

Tarvonsalmenkatu 15, Espoo  
Tel: +358 20 145 5200

## 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>  $\text{Price per share} * \text{Number of shares}$	<b>OCF (Operating cash flow)</b>  $\text{EBITDA} - \text{Net financial items} - \text{Taxes} - \text{Increase in working capital} - \text{Cash NRIs} \pm \text{Other adjustments}$
<b>EV (Enterprise value)</b>  $\text{Market cap} + \text{net debt} + \text{minority interest at market value} - \text{share of associated companies at market value}$	<b>FCF (Free cash flow)</b>  $\text{Operating cash flow} - \text{Operative CAPEX} - \text{acquisitions} + \text{divestments}$
<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>  $\text{Current assets} - \text{current liabilities}$
<b>Net debt</b>  $\text{Interest bearing debt} - \text{financial assets}$	<b>Capital employed / Share</b>  $\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
<b>Total assets</b>  $\text{Balance sheet total}$	<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>  $\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt} \text{ (average)}}$	<b>CAGR, %</b>  Cumulative annual growth rate = Average growth rate per year
<b>ROE, %</b>  $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions} \text{ (average)}}$	

**Important Disclosures**

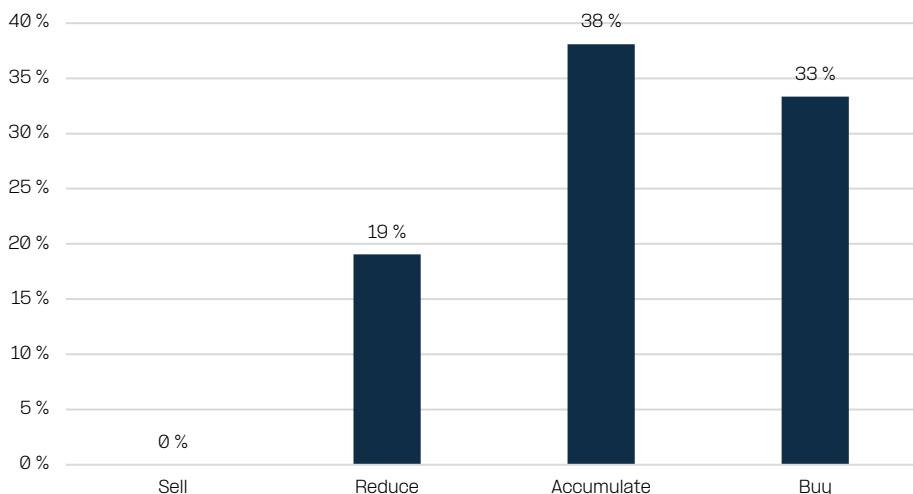
Evli Research Partners Plc ("ERP") uses 12-month target prices. Target prices are defined by utilizing analytical techniques based on financial theory including (but not limited to) discounted cash flow analysis and comparative valuation. The selection of valuation methods depends on different circumstances. 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	Recommendation
< -10 %	SELL
-10 – 0 %	REDUCE
0 – (+10) %	ACCUMULATE
> 10 %	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): Jerker Salokivi

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 21.1.2026, 9:30. This report has been published on 21.1.2026, 09:40.

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 does/(do) not hold 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 Reuters and Bloomberg, stock-exchange releases from the companies and other company news, Statistics Finland and articles in newspapers and magazines. 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 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 Väistönen +358 9 4766 9123

**Evli Investment Solutions**

Johannes Asuja +358 9 4766 9205

**Equity Research**

Jerker Salokivi (head) +358 9 4766 9149  
Joonas Ilonen +358 44 430 9071  
Atte Jortikka +358 40 054 3725  
Atte Pitkäjärvi +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](http://www.evli.com)  
E-mail [firstname.lastname@evli.com](mailto:firstname.lastname@evli.com)

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