Teleste

Post-results report Q1 2026

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Growth needed

- **Teleste's profitability has risen to a reasonable level as a result of a stronger gross margin and good cost control. We expect that sales will turn to a growth trajectory after two subdued quarters and that growth will gain momentum in H2. The markets are currently facing certain headwinds (the Middle East crisis and operator merger), but these challenges will eventually fade away. We reiterate our Accumulate recommendation and our target price of EUR 4.10.**
- **Q1 earnings:** Teleste's sales were flat YoY, which was disappointing. Networks' sales increased 4% (YoY), but the sales of Public Safety and Mobility decreased 7%, which reduced growth to zero. In spite of subdued sales, adjusted EBITDA increased (YoY) as a result of a higher gross margin and good cost control. Orders received decreased 16% compared with the solid comparison period and order backlog at the end of Q1 was 5% below the level in 2025. The order backlog of Public Safety and Mobility is at the comparison period's level and the outlook is therefore stable. In Networks, the order backlog is 23% lower YoY, but the management is confident that orders will recover during the rest of the year.
- **Guidance and outlook**: Full-year guidance is repeated: sales are estimated to amount to EUR 140–160m and adjusted EBIT is expected to be EUR 7–10m. A key uncertainty factor is the progress of operators' investments in North America. Charter is acquiring Cox, which is carrying out a DOCSIS 4.0 roll-out with Teleste. Charter has suffered sizeable customer losses (0.5 million) in broadband in the past 12 months, and there is an apparent need for a higher quality network. We estimate that price hikes are difficult to justify without added value to customers, and competitors' FWA is an easy alternative for Charter's customers. Teleste has a foot in the door through Cox, but the future will tell whether Teleste can also renew Charter's network with 29.6 million subscribers. In Canada, the update of Rogers' network is progressing but volumes were moderate in Q1.
- **Accumulate, EUR 4.10**: Our target price is based on an EV/EBIT multiple of 10x (2026e) and 8x (2027e) with 75/25 weights (prev. 50/50).

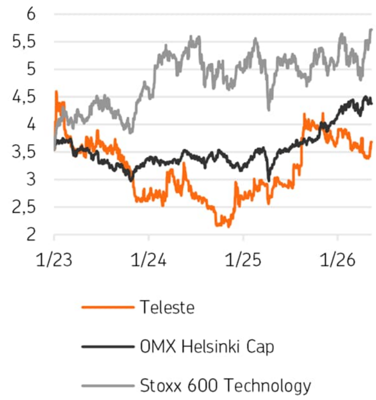
Teleste						
EURm	2023	2024	2025	2026e	2027e	2028e
Sales	151	133	139	147	159	169
Sales growth (%)	-8 %	-12 %	5 %	6 %	8 %	7 %
EBIT, reported	-0.5	-5.4	6.8	9.2	12.1	15.5
EBIT, adjusted	1.2	4.2	7.1	9.3	12.1	15.5
EBIT, adjusted (%)	1 %	3 %	5 %	6 %	8 %	9 %
PTP	-2	-7	3	8	11	14
EPS	0.09	0.20	0.15	0.35	0.46	0.62
DPS	0.00	0.03	0.08	0.10	0.12	0.12
Yield (%)	-	1.1 %	2.2 %	2.7 %	3.2 %	3.2 %
EV/Sales	0.5	0.6	0.6	0.6	0.5	0.4
EV/EBITDA	-	-	7.5	6.1	4.8	3.6
EV/EBIT	71.5	18.1	12.7	9.4	6.8	4.8
P/E	-	13.2	25.2	10.6	8.0	6.0
P/B	0.8	0.9	1.2	1.1	1.0	0.9
ROE	2 %	6 %	5 %	11 %	13 %	15 %
ROCE	1 %	7 %	8 %	10 %	12 %	15 %
Equity ratio	46 %	45 %	47 %	49 %	51 %	53 %
Gearing	52 %	46 %	34 %	27 %	17 %	6 %

Source: OP Markets

Recommendation	ACCUMULATE
	Unchanged
Target price (€)	4,10
	Unchanged

Price (€)*	3,68
High (12m)	4,28
Low (12m)	2,71
Market cap (M€)	70
Index weight	0 %
Beta	0,56
Ticker	TLT1V
Next report date	14.8.2026

Performance	1m	3m	12m
Price (€)	3,50	3,75	2,98
Price change	5,1 %	-1,9 %	23,5 %
Total return	5,1 %	-1,9 %	24,8 %



Source: OP Markets, Bloomberg, *) as of 8.5.

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Investment case

- **Cable network market growth.** Demand in the Broadband Networks business area is expected to increase considerably in the next couple of years. Cable operators are adopting a new DOCSIS 4.0 technology and a distributed architecture, which enables higher connection speeds (10 Gbit/s) than previously in cable networks. We estimate that growth in the cable network market will be modest over a slightly longer period, as operators' investments are mainly focused on fibre optics.
- **Urbanisation.** Migration to large cities continues globally. Public transport services are expanding in cities, and at the same time, comprehensive video surveillance solutions are increasing in urban centres and public spaces. These megatrends offer a good growth platform for the Public Safety and Mobility business.
- **Long-term outlook.** Teleste has 70 years of experience in the technology sector, and so far, the company has managed to navigate successfully in the changing market. Globally, Teleste is a small company (600 employees, market cap of less than EUR 100m) and it has limited resources to invest in new technologies. There is no room for any major missteps in technological choices.

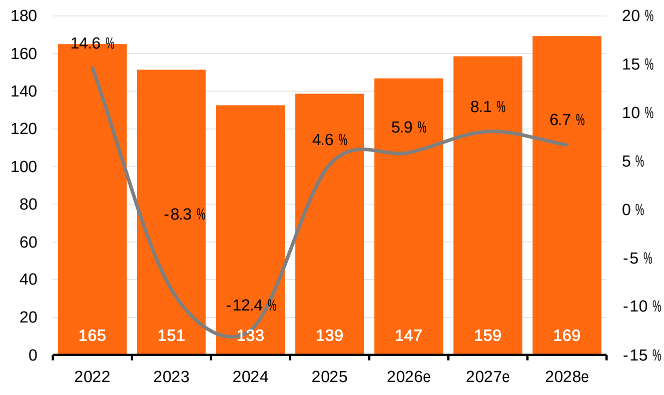
Drivers

- **North American market**. Teleste has substantial growth potential in the North American market and it is in a good position to become a major player. Tariffs could cause headwind in the short term.
- **Earnings growth enables investments.** The upcoming growth phase generates clear earnings growth in our forecasts, allowing Teleste to invest in new technologies or technologies which supplement the current product offering.
- **Acquisitions.** Teleste may have the opportunity to exit from the Broadband Networks business at a good valuation if the company manages to optimally leverage the upcoming growth cycle.

Risks

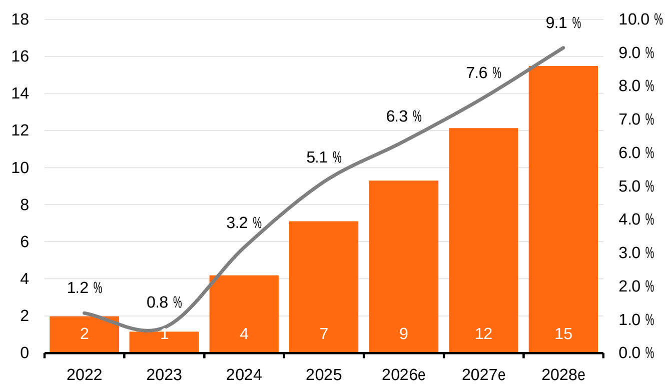
- **Technological performance.** Optical fibre will be the dominant connection technology in the long term. The underlying market of Broadband Networks may decline notably in the long term.
- **Failure in technological choices.** We estimate that Teleste needs to find new cornerstones for its current portfolio in the long term.
- **Balance sheet.** We expect net debt to decrease considerably in the coming years. However, the company's debt burden may remain unnecessarily high if the projected earnings growth does not materialise. A significant share of equity consists of goodwill and intangible assets.

Teleste - Sales and growth 2023-2028E



Source: OP Markets

Teleste - EBIT 2022-2028E



Source: OP Markets

Financial targets for 2025–2030

In April 2025, Teleste published its long-term financial targets extending until 2030.

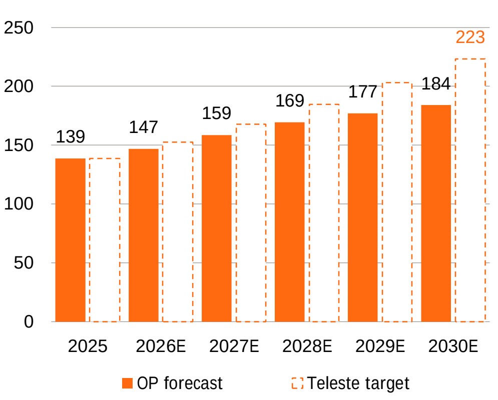
- **Growth target**: Revenue is expected to grow by an average of 10% annually until 2030. There may be variations between individual years.
- **Profitability target**: Adjusted operating profit margin is between 7–12%.
- **Business segments**: Both business segments (Networks and Public Safety and Mobility) are expected to grow profitably.

The targets are ambitious in relation to Teleste's historical performance in terms of both growth and profitability. However, market conditions have been challenging, in particular in the Networks business, as the start of the new investment cycle has been delayed. In 2023, Teleste divested the engineering and service operations of its Networks business in Switzerland to the local management and a private equity investor. The annual revenue of the divested business was approximately EUR 5m. However, the divestment did not have a significant impact on profitability.

The underlying market of Networks has turned to growth, and taking this into account, we consider the business growth target realistic, even though growth in 2025 was below 5% throughout the group.

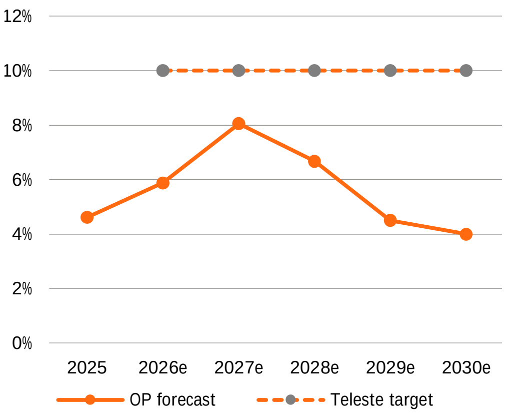
If we assume that revenue grows linearly over the strategy period, Teleste will reach revenue of EUR 223m by 2030. OP's forecast is more moderate than the target level, and we expect that the growth rate will slow down particularly towards the end of the strategy period.

Teleste - Net sales 2025-2030E (EURm)



Source: Teleste, OP Markets

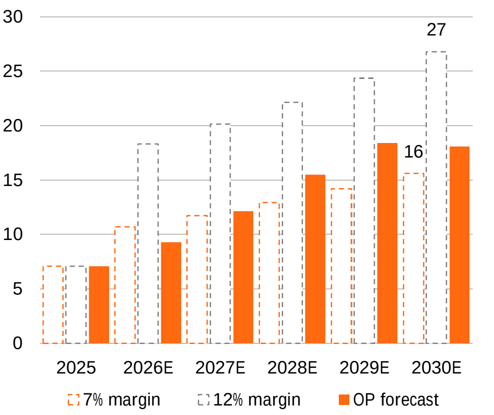
Teleste - Sales growth 2025-2030E



Source: OP Markets

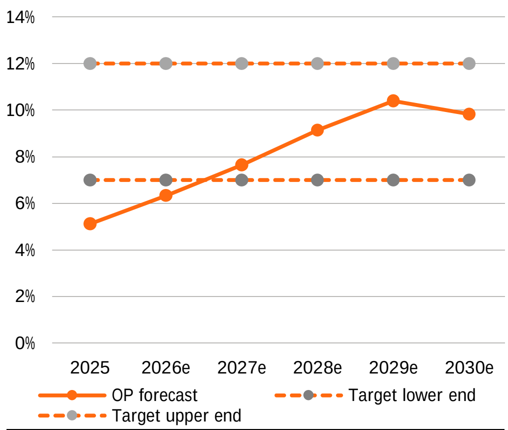
In our opinion, the profitability target is moderate in relation to sales growth. Teleste's gross margin has been around 50% for a long time, but it has now risen to 54%, which provides more room for earnings growth. However, business volume growth will probably require investments, which means that profitability will improve at a rather moderate rate. The robust business growth will generate operating profit in 2030 which will be in the range of EUR 16m at the lower end and EUR 27m at the upper end (with margin assumptions of 7–12%). Our forecast assumes that profitability will rise steadily with sales growth and reach a level of 10% in 2028.

Teleste - EBIT 2025-2030 (EURm)



Source: Teleste, OP Markets

Teleste - EBIT margin 2025-2030E



Source: OP Markets

Q1 results vs. forecasts

Teleste: Actual vs. estimates

	Actual	Estimates	Actual vs. estimates	Comp. period	
EURm	Q4/25	OP	OP	Q4/24	y/y
Sales					
Networks	20.2	21.4	-5 %	19.4	4 %
Public Safety and Mobility	11.9	13.4	-11 %	12.7	-7 %
Sales total	**32.2**	**34.7**	**-7 %**	**32.2**	**0 %**
EBITDA	3.1	2.8	11 %	2.7	14 %
EBIT	**1.8**	**1.6**	**16 %**	**1.5**	**24 %**
EBIT margin	**5.6 %**	**4.5 %**		**4.5 %**	
EPS	**0.07**	**0.05**	**41 %**	**0.03**	**134 %**

Source: OP Markets, FactSet

Forecast revisions 2026–2028

Forecast revisions

	2026e			2027e			2028e		
EURm	New	Old	Diff.	New	Old	Diff.	New	Old	Diff.
Sales									
Networks	90	92	-2 %	99	101	-2 %	106	109	-2 %
Public Safety and Mobility	57	59	-2 %	60	62	-2 %	63	64	-2 %
	-	-		-	-		-	-	
Sales	**147**	**150**	-2 %	**159**	**162**	-2 %	**169**	**173**	-2 %
EBIT	**9.3**	**8.7**	7 %	**12.1**	**12.5**	-3 %	**15.5**	**15.8**	-2 %
Margin	6.3 %	5.8 %		7.6 %	7.7 %		9.1 %	9.1 %	
EPS	**0.35**	**0.30**	15 %	**0.46**	**0.48**	-3 %	**0.62**	**0.63**	-2 %

Source: OP Markets

Earnings forecasts

Teleste								
EURm	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26e	3Q26e	4Q26e
Sales								
Networks	19.4	22.6	20.8	19.9	20.2	23.5	22.9	22.9
Public Safety and Mobility	12.7	13.2	13.6	16.2	11.9	13.6	14.2	17.5
Sales	**32.2**	**35.9**	**34.5**	**36.1**	**32.2**	**37.1**	**37.1**	**40.4**
Sales growth (YoY)								
Networks	-16.1 %	33.4 %	14.9 %	-0.5 %	4.3 %	4.0 %	10.0 %	15.0 %
Public Safety and Mobility	-5.2 %	5.4 %	15.7 %	-1.7 %	-6.5 %	2.5 %	4.0 %	8.0 %
Total	**-12.1 %**	**21.5 %**	**15.2 %**	**-1.0 %**	**0.0 %**	**3.4 %**	**7.6 %**	**11.9 %**
Gross profit	17.8	19.4	18.0	19.2	18.2	19.9	19.5	21.4
Gross margin	**55.3 %**	**54.2 %**	**52.2 %**	**53.2 %**	**56.4 %**	**53.5 %**	**52.5 %**	**53.0 %**
Personnel expenses	10.8	11.3	10.9	12.4	11.1	11.7	11.2	12.8
Other operating expenses	4.6	5.0	3.8	4.9	4.3	5.2	3.9	5.0
Depreciation and impairment	1.3	1.2	1.2	1.3	1.2	1.2	1.2	1.3
EBITDA	2.7	3.2	3.4	2.4	3.1	3.1	4.4	3.6
EBIT - reported	1.5	2.0	2.2	1.2	1.8	1.9	3.2	2.4
EBIT - adjusted	**1.5**	**2.2**	**2.3**	**1.2**	**1.9**	**1.9**	**3.2**	**2.4**
Margin								
EBITDA	8.4 %	9.0 %	9.8 %	6.7 %	9.5 %	8.4 %	11.8 %	9.0 %
EBIT - reported	4.5 %	5.6 %	6.3 %	3.3 %	5.5 %	5.1 %	8.5 %	5.9 %
EBIT - adjusted	**4.5 %**	**6.0 %**	**6.6 %**	**3.3 %**	**5.8 %**	**5.1 %**	**8.5 %**	**5.9 %**
PTP	0.6	0.1	1.6	0.8	1.5	1.6	2.9	2.1
Net profit	**0.6**	**0.3**	**1.3**	**0.4**	**1.4**	**1.3**	**2.3**	**1.7**
EPS	**0.03**	**0.02**	**0.07**	**0.02**	**0.07**	**0.07**	**0.12**	**0.09**

Source: OP Markets

Teleste						
EURm	2023	2024	2025	2026e	2027e	2028e
Sales						
Networks	92	78	83	90	99	106
Public Safety and Mobility	59	54	56	57	60	63
Sales	**151**	**133**	**139**	**147**	**159**	**169**
Sales growth (YoY)						
Networks	-	-15 %	6 %	8 %	10 %	8 %
Public Safety and Mobility	-	-8 %	3 %	2 %	5 %	4 %
Total	**-8 %**	**-12 %**	**5 %**	**6 %**	**8 %**	**7 %**
Gross profit	74	66	74	79	84	90
Gross margin	49 %	50 %	54 %	54 %	53 %	53 %
Personnel expenses	47.5	41.0	45.4	46.9	48.6	50.3
Other operating expenses	21.9	19.6	18.3	18.4	18.9	19.3
Depreciation and impairment	6.1	11.8	5.0	4.9	5.0	5.1
EBITDA	5.6	8.3	11.8	14.2	17.1	20.5
EBIT - reported	-0.5	-5.4	6.8	9.2	12.1	15.5
EBIT - adjusted	**1.2**	**4.2**	**7.1**	**9.3**	**12.1**	**15.5**
Margin						
EBITDA	3.7 %	6.3 %	8.5 %	9.7 %	10.8 %	12.1 %
EBIT - reported	-0.3 %	-4.1 %	4.9 %	6.3 %	7.6 %	9.1 %
EBIT - adjusted	**0.8 %**	**3.2 %**	**5.1 %**	**6.3 %**	**7.6 %**	**9.1 %**
PTP	-2.4	-7.0	3.0	8.0	10.7	14.3
Net profit	**-0.5**	**-6.1**	**2.6**	**6.6**	**8.8**	**11.7**
EPS	**0.09**	**0.20**	**0.15**	**0.35**	**0.46**	**0.62**

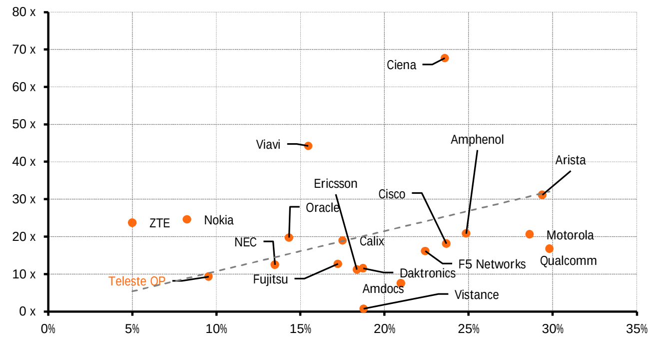
Source: OP Markets

Valuation

We determine Teleste's target price on the basis of the EV/EBIT multiple and forecasts for 2026–2027. The method is the same as for the other two network equipment manufacturers under our coverage (Nokia and Ericsson).

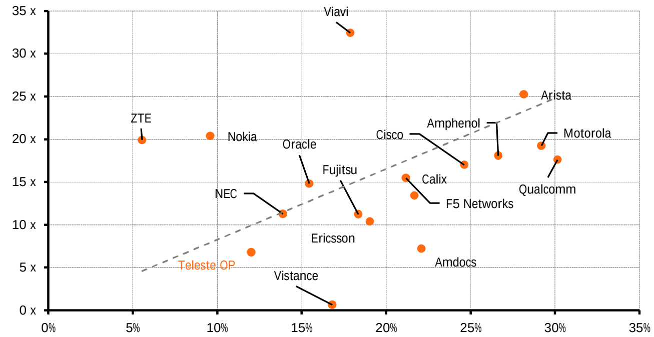
We have assessed Teleste's performance in relation to the peer group in terms of return on capital employed (ROCE), profitability (EBIT margin) and profitability + sales growth. Solid demand for optical networks has raised Ciena's valuation multiples to an exceptionally high level, and the same is also visible in the valuation multiples of Nokia and Arista.

EV/EBIT and ROCE 2026E



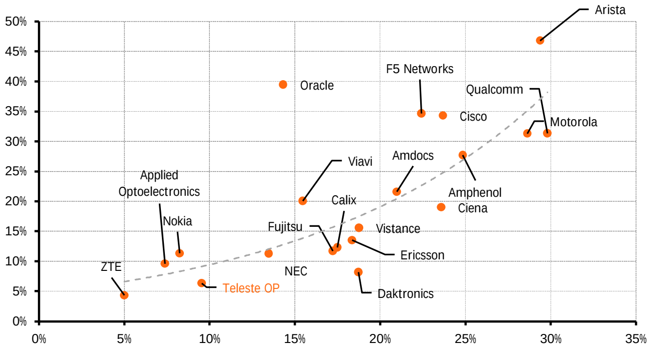
Source: FactSet

EV/EBIT and ROCE 2027E



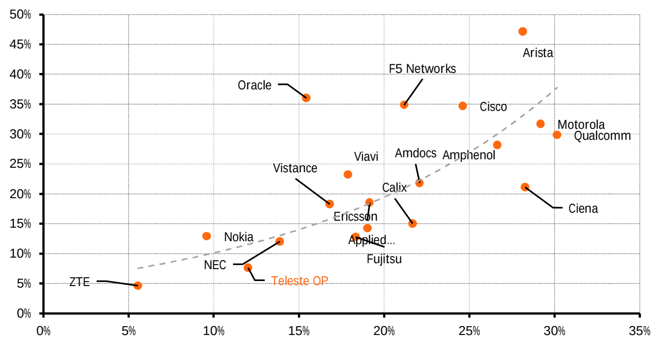
Source: FactSet

EBIT margin and ROCE 2026E



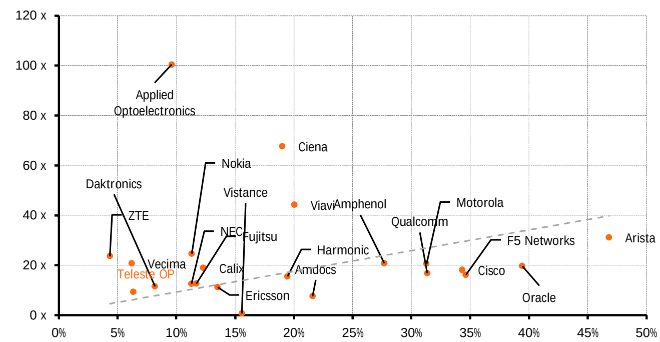
Source: FactSet

EBIT margin and ROCE 2027E



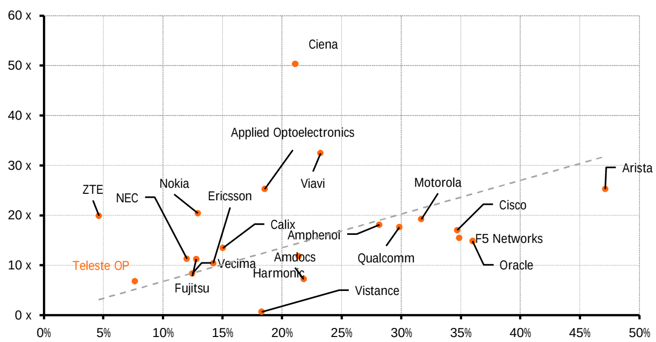
Source: FactSet

EV/EBIT and EBIT-% 2026E



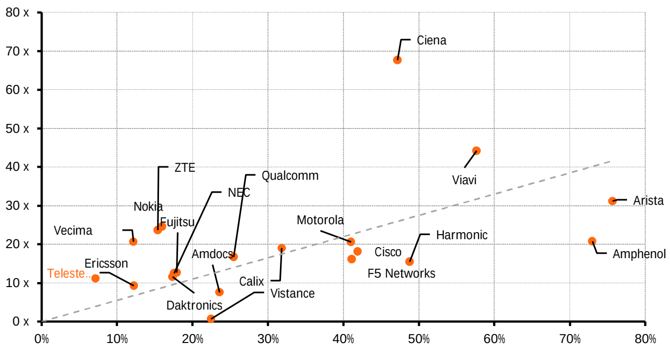
Source: FactSet

EV/EBIT and EBIT-% 2027E



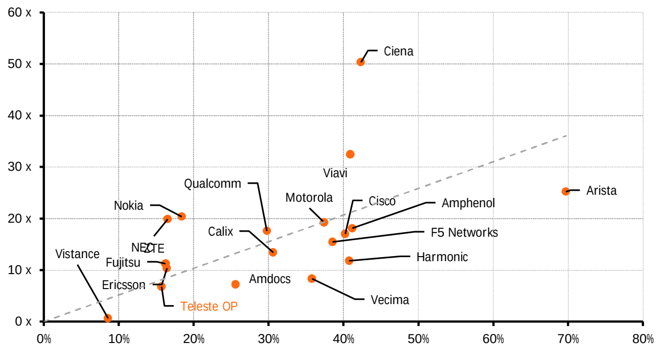
Source: FactSet

EV/EBIT and sales growth + EBIT margin 2026E



Source: FactSet

EV/EBIT and sales growth + EBIT margin 2027E



Source: FactSet

Target price EUR 4.10

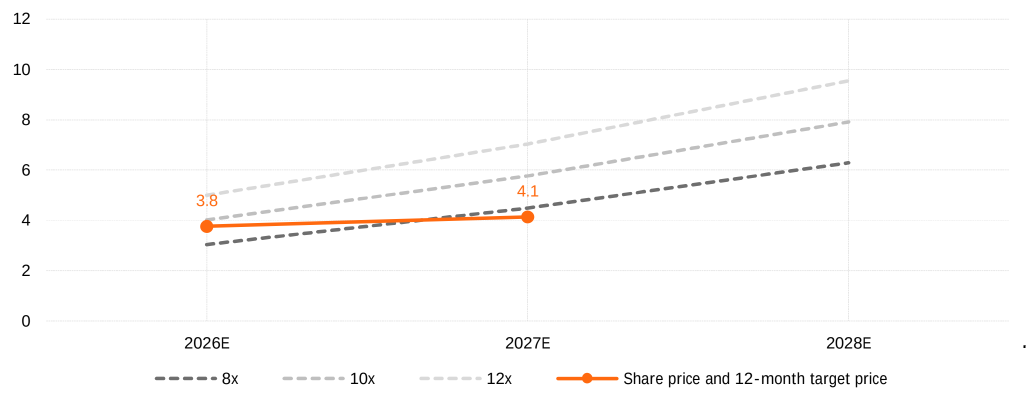
We estimate that the relevant valuation range for Teleste is 8–12x EV/EBIT based on the peer group’s figures. Our earnings forecast for 2026 and an EBIT multiple of 10x indicate a value of EUR 4.00 per share. We predict a sharp earnings improvement in 2027 and believe that a multiple at the lower end of the valuation range (8x) is justified at this point (EUR 4.50 per share). We issue 75/25 weights to these two values, which leads to a 12-month target price of EUR 4.10.

Teleste

EURm	2026E	2027E	2028E
EBIT	9	12	15
Net debt	17	12	4
EV/EBIT multiple and corresponding enterprise value			
8	58	85	119
10	76	109	150
12	95	134	181
Per share			
8x	3.0	4.5	6.3
10x	4.0	5.8	7.9
12x	5.0	7.0	9.5
Target price			**4.1**

Source: OP Markets

Teleste - Share value (EUR/share) on various valuation multiples and full-year forecasts



Source: OP Markets

Peer group valuation

Peer group

	MARKET	EV/EBIT		EV/EBITDA		P/E		SALES GROWTH		ROCE		EBIT-%	
	CAP (EUR)	2026	2027	2026	2027	2026	2027	2026	2027	2026	2027	2026	2027
Amdocs	5,950	7.6	7.2	6.3	6.1	8.7	8.1	2 %	4 %	21 %	22 %	21.6 %	21.8 %
Amphenol	142,714	20.8	18.1	17.2	15.4	28.8	24.6	45 %	13 %	25 %	27 %	27.7 %	28.2 %
Applied Optoelectronics	10,561	100.3	25.3	96.7		196.9	46.4	117 %	106 %	7 %	19 %	9.6 %	18.5 %
Arista	151,560	31.1	25.2	30.7	25.4	39.2	32.4	29 %	23 %	29 %	28 %	46.8 %	47.1 %
Calix	2,357	19.0	13.4	16.9	11.7	24.6	17.9	20 %	16 %	18 %	22 %	12.3 %	15.0 %
Ciena	64,685	67.7	50.3	60.0	46.8	88.0	63.7	28 %	21 %	24 %	28 %	19.0 %	21.1 %
Cisco	309,096	18.1	17.0	16.1	15.5	22.2	20.5	8 %	6 %	24 %	25 %	34.3 %	34.7 %
Vistance	2,279	0.7	0.7	0.6	0.7	10.1	10.7	7 %	-10 %	19 %	17 %	15.6 %	18.3 %
Daktronics	821	11.6		8.9		17.0		9 %		19 %		8.2 %	
F5 Networks	16,529	16.2	15.5	15.2	14.2	21.0	19.8	6 %	4 %	22 %	21 %	34.6 %	34.9 %
Fiberhome	8,786					55.1	47.5						
Fujitsu	30,632	12.7	11.2	9.5	8.8	18.5	16.3	6 %	3 %	17 %	18 %	11.7 %	12.8 %
Harmonic	1,150	15.5	11.8	14.8		22.5	16.8	29 %	19 %			19.5 %	21.4 %
Motorola	61,136	20.6	19.2	18.9	17.4	25.8	23.9	10 %	6 %	29 %	29 %	31.3 %	31.7 %
NEC	29,862	12.5	11.3	9.1	8.3	18.7	16.4	6 %	4 %	13 %	14 %	11.3 %	12.0 %
Nokia	60,552	24.6	20.4	18.5	15.8	32.0	27.7	5 %	5 %	8 %	10 %	11.3 %	12.9 %
Oracle	475,206	19.7	14.8	14.4	9.9	24.3	18.3	33 %	46 %	14 %	15 %	39.4 %	36.0 %
Qualcomm	181,275	16.7	17.6	15.0	15.8	18.9	18.9	-6 %	0 %	30 %	30 %	31.3 %	29.9 %
Ericsson	34,065	11.2	10.4	9.0	8.8	19.2	16.1	-6 %	2 %	18 %	19 %	13.5 %	14.2 %
Vecima	198	20.7	8.4	8.2	5.1	38.1	9.7	6 %	23 %			6.2 %	12.5 %
Viavi	10,139	44.2	32.4	39.0	29.7	54.6	41.5	38 %	18 %	15 %	18 %	20.1 %	23.2 %
ZTE	21,816	23.7	19.9	12.9	12.1	17.1	14.2	11 %	12 %	5 %	6 %	4.3 %	4.6 %
Teleste OP		**9.4**	**6.8**	**6.1**	**4.8**	**10.6**	**8.0**	**6 %**	**8 %**	**10 %**	**12 %**	**6.3 %**	**7.6 %**
Median		**19.0**	**16.2**	**15.0**	**13.2**	**23.4**	**18.9**	**9 %**	**9 %**	**19 %**	**20 %**	**19 %**	**21 %**
Average		**24.5**	**17.5**	**20.9**	**14.9**	**36.4**	**24.4**	**19 %**	**16 %**	**19 %**	**20 %**	**20 %**	**23 %**

Source: OP Markets, FactSet

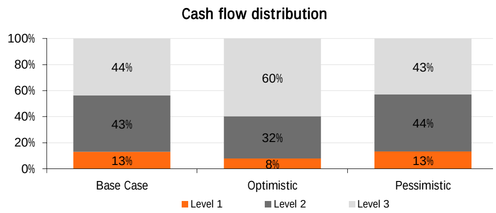
The value indicated by the DCF model is EUR 6.00 per share

In the DCF model, we set terminal growth at 1%. The required return on capital (WACC) is 8.5%.

Teleste

CASH FLOW PROJECTIONS EURm	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Revenues	147	159	169	177	184	190	195	199	202	205	206
Revenue growth	5.9 %	8.1 %	6.7 %	4.5 %	4.0 %	3.5 %	2.5 %	2.0 %	1.5 %	1.5 %	0.5 %
EBIT	9.3	12.1	15.5	17.7	18.4	18.1	17.6	16.9	16.2	16.4	14.4
EBIT margin	6.3 %	7.6 %	9.1 %	10.0 %	10.0 %	9.5 %	9.0 %	8.5 %	8.0 %	8.0 %	7.0 %
Gross Investments	6.6	5.6	5.9	6.2	6.4	6.7	6.8	7.0	7.1	7.2	7.2
Gross inv./depreciation	1.4	1.1	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Free cash flow	3	7	10	13	13	13	13	13	12	12	11

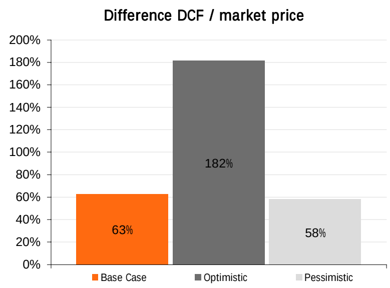
	Base Case		Optimistic		Pessimistic	
FCF	growth	% pv*	growth	% pv	growth	% pv
Level 1 2026 : 2028	31.0 %	13 %	31.0 %	8 %	31.0 %	13 %
Level 2 2029 : 2036	1.5 %	43 %	6.5 %	32 %	-0.5 %	44 %
Level 3 2037	1.0 %	44 %	2.5 %	60 %	0.0 %	43 %
PV total	131	100 %	214	100 %	128	100 %



* Level share of present value cash flows

IMPLIED SHARE PRICE vs CURRENT SHARE PRICE

Teleste	Base Case	Optimistic	Pessimistic
Present value FCF	131	214	128
- debt (int.-bearing)	29	29	29
- minority interest	0	0	0
+ fin. investments	3	3	3
+ cash and bank	9	9	9
PV shareholder equity	114	198	111
No. of shares (million)	19.0	19.0	19.0
Implied share price	6.0	10.4	5.8
Current share price	**3.7**	3.7	3.7
Difference (EUR)	2.3	6.7	2.1
Difference %	**63 %**	181.6 %	58.1 %



SENSITIVITY ANALYSIS

Interest rate sensitivity		Implied share price		
		Base Case	Optimistic	Pessimistic
risk-free	2.50 %	6.5	11.4	6.3
rate	3.00 %	**6.0**	10.4	5.8
	3.50 %	5.6	9.5	5.5

WACC vs risk-free rate

Risk-fr. r.	2.50 %	3.00 %	3.50 %
CAPM	7.50 %	8.00 %	8.50 %
WACC	8.1 %	**8.5 %**	9.0 %
	$WACC_2$	$\mathbf{WACC_1}$	$WACC_3$

Growth sensitivity		Implied share price				
Base Case		7.5 %	8.0 %	**8.5 %**	9.0 %	9.5 % WACC
	0.00 %	6.5	6.1	5.6	5.3	4.9
infinite	0.50 %	6.8	6.3	5.8	5.4	5.1
cash flow	**1.00 %**	7.1	6.5	**6.0**	5.6	5.2
growth	1.50 %	7.4	6.8	6.3	5.8	5.4
	2.00 %	7.8	7.1	6.5	6.0	5.5

WACC

Cost of equity capital:

CAPM	
Risk-free rate	3.00 %
Market risk premium	5.00 %
Company beta	1.00
Cost of equity capital	8.00 %

Cost of debt capital:

Risk-free rate	3.00 %
Risk premium	4.50 %
Tax rate	20.0 %
Tax shield on interest exp.	1.50 %
Cost of debt capital	6.00 %

WACC:

Cost of equity capital	8.00 %
Cost of debt capital	6.00 %
Debt ratio (target)	50.0 %
Equity ratio (target)	50.0 %
Likvidity premium	1.50 %
WACC	8.50 %

Income statement and balance sheet

Income Statement

EURm	2023	2024	2025	2026e	2027e	2028e
Sales	**151.3**	**132.5**	**138.6**	**146.8**	**158.6**	**169.2**
Gross profit	74.0	66.4	74.4	78.9	84.1	89.7
Gross margin (%)	**48.9 %**	**50.1 %**	**53.7 %**	**53.8 %**	**53.0 %**	**53.0 %**
Personnel expenses	47.5	41.0	45.4	46.9	48.6	50.3
Other expenses	21.9	19.6	18.3	18.4	18.9	19.3
Total expenses	145.8	124.2	126.9	132.6	141.5	148.7
EBITDA	**5.6**	**8.3**	**11.8**	**14.2**	**17.1**	**20.5**
Depreciation	6.1	11.8	5.0	4.9	5.0	5.1
EBIT	**-0.5**	**-5.4**	**6.8**	**9.2**	**12.1**	**15.5**
EBIT excl NRI	**1.2**	**4.2**	**7.1**	**9.3**	**12.1**	**15.5**
Associated companies	0.0	0.0	0.0	0.0	0.0	0.0
Financials	0.0	-1.6	-3.8	-1.1	-1.4	-1.2
PTP	**-2.4**	**-7.0**	**3.0**	**8.0**	**10.7**	**14.3**
Taxes	0.0	-1.0	0.4	1.4	1.9	2.6
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	**-0.5**	**-6.1**	**2.6**	**6.6**	**8.8**	**11.7**
EPS excl. NRI	**0.09**	**0.20**	**0.15**	**0.35**	**0.46**	**0.62**
DPS	**0.00**	**0.03**	**0.08**	**0.10**	**0.12**	**0.12**

Source: OP Markets

Balance Sheet

EURm	2023	2024	2025	2026e	2027e	2028e
Assets:						
Goodwill	30	30	30	30	30	30
Other intangibles	13	9	11	11	11	11
Tangible assets	12	12	10	10	10	9
Investments	2	3	3	3	3	3
Inventory	36	25	27	26	29	30
Receivables	32	34	32	35	38	40
Short-term investments	0	0	0	0	0	0
Cash and bank	6	9	9	12	17	24
Total assets	**132**	**121**	**123**	**127**	**137**	**149**
Liabilities:						
Share capital	7	7	7	7	7	7
Other restricted equity	2	2	2	2	2	2
Retained earnings	52	46	49	55	61	71
Minority interest	0	0	0	0	0	0
Shareholders equity total	**61**	**55**	**58**	**63**	**70**	**79**
Provisions	0	0	0	0	0	0
LT interest bearing debt	30	25	21	21	21	21
LT non-interest bearing debt	1	1	1	1	1	1
Other long-term debt	0	0	0	0	0	0
ST interest bearing debt	7	10	8	8	8	8
ST non-interest bearing debt	33	32	35	35	37	40
Total liabilities	**132**	**121**	**123**	**127**	**137**	**149**

Source: OP Markets

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The information concerning the research report was not sent to the issuer of the security subject to analysis for approval before the report was released.

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Recommendations and target price history			Teleste	
Recommendation	Target price (€)	Price (€)	Date	
ACCUMULATE	4.10	3.70	16.2.2026	Target price change
ACCUMULATE	4.30	3.75	9.12.2025	

The recommendation breakdown of OP Corporate Bank plc for all companies subject to research and for companies regarding which OP Corporate Bank plc or another company belonging to the same group has been party to the aforementioned* agreements concerning the provision of investment banking services:

Share recommendation breakdown (as of 27 February 2026)

	All Companies		Inv. Banking Relationships*	
Recommendation	Count	%	Count	%
BUY	16	23	1	13
ACCUMULATE	29	41	4	50
REDUCE	22	31	3	38
SELL	3	4	0	0
	70	100	8	100

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