

StrongPoint

Decent from StrongPoint

- Q3 EBITDA NOK 14m vs ABGSCe NOK 9m
- Awaiting stabilised markets
- Only minor adjustments to estimates expected

Q3: EBITDA of NOK 14m vs ABGSCe NOK 9m

Sales increased 2% y-o-y, driven by strong development in the UK and Ireland (127% growth). Total revenues came in at NOK 320m, vs our NOK 358m. GP was -4% vs. our estimate, but StrongPoint had a solid GM of 45% (ABG 42.0%). EBITDA came in at NOK 14m vs. ABGSCe NOK 9m, on higher gross margin. The EBITDA margin landed at 4.3% (vs. ABGSCe 2.5%). This is up y-o-y (Q3'24 3.9%). EPS came in at NOK 0.38 vs. ABGSCe NOK 0.31. Cash flow from operations was stronger compared to Q2, at NOK 23m vs NOK 20m. Net debt came in at NOK 44.9m vs NOK 73.6m in Q2. No changes on outlook: StrongPoint states that they see continued improvement in both EBITDA and recurring revenue. The long term ambitions are healthy revenue growth and an EBITDA margin >10%.

Awaiting stabilised markets

The EBITDA margin is still pressed at ~2.7% (LTM), which compares to the company's long-term target of an EBITDA margin >10%. It remains a waiting game, but performance has improved in '25, with LTM EBITDA of NOK 36m. StrongPoint has now delivered five consecutive quarters of positive EBITDA, which is a step in the right direction from the negative results in Q4'23-Q2'24. Although a small positive, we see this as an encouraging development, and may indicate that the worst has past. With disposable funds of NOK 112m, we argue StrongPoint is in a decent position to await improved markets.

Estimates largely unchanged

The markets remain challenging, but estimates have already come down, and are thus likely to remain largely unchanged.

Fast comment

Commissioned research

Not rated

IT

STRO-NO/STRONG NO

Share price (NOK)	22/10/2025	9.76
MCap (NOKm)		438
MCap (EURm)		38
No. of shares (m)		44.9
Free float (%)		46.0
Av. daily volume (k)		25

Next event Q3 Report 23 October 2025

Analyst(s):

petter.nystrom@abgsc.no, +47 22 01 61 35
 henrik.bartnes@abgsc.no, +47 22 01 61 90

Deviation table

P&L, NOKm	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	ABGSC Q3'25e	vs. ABGSC % Δ	
Revenues	293	331	359	297	313	340	347	350	320	358	-11%	-38
Gross profit	129	132	130	132	134	134	146	153	144	150	-4%	-6
Clean opex	-123	-135	-136	-131	-122	-129	-136	-146	-130	-141	-8%	11
Adj. EBITDA	7	-3	-6	1	12	5	10	7	14	9	52%	5
Non-rec. costs	-3	-18	0	-10	0	0	0	0	0	0	n.a.	0
EBITDA	4	-21	-6	-9	12	5	10	7	14	9	54%	5
D&A	-9	-10	-11	-10	-10	-10	-10	-11	-11	-10	2%	0
EBIT	-5	-31	-17	-20	2	-5	-0	-3	3	-1	346%	4
Net finance	-8	-7	2	-8	2	-3	-11	-1	15	19	23%	-4
Taxes	4	9	3	6	-1	6	3	1	-1	-4	84%	3
Net profit	-9	-29	-11	-21	3	-2	-8	-3	17	13.7	24%	3
EPS, reported	-0.21	-0.65	-0.25	-0.47	0.06	-0.05	-0.19	-0.07	0.38	0.31	24%	0.07
Revenue growth, %					7%	3%	-3%	18%	2%	14%	-12%	-
- Product sales, growth %					36%	4%	-13%	27%	8%	12%	-5%	-
- Service rev., growth %					-10%	2%	8%	11%	7%	16%	-9%	-
Gross margin, %	44.2%	40.0%	36.2%	44.6%	42.7%	39.4%	42.2%	43.7%	45.0%	42.0%	3.0%	-
Clean opex/sales, %	-41.8%	-40.8%	-37.9%	-44.2%	-38.8%	-37.9%	-39.3%	-41.5%	-40.7%	-39.5%	-1.2%	-
Adj. EBITDA margin, %	2.4%	-0.8%	-1.7%	0.3%	3.9%	1.5%	2.9%	2.1%	4.3%	2.5%	1.8%	-

Source: ABG Sundal Collier, Company data

NOKm	2023	2024	2025e	2026e	2027e
Sales	1,343	1,309	1,427	1,583	1,779
<i>Sales growth (%)</i>	-2.2	-2.5	9.0	11.0	12.4
EBITDA	-1	2	35	62	96
<i>EBITDA margin (%)</i>	-0.1	0.2	2.4	3.9	5.4
EBIT adj.	-18	-29	-7	19	52
<i>EBIT adj. margin (%)</i>	-1.3	-2.2	-0.5	1.2	2.9
Pretax profit	-45	-47	-3	10	43
EPS	-0.76	-0.71	-0.04	0.18	0.75
<i>EPS growth (%)</i>	<i>nm</i>	-6.9	-94.9	<i>nm</i>	<i>nm</i>
EPS adj.	-0.25	-0.53	-0.04	0.18	0.75
DPS	0.00	0.00	0.00	0.00	0.00
EV/EBITDA (x)	-592.3	250.8	14.2	8.0	4.9
EV/EBIT adj. (x)	-33.1	-18.6	-74.1	26.0	8.9
P/E (x)	nm	nm	nm	54.1	12.9
P/E adj. (x)	nm	nm	nm	54.1	12.9
EV/sales (x)	0.45	0.42	0.35	0.32	0.26
FCF yield (%)	-2.9	12.2	4.3	5.1	13.1
Le. adj. FCF yld. (%)	-2.9	12.2	4.3	5.1	13.1
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Net IB debt/EBITDA (x)	-163.8	51.4	1.8	1.1	0.3
Le. adj. ND/EBITDA (x)	-74.5	-1.7	-2.0	-0.5	-0.7

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