

Infrea

Feedback from ABGSC's Investor Days

- We expect Civil Engineering spending to rise
- Taking advantages from being part of a group
- 7-4x EBITA '26e-'28e, 17-13% FCF yields

Civil engineering on the rise

On Thursday we hosted Infrea's CEO, Martin Reinholdsson, at ABGSC's Investor Days. Mr. Reinholdsson opened by placing Infrea in the context of the infrastructure investment surge currently taking place in Sweden. Interestingly, it has been talked about for years but has not really materialised. However, according to Veidekke's half-yearly market report, 2026 is the year it will take off. Infrea appears well positioned to capture growth from increased defence spending in roads and civil engineering, as well as from increasing demand for energy, water and sewerage infrastructure.

The benefits of being part of a group

Infrea has also made meaningful progress on internal efficiency. A key part of its journey in recent years has been improving knowledge sharing across the group companies, including best practices and practical tips. This is an effort that Infrea's management has been undertaking for some time, and the benefits are now becoming visible. For example, with the Middle East situation pushing fuel prices higher, Infrea can share approaches to indexation across the group to offset the impact, something standalone small companies would find harder to do on their own. AI is another area where the group is increasingly benefiting from its scale.

Margins to improve and FCF to stabilise

We believe that Infrea is well positioned to grow organically and improve margins, given its exposure to underlying demand and to public customers (~55%), as well as support from M&A (13% sales CAGR in '21-'24). For '25-'28e, we expect Infrea to deliver profitability growth and FCF above peers, but with slightly lower margins and sales growth. The share is trading at 7-4x adj. EBITA on '26e-'28e with a 17-13% lease-adj. FCF yield, while peers are trading at 7-6x.

Fast comment

Commissioned research

Not rated

Services

INFREA-SE/INFREA SS

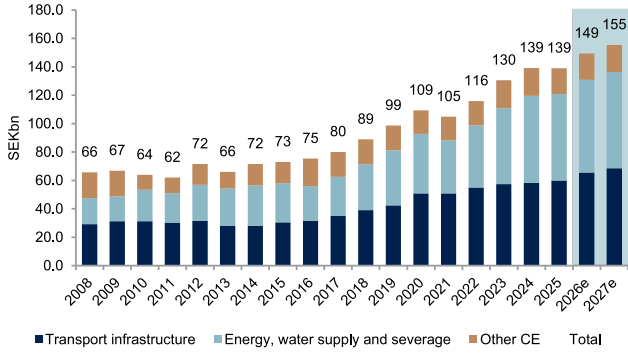
Share price (SEK)	20/5/2026	14.65
MCap (SEKm)		441
MCap (EURm)		41
No. of shares (m)		30.1
Free float (%)		59.4
Av. daily volume (k)		5

Next event Q2 report 17 July 2026

Analyst(s):

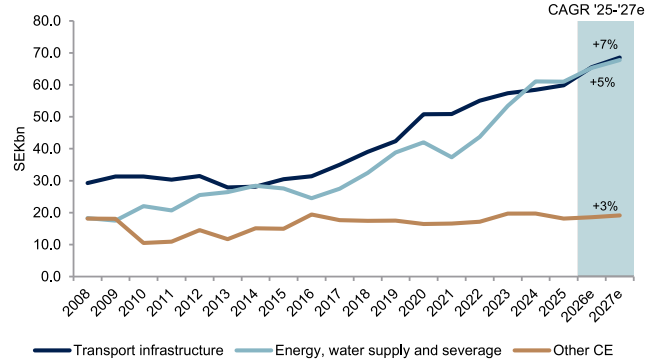
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Sweden civil engineering market



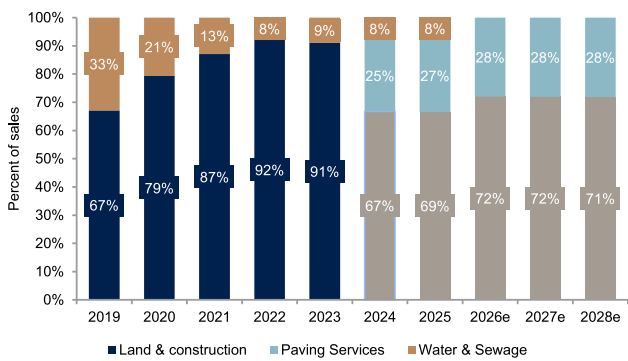
Source: ABG Sundal Collier, Veidekke market report

Sweden civil engineering market CAGR



Source: ABG Sundal Collier, Veidekke market report

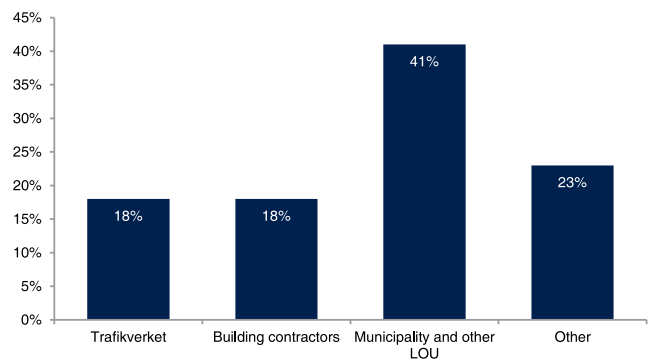
Sales split per segment



Source: ABG Sundal Collier, Company data.

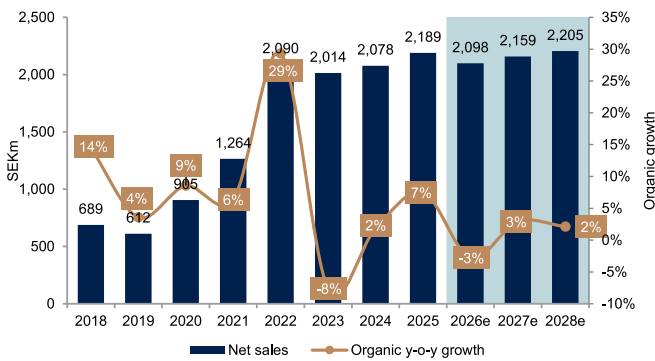
Footnote: *From 2024 Land & Construction is divided into two segments; Paving Services and Land & Construction.

Consumer split (ABGSCe)



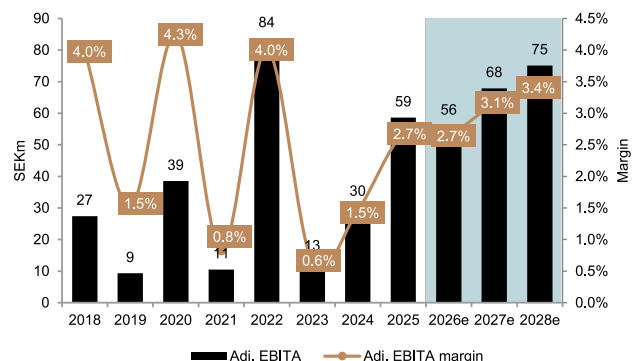
Source: ABG Sundal Collier, Company data

Sales & organic growth



Source: ABG Sundal Collier, Company data.

Adj. EBITA & margin



Source: ABG Sundal Collier, Company data.

SEKm	2024	2025	2026e	2027e	2028e
Sales	2,078	2,189	2,098	2,159	2,205
Sales growth (%)	3.2	5.4	-4.2	2.9	2.1
EBITDA	121	131	125	141	152
EBITDA margin (%)	5.8	6.0	6.0	6.5	6.9
EBIT adj.	30	49	56	68	75
EBIT adj. margin (%)	1.4	2.2	2.7	3.1	3.4
Pretax profit	-5	12	50	64	73
EPS	-0.26	1.77	1.45	1.85	2.11
EPS growth (%)	-32.1	nm	-18.3	28.0	13.9
EPS adj.	0.50	1.98	1.45	1.85	2.11
DPS	0.50	0.65	0.70	0.75	0.80
EV/EBITDA (x)	5.3	3.3	3.2	2.6	2.2
EV/EBIT adj. (x)	21.4	8.9	7.1	5.4	4.4
P/E (x)	nm	8.3	10.1	7.9	6.9
P/E adj. (x)	29.2	7.4	10.1	7.9	6.9
EV/sales (x)	0.31	0.20	0.19	0.17	0.15
FCF yield (%)	21.1	46.5	29.9	26.6	28.8
Le. adj. FCF yld. (%)	8.7	33.2	16.8	12.5	13.7
Dividend yield (%)	3.4	4.4	4.8	5.1	5.5
Net IB debt/EBITDA (x)	1.7	-0.0	-0.0	-0.2	-0.5
Le. adj. ND/EBITDA (x)	0.6	-1.2	-1.2	-1.4	-1.6

Source: ABG Sundal Collier, Company Data

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