

Prevas

Feedback from ABGSC's Investor Days

- Maintaining long-term partnerships
- Defence continues to be a fast-growing sector
- Trading ~20% below avg. peers for '26e

Overview of Prevas

Today at Investor Days, we hosted Prevas CEO Magnus Welén at ABGSC. Founded in 1985, Prevas is a technical consultancy company focused on product and production development. The company works closely with its customers, and has long-term partnerships with e.g. Hexagon. But the company's reach is broader than that, and its end markets include engineering, defence and energy. Its customers range from SAAB, ABB, Atlas Copco and Ericsson to Hitachi and Axis Communications.

Key takeaways from the presentation

As Mr. Welén mentioned during the presentation, the company has undergone extensive changes over the past couple of years. This includes decentralising the organisation and increasing responsibility per FTE, which has improved profitability over time. Another key change is that Prevas has established and positioned itself as a Nordic player in the market (supported by last year's acquisition of Enmac). When discussing product development, Mr Welén highlighted a product developed together with PolarCool, which cools the brain after a concussion, reducing the risk of injury, which is one of ~15,000 products the company has developed in total. As also noted, the company holds licences from partners, providing recurring revenue.

Looking ahead to 2026

Looking ahead, we believe 1) That the market in Denmark (~10% of sales) will continue to be challenging, as many large companies have laid off employees, creating an oversupply of engineers. We expect Prevas to continue adapting and adjusting its cost base in line with market demand. 2) In Finland, profitability was reached in Q3'25, following recent cost-cutting and stronger sales focus. However, we still believe the market will remain challenging in the near term. 3) In Sweden, Prevas has recently acquired OIM, strengthening its position in southern Sweden, particularly within the medtech division. Overall, the company continues to grow in the defence sector, up 33% y-o-y in Q3'25, a trend we expect to remain a key growth driver for the group. Prevas is trading at 8x EV/EBITA for '26e, which is ~20% below average peers.

Fast comment

Commissioned research

Not rated

Services

PREV.B-SE/PREVB SS

Share price (SEK)	4/12/2025	86.10
MCap (SEKm)		1,109
MCap (EURm)		101
No. of shares (m)		12.5
Free float (%)		52.5
Av. daily volume (k)		77

Next event Q4 Report 10 February 2026

Analyst:

dafina.shehu@abgsc.se, +46 8 566 286 59

SEKm	2023	2024	2025e	2026e	2027e
Sales	1,483	1,587	1,634	1,716	1,832
Sales growth (%)	12.0	7.0	3.0	5.0	6.7
EBITDA	205	175	171	209	253
EBITDA margin (%)	13.8	11.0	10.5	12.2	13.8
EBIT adj.	165	138	113	155	194
EBIT adj. margin (%)	11.1	8.7	6.9	9.0	10.6
Pretax profit	160	120	99	146	181
EPS	9.47	7.20	6.03	9.02	11.18
EPS growth (%)	-0.7	-24.0	-16.2	49.6	24.0
EPS adj.	10.24	8.79	7.09	10.16	12.42
DPS	4.75	4.75	3.74	4.96	5.59
EV/EBITDA (x)	5.4	8.3	8.6	6.7	5.2
EV/EBIT adj. (x)	6.7	10.5	12.9	9.0	6.8
P/E (x)	9.1	12.0	14.3	9.5	7.7
P/E adj. (x)	8.4	9.8	12.1	8.5	6.9
EV/sales (x)	0.74	0.92	0.90	0.81	0.72
FCF yield (%)	13.6	-5.7	9.0	13.8	16.4
Le. adj. FCF yld. (%)	10.8	-8.8	5.8	10.7	12.9
Dividend yield (%)	5.5	5.5	4.3	5.8	6.5
Net IB debt/EBITDA (x)	-0.2	1.7	1.7	1.1	0.6
Le. adj. ND/EBITDA (x)	-0.5	0.9	1.0	0.4	-0.1

Source: ABG Sundal Collier, Company Data

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Norway

Ruseløkkveien 26, 8th floor
0251 Oslo
Norway
Tel: +47 22 01 60 00
Fax: +47 22 01 60 60

Denmark

Forbindelsesvej 12,
2100 Copenhagen
Denmark
Tel: +45 35 46 61 00
Fax: +45 35 46 61 10

Sweden

Regeringsgatan 25, 8th floor
111 53 Stockholm
Sweden
Tel: +46 8 566 286 00
Fax: +46 8 566 286 01

United Kingdom

10 Paternoster Row, 5th floor
London EC4M 7EJ
UK
Tel: +44 20 7905 5600
Fax: +44 20 7905 5601

USA

140 Broadway, Suite 4604
New York, NY 10005
USA
Tel. +1 212 605 3800
Fax. +1 212 605 3801

Singapore

10 Collyer Quay
Ocean Financial Center
#40-07, Singapore 049315
Tel +65 6808 6082

Germany

Schillerstrasse 2, 5. OG
60313 Frankfurt
Germany
Tel +49 69 96 86 96 0
Fax +49 69 96 86 96 99

Switzerland

ABG Sundal Collier AG
Representative Office
Schwanenplatz 4
6004 Lucerne
Switzerland
Tel +41 79 502 33 39