ABG SUNDAL COLLIER

Infrea

Fast comment

A quarter in the right direction

- Sales -5%, adj. EBITA +25% vs. ABGSCe, 0% org. growth
- '25e-'27e adj. EBITA estimates likely up 8-15%
- Share to focus on the margin improvment

Q3 details

Infrea delivered a solid report with sales flat y-o-y, but a high margin driven by paving services. Sales came in at SEK 531m (-5% vs. ABGSCe), 0% y-o-y of which +0% organic (ABGSCe +7%, +8% Q2'25), driven by paving services, partly offset by land & construction. Adj. EBITA grew SEK 12m y-o-y to SEK 34m (+25%, SEK +7m, vs. ABGSCe), for a margin of 6.2% (ABGSCe 4.7%, 4.1% Q3'24) driven by good result in Asfaltsgruppen. Looking at y-o-y development, we see positive development in all segments. There is a SEK 0.9m one off cost in due to the divestment of Mikaels Grävjänst which was on our estimates.

Estimate changes and outlook

Looking ahead, management is not providing a formal outlook. However, they acknowledge that the market remains challenging. Nevertheless, we consider Infrea's strong margin and positive internal development to be signs that it is navigating the market well. We expect estimates for '25e-'27e adj. EBITA to mechanically come up by 10-15%.

Final thoughts

A solid report with ales in line with expectations and strong profitability. The share has outperformed the broader market into numbers (4% L1M vs. OMXSGI 0%) and is trading at 10-6x EBITA '25e-'27e. We believe that the market will recognise the positive margin development resulting from Infrea's hard internal work.

Commissioned research

Not rated

Services

INFREA-SE/INFREA SS

Share price (SEK)	6/11/2025	12.70
MCap (SEKm)		382
MCap (EURm)		35
No. of shares (m)		30.1
Free float (%)		59.4
Av. daily volume (k)		5

Next event Q3 Report 7 November 2025

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Outcome vs. expectations

Deviation table	LY	Actual		ABGSCe	
SEKm	**Q3'24**	**Q3'25**	**y-o-y**	**Q3'25e**	**Dev**
Net sales	**533**	**531**	**0%**	**558**	**-5%**
Adj. EBITA	**22**	**34**	**54%**	**27**	**25%**
IAC	0	-1		-1	
EBITA	**22**	**33**	**50%**	**26**	**27%**
PPA amortisation	0	0		0	
EBIT	**7**	**33**	**375%**	**26**	**26%**
Net financials	-5	-4		-4	
PTP	**2**	**29**	**1522%**	**22**	**32%**
Taxes	-4	-6		-5	
Net profit	**-2**	**23**	**-1441%**	**18**	**30%**
Growth and margins	**Q3'24**	**Q3'25**	**y-o-y**	**Q3'25e**	**Dev**
Sales growth	**1%**	**0%**		**5%**	
Organic	1%	0%		7%	
FX	0%	0%		0%	
Structure	0%	0%		-2%	
Adj. EBITA growth	**20%**	**54%**		**23%**	
Adj. EBITA margin	**4.1%**	**6.4%**	**2.2%**	**4.8%**	**1.5%**
EBITA margin	4.1%	6.2%	2.1%	4.7%	1.5%
EBIT margin	1.3%	6.2%	4.9%	4.7%	1.5%
Sales per segment	**Q3'24**	**Q3'25**	**y-o-y**	**Q3'25e**	**Dev**
Land & Construction	348	314	-10%	365	-14%
Paving services	146	179	23%	148	20%
Water & Sewage	39	42	6%	39	6%
Corporate	0	-4		5	
Group	**533**	**531**	**0%**	**558**	**-5%**
EBITA per segment	**Q3'24**	**Q3'25**	**y-o-y**	**Q3'25e**	**Dev**
Land & Construction	8	10	29%	10	1%
Paving services	11	21	88%	13	63%
Water & Sewage	3	4	24%	3	15%
Corporate	0	-2		0	
Group	**22**	**33**	**50%**	**26**	**27%**
Margins per segment	**Q3'24**	**Q3'25**	**y-o-y**	**Q3'25e**	**Dev**
Land & Construction	2.3%	3.3%	1.0%	2.8%	0.5%
Paving services	7.5%	11.5%	4.0%	8.5%	3.0%
Water & Sewage	7.4%	8.7%	1.3%	8.0%	0.7%
Group	**4.1%**	**6.2%**	**2.1%**	**4.7%**	**1.5%**

Source: ABG Sundal Collier, company data

SEKm	2023	2024	2025e	2026e	2027e
Sales	2,014	2,078	2,265	2,329	2,389
Sales growth (%)	*-3.6*	*3.2*	*9.0*	*2.8*	*2.6*
EBITDA	97	121	144	153	169
EBITDA margin (%)	*4.8*	*5.8*	*6.4*	*6.6*	*7.1*
EBIT adj.	13	30	48	60	74
EBIT adj. margin (%)	*0.6*	*1.4*	*2.1*	*2.6*	*3.1*
Pretax profit	-8	-5	20	47	62
EPS	-0.39	-0.26	0.44	1.24	1.65
EPS adj.	-0.37	0.50	0.73	1.24	1.65
DPS	0.00	0.50	0.50	0.50	0.50
EV/EBITDA (x)	6.1	4.8	3.9	3.4	2.8
EV/EBIT adj. (x)	47.2	19.4	11.5	8.6	6.3
P/E (x)	nm	nm	28.9	10.3	7.7
P/E adj. (x)	nm	25.3	17.5	10.3	7.7
EV/sales (x)	0.29	0.28	0.25	0.22	0.20
FCF yield (%)	10.3	24.3	25.5	30.8	33.8
Le. adj. FCF yld. (%)	-13.1	10.0	10.3	14.5	16.5
Dividend yield (%)	0.0	3.9	3.9	3.9	3.9
Net IB debt/EBITDA (x)	3.4	1.7	1.2	0.9	0.5
Le. adj. ND/EBITDA (x)	3.3	0.6	0.1	-0.4	-0.9

Source: ABG Sundal Collier, Company Data

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