

Infrea

Divesting the Water & Sewage segment

- Infra to divest a small segment
- 7% of '25e revenue and 16% of '25e EBITA
- Will reduce net debt by SEK 180m to SEK 27m

Selling two companies

Infrea is divesting its Water & Sewage segment to Norva24. The segment is rather small, at ~7% of '25e revenue and 16% of '25e EBITA. The segment consists of two companies: Cleanpipe and Cija Tank. Norva24 will pay SEK 143m in cash upon completion and the transaction has to be approved by authorities, with approval expected by end-December. The divestment will generate a capital gain of ~SEK 40m and reduce Infrea's net debt by approximately SEK 180m after transaction costs, Infrea reported net debt of SEK 207m in Q3'25. At the end of the year, net debt will thus be significantly lower than Infrea's target of net debt of 1.5x EBITDA. The divestment means that pro forma EBITA for the rolling 12 months as of 30 September 2025 will decrease by SEK 13.7m.

Looking forward

The divestment is reasonable for Infrea. The Water & Sewage segment has above-group average margins but works differently than the other segments. The W&S business is more of a "taxi car", where you have to focus on utilisation to keep up margins, whereas the other companies in the group are more traditional civil engineering and asphaltting companies. As such, we think there are no operational synergies involved in Infrea retaining the W&S companies, and the divestment to pure-play water & sewage group Norva24 makes sense. Norva24 is paying an EV/EBITA multiple of ~16x on our '25e estimates, while Infrea is trading at ~8x. The transaction will lower net debt to SEK 27m, and with seasonal strong CF in Q4, we think Infrea could have net cash when the transaction is paid. This further strengthens our belief that Infrea can start focusing on growth through acquisitions.

Fast comment

Commissioned research

Not rated

Services

INFREA-SE/INFREA SS

Share price (SEK)	3/12/2025	12.80
MCap (SEKm)		385
MCap (EURm)		35
No. of shares (m)		30.1
Free float (%)		59.4
Av. daily volume (k)		5

Next event Q4 Report 17 February 2026

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SEKm	2023	2024	2025e	2026e	2027e
Sales	2,014	2,078	2,236	2,312	2,373
Sales growth (%)	-3.6	3.2	7.6	3.4	2.6
EBITDA					
EBITDA margin (%)	0.0	0.0	0.0	0.0	0.0
EBIT adj.	13	15	54	70	79
EBIT adj. margin (%)	0.6	0.7	2.4	3.0	3.3
Pretax profit	13	15	54	70	79
EPS	-0.39	-0.26	0.68	1.55	1.84
EPS growth (%)	nm	-32.1	nm	nm	18.8
EPS adj.					
DPS					
EV/EBITDA (x)	--	--	--	--	--
EV/EBIT adj. (x)	0.0	0.0	0.0	0.0	0.0
P/E (x)	nm	nm	18.7	8.3	7.0
P/E adj. (x)	--	--	--	--	--
EV/sales (x)	0.00	0.00	0.00	0.00	0.00
FCF yield (%)	0.0	0.0	0.0	0.0	0.0
Le. adj. FCF yld. (%)	0.0	0.0	0.0	0.0	0.0
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Net IB debt/EBITDA (x)	--	--	--	--	--
Le. adj. ND/EBITDA (x)	--	--	--	--	--

Source: ABG Sundal Collier, Company Data

Analyst Certification

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