

## Not out of the woods just yet

Etteplan's H1 was disappointing, with the escalation of the trade war causing demand to weaken further in Q2 following an already soft Q1. The revised guidance requires a marked improvement over last year in H2.

### NRI's continued to weigh on reported figures

Etteplan's net sales declined 1.3% y/y in Q2 while organic net sales at comparable FX declined 6.8%. Most of the sales decline came from the Software and Embedded Solutions where sales declined 13.9%. Increased uncertainty from the escalating trade war impacted demand across all service areas. In Software and Embedded, some projects that had already been agreed upon were postponed or canceled. Despite the lackluster topline development, profitability was at relatively good level. The reported figures were negatively affected by non-recurring items worth of EUR 0.9m that were related to restructuring expenses. Excluding the NRI's, EBITA-margin would have been at 7.6% in the quarter.

### Short-term outlook remains weak

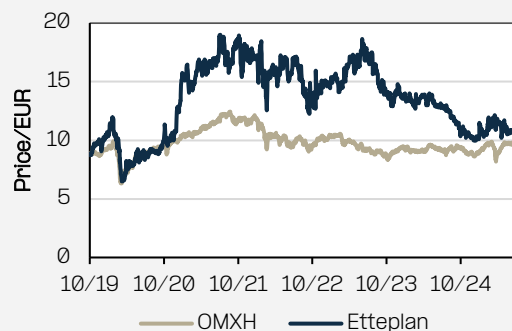
We revised our estimates for 2025E and onwards in connection with the profit warning prior to the Q2 print. We continue to expect relatively weak performance during the second half of the year while there are also some positive drivers. The Novacon acquisition should continue to drive inorganic growth (size of Novacon is roughly 10% of Engineering Solutions annual net sales). In addition, the H2/2024 comparison period is significantly weaker. For the forementioned reasons, we model continued growth for Engineering Solutions in H2. Conversely, for Software and Embedded, we expect sales decline. The segments' number of employees was down 8.9% at the end of quarter. For Technical Communication and Data, we expect flat sales for H2. In terms of profitability, we model some improvement compared to last year especially for Engineering Solutions which suffered from very weak profitability in Q3/24. For the full year, we now forecast net sales of EUR 368m and EBIT of EUR 19.5m.

### Valuation neutral in the short-term

Etteplan is priced at adj. EV/EBITA of 12–11x on our estimates for 2025–2026E. We find the current valuation neutral on both relative and absolute basis in the short-term. With only slight estimate adjustments, we retain TP at EUR 11.0 and rating at ACCUMULATE.

### Rating

**+** Accumulate



Share price, EUR (Last trading day's closing price) **10.50**  
Target price, EUR **11.0**

Latest change in recommendation **29-Apr-25**

Latest report on company **07-Aug-25**

Research paid by issuer: **YES**

No. of shares outstanding, '000's **25 250**

No. of shares fully diluted, '000's **25 250**

Market cap, EURm **265**

Free float, % **23.0 %**

Exchange rate **0.0**

Reuters code **ETTE.HE**

Bloomberg code **ETTE FH**

Average daily volume, EUR **0.027**

Next interim report **29-Oct-25**

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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
2023	360.0	25.5	7.1%	16.2	0.66	17.7	1.1	15.8	4.7%	0.30
2024	361.0	18.4	5.1%	-0.3	0.41	24.3	0.9	17.6	-0.1%	0.22
2025E	367.7	19.5	5.3%	-4.4	0.44	23.7	0.9	17.7	-1.7%	0.22
2026E	385.6	25.0	6.5%	11.0	0.63	16.6	0.9	13.6	4.2%	0.32
2027E	398.8	29.5	7.4%	20.0	0.78	13.5	0.8	11.1	7.5%	0.39
Market cap, EURm	265		Gearing 2025E, %		65.2 %		CAGR EPS 2024–27, %		23.6 %	
Net debt 2025E, EURm	81		Price/book 2025		2.1		CAGR Sales 2024–27, %		3.4 %	
Enterprise value, EURm	346		Dividend yield 2025E, %		2.1 %		ROE 2025E, %		9.3 %	
Total assets 2025E, EURm	315		Tax rate 2025E, %		23.4 %		ROCE 2025E, %		8.8 %	
Goodwill 2025E, EURm	128		Equity ratio 2025E, %		39.2 %		PEG, P/E 25/CAGR		0.9	

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

Despite sales decline, profitability on adj. basis was resilient in Q2

Etteplan's Q2 net sales were EUR 91.4m (EUR 92.6m in Q2/24), revenue decreased by 1.3% as organic net sales decreased by 6.8% (at comparable FX). Net sales in Engineering Solutions service area increased 3.9% to EUR 51.6m aided by the Novacon acquisition completed in January. In Software and Embedded, sales declined 13.9% to EUR 21.5m which was more than we had expected. According to the company, very few projects were started and some already agreed upon were postponed or even canceled. Technical Communication and Data Solutions net sales grew 2.3% as the service area's AI-driven offering increased its market share. While there was some growth, demand situation remained weak. On a group level, the share of AI-related sales increased strongly to 4% from 2% in Q1. We expect that the major reason behind the development was AI driven growth in Technical Communication and Data Solutions. Profitability wise, all of the segments were affected by non-recurring items related to adaptation measures. Engineering Solutions EBITA was at EUR 3.9m at margin of 7.6% (EUR 3.9, 7.9% in Q2/24). Excluding NRI's of EUR 0.5m for the service area, the EBITA-margin would have been 8.5%. Software and Embedded EBITA was at EUR 1.6m at a margin of 7.5% (EUR 1.9m, 7.6% Q2/24). Excluding NRI's of EUR 0.1m, the margin would have been 8.1%. Considering the service areas' notable sales decrease, Etteplan was able to manage costs well. Technical Communication and Data Solutions EBITA decreased to EUR 0.8m with an EBITA-margin of 4.6% (EUR 1.2m, 6.9% Q2/24). Profitability remained at a very low level despite the increase in sales. In total, NRI's affected the company's profitability negatively by EUR 0.9m. Group EBITA came in at EUR 6.0m with an EBITA-margin of 6.6% (7.6% excl. NRIs).

Table 1: Estimate summary

Etteplan	2023	Q1/'24	Q2/'24	Q3/'24	Q4/'24	2024	Q1/'25	Q2/'25	Q3/'25E	Q4/'25E	2025E	2026E	2027E
<b>Net sales</b>	<b>360.0</b>	<b>97.1</b>	<b>92.6</b>	<b>80.0</b>	<b>91.3</b>	<b>361.0</b>	<b>94.9</b>	<b>91.4</b>	<b>83.0</b>	<b>98.5</b>	<b>367.7</b>	<b>385.6</b>	<b>398.8</b>
<i>sales growth %</i>	<i>2.8%</i>	<i>2.3%</i>	<i>3.1%</i>	<i>0.0%</i>	<i>-4.1%</i>	<i>0.3%</i>	<i>-2.3%</i>	<i>-1.3%</i>	<i>3.7%</i>	<i>7.9%</i>	<i>1.9%</i>	<i>4.8%</i>	<i>3.4%</i>
<b>EBITA</b>	<b>30.9</b>	<b>8.2</b>	<b>6.8</b>	<b>2.9</b>	<b>6.4</b>	<b>24.7</b>	<b>5.8</b>	<b>6.0</b>	<b>5.5</b>	<b>8.6</b>	<b>25.9</b>	<b>31.4</b>	<b>35.9</b>
<i>EBITA margin</i>	<i>8.6%</i>	<i>8.4%</i>	<i>7.4%</i>	<i>3.7%</i>	<i>7.1%</i>	<i>6.8%</i>	<i>6.1%</i>	<i>6.6%</i>	<i>6.7%</i>	<i>8.7%</i>	<i>7.0%</i>	<i>8.1%</i>	<i>9.0%</i>
<b>EBIT</b>	<b>25.5</b>	<b>6.7</b>	<b>5.3</b>	<b>1.4</b>	<b>5.0</b>	<b>18.4</b>	<b>4.2</b>	<b>4.4</b>	<b>3.9</b>	<b>7.0</b>	<b>19.5</b>	<b>25.0</b>	<b>29.5</b>
<i>EBIT margin</i>	<i>7.1%</i>	<i>6.9%</i>	<i>5.8%</i>	<i>1.8%</i>	<i>5.4%</i>	<i>5.1%</i>	<i>4.4%</i>	<i>4.8%</i>	<i>4.8%</i>	<i>7.1%</i>	<i>5.3%</i>	<i>6.5%</i>	<i>7.4%</i>
NRIs	-1.7	-0.3	-0.4	-1.4	-0.9	-3.0	-1.3	-0.9	0.0	0.0	-2.2	0.0	0.0
<b>EBIT (excl. NRIs)</b>	<b>27.2</b>	<b>7.0</b>	<b>5.7</b>	<b>2.8</b>	<b>5.9</b>	<b>21.4</b>	<b>5.5</b>	<b>5.3</b>	<b>3.9</b>	<b>7.0</b>	<b>21.7</b>	<b>25.0</b>	<b>29.5</b>
<i>-margin</i>	<i>7.6%</i>	<i>7.2%</i>	<i>6.2%</i>	<i>3.5%</i>	<i>6.4%</i>	<i>5.9%</i>	<i>5.8%</i>	<i>5.8%</i>	<i>4.8%</i>	<i>7.1%</i>	<i>5.9%</i>	<i>6.5%</i>	<i>7.4%</i>
<b>Engineering Solutions</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/'25E</b>	<b>Q4/'25E</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>
<b>Net sales</b>	<b>202.4</b>	<b>52.3</b>	<b>49.6</b>	<b>42.0</b>	<b>48.9</b>	<b>192.8</b>	<b>52.9</b>	<b>51.6</b>	<b>47.0</b>	<b>57.0</b>	<b>208.4</b>	<b>216.8</b>	<b>223.3</b>
<i>sales growth %</i>	<i>10.2%</i>	<i>1.1%</i>	<i>-2.7%</i>	<i>-6.9%</i>	<i>-10.5%</i>	<i>-4.8%</i>	<i>1.1%</i>	<i>3.9%</i>	<i>12.0%</i>	<i>16.5%</i>	<i>8.1%</i>	<i>4.0%</i>	<i>3.0%</i>
<b>EBITA</b>	<b>19.9</b>	<b>4.7</b>	<b>3.9</b>	<b>1.2</b>	<b>3.6</b>	<b>13.4</b>	<b>3.5</b>	<b>3.9</b>	<b>3.8</b>	<b>5.4</b>	<b>16.6</b>	<b>19.1</b>	<b>21.2</b>
<i>EBITA margin</i>	<i>9.8%</i>	<i>9.0%</i>	<i>7.9%</i>	<i>2.9%</i>	<i>7.3%</i>	<i>7.0%</i>	<i>6.5%</i>	<i>7.6%</i>	<i>8.0%</i>	<i>9.5%</i>	<i>7.9%</i>	<i>8.8%</i>	<i>9.5%</i>
<b>Software and Embedded Solutions</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/'25E</b>	<b>Q4/'25E</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>
<b>Net sales</b>	<b>86.9</b>	<b>26.3</b>	<b>24.9</b>	<b>21.7</b>	<b>24.4</b>	<b>97.4</b>	<b>23.1</b>	<b>21.5</b>	<b>20.0</b>	<b>23.2</b>	<b>87.8</b>	<b>93.9</b>	<b>97.7</b>
<i>sales growth %</i>	<i>-9.4%</i>	<i>10.1%</i>	<i>17.4%</i>	<i>13.0%</i>	<i>8.3%</i>	<i>12.1%</i>	<i>-11.9%</i>	<i>-13.9%</i>	<i>-8.0%</i>	<i>-5.0%</i>	<i>-9.8%</i>	<i>7.0%</i>	<i>4.0%</i>
<b>EBITA</b>	<b>6.9</b>	<b>2.4</b>	<b>1.9</b>	<b>1.5</b>	<b>2.1</b>	<b>7.9</b>	<b>1.9</b>	<b>1.6</b>	<b>1.4</b>	<b>2.1</b>	<b>6.9</b>	<b>8.0</b>	<b>9.0</b>
<i>EBITA margin</i>	<i>8.0%</i>	<i>9.1%</i>	<i>7.6%</i>	<i>6.8%</i>	<i>8.7%</i>	<i>8.1%</i>	<i>8.0%</i>	<i>7.5%</i>	<i>6.8%</i>	<i>9.0%</i>	<i>7.9%</i>	<i>8.5%</i>	<i>9.2%</i>
<b>Technical Communication and Data Solutions</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/'25E</b>	<b>Q4/'25E</b>	<b>2025E</b>	<b>2026E</b>	<b>2027E</b>
<b>Net sales</b>	<b>70.0</b>	<b>18.5</b>	<b>17.9</b>	<b>16.2</b>	<b>17.9</b>	<b>70.5</b>	<b>18.9</b>	<b>18.4</b>	<b>15.9</b>	<b>18.2</b>	<b>71.3</b>	<b>74.2</b>	<b>77.1</b>
<i>sales growth %</i>	<i>0.2%</i>	<i>-3.7%</i>	<i>2.9%</i>	<i>4.6%</i>	<i>0.1%</i>	<i>0.8%</i>	<i>2.1%</i>	<i>2.3%</i>	<i>-2.0%</i>	<i>2.0%</i>	<i>1.2%</i>	<i>4.0%</i>	<i>4.0%</i>
<b>EBITA</b>	<b>4.9</b>	<b>1.4</b>	<b>1.2</b>	<b>0.6</b>	<b>1.1</b>	<b>4.3</b>	<b>0.8</b>	<b>0.8</b>	<b>0.6</b>	<b>1.3</b>	<b>3.6</b>	<b>5.2</b>	<b>6.6</b>
<i>EBITA margin</i>	<i>7.1%</i>	<i>7.3%</i>	<i>6.8%</i>	<i>3.9%</i>	<i>5.9%</i>	<i>6.1%</i>	<i>4.4%</i>	<i>4.6%</i>	<i>4.0%</i>	<i>7.0%</i>	<i>5.0%</i>	<i>7.0%</i>	<i>8.5%</i>

Source: Etteplan, Evli Research

Our estimates sit still at the lower end of the revised guidance range

The company updated its guidance for 2025 prior to the Q2 report in connection with the profit warning. Etteplan now estimates its 2025 net sales to be EUR 365–385m (prev. EUR 365–395m) and EBIT to be EUR 19–24m (23–28m). We have made only minor changes to our estimates following the relatively uneventful Q2 report, as the company had already released preliminary figures. For the full year, we now forecast net sales of EUR 368m and EBIT of EUR 19.5m. Our estimates remain at the lower end of the revised guidance range. We expect organic net sales development to continue to be hindered by the weak market conditions. The company's employee count was down over 5% organically at the end of the quarter compared to last year. On the other hand, Novacon acquisition will continue to drive sales (Novacon 2023 net sales EUR 18m, 180 employees). Although our estimates are within the revised guidance range, meeting the guidance will still require a relatively strong performance in the second half. On the other hand, the comparison periods Q3 and Q4 last year were on the weaker side. Nevertheless, achieving organic growth will necessitate a modest improvement in capacity utilization and/or an increase in headcount, as the number of employees excluding the Novacon acquisition at the end of Q2/25 remained lower than in Q3 and Q4 of the previous year. We anticipate that the adaptation measures implemented across the service areas will help maintain profitability in the future. Furthermore, the company expects that NRIs will be lower in the second half of the year compared to EUR –2.3m recorded in the first half.

Table 2: Peer group

ETTEPLAN PEER GROUP	MCAP MEUR	EV/Sales			EV/EBITA*			P/E*		
		25	26	27	25	26	27	25	26	27
SWECO	4972	1.9x	1.7x	1.6x	18.7x	17.0x	15.8x	23.6x	21.2x	19.8x
AFRY	1516	0.9x	0.8x	0.7x	12.9x	10.2x	9.0x	14.0x	10.5x	9.3x
Alten	2361	0.5x	0.5x	0.4x	7.4x	6.3x	5.6x	10.4x	9.0x	8.1x
Bertrandt	195	0.4x	0.3x	0.3x	32.7x	5.1x			6.8x	4.7x
Multiconsult	502	1.1x	1.0x	1.0x	13.6x	12.6x	11.3x	16.6x	15.1x	13.5x
TietoEVRY	1764	1.3x	1.3x	1.2x	12.7x	9.8x	8.9x	12.1x	10.4x	9.4x
Prevas	84	0.7x	0.7x	0.6x	10.6x	7.7x	6.2x	10.4x	7.4x	5.8x
Rejlers AB	376	1.0x	0.9x	0.8x	12.6x	10.8x	9.8x	15.5x	12.8x	11.5x
Peer Group Average	1471	1.0x	0.9x	0.8x	15.2x	9.9x	9.5x	14.7x	11.7x	10.3x
Peer Group Median	1009	0.9x	0.8x	0.8x	12.8x	10.0x	9.0x	14.0x	10.5x	9.4x
Etteplan (Evli est.)	<b>265</b>	<b>0.9x</b>	<b>0.9x</b>	<b>0.8x</b>	<b>12.3x</b>	<b>10.9x</b>	<b>9.2x</b>	<b>16.4x</b>	<b>12.7x</b>	<b>10.8x</b>
<i>Etteplan prem./disc. to peer mec.</i>		4 %	7 %	9 %	–4 %	8 %	2 %	18 %	21 %	15 %

Source FactSet, Evli Research

\* Adj. for NRIs and PPA amortization

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	10.50 PV of Free Cash Flow	203 Long-term growth, %	2.0 % Risk-free interest rate, %	2.25 %
DCF share value	13.63 PV of Horizon value	218 WACC, %	10.0 % Market risk premium, %	5.8 %
Share price potential, %	29.9 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %	3.3 %
Maximum value	14.8 Marketable securities	25 Minimum WACC, %	9.5 % Equity beta coefficient	0.90
Minimum value	12.6 Debt – dividend	–101 Maximum WACC, %	10.5 % Target debt ratio, %	20 %
Horizon value, %	51.8 % Value of stock	344 No. of shares, Mn	25.2 Effective tax rate, %	20 %

DCF valuation, EURm	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	TERMINAL
Net sales	361	368	386	399	411	423	432	440	449	458	467	476
Sales growth (%)	0.3%	1.9%	4.8%	3.4%	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Operating income (EBIT)	18	19	25	29	33	34	35	33	31	32	33	33
Operating income margin %	5.1%	5.3%	6.5%	7.4%	8.0%	8.0%	8.0%	7.5%	7.0%	7.0%	7.0%	7.0%
+ Depreciation+amort.	18	19	20	21	21	22	23	23	24	24	25	
EBITDA	37	38	45	51	54	56	57	56	55	56	57	
– Paid taxes	–2	–5	–6	–7	–8	–8	–8	–8	–7	–7	–8	
– Change in NWC	1	0	–1	–1	–1	–1	–1	–1	–1	–1	–1	
NWC / Sales, %	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	
+ Change in other liabs	0											
– Operative CAPEX	–23	–23	–12	–8	–11	–11	–11	–11	–12	–12	–7	
opCAPEX / Sales, %	8.8%	9.2%	6.1%	5.0%	5.7%	5.7%	5.6%	5.6%	5.6%	5.6%	4.5%	
– Acquisitions												
+ Divestments												
– Other items												
= FCFF	12	10	26	35	35	36	37	37	36	36	42	535
= Discounted FCFF		10	23	28	25	24	22	20	18	16	17	218
= DFCF min WACC		10	23	28	26	24	23	20	18	17	18	243
= DFCF max WACC		10	23	28	25	23	22	19	17	16	16	197

## Sensitivity analysis, EUR

		Terminal WACC				
		8.02 %	9.02 %	10.02 %	11.02 %	12.02 %
Terminal EBIT–%	5.00 %	16.37	13.72	11.72	10.15	8.89
	6.00 %	17.89	14.91	12.68	10.93	9.53
	7.00 %	19.41	16.11	13.63	11.71	10.18
	8.00 %	20.93	17.30	14.59	12.50	10.83
	9.00 %	22.44	18.49	15.55	13.28	11.48

## INTERIM FIGURES

EVLI ESTIMATES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Net sales	97.1	92.6	80.0	91.3	361.0	94.9	91.4	83.0	98.5	367.7	385.6	398.8
EBITDA	11.6	9.7	6.1	9.5	36.8	8.9	9.0	8.5	11.6	38.0	44.8	50.6
EBITDA margin (%)	11.9%	10.5%	7.6%	10.4%	10.2%	9.4%	9.9%	10.3%	11.7%	10.3%	11.6%	12.7%
EBIT	6.7	5.3	1.4	5.0	18.4	4.2	4.4	3.9	7.0	19.5	25.0	29.5
EBIT margin (%)	6.9%	5.8%	1.8%	5.4%	5.1%	4.4%	4.8%	4.8%	7.1%	5.3%	6.5%	7.4%
Net financial items	-1.1	-1.2	-1.2	-1.4	-4.8	-1.1	-1.2	-1.2	-1.4	-4.9	-4.2	-3.9
Pre-tax profit	5.6	4.1	0.3	3.6	13.6	3.0	3.2	2.7	5.6	14.6	20.8	25.6
Tax	-1.7	-0.7	-0.3	-0.5	-3.2	-0.7	-0.7	-0.6	-1.3	-3.4	-4.9	-6.0
Tax rate (%)	29.6%	17.9%	98.9%	15.0%	23.5%	24.8%	23.0%	23.0%	23.0%	23.4%	23.4%	23.4%
Net profit	3.9	3.4	0.0	3.1	10.4	2.3	2.5	2.1	4.3	11.2	16.0	19.6
EPS	0.16	0.13	0.00	0.12	0.41	0.09	0.10	0.08	0.17	0.44	0.63	0.78
EPS adj. (diluted)	0.16	0.13	0.00	0.12	0.41	0.09	0.10	0.08	0.17	0.44	0.63	0.78
Dividend per share					0.22					0.22	0.32	0.39
SALES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Engineering Solutions	52.3	49.6	42.0	48.9	192.8	52.9	51.6	47.0	57.0	208.4	216.8	223.3
Software and Embedded Solutions	26.3	24.9	21.7	24.4	97.4	23.1	21.5	20.0	23.2	87.8	93.9	97.7
Technical Communication Solutions	18.5	17.9	16.2	17.9	70.5	18.9	18.4	15.9	18.2	71.3	74.2	77.1
Other	0.1	0.1	0.1	0.1	0.4	0.0		0.1	0.1	0.2	0.7	0.7
Total	97.1	92.6	80.0	91.3	361.0	94.9	91.4	83.0	98.5	367.7	385.6	398.8
SALES GROWTH, Y/Y %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Engineering Solutions	1.1%	-2.7%	-6.9%	-10.5%	-4.8%	1.1%	3.9%	12.0%	16.5%	8.1%	4.0%	3.0%
Software and Embedded Solutions	10.1%	17.4%	13.0%	8.3%	12.0%	-11.9%	-14.0%	-8.0%	-5.0%	-9.8%	7.0%	4.0%
Technical Communication Solutions	-3.7%	2.9%	4.6%	0.1%	0.8%	2.1%	2.3%	-2.0%	2.0%	1.2%	4.0%	4.0%
Other	-61.0%	-15.9%	-54.4%	-32.5%	-43.3%	-91.0%	-99.9%	29.9%	-3.9%	-44.8%	231.9%	
Total	2.3%	3.1%		-4.1%	0.3%	-2.3%	-1.3%	3.8%	7.9%	1.9%	4.8%	3.4%
EBIT, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Engineering Solutions	4.7	3.9	1.2	3.6	13.4	3.5	3.9	3.8	5.4	16.6	19.1	21.2
Software and Embedded Solutions	2.4	1.9	1.5	2.1	7.9	1.9	1.6	1.4	2.1	6.9	8.0	9.0
Technical Communication Solutions	1.4	1.2	0.6	1.1	4.3	0.8	0.8	0.6	1.3	3.6	5.2	6.6
Other	-1.7	-1.7	-1.9	-1.8	-7.2	-2.0	-2.0	-1.8	-1.8	-7.5	-7.3	-7.3
Total	6.7	5.3	1.4	5.0	18.4	4.2	4.4	3.9	7.0	19.5	25.0	29.5
EBIT margin %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Engineering Solutions	9.0%	7.9%	2.9%	7.3%	7.0%	6.5%	7.6%	8.0%	9.5%	7.9%	8.8%	9.5%
Software and Embedded Solutions	9.1%	7.6%	6.8%	8.7%	8.1%	8.0%	7.5%	6.8%	9.0%	7.9%	8.5%	9.2%
Technical Communication Solutions	7.3%	6.8%	3.9%	5.9%	6.1%	4.4%	4.6%	4.0%	7.0%	5.0%	7.0%	8.5%
Other	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
Total	6.9%	5.8%	1.8%	5.4%	5.1%	4.4%	4.8%	4.8%	7.1%	5.3%	6.5%	7.4%

INCOME STATEMENT, EURm	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sales	259.7	300.1	350.2	360.0	361.0	367.7	385.6	398.8
<i>Sales growth (%)</i>	-1.1%	15.6%	16.7%	2.8%	0.3%	1.9%	4.8%	3.4%
EBITDA	40.4	43.6	48.7	44.4	36.8	38.0	44.8	50.6
<i>EBITDA margin (%)</i>	15.6%	14.5%	13.9%	12.3%	10.2%	10.3%	11.6%	12.7%
Depreciation	-18.0	-17.8	-20.0	-18.9	-18.4	-18.5	-19.8	-21.1
EBITA	22.4	25.8	28.6	25.5	18.4	19.5	25.0	29.5
Goodwill amortization / writedown								
EBIT	22.4	25.8	28.6	25.5	18.4	19.5	25.0	29.5
<i>EBIT margin (%)</i>	8.6%	8.6%	8.2%	7.1%	5.1%	5.3%	6.5%	7.4%
Reported EBIT	22.4	25.8	28.6	25.5	18.4	19.5	25.0	29.5
<i>EBIT margin (reported) (%)</i>	8.6%	8.6%	8.2%	7.1%	5.1%	5.3%	6.5%	7.4%
Net financials	-1.3	-0.9	-6.2	-4.7	-4.8	-4.9	-4.2	-3.9
Pre-tax profit	21.1	24.9	22.4	20.8	13.6	14.6	20.8	25.6
Taxes	-4.0	-4.8	-4.2	-4.2	-3.2	-3.4	-4.9	-6.0
Minority shares								
Net profit	17.1	20.1	18.2	16.6	10.4	11.2	16.0	19.6
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	29	32	39	36	43	48	51	49
Goodwill	84	92	105	110	117	128	128	128
Right of use assets	23	22	21	21	19	19	20	21
Inventory	0	0	1	1	1	1	1	1
Receivables	57	75	94	92	92	93	98	101
Liquid funds	24	30	20	23	25	26	27	28
Total assets	218	253	281	285	298	315	325	328
Liabilities								
Shareholders' equity	87	99	106	114	118	123	134	145
Minority interest								
Convertibles								
Lease liabilities	24	23	22	21	19	22	23	24
Deferred taxes	7	7	10	10	10	10	10	10
Interest bearing debt	40	56	69	65	77	84	79	67
Non-interest bearing current liabilities	57	66	66	67	67	68	71	74
Other interest-free debt	2	3	8	8	8	8	8	8
Total liabilities	218	253	281	285	298	315	325	328
CASH FLOW, EURm								
+ EBITDA	40	44	49	44	37	38	45	51
- Net financial items	-1	-1	-6	-5	-5	-5	-4	-4
- Taxes	-5	-6	-5	-5	-1	-3	-5	-6
- Increase in Net Working Capital	1	-10	-17	1	1	0	-1	-1
+/- Other	3	1	8					
= Cash flow from operations	38	27	28	36	31	29	35	40
- Capex	-21	-12	-12	-20	-32	-34	-24	-20
- Acquisitions	-6	-7	-21					
+ Divestments	0							
= Free cash flow	11	8	-4	16	0	-4	11	20
+/- New issues/buybacks	2	0	-1	0	1			
- Paid dividend	8	10	9	8	6	6	8	10
+/- Other	4	6	4	-3	9	10	-4	-11
Change in cash	9	6	-11	4	2	0	1	1

KEY FIGURES	2021	2022	2023	2024	2025E	2026E	2027E
M-cap	424	366	341	252	265	265	265
Net debt (excl. convertibles)	48	71	63	71	81	75	63
Enterprise value	472	437	404	323	346	340	328
Sales	300	350	360	361	368	386	399
EBITDA	44	49	44	37	38	45	51
EBIT	26	29	26	18	19	25	29
Pre-tax	25	22	21	14	15	21	26
Earnings	20	18	17	10	11	16	20
Equity book value (excl. minorities)	99	106	114	118	123	134	145

Valuation multiple	2021	2022	2023	2024	2025E	2026E	2027E
EV/Sales	1.6	1.2	1.1	0.9	0.9	0.9	0.8
EV/EBITDA	10.8	9.0	9.1	8.8	9.1	7.6	6.5
EV/EBITA	18.3	15.2	15.8	17.6	17.7	13.6	11.1
EV/EBIT	18.3	15.2	15.8	17.6	17.7	13.6	11.1
EV/OCF	17.4	15.5	11.2	10.3	11.7	9.8	8.2
EV/FCF	41.1	57.3	12.8	27.0	33.1	13.0	9.4
P/FCFR	52.6	-81.8	21.1	-731.5	-60.3	24.0	13.3
P/E	21.1	15.2	17.7	24.3	23.7	16.6	13.5
P/BV	4.3	3.4	3.0	2.1	2.1	2.0	1.8
Target EV/EBITDA					9.4	7.9	6.7
Target EV/EBIT					18.4	14.1	11.6
Target EV/FCFF					-81.5	32.0	17.0
Target P/BV					2.3	2.1	1.9
Target P/E, diluted	21.5	18.1	17.1	30.7	24.8	17.4	14.1

Per share measures	2021	2022	2023	2024	2025E	2026E	2027E
Number of shares (million)	25.08	25.04	25.25	25.25	25.25	25.25	25.25
Number of shares (diluted, million)	25.08	25.04	25.25	25.25	25.25	25.25	25.25
EPS	0.80	0.73	0.66	0.41	0.44	0.63	0.78
Operating cash flow per share	1.08	1.12	1.43	1.24	1.17	1.37	1.58
Free cash flow per share	0.32	-0.18	0.64	-0.01	-0.17	0.44	0.79
Book value per share	3.94	4.25	4.52	4.67	4.89	5.30	5.76
Dividend per share	0.40	0.36	0.30	0.22	0.22	0.32	0.39
Dividend payout ratio, %	49.9%	49.6%	45.5%	53.4%	50.0%	50.0%	50.0%
Dividend yield, %	2.4%	2.5%	2.2%	2.2%	2.1%	3.0%	3.7%
FCF yield, %	1.9%	-1.2%	4.7%	-0.1%	-1.7%	4.2%	7.5%

Efficiency measures	2021	2022	2023	2024	2025E	2026E	2027E
ROE	21.6%	17.7%	15.1%	9.0%	9.3%	12.4%	14.1%
ROCE	15.7%	15.3%	12.9%	8.9%	8.8%	10.7%	12.5%

Financial ratios	2021	2022	2023	2024	2025E	2026E	2027E
Inventories as % of sales	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Receivables as % of sales	24.9%	26.7%	25.5%	25.5%	25.4%	25.4%	25.4%
Non-int. bearing liabilities as % of sales	21.9%	19.0%	18.5%	18.5%	18.5%	18.5%	18.5%
NWC/sales, %	2.6%	7.0%	6.6%	6.4%	6.4%	6.4%	6.4%
Operative CAPEX/Sales, %	4.0%	3.3%	5.5%	8.8%	9.2%	6.1%	5.0%
CAPEX/sales (incl. acquisitions), %	1.7%	-2.6%	5.5%	8.8%	9.2%	6.1%	5.0%
FCFF/EBITDA	0.3	0.2	0.7	0.3	0.3	0.6	0.7
Net Debt/EBITDA, book-weighted	1.1	1.5	1.4	1.9	2.1	1.7	1.2
Debt/equity, market-weighted	0.1	0.2	0.2	0.3	0.3	0.3	0.3
Equity ratio, book-weighted	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Gearing, %	48.7%	66.8%	55.4%	60.0%	65.2%	56.1%	43.4%

**COMPANY DESCRIPTION:** Etteplan is a specialist in industrial equipment engineering, embedded systems and IoT and technical communication solutions and services. The company is market leader in Finland and among the largest operators in the field in Sweden and one of the largest companies in Europe providing technical communication solutions. Customers are leading global manufacturers of industrial equipment and machinery.

**INVESTMENT CASE:** Etteplan has a comprehensive service offering and a good market position that provides organic growth opportunities, with growth further boosted through acquisitions. Etteplan has achieved a solid level of relative profitability, but some smaller challenges in Technical Communication Solutions and Software and Embedded Solutions still remain. Bringing those service areas up to par and optimizing resources through an increase in Managed Services and introducing AI into the service offering could provide a further boost to margins. However, the last two years have been difficult due to poor market conditions, which have impacted overall demand and created additional challenges. In the near term, uncertainty is further elevated by the weakened overall demand situation.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Ingman Group Oy Ab	16 760 000	175.980	66.4 %
Oy Fincorp Ab	2 650 414	27.829	10.5 %
Varma Mutual Pension Insurance Company	985 593	10.349	3.9 %
Ilmarinen Mutual Pension Insurance Company	343 618	3.608	1.4 %
Tuori Klaus	309 134	3.246	1.2 %
Tuori Aino	298 275	3.132	1.2 %
Elo Mutual Pension Insurance Company	262 000	2.751	1.0 %
VAS Invest Oy	194 035	2.037	0.8 %
Juha Näkki	107 739	1.131	0.4 %
Etteplan Oyj	100 921	1.060	0.4 %
Ten largest	22 011 729	231.123	87.2 %
Residual	3 238 143	34.001	12.8 %
Total	25 249 872	265.124	100%

#### EARNINGS CALENDAR

October 29, 2025

Q3 report

#### OTHER EVENTS

#### COMPANY MISCELLANEOUS

CEO: Juha Näkki  
CFO: Helena Kukkonen  
IR: Outi Torniainen

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## 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

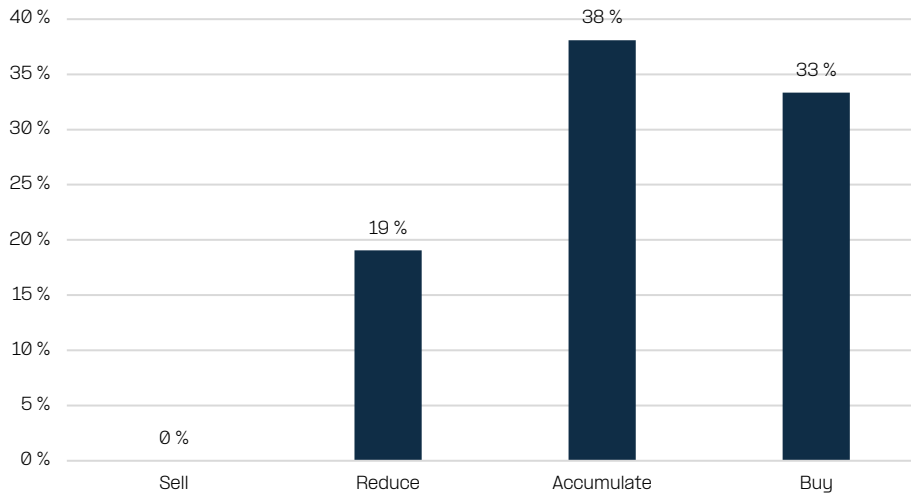
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Investment recommendations are defined as follows:

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

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

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