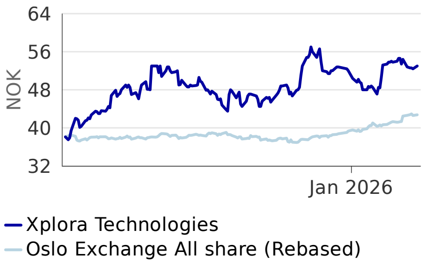
Xplora Technologies

Telecom Equipment and IT
Norway

KEY DATA

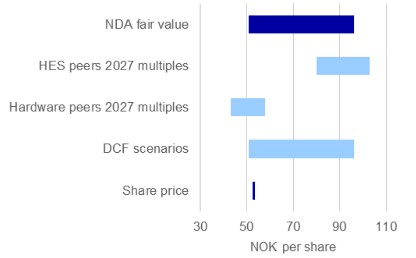
Stock country	Norway
Bloomberg	XPLRA NO
Reuters	XPLRA.OL
Share price, close	NOK 53.0
Free float	80.0%
Market cap. (m)	EUR 210.9/NOK 2,375
Company website	https://investor.xplora.com/
Next report date	27 February 2026

PERFORMANCE



Source: LSEG Data & Analytics

VALUATION APPROACH



ESTIMATE CHANGES

NOKm	2025E	2026E	2027E
Total revenue	0%	0%	0%
EBITDA (rep.)	0%	8%	8%
EBIT (adj.)	0%	10%	10%
PTP	-10%	13%	13%
EPS (rep. NOK)	-2%	13%	13%
EPS (adj. NOK)	-4%	13%	13%
DPS (ord. NOK)	n.a.	n.a.	n.a.

Source: Company data and Nordea estimates

Nordea IB & Equity - Analysts

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Expect a record quarter

Ahead of the Q4 report, we make only minor changes to our estimates but lift 2026E-27E EBITDA by 8%, owing to an expected NOK 30m in cost synergies. Xplora continues to roll out Senior subscriptions into new regions and soon new channels, and we expect an updated timeline and new datapoints for conversion ratios. We argue that rolling out subscriptions in the Senior segment is an important element of its aim to reach one million subscribers; we forecast 960,000 subscribers for 2028 and a 2024-28 service revenue CAGR of 34%. We adjust our a DCF- and multiples-based fair value range to NOK 51-96 (49-101), driven mainly by cost synergies, implying 2027E EV/EBIT of 7-15x.

Expect a strong Q4

We make minor changes to our Q4 estimates but lift our Q4 subscriber base estimate to 476,000 (our previous estimate: 466,000), for which we forecast service revenue of NOK 98m. We expect Xplora to report revenue of NOK 581m, driven by seasonally high demand for its smartwatches and senior phones. We expect it to report EBITDA of NOK 85m (up NOK 9m q/q), implying a margin of 15%, driven by its operational scale. At its Q3 presentation, Xplora guided for Q4 to be a stronger quarter than Q3.

Lifting our 2026-27 EBITDA estimates due to cost synergies

At the latest subscriptions update, subscriptions for Seniors are currently available in Norway, Finland, Sweden, the UK and France. Although we argue that the important synergy potential from the Doro acquisition relates to a successful rollout of subscriptions, we also pencil in some cost synergies from overlapping roles and dual listing cost, for which we expect NOK 30m in annual cost savings. We lift our 2026-27 EBITDA estimates by 8%, owing to our anticipated NOK 30m cost synergies. A 5pp increase in the conversion rate to 15% for Seniors implies a group EBITDA uplift of 18% for 2028E to NOK 590m, highlighting the importance of the conversion rate for Xplora's equity story.

We adjust our fair value range to NOK 51-96

We adjust our fair value range to NOK 51-96 (49-101), based on different DCF scenarios, triangulated with peer multiples. Our DCF scenarios are based on different conversion rates for Seniors of 5%, 10% and 15%, highlighting the synergy potential from the Doro acquisition. Xplora has no direct peer, but we look at hardware and hardware-enabled software peers that share similar traits with Xplora's revenue sources, i.e. devices and service.

SUMMARY TABLE - KEY FIGURES

NOKm	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	431.4	502.0	689.2	803.5	1,893	2,081	2,321
EBITDA (adj.)	19.2	-33.5	33.7	71.0	249.0	306.6	409.2
EBIT (adj.)	-16.1	-84.7	-22.8	26.7	177.2	239.1	339.6
EBIT (adj.) margin	-3.73%	-16.9%	-3.32%	3.32%	9.36%	11.5%	14.6%
EPS (adj. NOK)	-0.46	-1.83	-0.65	0.19	-0.27	3.17	4.92
EPS (adj.) growth	41.6%	-293.6%	64.5%	129.4%	-242.8%	1,265%	54.9%
DPS (ord. NOK)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EV/Sales	n.a.	n.a.	n.a.	n.a.	1.49	1.29	1.07
EV/EBIT (adj.)	n.a.	n.a.	n.a.	n.a.	15.9	11.2	7.30
P/E (adj.)	n.a.	n.a.	n.a.	n.a.	n.m.	16.7	10.8
P/BV	n.a.	n.a.	n.a.	n.a.	5.62	5.16	3.49
Dividend yield (ord.)	n.a.	n.a.	n.a.	n.a.	0.00%	0.00%	0.00%
FCF yield before A&D, lease-adj.	n.a.	n.a.	n.a.	n.a.	3.25%	8.56%	11.1%
Net debt	-23.7	-50.4	-122.8	-145.5	347.4	302.4	93.0
Net debt/EBITDA	-1.24	n.m.	-3.65	-2.05	1.54	0.99	0.23
ROIC	-5.68%	-15.6%	-4.11%	6.69%	25.5%	21.4%	30.3%

Source: Company data and Nordea estimates

Estimates

We assume NOK 30 in annual cost synergies from the Doro acquisition

Estimate revisions

Although we argue the important synergy potential from the Doro acquisition relates to a successful rollout of subscriptions, we also pencil in some cost synergies from overlapping roles and dual listing cost, for which we expect NOK 30m in annual cost savings. We lift our 2026-27 EBITDA estimates by 8%, owing to our anticipated NOK 30m cost synergies.

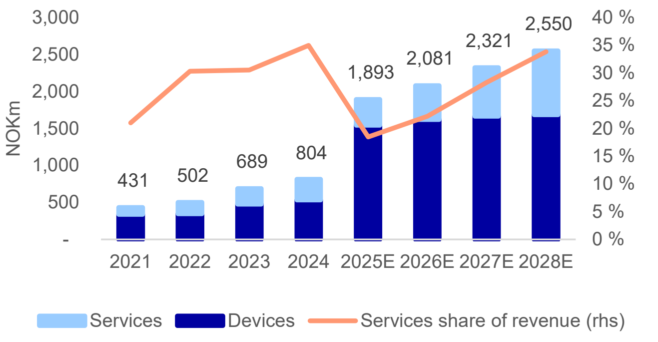
ESTIMATE CHANGES

	New estimates			Old estimates			Deviation		
Group (NOKm)	**2025E**	**2026E**	**2027E**	**2025E**	**2026E**	**2027E**	**2025E**	**2026E**	**2027E**
Total revenue	**1892.9**	**2080.8**	**2321.4**	**1892.2**	**2077.7**	**2331.7**	**0 %**	**0 %**	**0 %**
Growth	*136 %*	*10 %*	*12 %*	*135 %*	*10 %*	*12 %*	*0pp*	*0pp*	*0pp*
Gross profit	**973.7**	**1080.4**	**1243.2**	**972.9**	**1074.5**	**1238.0**	**0 %**	**1 %**	**0 %**
Gross profit margin	*51 %*	*52 %*	*54 %*	*51 %*	*52 %*	*53 %*	*0pp*	*0pp*	*0pp*
Employee expenses	-294.1	-302.9	-323.7	-294.1	-310.7	-339.6	0 %	-2 %	-5 %
Marketing expenses	-166.9	-178.0	-190.2	-166.9	-178.0	-190.2	0 %	0 %	0 %
Other operating expenses	-287.6	-292.9	-320.1	-287.6	-300.6	-330.8	0 %	-3 %	-3 %
EBITDA	**225.0**	**306.6**	**409.2**	**224.3**	**285.1**	**377.4**	**0 %**	**8 %**	**8 %**
Adj. EBITDA	249.0	306.6	409.2	248.3	285.1	377.4	0 %	8 %	8 %
D&A	-71.8	-67.5	-69.6	-71.8	-67.5	-69.6	0 %	0 %	0 %
EBIT	**153.2**	**239.1**	**339.6**	**152.5**	**217.6**	**307.9**	**0 %**	**10 %**	**10 %**

Source: Nordea estimates

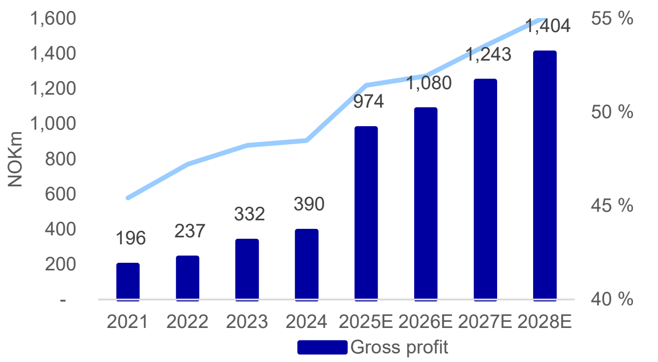
Key graphs

REVENUE AND SERVICE SHARE OF TOTAL REVENUE



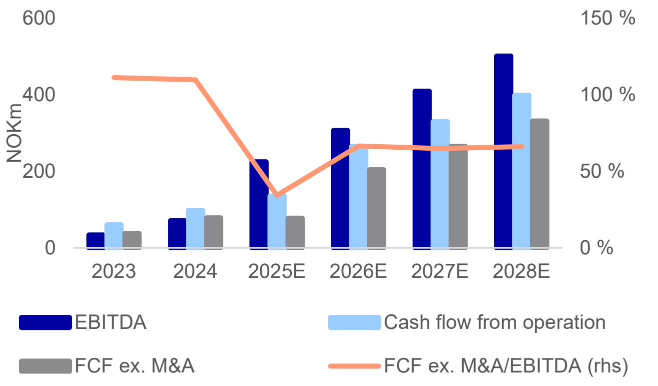
Source: Company data and Nordea estimates

GROSS PROFIT DEVELOPMENT AND MARGIN



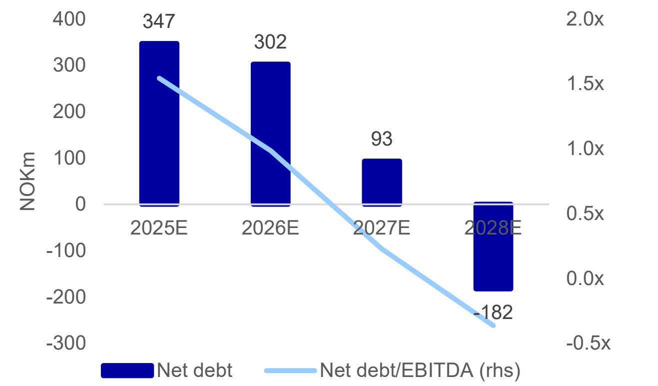
Source: Company data and Nordea estimates

XPLORA: CASH GENERATION



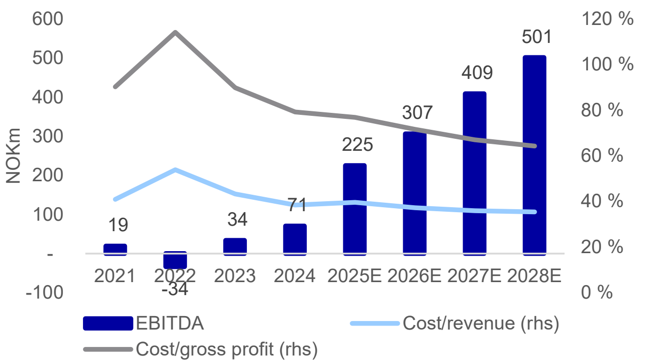
Source: Company data and Nordea estimates

XPLORA: NET CASH-POSITIVE FOR 2028E



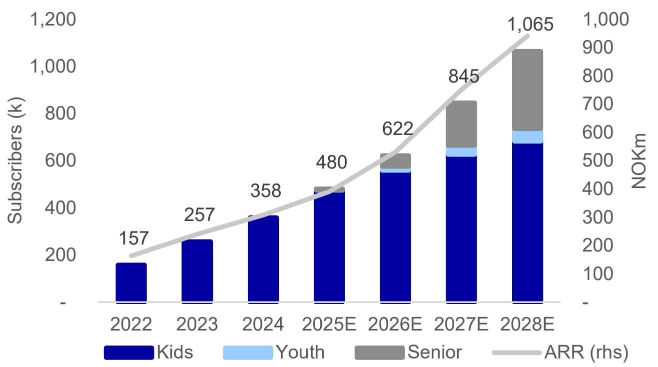
Source: Nordea estimates

ECONOMIES OF SCALE



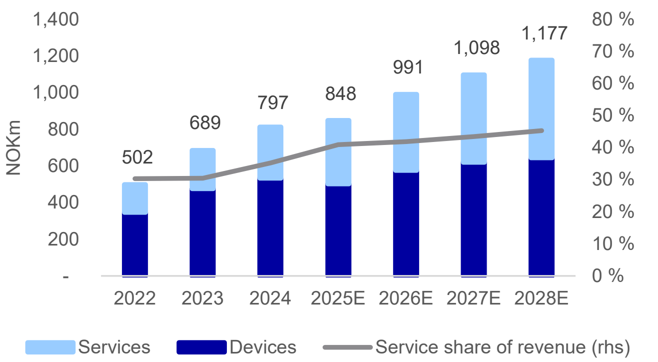
Source: Company data and Nordea estimates

SUBSCRIBER BASE DEVELOPMENT



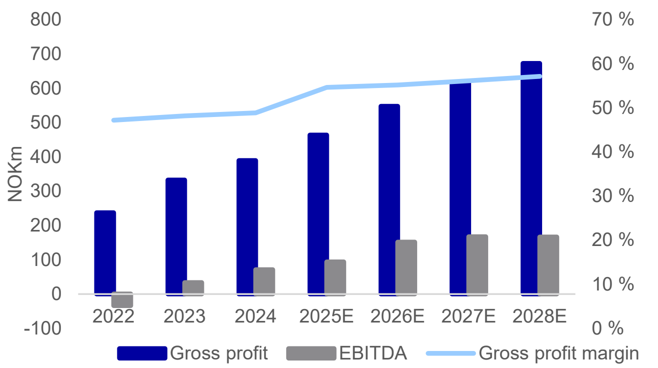
Source: Company data and Nordea estimates

KIDS & YOUTH: REVENUE DEVELOPMENT



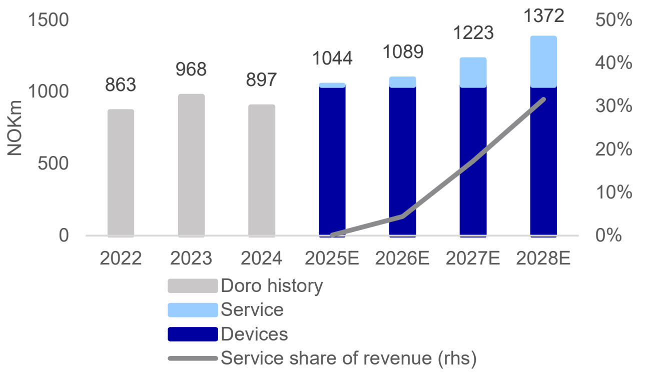
Source: Company data and Nordea estimates

KIDS & YOUTH: GROSS PROFIT AND EBITDA DEVELOPMENT



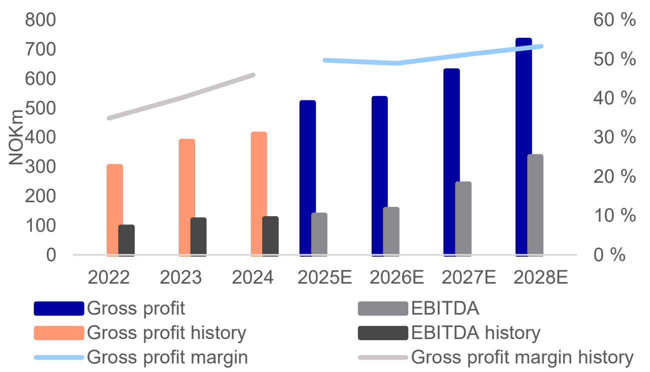
Source: Company data and Nordea estimates

SENIOR: REVENUE DEVELOPMENT



Source: Company data and Nordea estimates

SENIOR: GROSS PROFIT AND EBITDA DEVELOPMENT



Source: Company data and Nordea estimates

Detailed estimates and assumptions

Below, we give an overview of our assumptions and P&L figures by segment. The areas highlighted in grey show pre-acquisition Doro numbers.

GROUP P&L

Group (NOKm)	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Device revenue	259.0	381.0	420.0	483.5	346.9	476.6	533.0	1543.5	1619.1	1663.7	1686.7
Service revenue	*80.0*	*82.0*	*90.0*	*97.7*	*152.3*	*210.2*	*281.0*	*349.7*	*461.7*	*657.7*	*862.8*
Total revenue	**338.7**	**462.9**	**510.0**	**581.2**	**502.0**	**689.2**	**803.5**	**1892.9**	**2080.8**	**2321.4**	**2549.6**
Growth	*188 %*	*143 %*	*98 %*	*143 %*	*16 %*	*37 %*	*17 %*	*136 %*	*10 %*	*12 %*	*10 %*
Gross profit	**190.5**	**231.4**	**262.9**	**288.8**	**237.0**	**332.3**	**389.6**	**973.7**	**1080.4**	**1243.2**	**1404.1**
Gross profit margin	*56 %*	*50 %*	*52 %*	*50 %*	*47 %*	*48 %*	*48 %*	*51 %*	*52 %*	*54 %*	*55 %*
Employee expenses	-67.2	-74.5	-77.7	-74.7	-85.7	-113.3	-128.1	-294.1	-302.9	-323.7	-355.7
Marketing expenses	-32.9	-39.3	-42.1	-52.5	-83.6	-72.1	-55.5	-166.9	-178.0	-190.2	-193.4
Other operating expenses	-72.8	-66.6	-71.4	-76.8	-101.2	-113.2	-125.0	-287.6	-292.9	-320.1	-353.7
EBITDA	**17.6**	**50.9**	**71.7**	**84.8**	**-33.5**	**33.7**	**71.0**	**225.0**	**306.6**	**409.2**	**501.3**
Adj. EBITDA	29.0	58.9	76.3	84.8	-33.5	33.7	71.0	249.0	306.6	409.2	501.3
D&A	-24.2	-13.5	-17.7	-16.4	-51.2	-56.5	-44.3	-71.8	-67.5	-69.6	-71.6
EBIT	**-6.6**	**37.5**	**54.0**	**68.4**	**-84.7**	**-22.8**	**26.7**	**153.2**	**239.1**	**339.6**	**429.7**
Finance expenses - net	*-76.7*	*-60.7*	*-8.3*	*-14.0*	*-0.2*	*-12.6*	*-14.1*	*-159.7*	*-56.0*	*-56.0*	*-56.0*
Profit before tax	**-83.4**	**-23.2**	**45.7**	**54.4**	**-85.0**	**-29.6**	**12.6**	**-6.5**	**183.1**	**283.6**	**373.7**
Tax	*0.0*	*-4.3*	*-10.3*	*-12.0*	*10.6*	*8.3*	*-4.2*	*-26.7*	*-40.3*	*-62.4*	*-82.2*
Net profit	**-83.4**	**-27.5**	**35.3**	**42.5**	**-74.4**	**-21.4**	**8.4**	**-33.1**	**142.8**	**221.2**	**291.5**

Source: Company data and Nordea estimates

SENIOR SEGMENT ESTIMATES

Senior segment (NOKm)	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Device revenue	228.6	247.4	262.8	304.2	863	968	897	1043	1043	1043	1043
Service revenue	*0.0*	*0.0*	*0.0*	*1.5*	*0*	*0*	*0*	*1*	*46*	*180*	*329*
Total revenue	**228.6**	**247.4**	**262.8**	**305.7**	**863**	**968**	**897**	**1044**	**1089**	**1223**	**1372**
Growth	*16 %*	*19 %*	*18 %*	*14 %*	*0 %*	*12 %*	*-7 %*	*16 %*	*4 %*	*12 %*	*12 %*
Gross profit	**121.9**	**114.9**	**135.2**	**147.1**	**301**	**388**	**412**	**519**	**533**	**627**	**731**
Gross profit margin	*53 %*	*46 %*	*51 %*	*48 %*	*35 %*	*40 %*	*46 %*	*50 %*	*49 %*	*51 %*	*53 %*
Employee expenses	-35.5	-44.6	-39.7	-40.0	n.a	n.a	n.a	-160	-153	-151	-157
Marketing expenses	-21.9	-22.2	-20.0	-27.4	n.a	n.a	n.a	-91	-97	-103	-103
Other operating expenses	-32.0	-31.7	-35.8	-32.0	n.a	n.a	n.a	-132	-128	-131	-136
EBITDA	**32.6**	**16.3**	**39.6**	**47.7**	**95**	**119**	**124**	**136**	**155**	**242**	**335**
D&A	-12.5	-6.2	-10.4	-10.4	-43	-52	-36	-39	-41	-41	-41
EBIT	**20.2**	**10.1**	**29.3**	**37.3**	**52**	**68**	**88**	**97**	**114**	**201**	**294**
Finance expenses - net	-8.7	-1.7	0.6	0.0	-10	-11	16	-10	0	0	0
Profit before tax	*-4.1*	*8.4*	*29.7*	*37.3*	*42*	*57*	*104*	*71*	*114*	*201*	*294*
Tax	0.8	-1.7	-6.6	-7.7	-3	-25	-17	-15	-23	-41	-60
Net profit	**-3.3**	**6.7**	**23.2**	**29.6**	**39**	**32**	**88**	**56**	**90**	**159**	**233**
Minority share	1.3	0.8	2.3	3.1	0	0	0	7	0	0	0

Source: Company data and Nordea estimates

DEVICE ASSUMPTIONS

# Devices sold k	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Kids	30	124	144	175	417	467	501	473	528	549	571
Youth	-	-	-	2	-	-	-	2	9	18	18
Senior	310	332	342	416	1,700	1,700	1,400	1,400	1,400	1,400	1,400
Total	***340***	***456***	***486***	***593***	***417***	***467***	***501***	***1,875***	***1,937***	***1,967***	***1,989***

ASP per device NOK	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Kids	1,015	1,080	1,095	994	832	1,019	1,064	1,049	1,049	1,049	1,049
Youth	-	-	-	2,500	-	-	-	2,500	2,500	2,500	2,500
Senior	736	746	768	732	564	576	620	745	745	745	745
Total	***861***	***962***	***794***	***719***	***832***	***1,019***	***1,064***	***823***	***836***	***846***	***848***

Revenue NOKm	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Kids	30	134	158	174	347	476	533	496	554	576	599
Youth	-	-	-	5	-	-	-	5	23	45	45
Senior	263	304	229	247	959	980	868	1,043	1,043	1,043	1,043
Total	***293***	***438***	***386***	***427***	***347***	***476***	***533***	***1,544***	***1,619***	***1,664***	***1,687***

Gross profit NOKm	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Kids	10	43	57	61	111	157	171	170	194	202	210
Youth	-	-	-	2	-	-	-	2	8	16	16
Senior	140	141	118	119	335	392	399	518	501	501	501
Total	***150***	***184***	***174***	***181***	***111***	***157***	***171***	***690***	***702***	***718***	***726***

Gross profit margin	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Kids	32 %	32 %	36 %	35 %	32 %	33 %	32 %	34 %	35 %	35 %	35 %
Youth	-	-	36 %	35 %	-	-	-	34 %	35 %	35 %	35 %
Senior	53 %	46 %	51 %	48 %	35 %	40 %	46 %	50 %	48 %	48 %	48 %
Total	***51 %***	***42 %***	***45 %***	***43 %***	***32 %***	***33 %***	***32 %***	***45 %***	***43 %***	***43 %***	***43 %***

Source: Company data and Nordea estimates

SUBSCRIBER BASE ASSUMPTIONS

# Subscribers k	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Kids - Mobile subscription	255	271	291	303	157	205	258	303	335	362	385
Kids - Premium	77	89	104	117	-	42	75	117	146	170	188
Kids - B2B	20	25	35	42	-	9	20	42	57	69	79
Kids - Service-fee	6	8	12	15	-	1	5	15	22	27	31
Youth - connectivity	-	-	-	0	-	-	-	0	1	2	3
Youth - Guardian	-	-	-	3	-	-	-	3	15	35	49
Senior	-	-	-	7	-	-	-	7	57	149	224
Total	***358***	***393***	***442***	***485***	***157***	***257***	***358***	***485***	***632***	***814***	***960***

Conversion rate	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Kids - Mobile subscription	25 %	28 %	24 %	32 %	18 %	24 %	29 %	27 %	27 %	27 %	27 %
Kids - Premium	11 %	14 %	13 %	18 %	0 %	11 %	10 %	14 %	14 %	14 %	14 %
Kids - B2B	2 %	5 %	7 %	8 %	0 %	2 %	3 %	6 %	6 %	6 %	6 %
Kids - Service-fee	2 %	2 %	3 %	3 %	0 %	0 %	1 %	2 %	2 %	2 %	2 %
Youth - connectivity	-	-	-	0	-	-	-	10 %	10 %	10 %	10 %
Youth - Guardian	-	-	-	2	-	-	-	150 %	150 %	150 %	150 %
Senior	-	-	-	0	-	-	-	2 %	7 %	10 %	10 %
Total	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***

Churn	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Kids - Mobile subscription	-9 %	-8 %	-8 %	-9 %	-32 %	-38 %	-35 %	-36 %	-36 %	-36 %	-36 %
Kids - Premium	-9 %	-8 %	-8 %	-9 %	0 %	-38 %	-35 %	-36 %	-36 %	-36 %	-36 %
Kids - B2B	-9 %	-8 %	-8 %	-9 %	0 %	-38 %	-35 %	-36 %	-36 %	-36 %	-36 %
Kids - Service-fee	-9 %	-8 %	-8 %	-9 %	0 %	-38 %	-35 %	-36 %	-36 %	-36 %	-36 %
Youth - connectivity	-	-	0 %	-9 %	-	-	-	-36 %	36 %	36 %	36 %
Youth - Guardian	-	-	0 %	-9 %	-	-	-	-36 %	-36 %	-36 %	-36 %
Senior	-	-	-5 %	-5 %	-	-	-	-20 %	-20 %	-20 %	-20 %

Net subscriber growth	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Kids - Mobile subscription	- 3	16	20	12	33	48	53	45	32	27	24
Kids - Premium	2	12	15	13	-	42	33	42	30	23	19
Kids - B2B	-	5	10	7	-	9	11	22	16	12	9
Kids - Service-fee	1	2	4	3	-	1	4	10	7	5	4
Youth - connectivity	-	-	-	0	-	-	-	0	1	1	1
Youth - Guardian	-	-	-	3	-	-	-	3	12	21	14
Senior	-	-	-	7	-	-	-	7	50	92	75
Total	***-***	***35***	***49***	***43***	***33***	***100***	***101***	***127***	***147***	***181***	***146***

Source: Company data and Nordea estimates

SUBSCRIBER REVENUE AND GROSS PROFIT ASSUMPTIONS

ARPU NOK per month	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Kids - Mobile subscription	92	91	91	90	98	96	91	90	90	90	90
Kids - Premium	25	25	25	25	25	25	25	25	25	25	25
Kids - B2B	35	35	35	35	35	35	35	35	35	35	35
Kids - Service-fee	79	79	79	79	79	79	79	79	79	79	79
Youth - connectivity	149	149	149	149	149	149	149	149	149	149	-
Youth - Guardian	60	60	60	60	60	60	60	60	60	60	60
Senior	149	149	149	149	149	149	149	149	149	149	149
Total	***589***	***588***	***588***	***587***	***595***	***593***	***588***	***587***	***587***	***587***	***438***

Service revenue	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Kids - Mobile subscription	71	72	77	80	152	203	256	299	336	368	395
Kids - Premium	6	6	7	8	-	6	15	27	38	46	52
Kids - B2B	2	2	3	4	-	1	6	12	19	25	29
Kids - Service-fee	1	2	2	3	-	0	3	8	16	22	26
Youth - connectivity	-	-	-	0	-	-	-	1	5	15	27
Youth - Guardian	-	-	-	0	-	-	-	0	1	2	4
Senior	-	-	-	1	-	-	-	1	46	180	329
Total	***80***	***82***	***89***	***97***	***152***	***210***	***280***	***349***	***462***	***658***	***863***

Gross profit NOKm	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Kids - Mobile subscription	59	59	61	65	126	169	212	243	276	301	324
Kids - Premium	5	5	6	7	-	5	13	22	31	38	43
Kids - B2B	2	2	3	4	-	1	6	11	18	24	28
Kids - Service-fee	1	2	2	3	-	-	3	8	15	21	25
Youth - connectivity	-	-	-	0	-	-	-	0	1	2	3
Youth - Guardian	-	-	-	1	-	-	-	1	4	14	26
Senior	-	-	-	1	-	-	-	1	33	126	231
Total	***67***	***68***	***72***	***80***	***126***	***175***	***233***	***286***	***378***	***525***	***678***

Gross profit margin	Q1 25	Q2 25	Q3 25	Q4 25E	2022	2023	2024	2025E	2026E	2027E	2028E
Kids - Mobile subscription	83 %	82 %	79 %	81 %	83 %	83 %	81 %	81 %	82 %	82 %	82 %
Kids - Premium	83 %	82 %	79 %	81 %	0 %	83 %	81 %	81 %	82 %	82 %	82 %
Kids - B2B	95 %	95 %	95 %	95 %	0 %	95 %	95 %	95 %	95 %	95 %	95 %
Kids - Service-fee	95 %	95 %	95 %	95 %	0 %	95 %	95 %	95 %	95 %	95 %	95 %
Youth - connectivity	0 %	0 %	70 %	70 %	0 %	0 %	0 %	70 %	70 %	70 %	70 %
Youth - Guardian	0 %	0 %	95 %	95 %	0 %	0 %	0 %	95 %	95 %	95 %	95 %
Senior	0 %	0 %	70 %	70 %	0 %	0 %	0 %	70 %	70 %	70 %	70 %
Total	***84 %***	***83 %***	***80 %***	***82 %***	***83 %***	***83 %***	***83 %***	***82 %***	***82 %***	***80 %***	***79 %***

Source: Company data and Nordea estimates

Sensitivity to the Senior conversion rate

We argue that conversion rates are essential for realising the synergy potential of the Doro acquisition and Xplora's equity story. As the run-rate conversion rate remains a black box, we highlight that a 15% conversion rate increases our 2028 gross profit and EBITDA estimates by NOK 89m, while a 5% conversion rate decreases our corresponding 2028 estimates by NOK 89m.

Conversion rates in the Senior segment should be lower than the current conversion rate of 25-30% for connectivity in the Kids segment

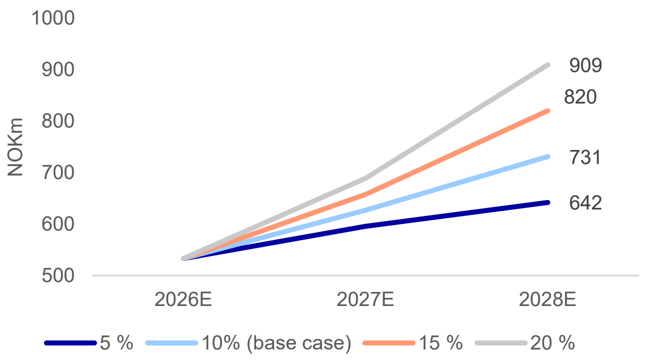
We believe the key synergy potential from the Doro acquisition relates to rolling out connectivity to Doro's existing phones. Thus, the conversion rate from sold phones is essential in calculating the synergy potential. The Senior segment is also different from Xplora's existing subscription base (only Kids), as seniors often have an existing connectivity plan, while we argue that children do not. On the basis of this rationale, conversion rates in the Senior segment should be lower than the current conversion rate of 25-30% for connectivity in the Kids segment.

In our estimates, we assume a 10% conversion rate for senior phones and that Doro will sell ~1.1 million phones annually (1.5 million devices in total).

Using a 15% conversion rate raises 2028E gross profit and EBITDA by NOK 89m, but a 5% conversion rate lowers 2028E by NOK 89m

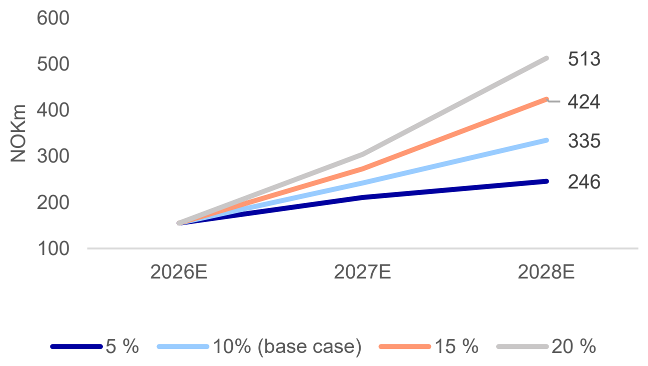
Assuming that our cost base remains flat in the different conversion rate scenarios and that conversion rates remain flat during 2027-28, we note a NOK 89m uplift for 2028E gross profit and EBITDA when using a 15% conversion rate. On the other hand, when applying a 5% conversion rate, our 2028 gross profit and EBITDA estimates decline by NOK 89m.

SENIOR SEGMENT: GROSS PROFIT SENSITIVITY TO CONVERSION RATES



Source: Nordea estimates

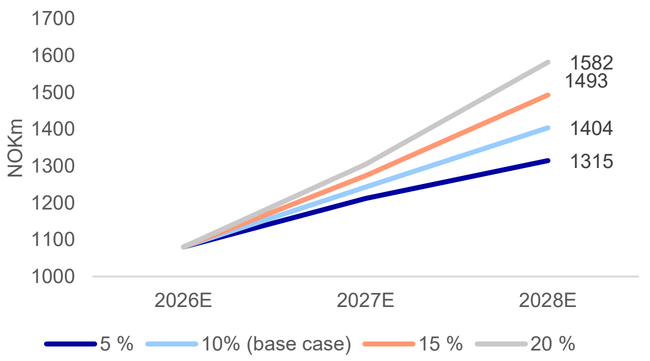
SENIOR SEGMENT: EBITDA SENSITIVITY TO CONVERSION RATES



Source: Nordea estimates

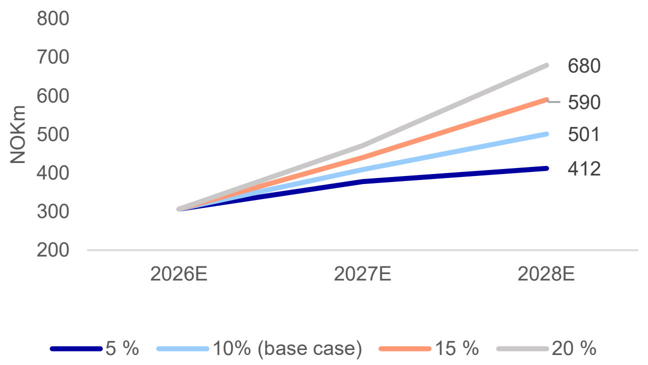
When we look at the Senior segment's sensitivity to conversion rates, we see that the rates in this segment have a large impact on the performance of Xplora as a group. A 1pp change in Senior conversion rates has a 4pp impact (NOK 18m) on our 2028 EBITDA estimate of NOK 501m. We believe a successful rollout of connectivity to seniors will be the main driver of Xplora's equity story going forward, as evident in the conversion rate sensitivity in the Senior segment.

XPLORA: GROSS PROFIT SENSITIVITY TO CONVERSION RATES



Source: Nordea estimates

XPLORA: EBITDA SENSITIVITY TO CONVERSION RATES

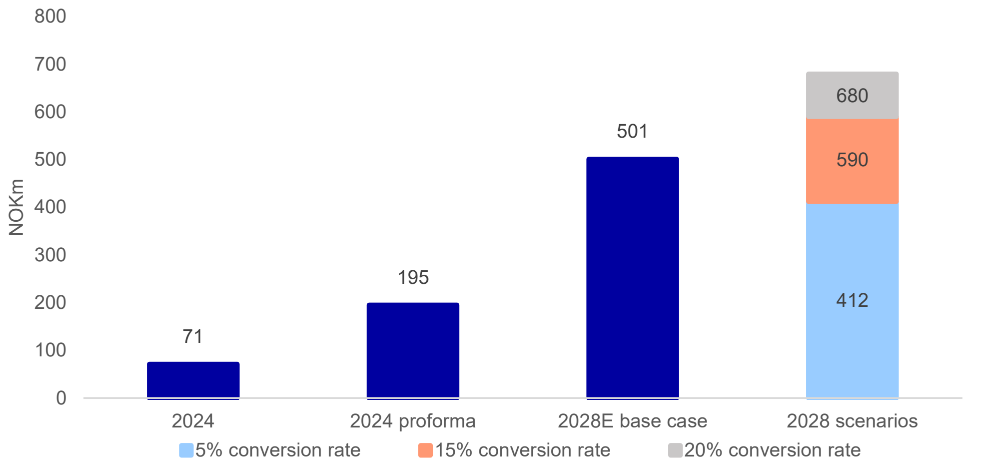


Source: Nordea estimates

The Doro acquisition provides Xplora with synergy potential

The Doro acquisition has enabled Xplora to enter a new vertical and almost triple its 2024 EBITDA, but the real value of the acquisition is the synergy potential from rolling out connectivity to an already large base of around one million sold phones annually. As shown in the chart below, we estimate that Xplora will also more than double its EBITDA from 2024 to 2028, largely driven by a 10% conversion rate in the Senior segment, but also bolstered by the Kids & Youth segment. Assuming a 15% conversion rate in the Senior segment from 2027 onwards implies EBITDA of NOK 590m for 2028E, which is 8x higher than the level Xplora reported in 2024, further highlighting the rationale and synergy potential from the Doro acquisition.

XPLORA: EBITDA DEVELOPMENT FROM 2024 TO 2028E, INCLUDING ESTIMATED SENSITIVITIES



Source: Company data and Nordea estimates

In conclusion, we argue that conversion rates are essential to the synergy potential of the Doro acquisition and Xplora's equity story. While early data on conversion rates is positive, the run-rate conversion rate in the Senior segment remains uncharted territory for the company and the market, with small changes in conversion rates able to have a large impact on the P&L, we argue.

Valuation

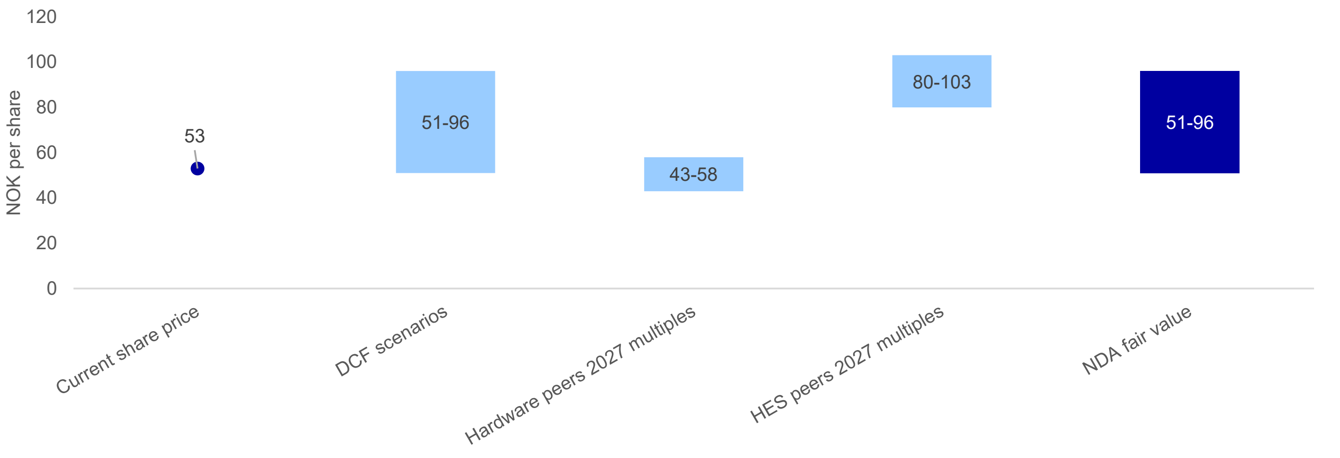
We derive a fair value range for Xplora of NOK 51-96 (49-101) based on a DCF sensitivity analysis, cross-checked with peer multiples. At the bottom of the range, our Xplora low-case DCF scenario shows downside to the current share price. At the top of our range, we have our Xplora blue-sky scenario, with a conversion rate of 15% for the Senior segment. Our peer valuation shows that the share is currently trading in line with pureplay hardware peers and below hardware-enabled software peers on 2027E multiples.

Valuation summary

We base our valuation approach for Xplora on two fundamental methods: DCF and a peer comparison

Our valuation approach for Xplora is based on two fundamental methods. First, we use a DCF approach looking at different scenarios, using 5%, 10% and 15% conversion rates for the Senior segment for 2027E-28E. Second, we use a relative (peer-based) approach. Xplora does not have any direct peers, so in our peer group we identify pureplay hardware peers and hardware-enabled software peers.

XPLORA: VALUATION SUMMARY



Source: Company data and Nordea estimates
Notes: HES = Hardware-enabled software. EV/EBIT and P/E multiples used.

DCF scenarios

For our DCF estimates, we assume different subscription conversion rates for the Senior segment for 2027-28; we assume conversion rates of 5%, 10% and 15%, reflecting different levels of synergy potential from the Doro acquisition. Our DCF assumptions are as follows:

Our DCF assumptions

- Flat growth for 2029-31
- A flat EBITDA margin for 2029-31
- A WACC of 10.8%
- Flat working capital in 2029-31
- Flat D&A as a percentage of revenue for 2029-31
- Flat capex as a percentage of revenue in 2029-31

In our base case, we assume a 2027 conversion rate of 10% for the Senior segment

Base case

For our DCF base-case scenario, we use our 2025-28 estimates with a run-rate conversion rate of 10% from 2027 for the Senior segment. In our base-case scenario, we derive a value of NOK 72 per share.

BASE CASE: DCF ASSUMPTIONS (NOKm)

	2025E	2026E	2027E	2028E	2029E	2030E	2031E	Terminal
Revenue	**1893**	**2081**	**2321**	**2550**	**2800**	**3076**	**3378**	**3462**
Revenue growth	135.6%	9.9%	11.6%	9.8%	9.8%	9.8%	9.8%	2.5%
EBITDA	**225**	**307**	**409**	**501**	**551**	**605**	**664**	**681**
EBITDA margin	12 %	15 %	18 %	20 %	20 %	20 %	20 %	20 %
EBIT	**153**	**239**	**340**	**430**	**472**	**518**	**569**	**583**
EBIT margin	8 %	11 %	15 %	17 %	17 %	17 %	17 %	17 %
Tax rate	22 %	22 %	22 %	22 %	22 %	22 %	22 %	22 %
NOPLAT	**120**	**187**	**265**	**335**	**368**	**404**	**444**	**455**
D&A	72	68	70	72	79	86	95	97
Lease adjustment	-16	-17	-17	-18	-18	-18	-18	-18
Change in NWC	10	-1	-17	-20	-20	-20	-20	-20
Capex	-59	-61	-65	-68	-74	-82	-90	-92
Total adjustments	8	-11	-29	-34	-33	-33	-32	-32
FCFF	**127**	**175**	**236**	**301**	**335**	**371**	**412**	**423**
D&A of revenue %	-4 %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %
Capex of revenue %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %
Discount factor	1.0	1.1	1.3	1.4	1.5	1.7	1.9	
PV FCFF	124	154	187	216	216	217	217	

Source: Nordea estimates

We derive a value of NOK 72 in our base-case scenario

BASE CASE: DCF OUTPUT (NOKm)

Terminal cash flow	423
Terminal cost of capital	11 %
Terminal value	5,088
PV terminal	2,679
PV CF forecast period	1,331
SUM PV	**4,010**
Net debt	531
Book value minorities	94
SUM	**3,385**
Number of shares (m)	47
Value per share (NOK)	**72**

Source: Company data and Nordea estimates

In our blue-sky scenario, we assume a conversion rate of 15% from 2027 for the Senior segment

Blue-sky scenario

For our blue-sky scenario, we use our 2025-28 estimates with a run-rate conversion rate of 15% from 2027 for the Senior segment. In our high-end case scenario, we derive a value of NOK 96 per share.

HIGH-END SCENARIO: DCF ASSUMPTIONS (NOKm)

	2025E	2026E	2027E	2028E	2029E	2030E	2031E	Terminal
Revenue	**1893**	**2081**	**2366**	**2677**	**3029**	**3427**	**3878**	**3975**
Revenue growth	135.6%	9.9%	13.7%	13.2%	13.2%	13.2%	13.2%	2.5%
EBITDA	**225**	**307**	**440**	**590**	**668**	**756**	**855**	**877**
EBITDA margin	12 %	15 %	19 %	22 %	22 %	22 %	22 %	22 %
EBIT	**153**	**239**	**371**	**519**	**587**	**664**	**752**	**770**
EBIT margin	8 %	11 %	16 %	19 %	19 %	19 %	19 %	19 %
Tax rate	22 %	22 %	22 %	22 %	22 %	22 %	22 %	22 %
NOPLAT	**120**	**187**	**289**	**405**	**458**	**518**	**586**	**601**
D&A	72	68	70	72	81	92	104	106
Lease adjustment	-16	-17	-17	-18	-18	-18	-18	-18
Change in NWC	10	-1	-21	-27	-27	-27	-27	-27
Capex	-59	-61	-65	-68	-77	-87	-98	-101
Total adjustments	8	-11	-33	-41	-40	-40	-39	-39
FCFF	**127**	**175**	**257**	**364**	**418**	**479**	**547**	**562**
D&A of revenue %	-4 %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %
Capex of revenue %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %
Discount factor	1.0	1.1	1.3	1.4	1.5	1.7	1.9	
PV FCFF	124	154	204	261	270	279	288	

Source: Nordea estimates

We derive a value of NOK 96 in our blue-sky scenario

HIGH-END SCENARIO: DCF OUTPUT (NOKm)

Terminal cash flow	562
Terminal cost of capital	11 %
Terminal value	6,765
PV terminal	3,561
PV CF forecast period	1,580
SUM PV	**5,141**
Net debt	531
Book value minorities	94
SUM	**4,517**
Number of shares (m)	47
Value per share (NOK)	**96**

Source: Company data and Nordea estimates

In our low-end scenario, we assume a conversion rate of 5% from 2027 for the Senior segment

Low-end case

For our low-end scenario, we use our 2025-28 estimates with a run-rate conversion rate of 5% from 2027 for the Senior segment. In our low-end scenario, we derive a value of NOK 51 per share.

LOW-END CASE SCENARIO: DCF ASSUMPTIONS (NOKm)

	2025E	2026E	2027E	2028E	2029E	2030E	2031E	Terminal
Revenue	**1893**	**2081**	**2277**	**2422**	**2577**	**2741**	**2916**	**2989**
Revenue growth	135.6%	9.9%	9.4%	6.4%	6.4%	6.4%	6.4%	2.5%
EBITDA	**225**	**307**	**378**	**412**	**438**	**466**	**496**	**509**
EBITDA margin	12 %	15 %	17 %	17 %	17 %	17 %	17 %	17 %
EBIT	**153**	**239**	**309**	**341**	**362**	**385**	**410**	**420**
EBIT margin	8 %	11 %	14 %	14 %	14 %	14 %	14 %	14 %
Tax rate	22 %	22 %	22 %	22 %	22 %	22 %	22 %	22 %
NOPLAT	**120**	**187**	**241**	**266**	**283**	**301**	**320**	**328**
D&A	72	68	70	72	76	81	86	88
Lease adjustment	-16	-17	-17	-18	-18	-18	-18	-18
Change in NWC	10	-1	-13	-13	-13	-13	-13	-13
Capex	-59	-61	-65	-68	-72	-77	-82	-84
Total adjustments	8	-11	-25	-27	-26	-26	-26	-26
FCFF	**127**	**175**	**216**	**239**	**256**	**274**	**294**	**302**
D&A of revenue %	-4 %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %
Capex of revenue %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %	-3 %
Discount factor	1.0	1.1	1.3	1.4	1.5	1.7	1.9	
PV FCFF	124	154	171	171	166	160	155	

Source: Nordea estimates

We derive a value of NOK 51 in our low-end scenario

LOW-END SCENARIO: DCF OUTPUT (NOKm)

Terminal cash flow	302
Terminal cost of capital	11 %
Terminal value	3,634
PV terminal	1,913
PV CF forecast period	1,101
SUM PV	**3,014**
Net debt	531
Book value minorities	94
SUM	**2,389**
Number of shares (m)	47
Value per share (NOK)	**51**

Source: Company data and Nordea estimates

DCF sensitivities

For our base-case scenario with a conversion rate of 8%, we stress-test our DCF output by conducting a sensitivity analysis of the key value drivers, with scenarios of a +/-1pp change in WACC and terminal value growth and a +/-2pp change in the EBITDA margin.

BASE-CASE SCENARIO: SENSITIVITY TO WACC AND TERMINAL GROWTH RATE

		WACC				
		9.8%	10.3%	10.8%	11.3%	11.8%
Terminal Growth rate	1.5%	76	70	66	61	57
	2.0%	80	74	69	64	60
	2.5%	85	78	72	67	62
	3.0%	90	83	76	71	65
	3.5%	97	88	81	74	69

Source: Nordea estimates

BASE-CASE SCENARIO: SENSITIVITY TO WACC AND EBITDA MARGIN

		WACC				
		9.8%	10.3%	10.8%	11.3%	11.8%
EBITDA margin	18 %	74	68	63	59	55
	19 %	80	73	68	63	59
	20 %	85	78	72	67	62
	21 %	90	83	77	71	66
	22 %	96	88	81	76	70

Source: Nordea estimates

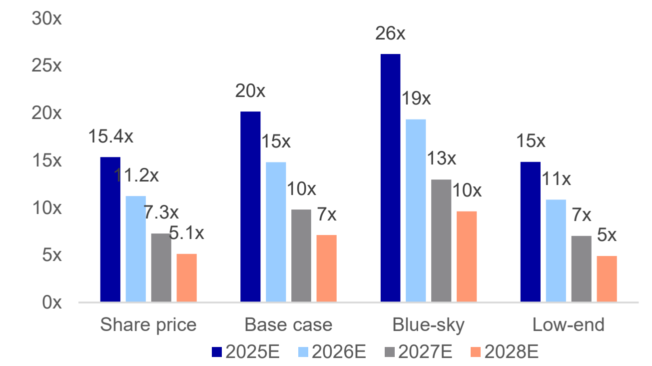
We triangulate our DCF values using peer multiples, in which we benchmark Xplora against pureplay hardware peers and hardware-enabled subscription peers

Peer valuation

For our peer benchmarking, we triangulate our DCF values using peer multiples, whereby we benchmark Xplora against pureplay hardware peers and hardware-enabled subscription peers. Xplora has no direct peers, so we use its characteristics with and without subscriptions. Below, we highlight Xplora's multiples at our base-case estimates using our different fair values at 5%, 10% and 15% conversion rates and the current share price. From our peer benchmarking, Xplora is trading at a premium to our pureplay hardware peers on EV/EBIT and P/E but at a discount to our hardware-enabled software peers. In our blue-sky scenario, Xplora is valued at the same multiples as those of our hardware-enabled software peers.

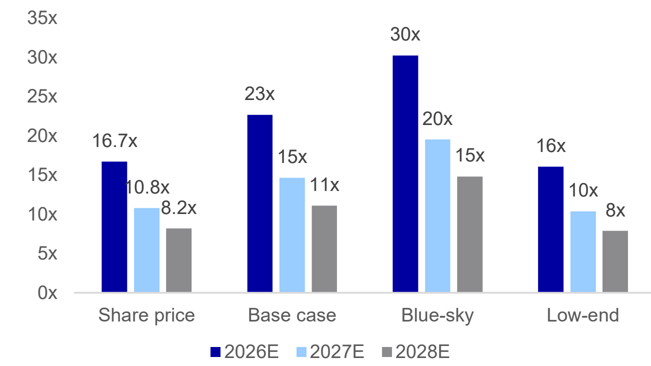
We have removed the 2025E P/E value, as we estimate negative P/E for 2025, owing to integration costs, loan fees and other one-offs.

XPLORA: EV/EBIT MULTIPLES AT DIFFERENT SCENARIO FAIR VALUES



Source: Nordea estimates

XPLORA: P/E MULTIPLES AT DIFFERENT SCENARIO FAIR VALUES



Source: Nordea estimates

Below, we give an overview of Xplora versus our hardware group, which we argue should be the floor for our fair value, given the relatively low multiples for hardware suppliers due to the nature of their business with low margins and low and unpredictable growth rates. At the bottom end of our fair value, Xplora is valued at a premium to our hardware peers (Xplora is not a pureplay hardware company and has recurring subscription revenue and high growth). At the lower end of our fair value, Xplora is valued 20% above peers on 2026E EV/EBIT but in line on 2027 estimates; we argue that EV/EBIT is the appropriate multiple to look at (several peers have warehouses and physical stores, and EV/EBIT takes leasing into consideration).

PEER BENCHMARKING AGAINST HARDWARE PEERS

	MCap	EV/EBITDA			EV/EBIT			EV/EBITDA-capex			P/E		
Company	**(USDm)**	**2025E**	**2026E**	**2027E**	**2025E**	**2026E**	**2027E**	**2025E**	**2026E**	**2027E**	**2025E**	**2026E**	**2027E**
Komplett	229	6.9x	4.3x	3.6x	111.9x	12.4x	9.3x	12.2x	5.7x	4.6x	na	18.6x	12.8x
Currys	2,256	3.5x	3.5x	3.3x	10.2x	9.5x	8.9x	4.2x	4.3x	4.0x	12.4x	11.1x	10.1x
Samsung Electronics	816,965	6.6x	3.9x	3.2x	26.5x	6.9x	5.8x	15.2x	5.5x	4.5x	29.7x	9.1x	7.8x
LG Electronics	13,891	2.3x	1.8x	1.8x	12.1x	9.1x	7.9x	4.4x	3.2x	3.3x	13.3x	11.0x	9.6x
Panasonic	38,326	7.2x	6.2x	3.8x	0.0x	13.5x	11.1x	36.6x	13.2x	5.9x	19.8x	14.0x	10.9x
Lenovo Group	14,762	3.6x	3.1x	2.6x	5.5x	5.1x	4.6x	4.8x	4.1x	3.2x	9.5x	8.9x	7.7x
Mean	**147,738**	**5.0x**	**3.8x**	**3.0x**	**27.7x**	**9.4x**	**7.9x**	**12.9x**	**6.0x**	**4.3x**	**16.9x**	**12.1x**	**9.8x**
Median	**14,326**	**5.1x**	**3.7x**	**3.2x**	**11.2x**	**9.3x**	**8.4x**	**8.5x**	**4.9x**	**4.2x**	**13.3x**	**11.1x**	**9.9x**
Xplora (NDA low case)		**10.6x**	**8.5x**	**5.8x**	**14.9x**	**10.9x**	**7.0x**	**13.8x**	**10.6x**	**6.9x**	**-55.2x**	**16.1x**	**10.4x**
Xplora (NDA)		**10.9x**	**8.8x**	**6.1x**	**15.4x**	**11.2x**	**7.3x**	**14.3x**	**11.0x**	**7.2x**	**-57.4x**	**16.7x**	**10.8x**

Source: LSEG Data & Analytics and Nordea estimates

At the current share price, Xplora is trading at a ~40-50% discount on 2027E EV/EBIT and P/E multiples

We argue that Xplora's business model is based on hardware-enabled subscriptions and that the current rollout of connectivity in Doro will first make a significant impact from 2027 onwards. We therefore compare Xplora with other hardware-enabled software peers on 2027 multiples. At the current share price, Xplora is trading at a ~40-50% discount on 2027E EV/EBIT and P/E multiples. Using our blue-sky fair value, Xplora's multiples are slightly below (0-10%) peers on all 2027E multiples except P/E (due to tax and net financials).

PEER BENCHMARKING AGAINST HARDWARE-ENABLED SOFTWARE PEERS

	MCap	EV/EBITDA			EV/EBIT			EV/EBITDA-capex			P/E		
Company	**(USDm)**	**2025E**	**2026E**	**2027E**	**2025E**	**2026E**	**2027E**	**2025E**	**2026E**	**2027E**	**2025E**	**2026E**	**2027E**
Garmin	41,302	18.7x	18.0x	17.2x	21.5x	20.0x	18.2x	21.5x	21.0x	19.7x	26.2x	24.7x	22.7x
Apple	3,760,657	24.0x	23.0x	21.7x	27.7x	24.7x	23.0x	26.1x	25.0x	23.7x	33.4x	29.4x	26.7x
Cisco Systems	303,642	13.3x	13.6x	12.8x	15.8x	14.7x	14.0x	13.9x	14.3x	13.4x	19.5x	17.9x	16.5x
Sony Group	145,327	8.2x	7.4x	6.2x	n.a.	n.a.	n.a.	11.3x	9.9x	8.2x	19.7x	17.7x	16.1x
Yubico	525	16.6x	10.3x	7.0x	12.6x	11.0x	8.1x	17.7x	11.0x	7.3x	24.8x	17.5x	12.8x
Tomra Systems	3,809	16.6x	12.2x	9.0x	27.5x	19.6x	13.4x	34.8x	17.1x	11.8x	37.8x	24.3x	16.0x
Mean	**709,210**	**16.2x**	**14.1x**	**12.3x**	**21.0x**	**18.0x**	**15.3x**	**20.9x**	**16.4x**	**14.0x**	**26.9x**	**21.9x**	**18.5x**
Median	**93,314**	**16.6x**	**12.9x**	**10.9x**	**21.5x**	**19.6x**	**14.0x**	**19.6x**	**15.7x**	**12.6x**	**25.5x**	**21.1x**	**16.3x**
Xplora (NDA blue-sky)		**18.7x**	**15.1x**	**10.8x**	**26.2x**	**19.3x**	**13.0x**	**24.4x**	**18.9x**	**12.8x**	**-103.9x**	**30.2x**	**19.5x**
Xplora (NDA)		**10.9x**	**8.8x**	**6.1x**	**15.4x**	**11.2x**	**7.3x**	**14.3x**	**11.0x**	**7.2x**	**-57.4x**	**16.7x**	**10.8x**

Source: LSEG Data & Analytics and Nordea estimates

In our peer benchmarking, Xplora is valued above hardware peers and below hardware-enabled software peers

From our peer benchmarking, Xplora is valued above hardware peers and below hardware-enabled software peers. We argue that Xplora's conversion rate in the Senior segment going forward will be a decisive factor for which peer group Xplora should be benchmarked against going forward. In our blue-sky scenario, Xplora has similar 2027E multiples to those of our hardware-enabled software peers.

Reported numbers and forecasts

INCOME STATEMENT

NOKm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	**n.a.**	**n.a.**	**n.a.**	**200.5**	**431.4**	**502.0**	**689.2**	**803.5**	**1,893**	**2,081**	**2,321**
- growth	n.a.	n.a.	n.a.	n.a.	115.2%	16.4%	37.3%	16.6%	135.6%	9.93%	11.6%
of which organic	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
of which FX	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA (rep.)	0.00	0.00	0.00	-11.5	19.2	-33.5	33.7	71.0	225.0	306.6	409.2
Depreciation and impairments PPE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which leased assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBITA	0.00	0.00	0.00	-13.7	-16.1	-84.7	-22.8	26.7	153.2	239.1	339.6
Amortisation and impairments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBIT	n.a.	n.a.	n.a.	-13.7	-16.1	-84.7	-22.8	26.7	153.2	239.1	339.6
of which associates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Associates excluded from EBIT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net financials	0.00	0.00	0.00	-11.7	-2.35	-0.24	-12.6	-14.1	-159.7	-56.0	-56.0
of which lease interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes in value, net	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
PTP	**0.00**	**0.00**	**0.00**	**-25.3**	**-18.5**	**-85.0**	**-35.5**	**12.6**	**-6.46**	**183.1**	**283.6**
Reported taxes	0.00	0.00	0.00	0.00	0.00	10.6	8.26	-4.24	-26.7	-40.3	-62.4
Net profit from continued operations	0.00	0.00	0.00	-25.3	-18.5	-74.4	-27.2	8.40	-33.1	142.8	221.2
Discontinued operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Minority interests	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-3.08	0.00	0.00
Net profit to equity	0.00	0.00	0.00	-25.3	-18.5	-74.4	-27.2	8.40	-36.2	142.8	221.2
EPS (rep. NOK)	**n.a.**	**n.a.**	**n.a.**	**-0.79**	**-0.46**	**-1.83**	**-0.65**	**0.19**	**-0.81**	**3.17**	**4.92**
DPS - total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which ordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit margin in %											
EBITDA	n.a.	n.a.	n.a.	-5.71%	4.44%	-6.68%	4.89%	8.83%	11.9%	14.7%	17.6%
EBITA	n.a.	n.a.	n.a.	-6.82%	-3.73%	-16.9%	-3.32%	3.32%	8.10%	11.5%	14.6%
EBIT	n.a.	n.a.	n.a.	-6.82%	-3.73%	-16.9%	-3.32%	3.32%	8.10%	11.5%	14.6%
Adjusted earnings											
EBITDA (adj.)	0.00	0.00	0.00	-11.5	19.2	-33.5	33.7	71.0	249.0	306.6	409.2
EBITA (adj.)	0.00	0.00	0.00	-13.7	-16.1	-84.7	-22.8	26.7	177.2	239.1	339.6
EBIT (adj.)	0.00	0.00	0.00	-13.7	-16.1	-84.7	-22.8	26.7	177.2	239.1	339.6
EPS (adj. NOK)	n.a.	n.a.	n.a.	-0.79	-0.46	-1.83	-0.65	0.19	-0.27	3.17	4.92
Adjusted profit margins in %											
EBITDA (adj.) margin	n.a.	n.a.	n.a.	-5.71%	4.44%	-6.68%	4.89%	8.83%	13.2%	14.7%	17.6%
EBITA (adj.) margin	n.a.	n.a.	n.a.	-6.82%	-3.73%	-16.9%	-3.32%	3.32%	9.36%	11.5%	14.6%
EBIT (adj.) margin	n.a.	n.a.	n.a.	-6.82%	-3.73%	-16.9%	-3.32%	3.32%	9.36%	11.5%	14.6%
Performance metrics											
CAGR last five years											
Net revenue (five-year CAGR)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	56.7%	37.0%	35.8%
EBITDA (five-year CAGR)	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	74.1%	n.m.
EBIT (five-year CAGR)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.m.	n.m.	n.m.
EPS (five-year CAGR)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.m.	n.m.	n.m.
DPS (five-year CAGR)	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Average last five years											
Average EBIT margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-4.21%	1.30%	5.22%	9.45%
Average EBITDA margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	3.00%	7.30%	10.1%	13.4%

Source: Company data and Nordea estimates

VALUATION RATIOS

NOKm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
ADJUSTED EARNINGS											
P/E (adj.)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.m.	16.7	10.8
EV/EBITDA (adj.)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	11.3	8.76	6.06
EV/EBITA (adj.)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	15.9	11.2	7.30
EV/EBIT (adj.)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	15.9	11.2	7.30
REPORTED EARNINGS											
P/E	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.m.	16.7	10.8
EV/Sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.49	1.29	1.07
EV/EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	12.5	8.76	6.06
EV/EBITA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	18.4	11.2	7.30
EV/EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	18.4	11.2	7.30
Dividend yield (ord.)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.00%	0.00%	0.00%
FCF yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-17.1%	4.23%	11.1%
FCF yield before A&D, lease-adj.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	3.25%	8.56%	11.1%
Payout ratio	n.a.	n.a.	n.a.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Company data and Nordea estimates

BALANCE SHEET

NOKm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Intangible assets	0.00	0.00	0.00	6.81	247.4	237.2	207.0	180.5	827.4	821.4	816.4
of which R&D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which other intangibles	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tangible assets	0.00	0.00	0.00	0.42	1.13	1.98	1.46	14.0	25.3	25.3	25.3
of which leased assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shares associates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest-bearing assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred tax assets	0.00	0.00	0.00	0.00	0.00	0.00	10.9	13.0	21.7	21.7	21.7
Other non-IB non-current assets	0.00	0.00	0.00	0.00	0.16	0.00	0.00	1.24	48.6	48.6	48.6
Other non-current assets	0.00	0.00	0.00	0.00	0.16	4.19	6.58	5.74	5.74	5.74	5.74
Total non-current assets	0.00	0.00	0.00	7.23	248.9	243.3	226.0	214.6	928.7	922.7	917.7
Inventory	n.a.	n.a.	n.a.	24.5	82.5	96.4	108.0	80.9	275.2	302.6	337.6
Accounts receivable	n.a.	n.a.	n.a.	42.6	105.8	117.9	75.4	75.5	233.3	256.5	286.1
Short-term leased assets	0.00	0.00	0.00	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other current assets	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Cash and bank	n.a.	n.a.	n.a.	118.2	139.8	50.4	137.4	235.1	609.4	654.3	863.7
Total current assets	n.a.	n.a.	n.a.	185.3	328.0	130.2	126.4	391.5	1,215	1,213	1,487
Assets held for sale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	**n.a.**	**n.a.**	**n.a.**	**192.5**	**576.9**	**373.5**	**352.4**	**606.1**	**2,144**	**2,136**	**2,405**
Shareholders' equity	0.00	0.00	0.00	128.0	401.1	350.6	337.8	352.4	422.8	462.4	683.6
of which preferred stocks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
of which equity part of hybrid debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Minority interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	96.9	0.00	0.00
Total Equity	0.00	0.00	0.00	128.0	401.1	350.6	337.8	352.4	519.7	462.4	683.6
Deferred tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Long-term interest-bearing debt	0.00	0.00	0.00	25.0	29.8	0.00	14.6	6.25	656.7	656.7	656.7
Pension provisions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other long-term provisions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other long-term liabilities	0.00	0.00	0.00	0.00	13.0	22.9	0.00	6.44	102.7	102.7	102.7
Non-current lease debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Convertible debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shareholder debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hybrid debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total non-current liabilities	0.00	0.00	0.00	25.0	42.8	22.9	14.6	12.7	759.4	759.4	759.4
Accounts payable	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Current lease debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other current liabilities	n.a.	n.a.	n.a.	22.1	46.6	0.00	0.00	157.6	564.4	614.2	662.0
Short-term interest-bearing debt	0.00	0.00	0.00	17.4	86.2	0.00	0.00	83.3	300.1	300.1	300.1
Total current liabilities	n.a.	n.a.	n.a.	39.5	132.8	0.00	0.00	241.0	864.4	914.3	962.0
Liabilities for assets held for sale	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total liabilties and equity	**n.a.**	**n.a.**	**n.a.**	**192.5**	**576.7**	**373.5**	**352.4**	**606.1**	**2,144**	**2,136**	**2,405**
Balance sheet and debt metrics											
Net debt	n.a.	n.a.	n.a.	-75.8	-23.7	-50.4	-122.8	-145.5	347.4	302.4	93.0
of which lease debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Working capital	n.a.	n.a.	n.a.	45.0	141.7	214.2	183.4	-1.21	-55.8	-55.2	-38.3
Invested capital	n.a.	n.a.	n.a.	52.2	390.6	457.5	409.4	213.4	872.9	867.5	879.4
Capital employed	0.00	0.00	0.00	170.4	517.2	350.6	352.4	442.0	1,476	1,419	1,640
ROE	n.m.	n.m.	n.m.	-39.6%	-6.98%	-19.8%	-7.91%	2.43%	-9.34%	32.3%	38.6%
ROIC	n.a.	n.a.	n.a.	n.a.	-5.68%	-15.6%	-4.11%	6.69%	25.5%	21.4%	30.3%
ROCE	n.m.	n.m.	n.m.	-0.16	-0.05	-0.20	-0.07	0.07	0.18	0.17	0.22
Net debt/EBITDA	n.a.	n.a.	n.a.	n.m.	-1.24	n.m.	-3.65	-2.05	1.54	0.99	0.23
Interest coverage	n.a.	n.a.	n.a.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Equity ratio	n.a.	n.a.	n.a.	66.5%	69.6%	93.9%	95.9%	58.1%	19.7%	21.6%	28.4%
Net gearing	n.a.	n.a.	n.a.	-59.2%	-5.91%	-14.4%	-36.4%	-41.3%	66.8%	65.4%	13.6%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

NOKm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
EBITDA (adj.) for associates	**0.00**	**0.00**	**0.00**	**-11.5**	**19.2**	**-33.5**	**33.7**	**71.0**	**225.0**	**306.6**	**409.2**
Paid taxes	0.00	0.00	0.00	0.00	0.00	10.6	8.26	-4.24	-26.7	-40.3	-62.4
Net financials	0.00	0.00	0.00	0.00	0.00	-0.24	-12.6	-14.1	n.a.	n.a.	n.a.
Change in provisions	n.a.	n.a.	n.a.	n.a.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Change in other long-term non-IB	0.00	0.00	0.00	0.00	12.7	6.06	-36.3	3.95	n.a.	0.00	0.00
Cash flow to/from associates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividends paid to minorities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other adj. to reconcile to cash flow	n.a.	n.a.	n.a.	n.a.	-14.7	0.00	0.00	0.00	0.00	0.00	0.00
Funds from operations (FFO)	**n.a.**	**n.a.**	**n.a.**	**-5.39**	**17.2**	**-17.1**	**-6.95**	**56.6**	**198.4**	**266.4**	**346.8**
Change in NWC	n.a.	n.a.	n.a.	-6.70	-44.8	-14.8	33.4	40.7	10.3	-0.65	-16.9
Cash flow from operations (CFO)	**n.a.**	**n.a.**	**n.a.**	**-12.1**	**-27.7**	**-56.6**	**60.3**	**98.0**	**135.8**	**265.7**	**329.9**
Capital expenditure	0.00	0.00	0.00	-3.47	-12.1	-38.1	-22.8	-20.0	-58.6	-61.5	-64.6
Free cash flow before A&D	**n.a.**	**n.a.**	**n.a.**	**-15.6**	**-39.8**	**-94.8**	**37.5**	**78.0**	**77.2**	**204.2**	**265.4**
Proceeds from sale of assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Acquisitions	0.00	0.00	0.00	0.00	-76.9	-20.0	0.00	0.00	-484.1	-103.2	0.00
Free cash flow	n.a.	n.a.	n.a.	-15.6	-116.7	-114.8	37.5	78.0	-407.0	101.0	265.4
Free cash flow bef. A&D, lease adj.	n.a.	n.a.	n.a.	-15.6	-39.8	-94.8	37.5	78.0	77.2	204.2	265.4
Dividends paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity issues	0.00	0.00	0.00	94.9	146.8	16.5	0.00	0.00	5.73	0.00	0.00
Net change in debt	0.00	0.00	0.00	0.00	0.00	-116.0	14.6	75.0	867.2	0.00	0.00
Other financing adjustments	n.a.	n.a.	n.a.	n.a.	n.a.	125.0	35.0	-55.3	-91.6	-56.0	-56.0
Other non-cash adjustments	n.a.	n.a.	n.a.	n.a.	n.a.	0.00	0.00	0.00	0.00	0.00	0.00
Change in cash	n.a.	n.a.	n.a.	n.a.	21.5	-89.3	87.0	97.6	374.3	45.0	209.4
Cash flow metrics											
Capex/D&A	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Capex/sales	n.a.	n.a.	n.a.	1.73%	2.81%	7.60%	3.31%	2.49%	3.09%	2.96%	2.78%
Key information											
Share price, year-end (current)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	53.0	53.0	53.0
Market cap	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2,375	2,385	2,385
Enterprise value	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2,819	2,687	2,478
Diluted no. of shares, year-end (m)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44.0	44.8	45.0	45.0

Source: Company data and Nordea estimates

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As of the publication of this report, the issuer does not hold a position exceeding 5% of the total shares issued in Nordea Abp.

Previous rating changes in the past 12 months

Date	To	From
No rating changes		

Investment banking transactions and/or services

In view of Nordea's position in its markets, readers should assume that the bank may currently or may in the coming three months and beyond be providing or seeking to provide confidential investment banking and/or ancillary services to the company/companies.

Distribution of recommendations

Recommendation	% distribution
Buy	60.29%
Hold	35.38%
Sell	4.33%

As of 16 February 2026

Distribution of recommendations (transactions)*

Recommendation	% distribution
Buy	58.23%
Hold	40.51%
Sell	1.27%

As of 16 February 2026

* Companies under coverage with which Nordea has ongoing or completed public investment banking transactions.

Recommendation structure and fair value sensitivity (absolute ratings)

Buy: Positive share price potential versus our fair value and we see a compelling investment case to buy the share.

Sell: Negative share price potential versus our fair value and we see a compelling investment case to sell the share.

Hold: Share in line with our fair value and/or no compelling investment case.

We calculate our fair values by weighting DCF, DDM, SOTP, asset-based and other standard valuation methods. When applicable, we set a 12-month target price by applying an appropriate premium/discount and/or other relevant adjustment to our fair value to reflect the share price potential we see within the coming 12 months. Our fair values are sensitive to changes in valuation assumptions, of which growth, margins, tax rates, working capital ratios, investment-to-sales ratios and cost of capital are typically the most sensitive.
It should be noted that our fair values would change by a disproportionate factor if changes are made to any or all valuation assumptions, owing to the non-linear nature of the standard valuation models applied (mentioned above). As a consequence of the standard valuation models we apply, changes of 1-2 percentage points in any single valuation assumption can change the derived fair value by as much as 30% or more. Dividend payouts are included in the target price. All research is produced on an ad hoc basis and will be updated when the circumstances require it.

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Completion Date

16/02/2026 20:03 CET

Equity risk rating

Nordea risk rating: Xplora Technologies 4

As a measure of the company's operational risk we, apply a risk rating scale of 1-5 where 1 is the lowest risk and 5 is the highest. The risk rating is calculated using a weighted average of earnings/cash flow predictability, earnings quality and backwardlooking asset beta. For the most illiquid stocks, the risk rating is also adjusted for liquidity risk. The risk rating is then converted to asset beta and used to calculate the cost of capital. It is thus implicitly included in our fair value calculations.

Issuer Review

This report has not been reviewed by the Issuer prior to publication.

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