

Lumi Gruppen

Capitalising on education trends

- A leading education provider growing faster than peers
- Solid visibility—90% of academic year revenue secured in autumn
- Targets seem achievable—fair value range of NOK 13-25

A leading education provider with solid growth prospects

Lumi is a leading Norwegian provider of higher education through Oslo Nye Høyskole (a university college, ~80% online), and private candidate exams through Sonans (~60% online). The main growth driver is ONH, which accounted for ~60% of revenues in '24 vs. ~53% in '23. From '18-'24, ONH achieved a revenue CAGR of 17% (peers 10%), and an EBIT margin of ~28% (peers 5%). Sonans remains a market leader, although its market has declined by ~40% vs. the peak in '21 (post-COVID effects). The trend is shifting, however, as Sonans is now seeing growth. The company enjoys strong revenue visibility, with ~90% of its revenues the following year locked in during autumn, providing a predictable and resilient earnings base.

Targets seem achievable, strong education trends

For AY'24/'25, Lumi will see ONH revenues of NOK 280m-285m (+14-15% y-o-y), and targets >10% growth p.a. by AY'26/'27 (16% historically), and an adj. EBIT margin >25% (26% in AY'23/'24, 27% historically). For Sonans, AY'24/'25 revenue will be NOK 184m-186m (+1-3% y-o-y), and it targets ~5% revenue growth p.a. and an adj. EBIT margin of ~15% (~7% in AY'23/'24, 20% historically). We argue the targets are achievable, mainly driven by a reduction in job vacancies, lower grade inflation, and a structural undersupply of higher education admission places. We see growth of 12% and 5% p.a. for ONH and Sonans, respectively, with margins reaching 27% and 15% by AY'26/'27e.

Fair value range of NOK 13-25

We transition Lumi Gruppen from rated to commissioned coverage with a fair value range of NOK 13-25/sh. A peer valuation points to NOK 13-19/sh, while a DCF points to NOK 25/sh. Lumi is trading at a '26e/'27e EV/EBIT of ~10x/9x and a P/E of ~15x/12x, while enjoying strong earnings growth and relatively high barriers to entry.

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NOKm	2023	2024	2025e	2026e	2027e
Sales	423	452	482	530	573
EBITDA	-187	92	130	149	163
EBITDA margin (%)	-44.2	20.3	27.0	28.0	28.4
EBIT adj.	49	60	91	108	122
EBIT adj. margin (%)	11.7	13.3	18.8	20.5	21.3
Pretax profit	-275	18	52	70	84
EPS	-5.00	0.24	0.70	0.94	1.12
EPS adj.	-0.98	0.34	0.70	0.94	1.12
Sales growth (%)	-17.9	6.9	6.7	9.8	8.2
EPS growth (%)	-586.9	-104.8	nm	33.9	19.7

Source: ABG Sundal Collier, Company Data

Reason: Initiating coverage

Commissioned research

Not rated

Services

LUMI-NO/LUMI NO

Share price (NOK) 7/3/2025 13.80
Fair value range 13.0-25.0

MCap (NOKm) 837
MCap (EURm) 71
No. of shares (m) 60.7
Free float (%) 32.8
Av. daily volume (k) 11

Next event AGM 6 May 2025

Performance



	2025e	2026e	2027e
P/E (x)	19.7	14.7	12.3
P/E adj. (x)	19.7	14.7	12.3
P/BVPS (x)	1.50	1.36	1.23
EV/EBITDA (x)	9.3	7.8	6.7
EV/EBIT adj. (x)	13.4	10.7	9.0
EV/sales (x)	2.52	2.19	1.91
ROE adj. (%)	7.9	9.7	10.5
Dividend yield (%)	0.0	0.0	0.0
FCF yield (%)	8.2	11.1	12.6
Le. adj. FCF yld. (%)	5.4	8.2	9.7
Net IB debt/EBITDA (x)	3.0	2.2	1.6
Le. adj. ND/EBITDA (x)	1.7	0.9	0.3

Disclosures and analyst certifications are located on pages 50-51 of this report.

This research product is commissioned and paid for by the company covered in this report. As such, this report is deemed to constitute an acceptable minor non-monetary benefit (i.e. not investment research) as defined in MiFID II.

Company description

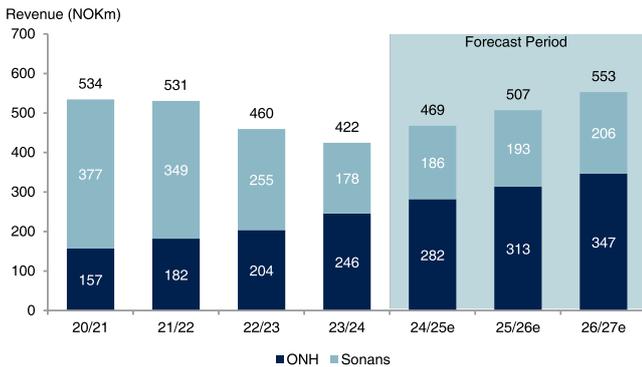
Lumi is a leading private education provider in Norway, with an omnichannel offering that has ~8,550 students across 10 campuses and online. The Oslo Nye Høyskole brand is a mid-sized university college (~50% of Lumi's students), offering bachelor's degrees, master's degrees, and other higher education programmes in various subjects. Its Sonans brand is the largest provider of private candidate exam preparation (~50% of Lumi's students), helping students who wish to improve or complete their high school diploma.

[Sustainability information](#)

Risks

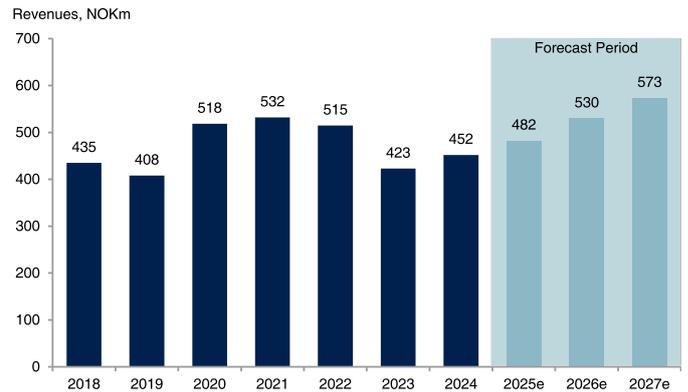
Lumi Gruppen's performance is closely tied to labour market trends, with strong job availability potentially reducing demand for education, while a weaker market could drive higher enrolment. The industry's attractive characteristics may attract new entrants, posing a competitive risk, though Lumi's established position and experience provide a strong competitive advantage that would take time for rivals to match.

Historical and forecasted revenue: AY



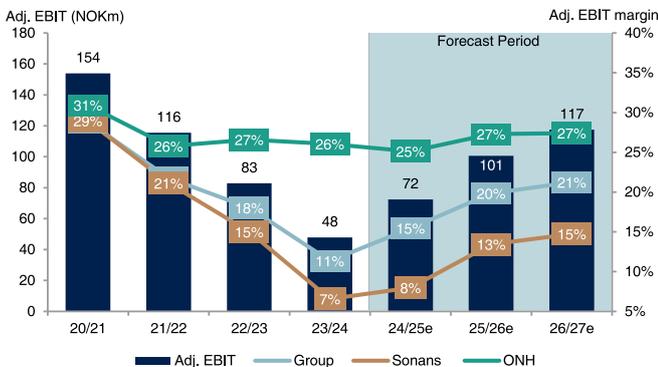
Source: ABG Sundal Collier, Lumi Gruppen

Historical and forecasted revenue: Calendar year



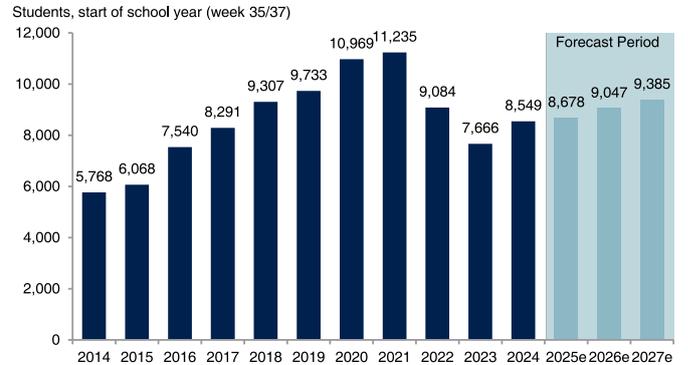
Source: ABG Sundal Collier, Lumi Gruppen

Historical and forecasted adj. EBIT - AY



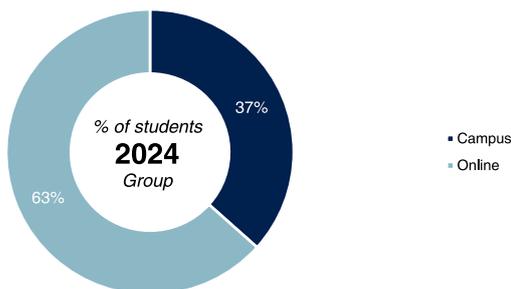
Source: ABG Sundal Collier, Lumi Gruppen

Group: Total students



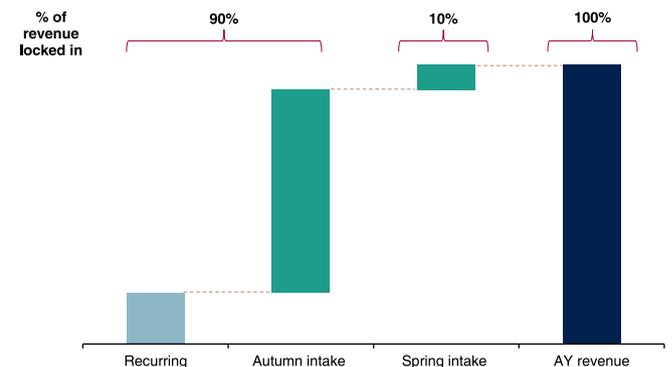
Source: ABG Sundal Collier, Lumi Gruppen

Share of Campus and Online students



Source: ABG Sundal Collier, Lumi Gruppen

90% of revenue "locked in" in autumn



Source: ABG Sundal Collier, Lumi Gruppen

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Lumi in brief

Lumi Gruppen is a leading Norwegian education provider positioned in two attractive niches: higher education (through Oslo Nye Høyskole, ONH, ~50% of student base) and private candidate exams (through Sonans, ~50% of student base). ONH has one campus in Oslo, while Sonans operates nine campuses across Norway. In '24, ONH accounted for ~60% of total Lumi revenues vs. ~53% in 2023, and has historically seen the strongest growth (~17% CAGR '18-'24). We expect ONH to be the main driver of growth. For academic year '24/'25, Lumi expects ONH revenues of NOK 280m-285m (+14-15% y-o-y), and NOK 135m-140m for H1'25, and targets >10% growth p.a. and >25% margin by academic year '26/'27. For Sonans, Lumi expects revenues for academic year '24/'25 of NOK 184m-186m (+1-3% y-o-y) and NOK 92m for H1'25, and targets ~5% revenue growth p.a. (excl. market recovery) and an adj. EBIT margin of ~15%. With a significant portion of students doing their degrees online (~60% and ~80% for Sonans and ONH, respectively, in '24) and demand for online studies increasing, Lumi is well-positioned for growth.

Lumi Gruppen in brief

Lumi operates ten campuses in Norway



Lumi Gruppen by the numbers

Revenue NOK 451m	Campus / Online revenue split 41% / 59%	Adj. EBIT margin ~13%
# of employees 223	# of students ~8,550	Market position #1

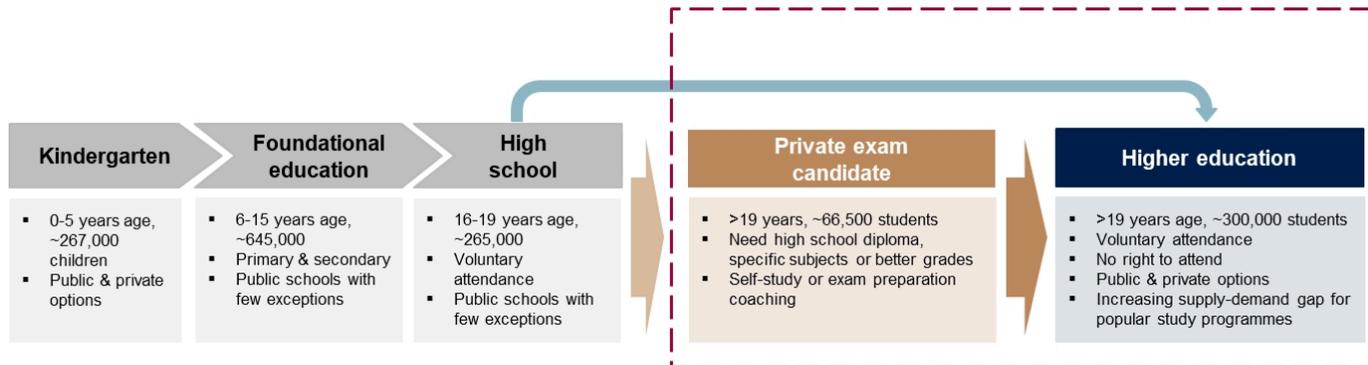
Source: ABG Sundal Collier, Lumi Gruppen

Footnote: Figures are FY'24

ONH is a university college offering a range of degrees and programmes in Psychology, Health, Social Sciences, and Business Administration. The demand for higher education admission places in Norway has been lower than the public supply for many years: In 2024 there were ~78,000 fewer admission places than the number of applicants (2.2x applicants/ place), which is above the historical average of 75,000 since 2011 — implying plenty of room for further growth.

Sonans is the Norwegian market leader (53% market share) in the niche market for private candidate exam preparation. Students who wish to retake classes after high school must do so through private candidate exams; a public examination for which Sonans offers tutoring. Through this, Sonans helps students achieve their goals for admission to desired higher education degrees.

Lumi is positioned in the later stages of the education “value chain”

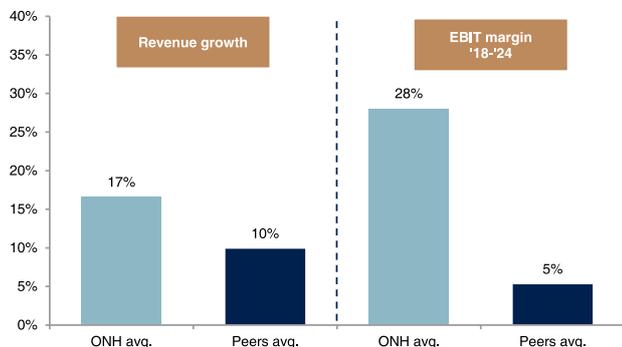


Source: ABG Sundal Collier, Statistisk Sentralbyrå, Forskningsrådet, Utdanningsforbundet

ONH to be the catalyst for growth

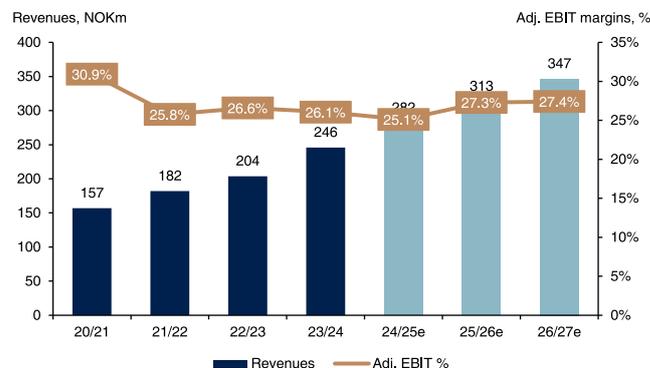
We expect ONH to be Lumi’s primary growth engine moving forward. ONH has consistently outperformed its peers, delivering an '18-'24 revenue CAGR of 17% vs. peers at 10%, and achieving an average EBIT margin of ~28% vs. peers at 5%. Note that most of ONH’s peers are foundations, and have therefore limited commercial priorities. Lumi targets >10% annual growth until academic year '26/'27, and we forecast a CAGR of ~12%, driven by a structural undersupply of public study places, stricter admission requirements, and the increasing appeal of hybrid education solutions (physical/online). We see the adj. EBIT margin at ~27% in AY'27e (Lumi targets >25%). Note that for academic year '24/'25, Lumi expects ONH revenues of NOK 280m-285m (+14-15% y-o-y), and NOK 135m-140m for H1'25. Given ONH’s strong track record, it looks well-positioned to capitalise on current trends and sustain its upward trajectory.

ONH vs. peers



Source: ABG Sundal Collier, Lumi Gruppen, Proff.no

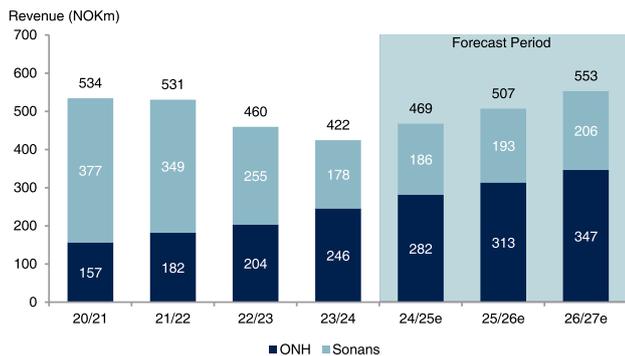
ONH: Sales and adj. EBIT margin - Academic year



Source: ABG Sundal Collier, Lumi Gruppen

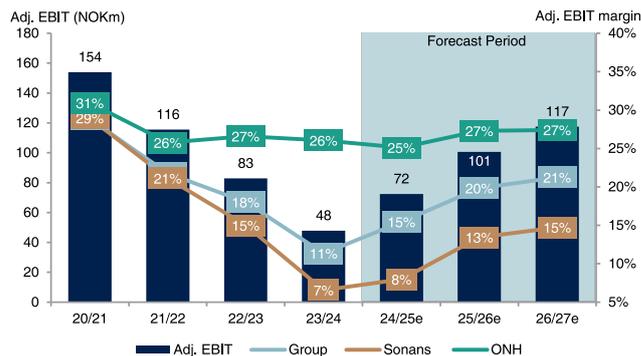
Sonans experienced strong momentum until 2020, achieving a CAGR of 9% from 2018 and 14% from 2009 to 2020. However, over the past four years several market headwinds, including grade inflation and a strong job market, have posed challenges, resulting in a decline in revenue and profitability. Conditions look set to improve, however: grade inflation is nearing its correction, job vacancies are on the decline, and upcoming regulatory changes in '27 will likely lead to more private exam candidates. As a result, we anticipate a gradual recovery for Sonans, forecasting a CAGR of ~5% from AY'23/'24 to AY'26/'27 (in line with Lumi’s target). We forecast the adj. EBIT margin to grow to ~15% by AY'26/'27e, also in line with Lumi's target (margin ~15%). Longer-term, Lumi aims for a margin >20% for Sonans. Note that Lumi expects revenues for academic year '24/'25 of NOK 184m-186m (+1-3% y-o-y) and NOK 92m for H1'25. In other words, the trend seems to have already shifted for Sonans.

Historical and forecasted revenue - AY



Source: ABG Sundal Collier, Lumi Gruppen

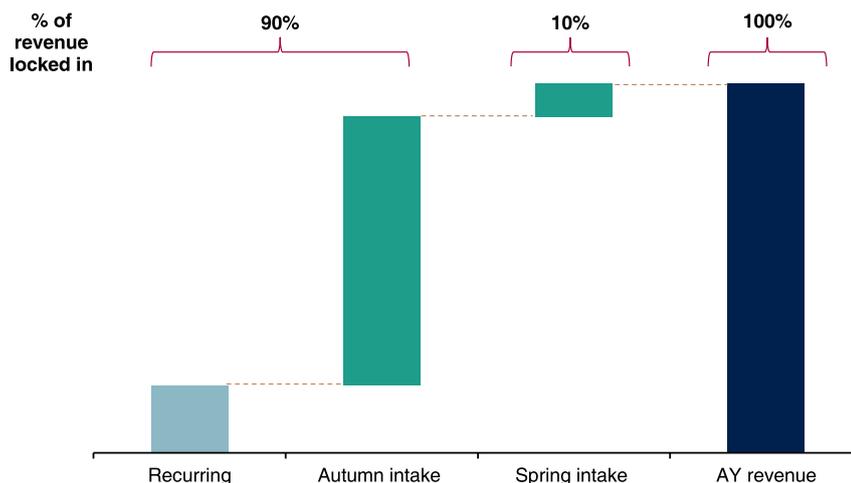
Historical and forecasted adj. EBIT - AY



Source: ABG Sundal Collier, Lumi Gruppen

Lumi has strong revenue visibility, with 90% of its annual revenue secured at the outset of the academic year, i.e. autumn. This is driven by its upfront payment model, in which students pay tuition fees in advance, ensuring revenue and profit stability from the beginning of the school year. The remaining 10% is typically realised at the start of the spring semester. During the last 3Y there has been a variance of +/- 2% between the beginning of financial year revenue guidance and the actual outcome (academic year for Lumi), which underscores the company's revenue visibility.

90% of revenue "locked in" during autumn



Source: ABG Sundal Collier, Lumi Gruppen

Lumi Gruppen: P&L summary and key metrics

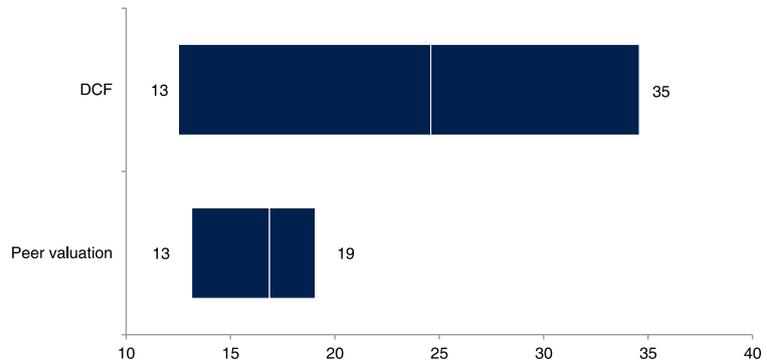
Group P&L, NOKm	Academic year							Calendar year							CAGR (AY '26/'27)	Target (AY '26/'27)	
	20/21	21/22	22/23	23/24	24/25e	25/26e	26/27e	2020	2021	2022	2023	2024	2025e	2026e			2027e
Sonans	377	349	255	178	186	193	206	376	363	320	200	183	189	200	213	5%	-5% p.a.
ONH	157	182	204	246	282	313	347	141	168	194	224	268	294	330	361	12%	>10% p.a.
Revenues	535	532	460	422	469	507	553	518	532	515	423	452	482	530	573	9%	
EBIT	129	92	-216	37	69	101	117	133	112	77	-235	53	91	108	122		
One-offs.	-25	-24	-299	-11	-4	0	0	-25	-22	-36	-285	-7	0	0	0		
Adj. EBIT	154	116	83	48	72	101	117	158	134	113	49	60	91	108	122		
Net profit	63	53	-255	-8	27	48	61	63	59	37	-276	14	41	54	65		
Adj. Net profit	90	71	-22	1	30	48	61	108	84	65	-54	20	41	54	65		
EPS	n.a.	1.46	-4.63	-0.14	0.47	0.83	1.06	n.a.	1.63	1.03	-5.00	0.24	0.70	0.94	1.12		
Adj. EPS	1.37	1.97	-0.15	0.01	0.52	0.83	1.06	2.97	2.32	1.80	-0.98	0.34	0.70	0.94	1.12		
Key metrics	20/21	21/22	22/23	23/24	24/25e	25/26e	26/27e	2020	2021	2022	2023	2024	2025e	2026e	2027e		
Sonans revenue growth y-o-y (%)	n.a.	-8%	-27%	-30%	4%	4%	7%	9%	-4%	-12%	-38%	-8%	3%	6%	6%		
ONH revenue growth y-o-y (%)	n.a.	16%	12%	21%	15%	11%	11%	18%	19%	16%	15%	20%	10%	12%	9%		
Group revenue growth y-o-y (%)	n.a.	-1%	-13%	-8%	11%	8%	9%	27%	3%	-3%	-18%	7%	7%	10%	8%		
Sonans adj. EBIT (%)	29%	21%	15%	7%	8%	13%	15%	30%	25%	22%	2%	11%	14%	14%	15%		-15%
ONH adj. EBIT (%)	31%	26%	27%	26%	25%	27%	27%	33%	27%	25%	31%	21%	27%	27%	27%		>25%
Group adj. EBIT (%)	29%	22%	18%	11%	15%	20%	21%	30%	25%	22%	12%	13%	19%	20%	21%		
OPEX	-347	-382	-347	-338	-353	-361	-390	-322	-365	-378	-333	-353	-346	-376	-405		
NIBD ex. IFRS 16								608	374	400	231	190	159	106	41		
NIBD/EBITDA ex. IFRS 16								4.1x	3.1x	4.8x	5.8x	3.4x	1.7x	1.0x	0.3x		
NIBD incl. IFRS 16								765	519	538	431	444	414	360	295		
Lease adj. FCF								73	23	12	-19	15	31	53	65		

Source: ABG Sundal Collier, Lumi Gruppen

Valuation points to NOK 13-25/share

Based on our valuation methodologies (peer valuation, DCF), we find a fair value range of NOK 13-25. A peer valuation points to NOK 13-19, while a DCF points to NOK 25 (NOK 13-35 on a broader scenario analysis). On our estimates, Lumi is trading at a '26e/'27e EV/ EBIT of ~10x/9x and a P/E of ~15x/12x.

Valuation summary



Source: ABG Sundal Collier

History and business overview

Lumi Gruppen (formerly Sonans, rebranded in '21/'22) operates through Oslo Nye Høyskole (ONH) and Sonans. At YE'24, Lumi had 8.55k students, split roughly evenly between the segments, and ~63% of the students are online-based. ONH accounts for >60% of revenue.

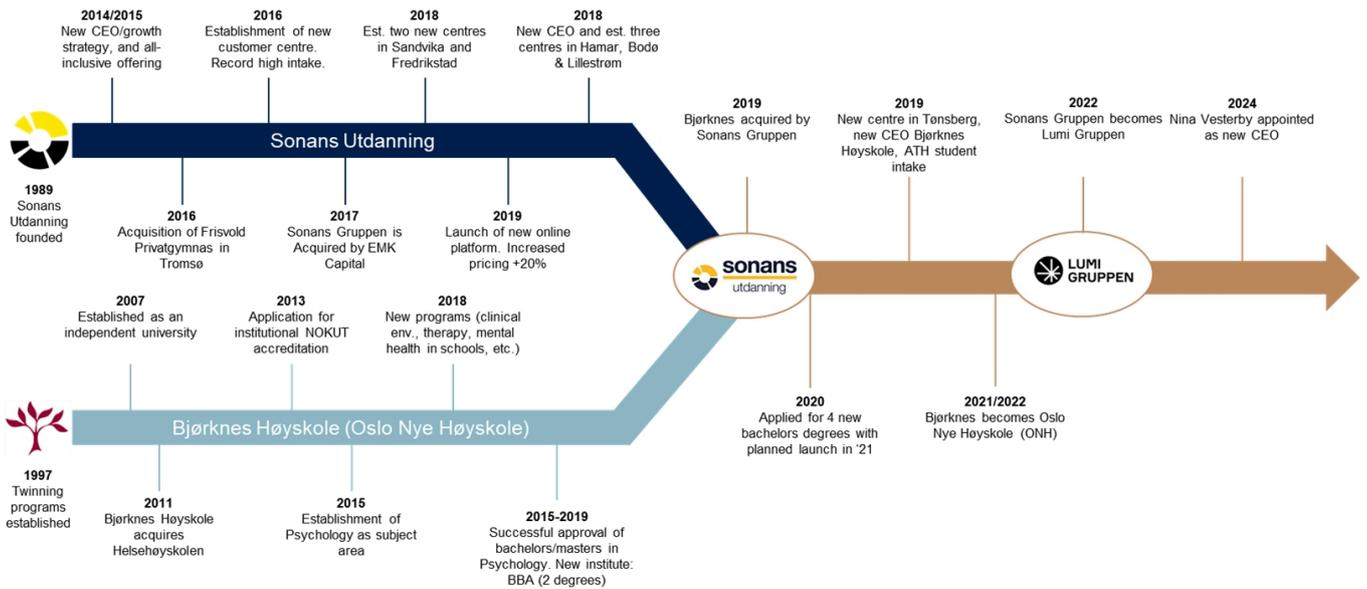
Oslo Nye Høyskole

Formerly Bjørknes Høyskole, was acquired in 2019 (rebranded to Oslo Nye Høyskole in '21/'22), and propelled Lumi Gruppen into the higher education market. At the time of the acquisition, ONH already offered several programmes in Psychology, Health, and Peace and Conflict, and the institution has since launched several new bachelor's programmes and one master's program, including bachelor's degrees in Psychology and Business Administration, and master's degrees in Psychology. ONH operates one campus in Oslo and accounts for ~60% of Lumi Gruppen's revenue. Roughly 80% of the ONH students are online students.

Sonans

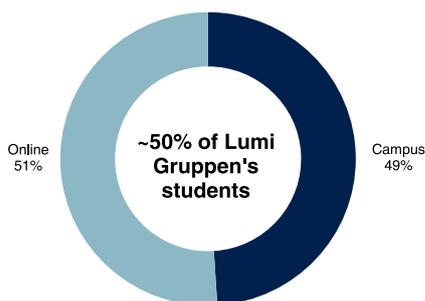
Sonans was founded in 1989 as a private candidate high school and has since grown to become the largest player within its niche. In 2017, Sonans was acquired by EMK Capital. Under EMK's ownership, Sonans expanded its footprint by opening multiple new campuses, enhancing its online platform and successfully implementing pricing increases. During the '20/'21 school year, the group recorded peak student enrolment, however, post-COVID-19 effects and a tight labour market impacted the private candidate market that year, leading to the closure of six Sonans campuses, reducing the total to 9 campuses.

Lumi Gruppen (formerly Sonans) history timeline



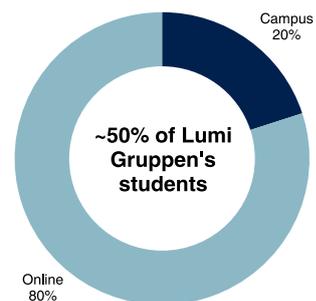
Source: ABG Sundal Collier, Lumi Gruppen

Students, Sonans (2024)



Source: ABG Sundal Collier, Company data

Students, ONH (2024)



Source: ABG Sundal Collier, Company data

Oslo Nye Høyskole — The main growth driver

Oslo Nye Høyskole (ONH), is a Norwegian higher education provider offering a range of degrees and programmes in Psychology, Health, Social Sciences, and Business Administration. The college operates a campus in Oslo and maintains a strong online presence with ~80% of students enrolled online in '24. ONH contributes ~60% of the group's total revenues (up from ~27% in '20). ONH is a relatively small player with ~4,000 students in Norway's large education market of ~300,000 students, which indicates large opportunities for growth (it has already demonstrated solid growth and profitability). With a revenue CAGR of ~17% ('18–'24) and an adj. EBIT margin of 26% in AY'23/'24, ONH is a competitive and profitable force among Norwegian education providers. For the '24/'25 academic year, Lumi expects ONH revenues of NOK 280-285m (+14-15% y-o-y), and NOK 135-140m for H1'25. It targets >10% growth p.a., and we forecast a CAGR of ~12% from AY'23/'24 to AY26/'27, with the adj. EBIT margin at ~27%, in line with the historical average (Lumi targets >25%).

Oslo Nye Høyskole is an institution of higher learning

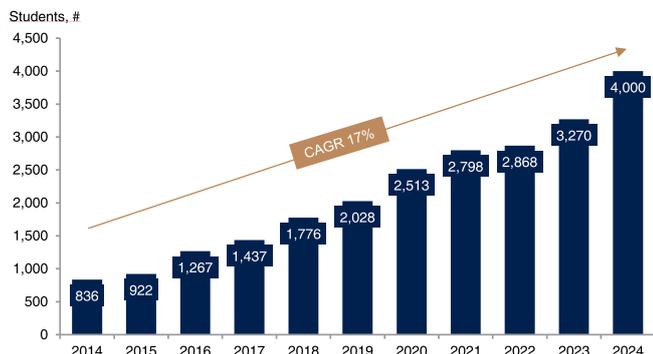


Source: ABG Sundal Collier, Company data, SSB, Samordna Opptak

Room to grow further

Historically, ONH has shown consistent and strong growth in both revenues and students. The strongest growth comes from its online segment, which has grown by a CAGR of 22% vs. campus at 7% since 2014. Roughly ~80% of ONH's students are online-based, up from ~63% in '20/'21, which demonstrates that ONH has an attractive and scalable online offering.

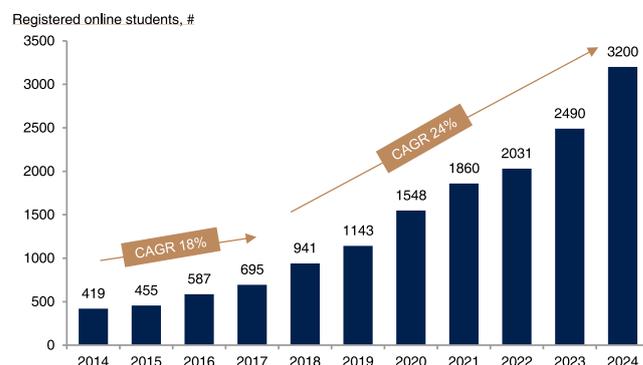
ONH: Strong growth in number of students...



Source: ABG Sundal Collier, Lumi Gruppen

Footnote: ABGSC estimate for '24

...and the online segment is taking off

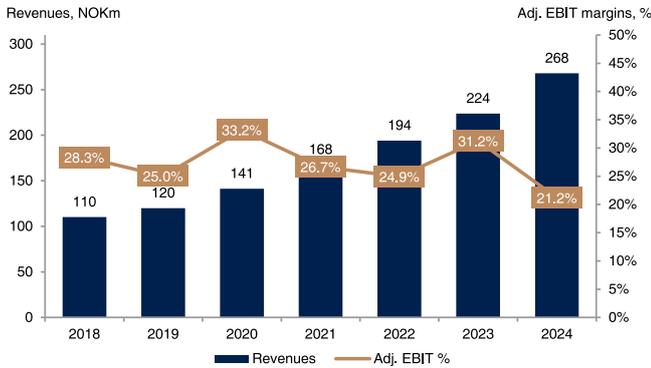


Source: ABG Sundal Collier, Lumi Gruppen

Footnote: ABGSC estimate for '24

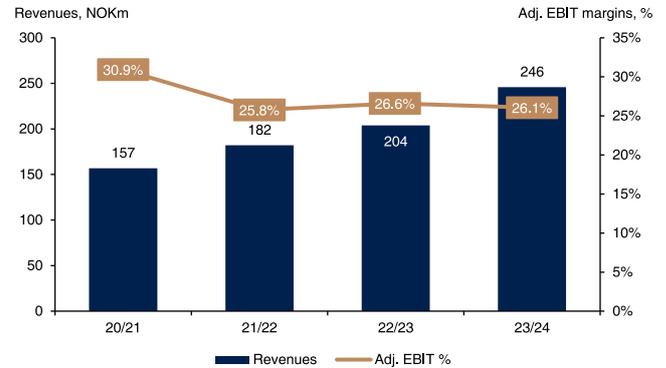
The expansion of ONH's online segment has been a key driver of ONH's strong revenue growth, achieving a CAGR of 17% from 2018 to 2024. At the same time, the company has maintained solid profitability, with an average adjusted EBIT margin of 27% in the corresponding period.

ONH revenue and margin (calendar year)



Source: ABG Sundal Collier, Lumi Gruppen

ONH revenue and margin (academic year)

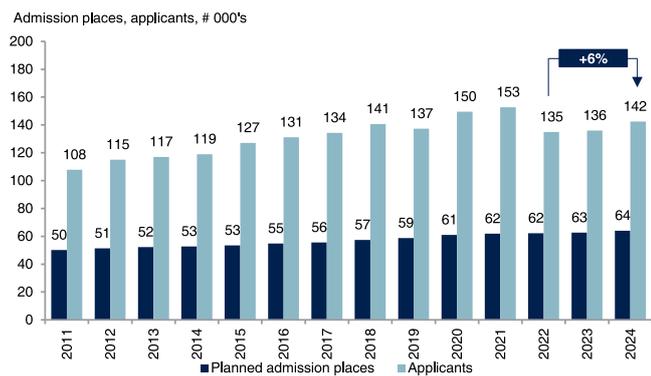


Source: ABG Sundal Collier, Lumi Gruppen

We find that there is plenty of room for further growth. In 2024, the gap between applicants to higher education and available admission places reached ~78k, marking a 7% increase compared to '23. Notably, this is the first year since '21 to show growth (flattish in '23 vs. '22) in the supply-demand gap, following a 20% decline in '22 vs. '21. While the gap remains smaller than in '21, it still reflects a significant undersupply of available places. In other words, an increase/decrease from one year to another is not the key driver here, but more the penetration of the large structural undersupply of study places.

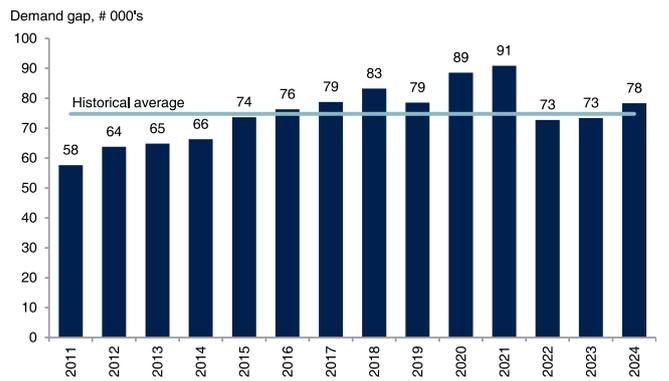
Within the public sector, many attractive study programmes (e.g. medicine and psychology) have a fixed number of seats, and they do not adapt to provide an online offering (campus is the main platform). Therefore, private institutions are increasingly stepping in to address the shortfall. Each year, private providers enrol ~19k students, presenting ONH with opportunities to expand its offerings and capitalise on the persistent supply-demand imbalance.

Supply-demand imbalance in higher ed. up



Source: ABG Sundal Collier, Samordna opttak

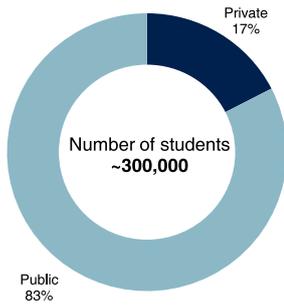
Structurally large demand gap



Source: ABG Sundal Collier, Samordna Opttak

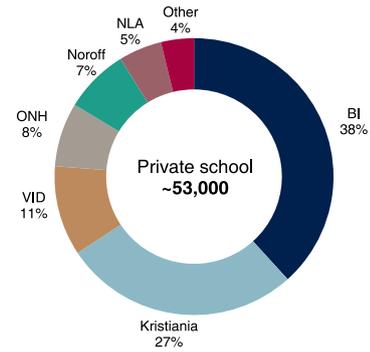
Private education constitutes a small and fragmented portion of Norway's overall education market, holding a market share of just ~17%. For perspective, NTNU alone, with ~43k students, is nearly as large as the entire private education sector, which collectively enrolls ~52k students. Within this sector, BI Norwegian Business School and Kristiania dominate, commanding ~70% of the market. In the medium-sized segment (institutions with ~2-5k students), ONH's closest Norwegian peers include NLA, Noroff, and VID.

Private school penetration (2024)



Source: ABG Sundal Collier, SSB

Market shares (2024)

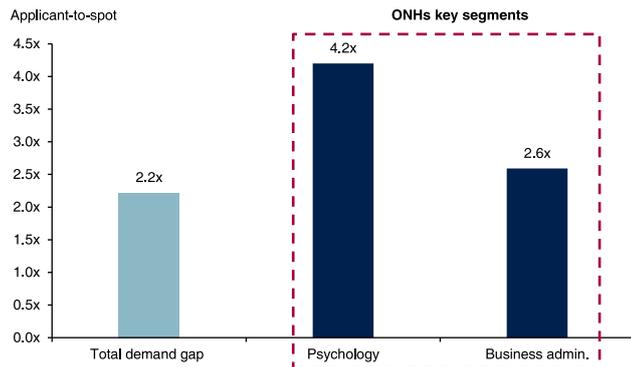


Source: ABG Sundal Collier, SSB

Strategic positioning and focused investment strategy

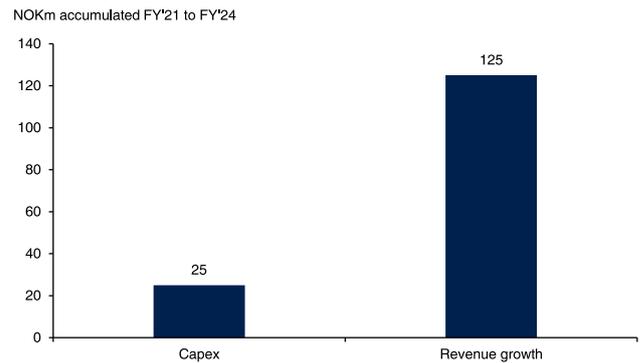
A key advantage of ONH is its data-driven approach to course development, which ensures a focus on the most underserved areas. Across the market, the average gap between applicants and places is 2.2x. However, in the subject areas in which ONH operates, this gap is greater — 4.2 times for Psychology and 2.6 times for Business Studies. This highlights ONH's strategic positioning in the market. This data-driven approach has materialised in Lumi's investments, where accumulated capex for ONH amount to NOK 25m compared to sales growth of NOK 125m from 2021 to 2024.

Positioned to the most attractive study areas



Source: ABG Sundal Collier, Lumi Gruppen

Investing in high ROI opportunities



Source: ABG Sundal Collier, Lumi Gruppen

Attractive value proposition

Strong student satisfaction rates and competitive pricing make ONH an attractive choice. ONH is the highest-rated multidisciplinary university college for four consecutive years, with a score of 4.1/5.0. This compares to Noroff, Kristiania, and Handelshøyskolen BI, which all have ratings of 4.0. ONH's unique student experience is highlighted as one of the most important factors behind its good rating.

In the table below, we provide the full overview of ONH's current offering (the entire offering has NOKUT accreditation). The programmes are half-year, one-year, bachelor's, or master's programmes and twinning programmes with international institutions. Twinning programmes consist of one year in Oslo and the rest of the education abroad at a partner institution. Students who graduate with a medical degree from ONH's partner institution are pre-qualified to practise medicine in Norway.

In just a few years, ONH's offer has grown considerably, both in terms of the number of programmes and fields of study, as well as the level of study. Since 2021, ONH has made a deliberate shift to fill gaps in its offering, allowing students to pursue an MSc without having to transfer elsewhere after completing their bachelor's degree. This expanded curriculum reflects a commitment to providing a high-quality education, while responding to evolving student and market demands.

ONH's ability to offer a full range of programmes, from short courses to Masters, significantly enhances its attractiveness and competitiveness. Students now have the opportunity to grow within the ONH academic ecosystem, benefiting from a seamless progression of learning and professional development.

ONH: current offering

Institute	Portfolio	Online/Campus	Full time / part time
 Institute of Psychology	Master's in psychology: Specialization in applied health psychology and prevention	Campus and Online	Full time
	Master's in psychology: Specialization in cognitive psychology and technology	Online	Full time
	Bachelor's in applied psychology	Campus and Online	Full time and part time
	Bachelor's in psychological health work	Campus and Online	Full time and part time
	Bachelor's in work and organizational psychology	Online	Full time and part time
	Bachelor's in HR, leadership, and organizational psychology	Online	Full time and part time
	One-year programs (12) Single subjects (41)	Campus and Online Online	Full time and part time Part time
 Institute of Health Sciences	Bachelor's in nutrition	Campus and Online	Full time and part time
	One-year program in medical biology (medicine 1+5)	Campus	Full time
	One-year programs (2)	Campus and Online	Full time and part time
	Half-year programs (1) Single subjects (4)	Online Online	Part time Part time
	 Institute of Political Science and International Relations	Bachelor's in peace and conflict studies (campus, online)	Campus and Online
Bachelor's in international studies		Campus and Online	Full time and part time
Bachelor's in political science		Campus and Online	Full time and part time
One-year programs (8) Single subjects (27)		Campus and Online Online	Full time and part time Part time
 Institute of Economics and Administration		Bachelor's in digital marketing and management	Online
	Bachelor's in business and administration	Online	Full time and part time
	One-year programs (7) Single subjects (21)	Online Online	Full time and part time Part time

Source: ABG Sundal Collier, Lumi Gruppen

What can you do with an education from ONH?

An education at ONH can lead to many opportunities for employment and further study. Half-year or one-year study programmes serve as an introduction to a longer academic course in the respective field, and most of these programmes can be included as part of a bachelor's degree at a later stage.

ONH Bachelor's degrees qualify students for many Master's programmes in Norway and abroad. Alumni have gone on to further study at NTNU or UiO, or have entered the labour market directly after their bachelor's degree.

Case study: What can you do with a ONH education?

	Bachelor In Applied Psychology	Master In Psychology	Bachelor In Political Science	Medicine (1+5)	Bachelor In Business Administration
What you learn <i>Selected topics</i>	<ul style="list-style-type: none"> ▪ Social & cultural factors affecting the work environment ▪ The therapist role and how psychology can be applied in different fields 	<ul style="list-style-type: none"> ▪ Prevention of psychological issues at individual and societal levels ▪ Applied health psychology and prevention research project 	<ul style="list-style-type: none"> ▪ Political theory ▪ International politics ▪ Research methodology 	<ul style="list-style-type: none"> ▪ Full 6-year MD programme ▪ Partner university in Hungary ▪ First year in Norway, next 5 abroad 	<ul style="list-style-type: none"> ▪ Business administration and leadership ▪ Financial markets and investment strategies ▪ Organisational structures and business strategies
Potential career paths <i>Based on alumni</i>	<ul style="list-style-type: none"> ▪ Primary school special teacher ▪ Content producer in a marketing department ▪ Mental coach for sports team 	<ul style="list-style-type: none"> ▪ Preventive health work in public/private sectors ▪ Mental health therapist or environmental therapist ▪ Project mngm. preventive health initiatives 	<ul style="list-style-type: none"> ▪ Public administration ▪ Embassy ▪ Politics researcher 	<ul style="list-style-type: none"> ▪ Leads to authorisation to work as a medical doctor in Norway 	<ul style="list-style-type: none"> ▪ Financial analyst ▪ HR specialist ▪ Business consultant
Further studies	<ul style="list-style-type: none"> ▪ Master of Psychology at ONH ▪ Psychology related master programmes 	<ul style="list-style-type: none"> ▪ Ph.D. in Psychology or related fields 	<ul style="list-style-type: none"> ▪ Many master's programmes within social science, e.g. Master in Political Science at UiO 	<ul style="list-style-type: none"> ▪ Possible to do further specialisations in Norway 	<ul style="list-style-type: none"> ▪ Many master's programmes within business, e.g. Master in Economics at NHH

Source: ABG Sundal Collier

Analysis of other private university providers

Of ONH's closest Norwegian competitors, only Norges Høyskole for Helsefag (NHFH) and Noroff operate as commercial institutions (the rest are foundation owned, i.e. limited commercial priorities). NHFH specialises in the health sector and offers programmes similar to those at ONH, such as a bachelor's degree in nutrition and a one-year psychology programme. Noroff, on the other hand, focuses on media and IT and operates both a vocational school and a college.

The vocational school offers 1-2 year practical programmes in areas such as UX design, film production and digital marketing, while the college offers bachelor's degrees in cybersecurity, applied data science and interactive media. Noroff is part of the Galileo Global Education group, which oversees 61 schools on 106 campuses worldwide.

Compared to its closest Norwegian peers, ONH stands out in terms of both revenue growth and profitability. From 2018 to 2024, ONH has outperformed most of its peers by achieving a revenue CAGR of 17% (organic). This demonstrates its ability to capitalise on the growing demand for its programmes. In comparison, NHFH had a negative CAGR of -2.8% ('18-'23), Handelshøyskolen BI delivered a CAGR of 4.3% ('18-'23), while VID and NLA reported growth of 10.5% ('18-'23).

Kristiania and Noroff are the only peers to outperform ONH with growth rates of 16.5% and 27.8% respectively ('18-'23). Note that Kristiania's growth is supported by M&A (discussed in a later section). Noroff, with its specialised focus on media and IT, had a particularly high sales CAGR, but its narrower scope and operational scale place it in a different strategic category.

In terms of profitability, ONH delivered an EBIT margin of 21% in 2024. This compares to NHFH, where consistently higher COGS and other opex have had a negative impact on profitability from '18 to '23, resulting in an EBIT margin of -25% in '23. Kristiania achieved an EBIT margin of 8.6%, while BI Norwegian Business School and VID Vitenskapelige Høyskole recorded EBIT margins of 11.2% and -0.4% respectively ('23). Finally, Noroff's growth trajectory has been comparable to ONH's in recent years, but its operations remain constrained by narrower profit margins.

Note that prices vary depending on the subject, but ONH has competitive pricing. For example, for its Bachelor of Business Administration, ONH's price per semester is NOK 39,900, while its main competitors Kristiania and BI are NOK 50,800 (NOK 40,200 on campus) and NOK 41,600 respectively.

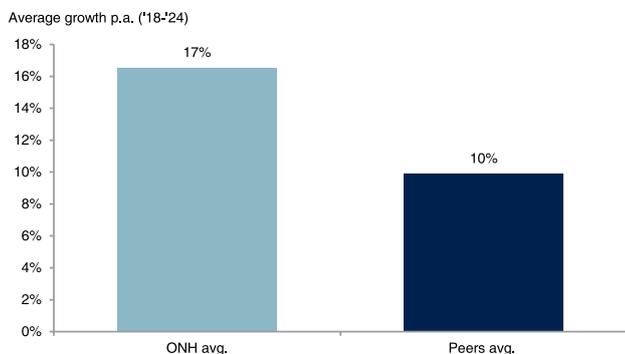
Oslo Nye Høyskole vs. Peers

							
Company	Oslo Nye Høyskole	Norges Høyskole for Helsefag	Kristiania	BI Norwegian Business School	NLA Høgskolen	VID vitenskapelige høgskole	Noroff *
Sales 2024	268	11	1,357	1,942	397	709	450
Growth '24	19.8%	-19.1%	8.3%	2.2%	6.8%	7.9%	21.4%
CAGR '18-'24	17.0%	-2.8%	16.5%	4.3%	10.5%	10.5%	27.8%
EBIT 2024	56	-3	117	218	-12	-3	51
EBIT margin '24	20.8%	-25.0%	8.6%	11.2%	-3.1%	-0.4%	11.4%
EBIT margin '18-'24	24.0%	-12.0%	4.2%	5.5%	3.7%	0.8%	11.6%
# students	~4,000	~160	~24,000	~20,600	~2,700	~5,600	~4,000
# campuses	1	2	2	4	3	6	4
Online	✓	✓	✓	✓	✗	✗	✓
Study areas	Health, Social Science, Psychology, Business administration	Health & Psychology	Economics, Health, IT & media	Economics	Economics, Social science	Health, Social Science & Psychology	Media & IT
Ownership type	Lumi Gruppen	Private	Foundation / non-profit	Foundation / non-profit	Foundation / non-profit	Foundation / non-profit	Private Equity

Source: ABG Sundal Collier, Norges Høyskole for Helsefag (Atlantis Medisinske Høgskole), Kristiania, BI, VID, Noroff

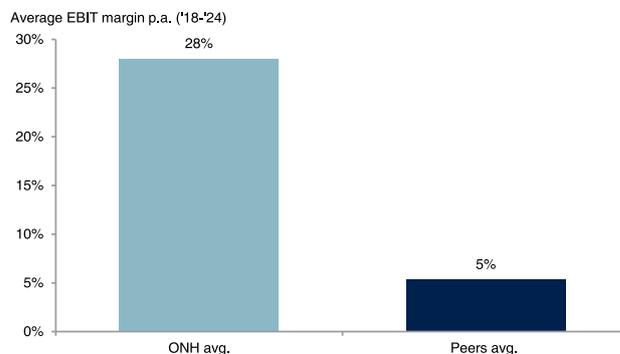
Footnote: 2024 for ONH, 2023 for all other companies

Average sales growth p.a.



Source: ABG Sundal Collier, Companies, Proff, *2023 for peers, 2024 for ONH

EBIT margin p.a.

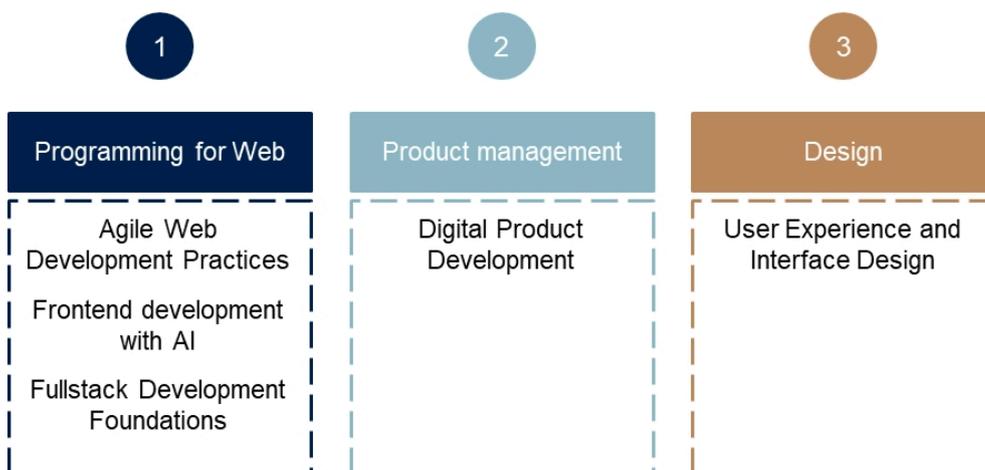


Source: ABG Sundal Collier, Companies, Proff, *2023 for peers, 2024 for ONH

Oslo Nye Fagskole - potential upside

Oslo Nye Fagskole (ONF) is a vocational school, which means that it provides practical training in technology and design, entirely through online learning. ONF offers one programme: Web Application Development and Design. This programme includes three disciplines: 1) programming for the web, i.e. the development of software, applications and website programming languages, 2) product management, i.e. the lifecycle of a product, from initial concept and development to launch and ongoing maintenance, and 3) design, which offers graphic design, user interface design, user experience design and product design. Note, however, that ONF has applications for 15 offerings awaiting approval from NOKUT (decision expected before AY'26'27). ONF is a separate school with its own accreditations, but shares resources with ONH to create synergies. It was officially launched in H2'24. Going forward, Lumi aims for ONF to generate >NOK 30m in revenue in four years with an adjusted EBIT margin of >25%.

ONF offer programs within three subjects

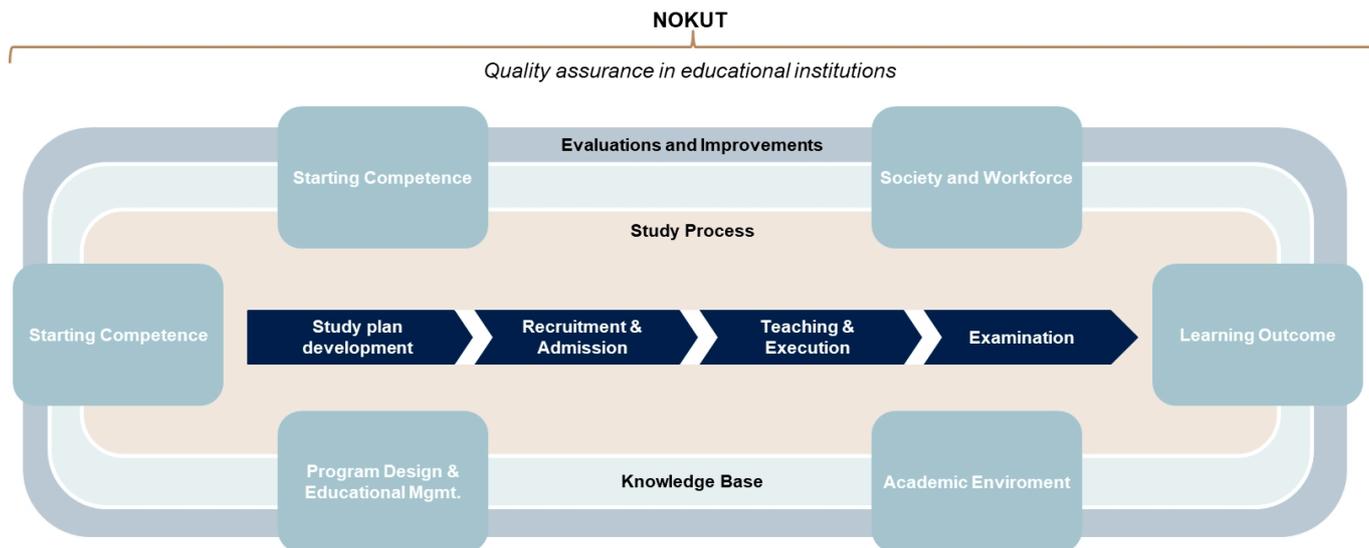


Source: ABG Sundal Collier, Lumi Gruppen

NOKUT accreditation would allow for greater flexibility and efficiency

The Norwegian Agency for Quality Assurance in Education (NOKUT) is the cornerstone of quality assurance in Norwegian higher education and tertiary vocational education. Its primary mission is to ensure that institutions meet the highest standards in terms of academic programmes, faculty qualifications, infrastructure and governance. By accrediting, evaluating and supervising educational institutions, NOKUT ensures the integrity of the Norwegian education system and brings it into line with national and international benchmarks. The requirements are extensive (see below) and it could therefore be challenging for new players to enter the market.

NOKUT's assessment for institutional accreditation



Source: ABG Sundal Collier, NOKUT

In practice, a higher education institution can apply for two types of accreditation: 1) programme accreditation (which must be done separately for each programme) or 2) institutional accreditation.

The requirements for accreditation are comprehensive (particularly for institutional accreditation), as they require substantial investment in, for example, competence, research-based teaching and highly qualified academic staff, which makes them both difficult and expensive to obtain. However, institutions with institutional accreditation can accredit their own programmes, which allows for greater flexibility and efficiency.

It takes 1-2 years from application to receive institutional accreditation. For example, Handelshøyskolen BI applied for institutional accreditation in 2007 and was approved in 2008, while Bergen Arkitektthøgskole, which applied in 2023, received accreditation in 2024.

Meanwhile, institutions such as Noroff have individual accredited programmes even though they do not have institutional accreditation. This is also the case for ONH, which as of March 2025 still does not have institutional accreditation, but has applied for accreditation and expects to receive the final decision in early 2026.

NOKUT institutional accreditation in recent years (private)

Private	
Institution	Year
Bergen Ariktekhøgskole	2024
Fjellhaug Internasjonale Høgskole	2017
Stiftelsen Diakonova	2014
Lovisenberg Diakonale Høgskole	2010
Ansgar Teologiske Høgskole	2010
Markedshøgskolen Campus Kristiania	2008
Norges Informasjonsteknologiske Høgskole	2008
Dronning Mauds Minne	2008
Handelshøgskolen BI	2008
Diakonhjemmet Høgskole	2005
Det teologiske Menighetsfakultet	2004
# of institutions	11

Source: ABG Sundal Collier, NOKUT

NOKUT institutional accreditation in recent years (public)

Public	
Institution	Year
Høgskolen i Innlandet	2024
Høgskolen for ledelse og teologi	2023
Høgskolen i Sørøst-Norge	2018
Kunsthøgskolen i Oslo	2017
Høgskolen i Oslo og Akershus	2017
Kunst- og designhøgskolen i Bergen	2014
Høgskolen i Molde	2009
Høgskolen i Agder	2007
Norsk lærerakademi	2006
Høgskolen i Stavanger	2004
Norges landbrukshøgskole	2004
# of institutions	11

Source: ABG Sundal Collier, NOKUT

Case study: Kristiania's journey

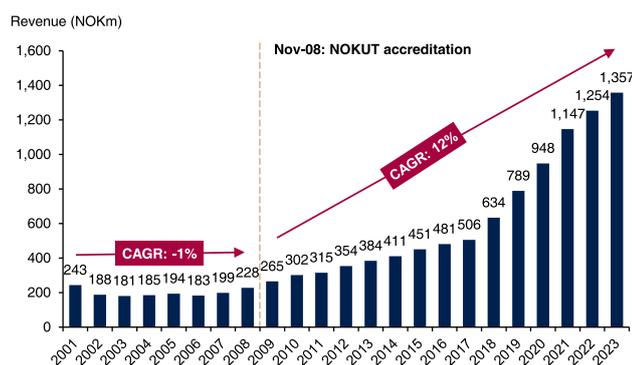
Among its peers, Kristiania is the closest to ONH in terms of provision. Kristiania is also one of the few private schools to have achieved institutional accreditation. For Kristiania, accreditation was not just a milestone - it was the foundation of a strategic transformation that enabled the institution to expand its offerings, improve its financial performance and establish itself as a leader in higher education. With ONH in the process of achieving the same accreditation, we look at Kristiania's post-accreditation journey to get a sense of what ONH's might be like.

Accreditation marked a turning point

In November 2008, Markedshøyskolen Campus Kristiania (now Kristiania) received institutional accreditation from NOKUT. This marked a turning point, allowing the school to introduce new study programmes and diversify its academic offerings with greater flexibility. Prior to this, the school had experienced stagnant growth, with revenues declining at a CAGR of -1% between 2001 and 2008. Profitability was a challenge during this period, with negative EBIT figures.

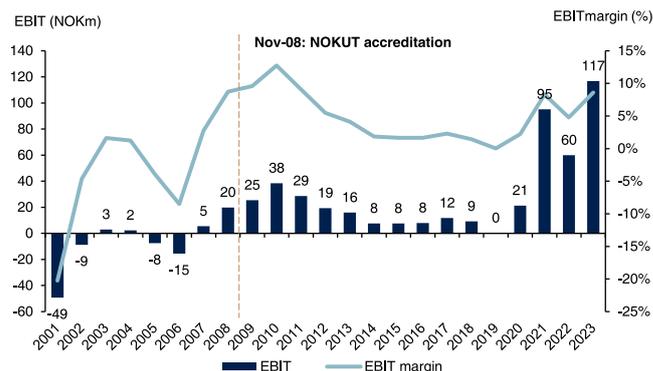
However, following accreditation, Kristiania embarked on a remarkable growth trajectory. Between 2009 and 2023, sales grew at a CAGR of 12%. This period also saw a complete turnaround in profitability, with EBIT figures moving from losses to consistently positive performance. Over time, EBIT margins stabilised between 5-10%, reflecting the improved financial health and operational efficiency of the institution. Accreditation proved to be a strategic enabler, unlocking scalability and helping the institution to consolidate its position as a leading educational institution in Norway.

Revenue accelerated after accreditation



Source: ABG Sundal Collier, Proff.no

Profitability shifted post-accreditation



Source: ABG Sundal Collier, Proff

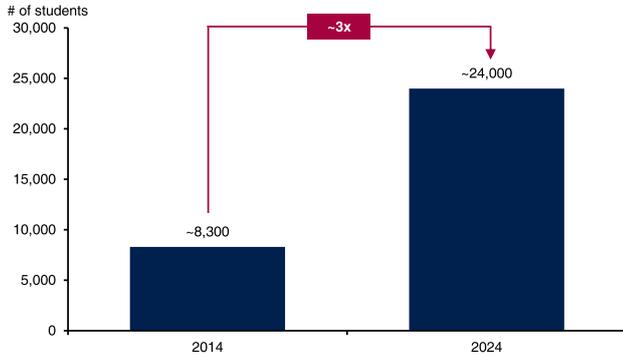
Increased study offerings, M&A and growth in student base

Kristiania's growth accelerated after 2014, characterised by both organic expansion and strategic mergers and acquisitions. Over the following decade, the institution's student population grew from 8,300 students in 2014 to nearly 24,000 students in 2024. This was accompanied by a significant diversification of its academic portfolio. The number of undergraduate programmes increased from 18 in 2014 to 57 by 2024, while the number of master's programmes increased from one to twelve over the same period. The institution also introduced two PhD programmes, further strengthening its academic reputation.

Much of this growth has been fuelled by key strategic acquisitions, which have expanded Kristiania's reach and offerings. In 2017, the merger with Westerdals Oslo ACT strengthened Kristiania's creative arts programmes. The institution also integrated Musikkteaterhøyskolen and Norges Dansehøyskole in 2019, further expanding its footprint in performing arts education. The integration of ESMOD and Bårdar Akademiet in 2020 allowed Kristiania to diversify into fashion and dance education, while the incorporation of Intendia Professional AS in 2024 - including its subsidiaries NKI Fagskoler AS, MedLearn AS and NKI Kompetanse AS - positioned Kristiania as Norway's largest broad-based university college. By 2024, the institution will offer more than 200 study programmes on campuses in Oslo, Bergen and online.

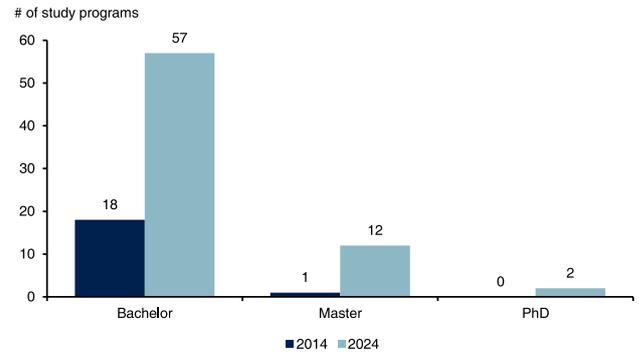
With ONH currently in the process of applying for institutional accreditation from NOKUT, there is potential for the institution to mirror the growth trends observed at Kristiania. Accreditation is a game changer because it speeds up the process of launching new programmes, as institutions can accredit themselves without having to wait for additional approval. This creates a more predictable timeframe. If ONH achieves this accreditation, it could open up new opportunities for expansion, both in terms of academic provision and student numbers.

Kristiania's student base almost 3x larger in 10 years



Source: ABG Sundal Collier, Kristiania

Kristiania's study offering development L10Y

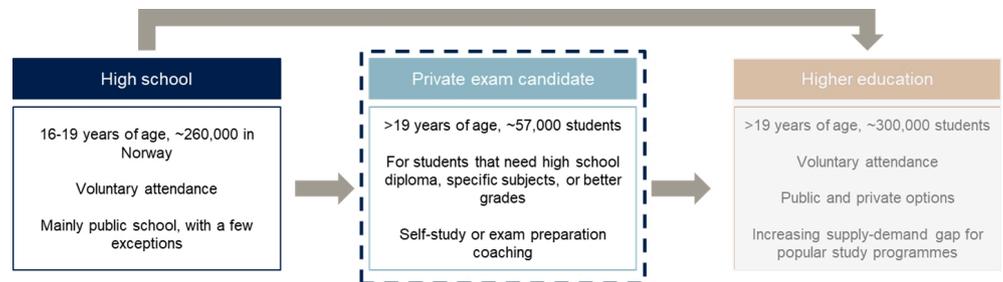


Source: ABG Sundal Collier, Kristiania

Sonans — a gateway to higher education

Sonans serves as a bridge for under-qualified high school students seeking access to in-demand higher education programmes. Operating across nine campuses, Sonans provides an alternative pathway to a high school diploma. By overcoming challenges such as incomplete coursework or low grades, ~80% of Sonans students successfully qualify for university admission. Sonans accounts for ~50% of Lumi Gruppen's student base (~60% of students are online), and revenues for AY'23/'24 were NOK 178m, with an adjusted EBIT margin of ~7%. Sonans' revenues have declined every year since '21 due to challenging market conditions, but the trend seems to be reversing as Lumi expects revenues of NOK 184-186m for the academic year '24/'25 (+1-3% y-o-y) and NOK 92m for H1'25. The company is targeting growth of ~5% p.a. (excluding the impact of a potential market recovery) and a margin of ~15% until academic year '26/'27. We expect a gradual recovery and forecast a CAGR of ~5% from AY'23/'24 to AY'26/'27e and an adjusted EBIT margin of ~15% in AY '26/'27e (i.e. in line with the target).

Bridging the gap between high school and university



Source: ABG Sundal Collier, Company data, SSB, Samordna Opptak

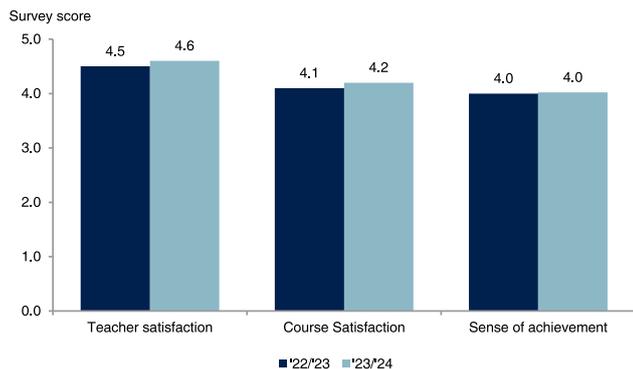
Helping students reach their goals

Due to limited admission capacity and hence undersupply of admission places in Norway, many students are compelled to take or retake high school courses after completing their third and final year of regular high school. This is typically done by sitting for exams as a "private candidate."

Being a private candidate means taking exams in high school courses without attending regular classes in a high school. Most students become private candidates mainly because 1) they want to retake courses to achieve higher grades for competitive university admissions, 2) they need to pass subjects they previously failed to meet graduation or university entry requirements, and 3) some degree programmes require specific electives or subject combinations that the student did not initially take in high school.

Sonans is the leading provider of private tutoring in Norway, offering all the courses required to obtain a high school diploma. Students benefit from a comprehensive omni-channel experience, including personalised teachers, feedback on assignments, counsellor meetings, access to both an online platform and on-campus resources, and close follow-up. Despite lower than average high school results prior to joining Sonans, ~80% of alumni achieve their goal of qualifying for higher education. In addition, Sonans students express high satisfaction with the quality of teaching, reflected in an impressive teacher satisfaction score of 4.6/5.0.

Survey scores are high, and improving



Source: ABG Sundal Collier, Company data

Sonans' key statistics

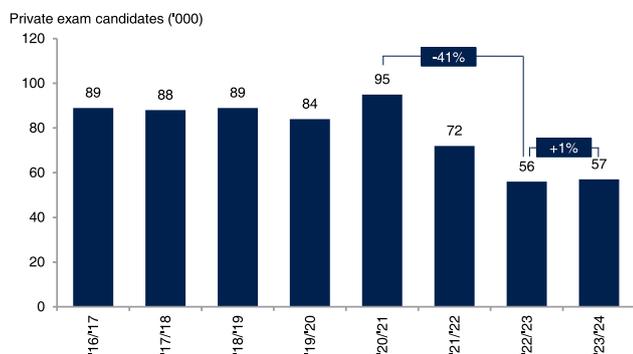


Source: ABG Sundal Collier, Company data

Market down following COVID-19, but bottom reached

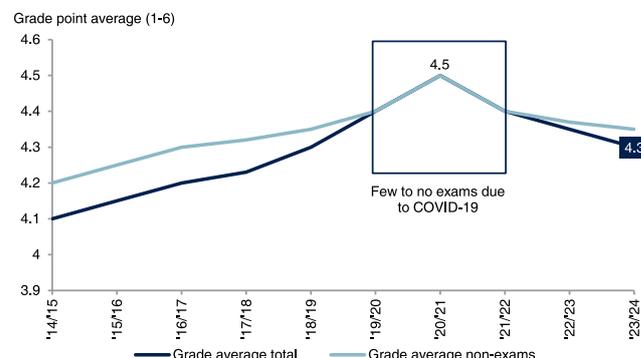
In the early years of COVID-19, the number of private candidates increased sharply (+13% y-o-y in school year '20/'21 compared to '19/'20). However, this was followed by a sharp decline, with the number of candidates falling from 95,000 in '20/'21 to 56,000 in '23/'24. Several factors have contributed to this decline, most notably the switch of many exams from graded formats to pass/fail and general grade inflation, which has reduced the need for private/repeat exams. Nevertheless, the market appears to have stabilised, with the number of private exam candidates increasing slightly from 56k in '22/'23 to 57k in '23/'24 (+1% y-o-y), and grade averages returning to pre-COVID-19 levels. For reference, the 57k private exam candidates represent ~22% of the total upper secondary population of ~260k (note that these are students eligible for upper secondary education, actual upper secondary students are ~190k).

Private exam candidates down, but flat in '24



Source: ABG Sundal Collier, Utdanningsdirektoratet

Grade inflation is being flushed out



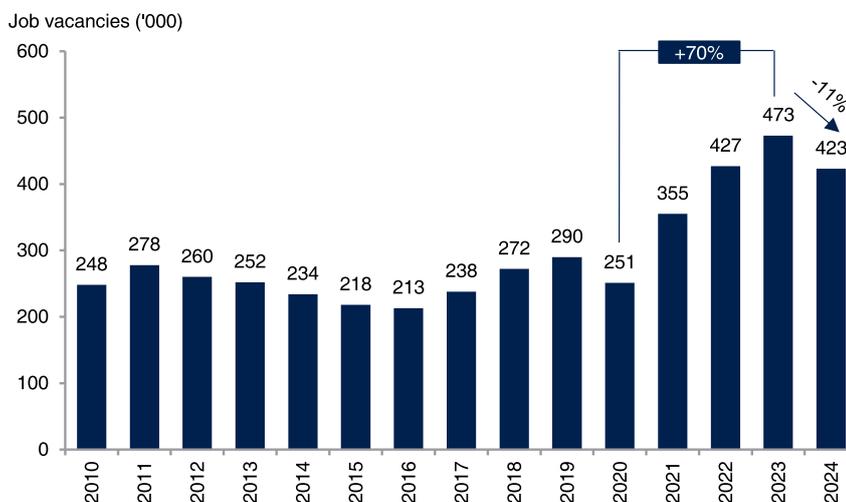
Source: ABG Sundal Collier, Utdanningsdirektoratet

In addition, reduced demand for Sonans was driven by the surge in job vacancies in Norway, which increased by +70% between '20 and '23 (473,000 from 251,000). High levels of vacancies can reduce the motivation for further education, as individuals may prefer to enter the labour market immediately rather than invest in re-taking exams. When stable jobs are readily available without the need to upgrade qualifications, the incentive to enrol in private courses is reduced - students with relatively low grades (e.g. 2/3 out of 6) can enter the labour market. This is particularly true in sectors with low barriers to entry, where the opportunity costs of continuing education outweigh the immediate benefits of employment.

To illustrate the impact of higher vacancy rates, we can look at a practical example: if there are 64k ('24) places in higher education and 142k ('24) applicants, Sonans' effective TAM is 78k (i.e. 142 minus 64), or in other words, 78k individuals who potentially want to improve their grades. If the number of applications falls by 10% (i.e. to 128,000) because more people instead enter the labour market, the TAM falls to 64,000 (128 minus 64 places), i.e. the TAM falls by ~18%. In other words, an increase in job vacancies has a significant impact on Sonans.

However, this effect works both ways, and the number of vacancies has started to fall (-11% y-o-y in '24), which may indicate a shift in momentum and a potential improvement in demand for Sonans.

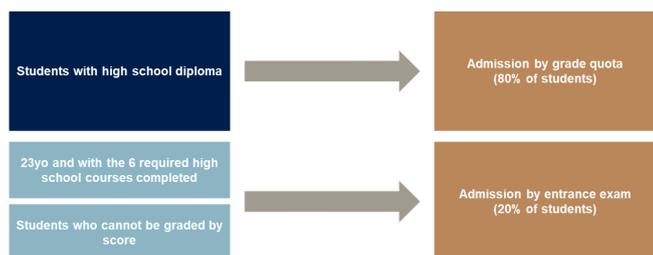
Job vacancies are moving down



Source: ABG Sundal Collier, NAV

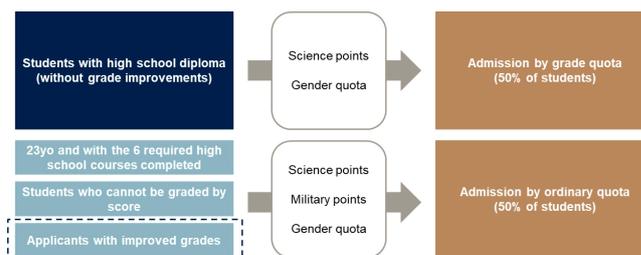
In 2022, the Norwegian government's Admissions Committee introduced a proposal to reform the admissions system, including a key change that would have prevented students from improving their grades after leaving high school. This proposed change was particularly significant for Sonans, as 25-30% of its students, according to Lumi, typically enrol to improve their grades. If enacted, this would have posed a direct threat to Sonans' revenue streams and created uncertainty about its future operations. However, at a hearing in June '24, the committee opted to retain the existing system, allowing grade upgrading to continue after graduation, but now students can only receive maximum 3 additional credits, compared to 14 previously (see section "Education trends in Norway" for details). The political parties in Norway have agreed on the new system, and as a result, the regulatory outlook for Sonans has stabilised.

Previous admission proposal



Source: ABG Sundal Collier, the Norwegian government

New admission rules (approved)



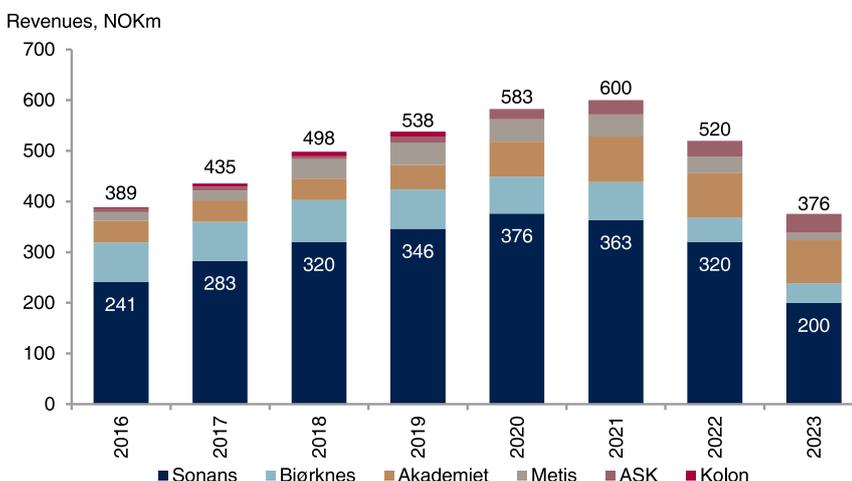
Source: ABG Sundal Collier, the Norwegian government

Still the market leader, although the market is down

The market for private candidate examinations has changed significantly since its peak in 2021, when total industry revenue reached NOK 600 million. By 2023, this figure had fallen by 37% to NOK 376 million. This decline is largely due to a structural decrease in the number of private examination students during this period (Sonans closed campuses), influenced by both grade inflation and a strong labour market. In addition, a larger proportion of students are now also studying online, which is less expensive than studying on campus.

In the period between 2019 and 2023, all the leading players - Sonans, Bjørknes, Akademiet and Metis, which together account for ~96% of the market - experienced declines in revenue, with the exception of Akademiet, which reported growth in the same period. However, it should be noted that Akademiet acquired Kolon in 2020/2021, which increased its revenue by NOK 10 million (or 15%). Meanwhile, smaller players such as ASK have experienced significant growth (due to their low-cost online offering), resulting in an increase in market share from 2% in 2019 to 10% in 2023. The combination of all these factors has led to a change in market dynamics, but as of 2023, Sonans remains the leading market player with 53% market share (compared to 64% in 2019).

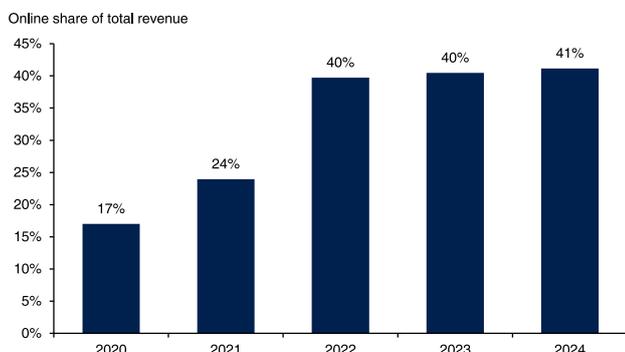
Most competitors have seen reduced revenues vs. peak in '21



Source: ABG Sundal Collier, Companies, Proff.no

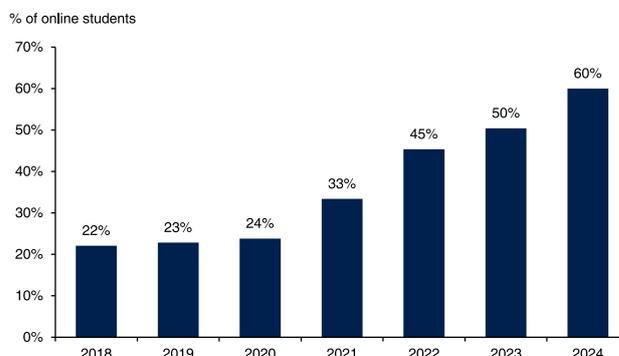
Although Sonans' market share has declined from 60% to 53%, its online segment has experienced growth. Since 2018, online's share of revenue has risen from 12% to ~40% in 2024 (and online students have increased from 22% to 60%), reflecting a shift in its business model.

Increased online share of Sonans revenue



Source: ABG Sundal Collier, Lumi Gruppen

Strong growth in the number of online students

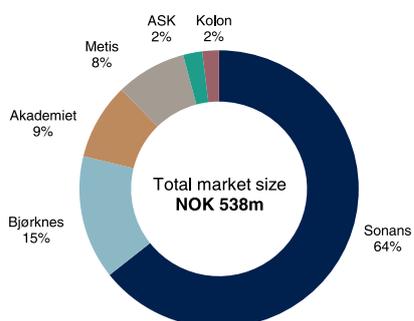


Source: ABG Sundal Collier, Lumi Gruppen

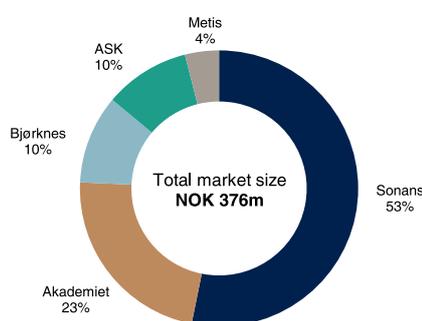
The slight decline in Sonans' market share benefited Akademiet, whose share increased from 9% to 23%. However, part of this increase is due to the acquisition of Kolon (as mentioned above). Note that in the graphs below we have excluded K2. The reason for this

is that K2's revenues are primarily derived from trade subjects — a sector in which Sonans is very little active in. Therefore, K2 has been excluded from our market size estimate, but is included in the table below for reference.

Market shares 2019



Market shares 2023



Source: ABG Sundal Collier, Companies, Proff.no

Source: ABG Sundal Collier, Companies, Proff.no

Margin challenges across the space

Most players in the market have seen their EBIT margins fall significantly. Sonans' EBIT margin fell from an average of 21% in '18-'23 to just 1% in '23 (but recovered to ~10% in '24). Similarly, Akademiet, the second largest player, saw its margin fall from ~15% to ~5%. These declines were primarily due to a decline in student numbers and increased costs, particularly those associated with campus operations. In response, both companies have been forced to reduce their physical footprint, with Sonans closing 6 campuses since '19/'20 and Akademiet closing 4. Looking ahead, Sonans aims to achieve an adjusted EBIT margin of ~15% by '26/'27 (excluding potential market recovery) and is targeting margins of >20% in the long term.

Competitive landscape

						
Company	Sonans Utdanning	Akademiet	Metis	K2 kompetanse	Bjørknes privatskole	ASK privatskole
Sales 2024	183	85	15	62	39	37
Growth '24, %	0%	-3.9%	-54.2%	4.6%	-18.2%	18.7%
CAGR '18-'24, %	-9%	14.9%	-17.4%	120.5%	-13.9%	44.3%
Growth '24, NOKm	-16	-3		3	-9	6
EBITDA	41	6	-6	4	0	6
EBITDA margin '24	25.5%	7.2%	-37.8%	6.2%	0.5%	15.4%
EBITDA margin '18-'24	33.2%	19.6%	6.2%	-41.2%	-2.3%	7.5%
EBIT 2024	18	6	-6	1	-2	0
EBIT margin '24	10%	6.9%	-38.3%	1.5%	-4.7%	-0.1%
EBIT margin '18-'24	20%	19.5%	5.3%	-45.2%	-6.2%	-22.6%
# campuses	9	11	3	8	1	Only online
Semester course price (Campus)	15,000	14,400	13,990	N/A	15,990	N/A
Semester course price (Online)	10,500	9,900	9,490	4,700	14,390	4,990

Source: ABG Sundal Collier, Companies, Proff.no

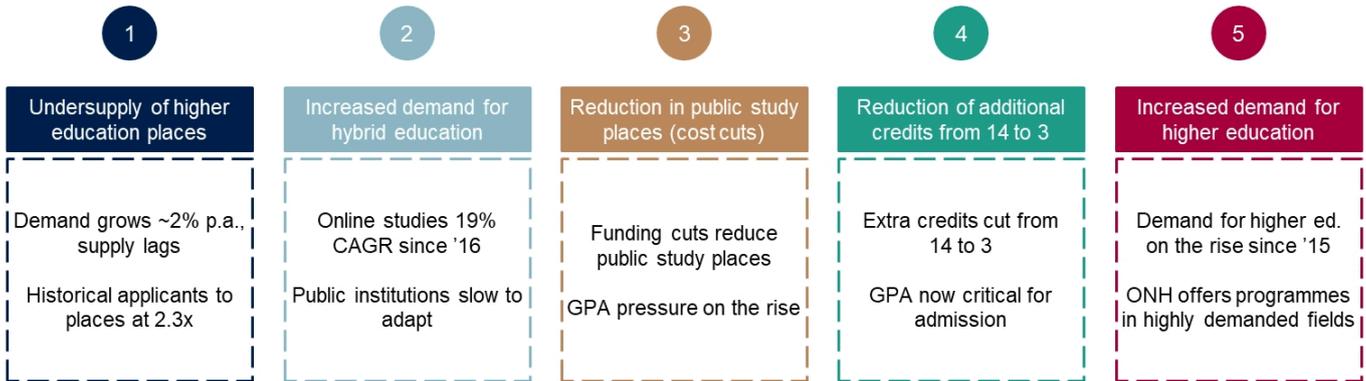
Footnote: *2024 for Sonans, 2023 for all other players, K2 only included for reference

Education trends in Norway

Lumi - Taking advantage of the education gap

The Norwegian higher education landscape is changing, driven by growing demand for study opportunities, policy reforms and evolving preferences for flexible learning formats. These trends highlight key challenges such as the undersupply of public university places, stricter admission requirements and the increasing appeal of hybrid education solutions. Given the current changes in the market, we have identified five possible growth drivers for Lumi.

Key growth drivers



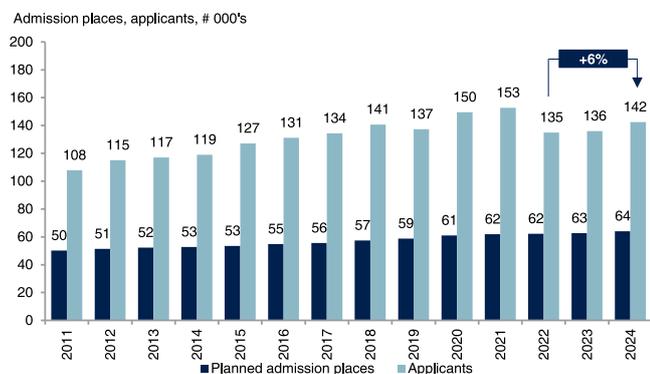
Source: ABG Sundal Collier

1) Undersupply of higher education admission places

Steadily increasing demand not met by more public study places

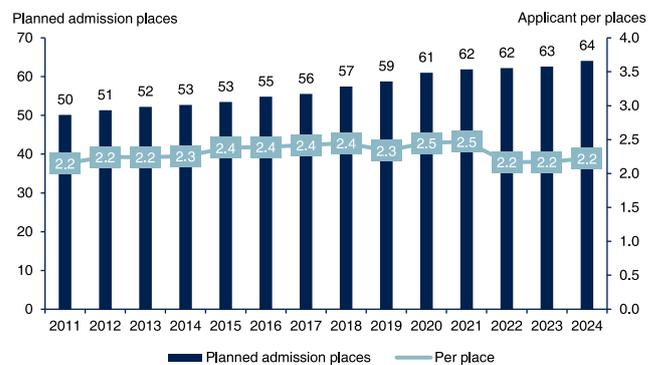
Historically, the volume of applications has grown at a CAGR of 2.2%, outpacing the growth in places. The lagging supply side is effectively creating a widening demand gap. In 2024, there were ~78,000 fewer admission places than applicants, forcing many prospective students to consider other options (private schools, study abroad, work, community college, gap year, joining the army). On average, there have been 75,000 fewer places than applicants since 2011. This means that, on average, there are 2.3 times as many applicants as places. Overall, the gap between applicants and planned places has been increasing since 2011, growing at a CAGR of 2.4%, but particularly in '20/'21 (COVID-19 related). As a result, the following year we saw a decline from '2021 levels, but it is now on the rise again. However, we emphasise that while a year-on-year increase could support growth, the key issue is the significant structural undersupply of student places. This gap represents an important opportunity for the ONH to address.

Supply-demand imbalance in higher ed. up



Source: ABG Sundal Collier, Samordna opptak

Structural undersupply of higher education places

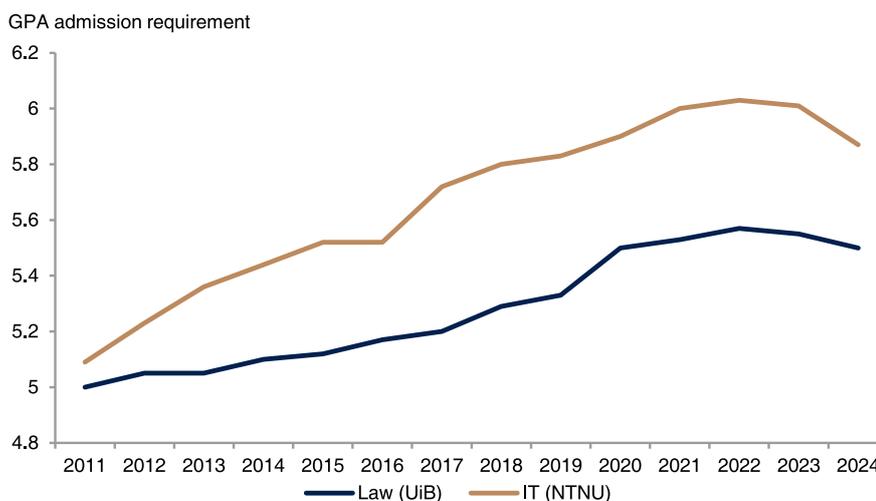


Source: ABG Sundal Collier, Lumi Gruppen

Admission to Norwegian public education is centralised through Samordna Opptak. Prospective students register their preferences with Samordna Opptak each spring, and qualified candidates are then ranked according to their high school GPA. Only the GPA counts, and those with the highest GPAs are admitted. Therefore, it is not possible to compensate for poor grades with strong motivation letters or CVs. Some fields of study, such as medicine, law or IT, are particularly popular, creating a large demand gap and tough competition for admission. Increasing competition for places in popular courses is reflected in the increasingly stringent GPA entry requirements. This is helping to drive demand for Sonan's offer.

Note that some of the fluctuation in GPA requirements can be attributed to grade inflation during the period when exams were suspended. This temporary inflation pushed the GPA to new heights and explains the current slight decline as the system stabilises. Nevertheless, the overall trend towards increasingly stringent GPA requirements continues.

Increasing GPA requirements – a selection of programmes

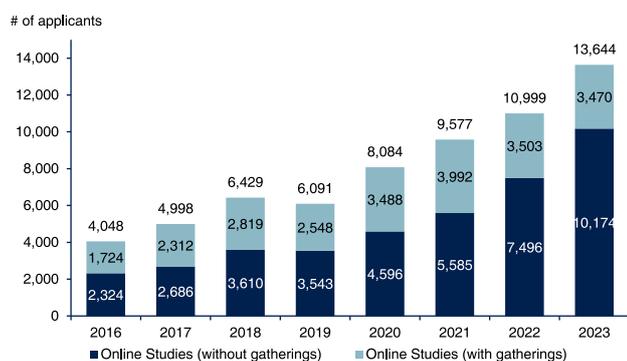


Source: ABG Sundal Collier, Samordna Opptak

2) Increased demand for hybrid education

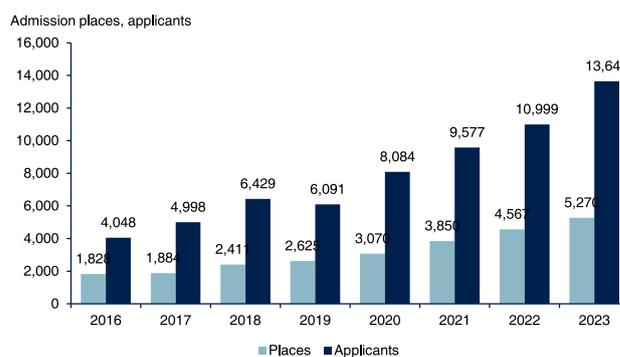
The growing popularity of hybrid courses is also opening the door for ONH to expand. Since 2016, the number of applicants to online programmes has grown at a CAGR of 19%. At the same time, competition for places has intensified, with the ratio of applicants to available places rising from 2.2x in 2016 to 2.6x in 2023. This change represents a trend of increasing demand for educational flexibility. However, while student demand has soared, public institutions have struggled to scale their online offerings, leaving a significant gap in the market - one that ONH is positioned to fill.

Applicants to online studies has grown by a CAGR of 19% since 2016...



Source: ABG Sundal Collier, Samordna Opptak

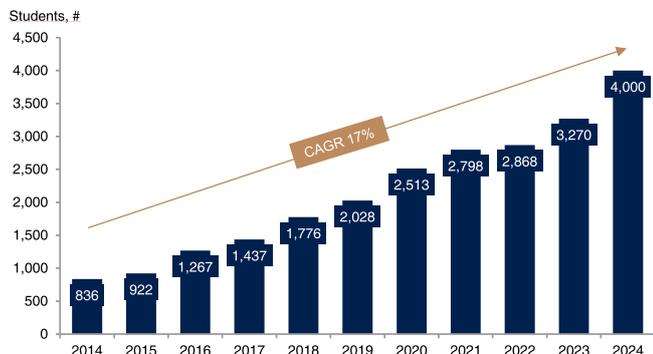
...and the applicant-to-place ratio continues to increase



Source: ABG Sundal Collier, Samordna Opptak

Historically, ONH has shown consistent and strong growth in both revenues and students. The strongest growth comes from its online segment, which has grown by a CAGR of 22% vs. campus at 7% since 2014. Roughly ~80% of ONH's students are online-based, up from ~63% in '20/'21, which demonstrates that ONH has an attractive and scalable online offering.

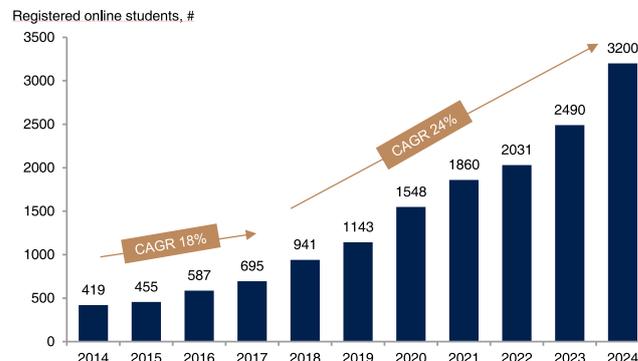
ONH: Strong growth in number of students...



Source: ABG Sundal Collier, Lumi Gruppen

Footnote: ABGSC estimate for '24

...and the online segment is taking off



Source: ABG Sundal Collier, Lumi Gruppen

Footnote: ABGSC estimate for '24

3) Reduction in public funding

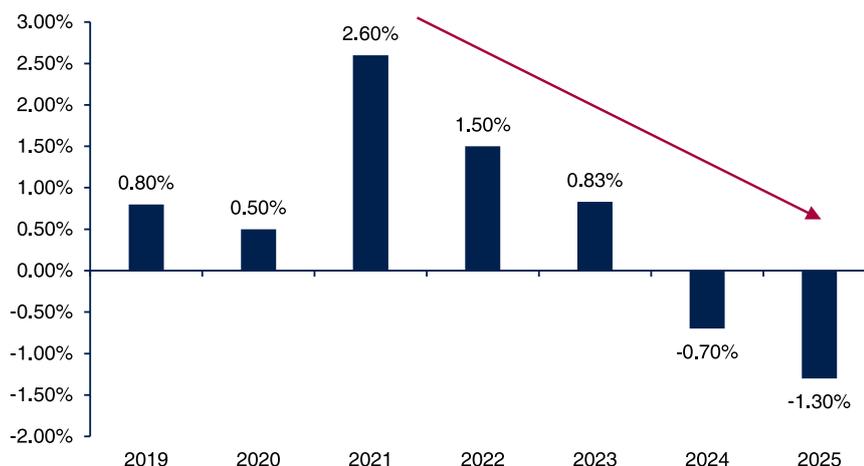
Another driver of demand is that Norwegian higher education is undergoing a change related to budget cuts that are restructuring the environment for universities and colleges.

In the proposed state budget for 2025 (published Sept. 24), the government has proposed a real decrease in higher education funding of -1.3% year-on-year, compared with a real decrease of -0.7% in 2024 (published Sept. 23). As shown in the graph below, there is a downward trend in government funding for higher education (although this may change from year to year). While real growth in funding peaked in 2021 - largely due to the continuation of the additional student places and recruitment positions created in 2020 as part of COVID-19-related measures - funding has been on a steady decline since then. As a result, several institutions are having to reduce the number of study places, discontinue some academic courses and reassess their long-term plans (note that ONH does not receive government funding, i.e. it is not affected). Some examples are the reduction of places for teacher training and nursery school teachers. VID has also announced that it is considering discontinuing several programmes, while Oslo MET has already discontinued several programmes, such as its Masters in Entrepreneurship from 2024.

The main reason for these changes is the return of pandemic-related funding, which was established in response to the COVID-19 outbreak. The Norwegian government contributed NOK 656m to increase the number of study places and create new faculty positions to meet local demand and continue education during a global pandemic. However, now that this funding has been cut, several universities and colleges are facing difficult challenges in maintaining the enrolment and staffing levels they maintained during the pandemic years. This financial shortfall has forced institutions to reduce their provision and staffing levels. Fewer places available (note small increase in 2025) puts pressure on students' GPAs, which is likely to push more students into the private candidate exam market, so we have identified this as another trigger for Sonans' offering.

A downward trend for higher ed. in the state budget

Budgeted real increase/decline y-o-y for higher ed.



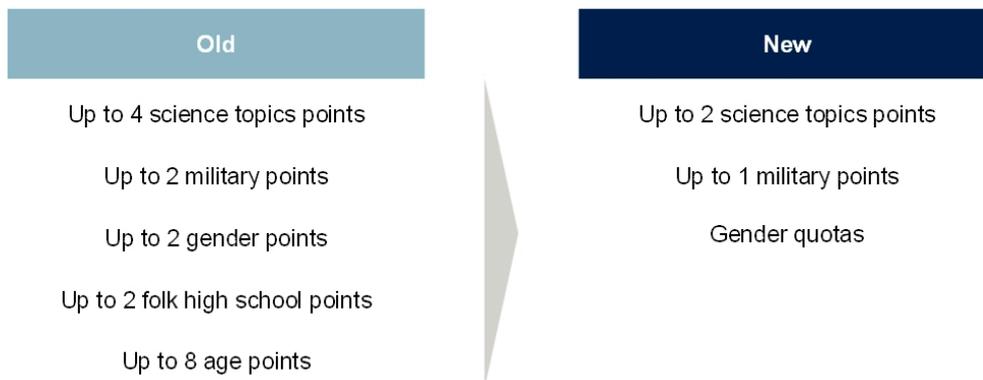
Source: ABG Sundal Collier, Regjeringen

4) Reduction of additional credits from 14 to 3

The Norwegian government has made changes to the higher education admission process by reducing the maximum number of extra credits that students can earn from 14 to 3. Under the old system, it was possible to earn 14 extra credits by 1) up to 8 points for age, 2) up to 2 points for military service, 3) up to 4 points for scientific subjects (i.e. biology, mathematics, physics, etc.) and foreign language, 4) up to 2 points for folk high school and 5) up to 2 points for gender. However, with the new reform, which will take effect from 2027, the government has removed additional credits for factors such as age, gender, folk high school attendance and foreign language study. The new reform will only allow a maximum of 3 extra credits, compared to the previous maximum of 14, and will also replace gender points with quotas. Thus, from 2027 onwards, it will only be possible to gain a total of 3 study points by 1) up to 1 point for military service and 2) up to 2 points for science subjects (i.e. biology, maths, physics, etc.).

As a result, extra credits will play a smaller role and achieving good grades in key subjects will become the most critical factor in securing admission to competitive programmes. Students who previously relied on extra credits to meet requirements are now likely to turn to the private examination market to boost their GPAs. As the effects of this reform reshape the education sector, Lumi can benefit in two ways: 1) Sonans can benefit from students being forced to turn to the private exam market to boost their GPAs, and 2) students who are not accepted into their desired programme can choose to study at ONH.

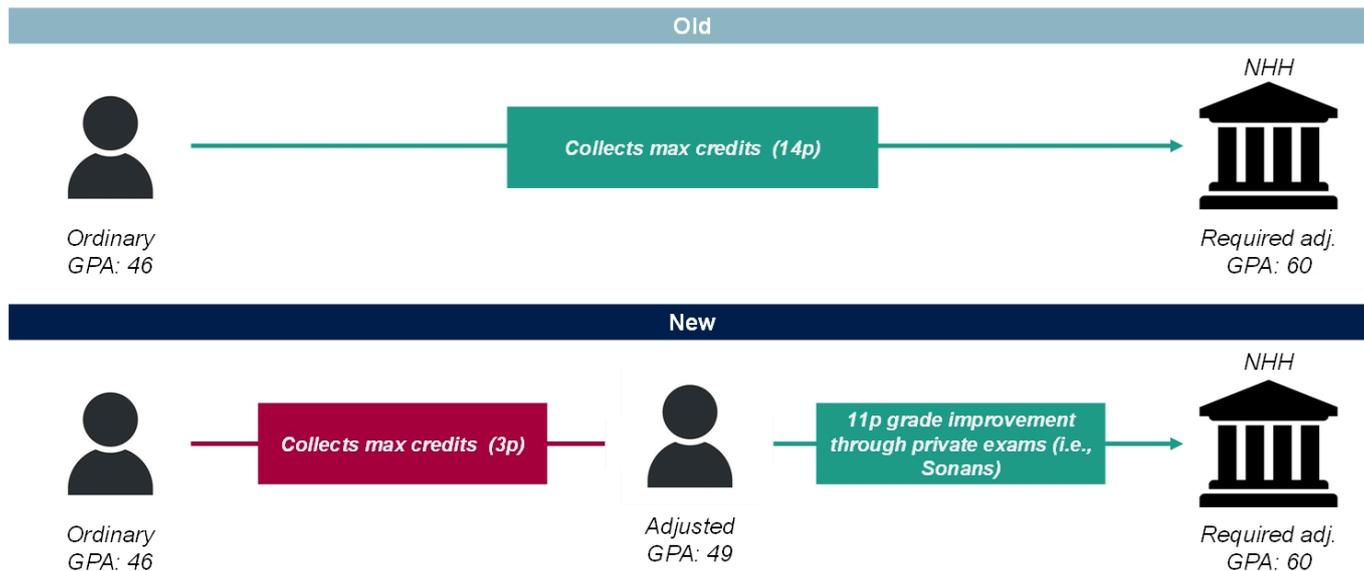
New rules for additional credits



Source: ABG Sundal Collier, Regjeringen

Below we have provided an illustration of how the new reform (from 2027) will affect students' ability to improve their GPA. Previously, a student with an ordinary GPA of 46 could add a maximum of 14 extra points to achieve an adjusted GPA of 60, which would meet the requirements for admission to their desired programme (e.g. a programme at the Norwegian School of Economics, NHH). With the new rules, the same student can only add a maximum of 3 extra points, resulting in an adjusted GPA of 49. To bridge the gap and achieve the required GPA of 60, students will have to improve their grades by 11 points through academic means, such as attending private exam preparation schools like Sonans.

The new reform will force students to improve their grades (or consider other options, such as ONH)



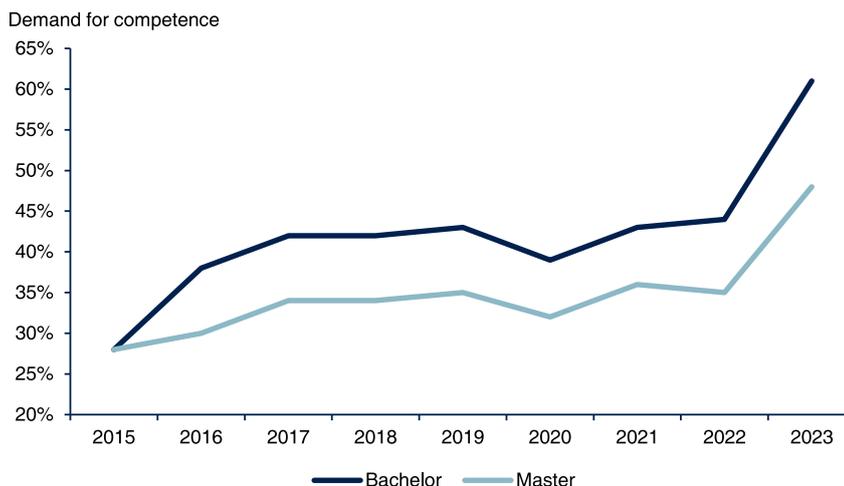
Source: ABG Sundal Collier

Footnote: Note that following the new rules, the required GPA of 60 is likely to decline, however, we do not find it likely that the decline will correspond to the delta of the new maximum credits (11=14-3), but we have kept 60 for illustrative purposes.

5) Higher demand for bachelor and master degrees

We see a steady increase in the demand for people with bachelor's and master's degrees. Since 2015, this trend has been growing steadily, as highlighted by the NHO's Kompetansebarometer. Note that the dip we saw in 2020 was related to the COVID-19 pandemic, but that the overall trend is for demand to increase. Overall, we expect that this trend is likely to make higher education increasingly attractive to those seeking academic advancement. With rising GPAs, fewer available places and continued demand for highly educated individuals, we expect Lumi to be well positioned to capitalise on these opportunities. This includes helping Sonan students improve their high school GPAs and meeting the demand for higher education at ONH.

Demand for individuals with bachelor's and master's degrees



Source: ABG Sundal Collier, NHOs Kompetansebarometer

Footnote: Normally N=3-4k, but in 2023 N=1628

As can be seen in the table below, we have compared the results of the NHO's knowledge barometer with the offers of ONH and ONF. We find that ONH and ONF offer study programmes for several of the most attractive fields, such as engineering and technical fields, social sciences, information and communication, etc. These programmes cater for a variety of educational levels, including bachelor's degrees, master's degrees and professional studies. We believe that with the increasing demand for bachelor's and master's degrees, ONH and ONF may be able to capture a fair share of the private education market.

ONH offers study programmes for several attractive industry fields

Field	Share (%)	# of ONH and ONF study areas		
		Single study / other	BSc*	MSc
Engineering and Technical Fields	44%	#13		
Handicraft Fields	44%			
ICT (Information and Communication Technology)	23%			
Social Sciences, Law, etc.	14%	#28	#15	
Information and Communication	12%	#5	#2	
Primary Industry Fields	6%			
Mathematics and Natural Sciences	6%			
Health, Social, and Sports Fields	4%	#18	#11	#2

Source: ABG Sundal Collier, ONH, NHOs Kompetansebarometer

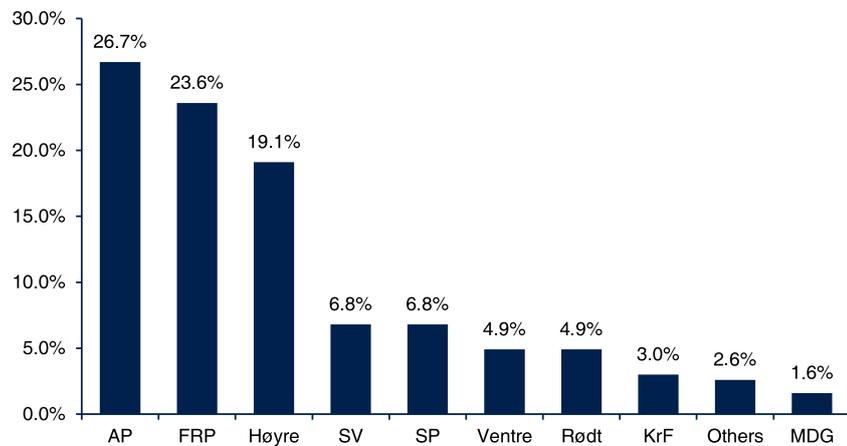
Footnote: Engineering and technical fields mainly relate to ONF, BBA incl. in social sciences. *Including specialisations

Stable political environment

The political environment affects the markets in the sense that the government may propose changes in education that could have a direct impact on Lumi. However, we see little political risk going forward. In September 2025, Norway will hold a general election. According to Respons Analyse, the current ruling party, the Labour Party (AP), is leading the polls after Jens Stoltenberg became the new finance minister (AP rose 8 pps on the news). We don't know how the election will turn out, but if AP wins the market is likely to remain stable, but if FRP (the Progressive Party) wins it could create more supportive market conditions for the private education sector - a core part of FRP's policy is its support for the private sector, including private exams and schools. As mentioned previously, however, the political parties have agreed on new admission proposals that are supportive for Lumi. Political cycles tend to be long in Norway (could be +10 years), i.e. the political environment will remain stable.

AP is the leading political party in Norway

National Party Barometer (Feb' 25)



Source: ABG Sundal Collier, Respons Analyse

Footnote: As of February 2025

Earnings and forecasts

We forecast Lumi's sales to grow at a CAGR of ~9% from NOK 422m in AY'23/'24 to NOK 553m in AY'26/'27e (NOK 451m in calendar year '24 to NOK 573m in '27e). This is driven by a sales CAGR of ~5% for Sonans and ~12% for ONH. At the same time, we expect Sonans' adj. EBIT margin to grow from 7% to ~15% and ONH from 26% to ~27%. We see Lumi's adj. EBIT margin at ~21% in AY'26/'27e. We forecast adj. EPS at ~NOK 1.1 in AY'26/'27 (NOK 1.12 in calendar year '27e vs. NOK 0.34 '24), implying a P/E of ~12x in '27e.

Targets seem achievable

Lumi has set financial targets for ONH, Sonans and ONF (part of ONH) for the academic year '26/'27. For Sonans, it is targeting revenue growth of ~5% p.a. (excluding the impact of a potential market recovery) and an adjusted EBIT margin of ~15%. Sonans' revenues were down ~8% y-o-y in FY'24, but the autumn intake in FY'24 suggests that the market is stabilising, with revenue growth of 1-3% expected for the academic year '24/'25. In addition, the adj. EBIT margin improved in '24 vs. '23, landing at 10% vs. 2% in '23 (7% in AY'23/'24). The company targets an adj. EBIT margin of ~15% by AY'26/'27, with a long-term target of >20%. We forecast sales growth of ~5% from AY'23/'24 to AY'26/'27 and an adjusted EBIT margin increasing of ~15%.

Sonans: Targets and historical figures summary

Metric	Historical CAGR / Avg. margin ('18-'24)	Company targets ('26/'27)	ABGSC estimates ('26/'27)	Company targets in figures, AY'26/'27 (NOKm)
Sales growth	-9% CAGR	approx. 5% p.a.	approx. 5% p.a.	207
Adj. EBIT margin	20%	approx. 15%	approx. 15%	31

Source: ABG Sundal Collier, Lumi Gruppen

For ONH, Lumi is targeting revenue growth of >10% p.a. and an adjusted EBIT margin of >25%. In comparison, we forecast revenue growth of ~12% p.a. and an adj. EBIT margin of ~27%, which is broadly in line with the company's targets. We note that ONH has twice achieved an adj. EBIT margin >30% ('20 and '23). For ONF, Lumi targets sales of NOK >30m and an adj. EBIT margin >25% within four years.

ONH: Targets and historical figures summary

Metric	Historical CAGR / Avg. margin ('18-'24)	Company targets ('26/'27)	ABGSC estimates ('26/'27)	Company targets in figures, AY'26/'27 (NOKm)
Sales growth	16% CAGR	>10% p.a.	approx. 12% p.a.	327
Adj. EBIT margin	27%	>25%	approx. 27%	82

Source: ABG Sundal Collier, Lumi Gruppen

Lumi Gruppen: P&L summary and key metrics

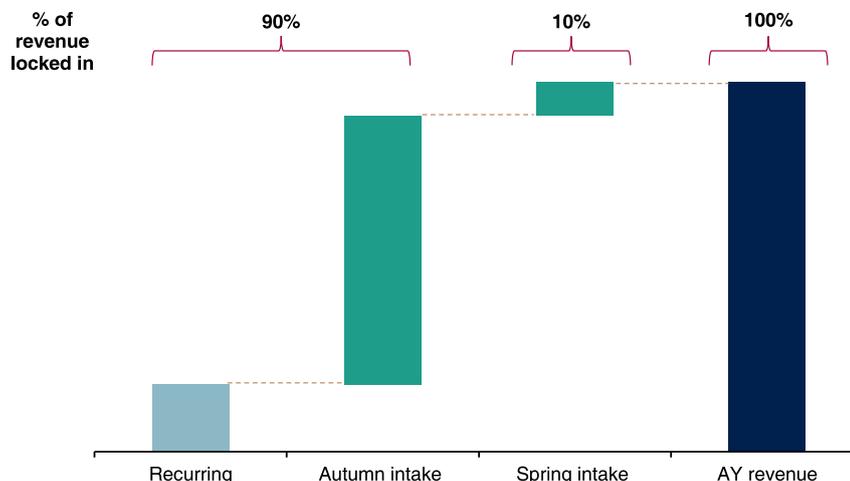
Group P&L, NOKm	Academic year							Calendar year							CAGR (AY '26/'27)	Target (AY '26/'27)
	20/21	21/22	22/23	23/24	24/25e	25/26e	26/27e	2020	2021	2022	2023	2024	2025e	2026e		
Sonans	377	349	255	178	186	193	206	376	363	320	200	183	189	200	213	
ONH	157	182	204	246	282	313	347	141	168	194	224	268	294	330	361	
Revenues	535	532	460	422	469	507	553	518	532	515	423	452	482	530	573	
EBIT	129	92	-216	37	69	101	117	133	112	77	-235	53	91	108	122	
One-offs.	-25	-24	-299	-11	-4	0	0	-25	-22	-36	-285	-7	0	0	0	
Adj. EBIT	154	116	83	48	72	101	117	158	134	113	49	60	91	108	122	
Net profit	63	53	-255	-8	27	48	61	63	59	37	-276	14	41	54	65	
Adj. Net profit	90	71	-22	1	30	48	61	108	84	65	-54	20	41	54	65	
EPS	n.a.	1.46	-4.63	-0.14	0.47	0.83	1.06	n.a.	1.63	1.03	-5.00	0.24	0.70	0.94	1.12	
Adj. EPS	1.37	1.97	-0.15	0.01	0.52	0.83	1.06	2.97	2.32	1.80	-0.98	0.34	0.70	0.94	1.12	
Key metrics	20/21	21/22	22/23	23/24	24/25e	25/26e	26/27e	2020	2021	2022	2023	2024	2025e	2026e	2027e	
Sonans revenue growth y-o-y (%)	n.a.	-8%	-27%	-30%	4%	4%	7%	9%	-4%	-12%	-38%	-8%	3%	6%	6%	
ONH revenue growth y-o-y (%)	n.a.	16%	12%	21%	15%	11%	11%	18%	19%	16%	15%	20%	10%	12%	9%	
Group revenue growth y-o-y (%)	n.a.	-1%	-13%	-8%	11%	8%	9%	27%	3%	-3%	-18%	7%	7%	10%	8%	
Sonans adj. EBIT (%)	29%	21%	15%	7%	8%	13%	15%	30%	25%	22%	2%	11%	14%	14%	15%	
ONH adj. EBIT (%)	31%	26%	27%	26%	25%	27%	27%	33%	27%	25%	31%	21%	27%	27%	27%	
Group adj. EBIT (%)	29%	22%	18%	11%	15%	20%	21%	30%	25%	22%	12%	13%	19%	20%	21%	
OPEX	-347	-382	-347	-338	-353	-361	-390	-322	-365	-378	-333	-353	-346	-376	-405	
NIBD ex. IFRS 16								608	374	400	231	190	159	106	41	
NIBD/EBITDA ex. IFRS 16								4.1x	3.1x	4.8x	5.8x	3.4x	1.7x	1.0x	0.3x	
NIBD incl. IFRS 16								765	519	538	431	444	414	360	295	
Lease adj. FCF								73	23	12	-19	15	31	53	65	

Source: ABG Sundal Collier, Lumi Gruppen

Strong visibility - 90% of revenue locked in at the beginning of the year

Lumi has strong revenue visibility, with 90% of its annual revenue secured at the outset of the academic year in autumn. This is driven by its upfront payment model, in which students pay tuition fees in advance, ensuring revenue and profit stability from the beginning of the school year. The remaining 10% is typically realised at the start of the spring semester.

90% of revenue "locked in" in autumn

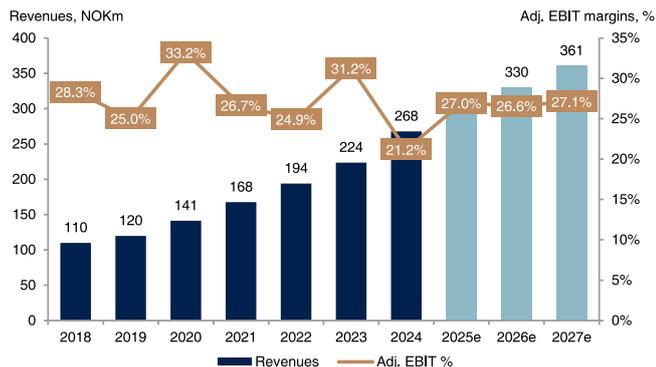


Source: ABG Sundal Collier, Lumi Gruppen

Oslo Nye Høyskole

We continue to see a large demand gap in higher education, which allows ONH to grow further by starting new programmes and opening classes. A potential NOKUT accreditation is likely to accelerate growth from '26e onwards. We forecast a revenue CAGR of 12% (AY'23/'24 - AY'26/'27). The customer mix (shift towards online) will slightly increase margins, with no impact on ARPS as online and campus offerings are priced the same. We see the adjusted EBIT margin rising to ~27% by AY'26/'27.

ONH: Sales and adj. EBIT margin



Source: ABG Sundal Collier, Lumi Gruppen

ONH: Sales and adj. EBIT margin - Academic year



Source: ABG Sundal Collier, Lumi Gruppen

ONH P&L forecast

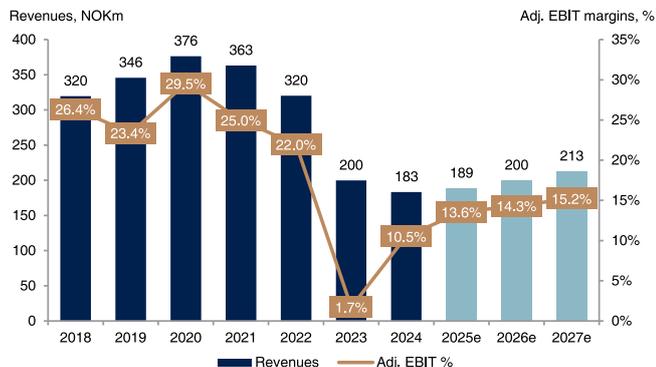
ONH	Academic year							Calendar year							CAGR (AY '26/'27)	Target (AY '26/'27)	
	20/21	21/22	22/23	23/24	24/25e	25/26e	26/27e	2020	2021	2022	2023	2024	2025e	2026e			2027e
Campus	79	83	78	82	94	106	118	75	78	84	76	90	98	112	123	12%	>10% p.a.
Online	78	99	126	164	188	207	229	66	90	110	147	178	196	218	238		
Revenues	157	182	204	246	282	313	347	141	168	194	224	268	294	330	361	14%	
Adj. EBIT	49	47	54	64	71	86	95	47	45	48	70	57	79	88	98		
EBIT	43	36	48	55	70	86	95	45	36	37	70	56	79	88	98		
Revenue growth	n.a.	16%	12%	21%	15%	11%	11%	18%	19%	16%	15%	20%	10%	12%	9%		
Adj. EBIT (%)	31%	26%	27%	26%	25%	27%	27%	33%	27%	25%	31%	21%	27%	27%	27%		>25%
EBIT (%)	28%	20%	24%	22%	25%	27%	27%	32%	21%	19%	31%	21%	27%	27%	27%		

Source: ABG Sundal Collier, Lumi Gruppen

Sonans

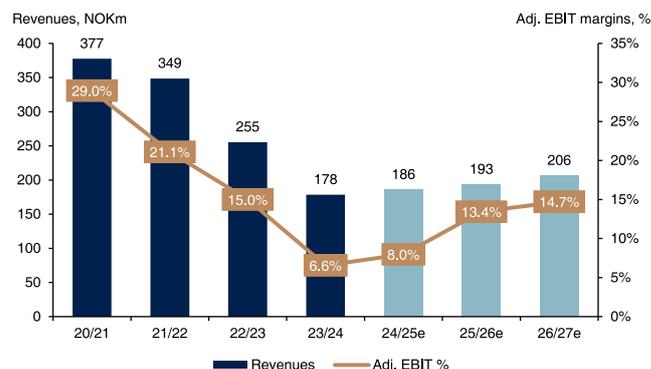
We expect Sonans' student pool to modestly increase as the general market recovers. Prices will likely increase in line with inflation, and we therefore forecast a revenue CAGR of ~5% (AY'23/24 - AY'26/27). We see the adj. EBIT margin increasing to ~15%, also supported by cost control.

Sonans: Sales and adj. EBIT margin



Source: ABG Sundal Collier, Lumi Gruppen

Sonans: Sales and adj. EBIT margin - Academic year



Source: ABG Sundal Collier, Lumi Gruppen

Sonans P&L forecast

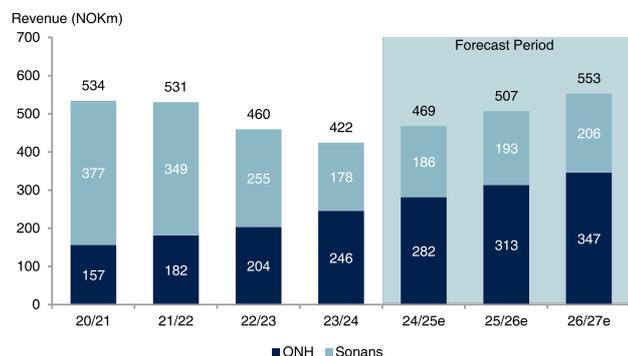
Sonans	Academic year							Calendar year							CAGR (AY '26/'27)	Target (AY '26/'27)	
	20/21	21/22	22/23	23/24	24/25e	25/26e	26/27e	2020	2021	2022	2023	2024	2025e	2026e			2027e
Campus	301	245	140	108	110	112	117	312	276	193	119	109	111	114	120	5%	-5% p.a.
Online	77	104	115	71	77	82	89	64	87	127	81	75	78	85	93		
Revenues	377	349	255	178	186	193	206	376	363	320	200	183	189	200	213	37%	
Adj. EBIT	109	74	38	12	15	26	30	111	91	70	3	19	26	29	32		
EBIT	107	68	26	11	14	26	30	111	89	53	2	18	26	29	32		
Revenue growth	n.a.	-8%	-27%	-30%	4%	4%	7%	9%	-4%	-12%	-38%	-8%	3%	6%	6%		
Adj. EBIT (%)	29%	21%	15%	7%	8%	13%	15%	30%	25%	22%	2%	11%	14%	14%	15%		-15%
EBIT (%)	28%	20%	10%	6%	7%	13%	15%	30%	24%	17%	1%	10%	14%	14%	15%		

Source: ABG Sundal Collier, Lumi Gruppen

Full P&L

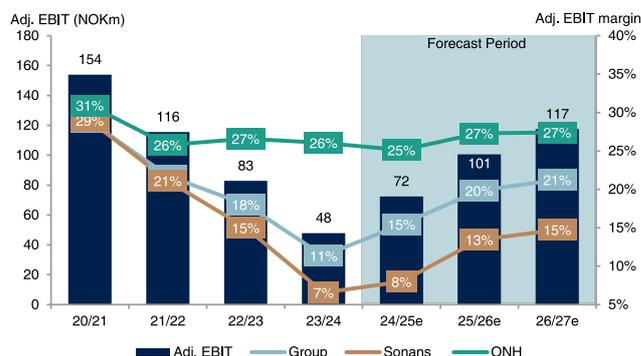
Putting it all together, we summarise our P&L below.

Historical and forecasted revenue - AY



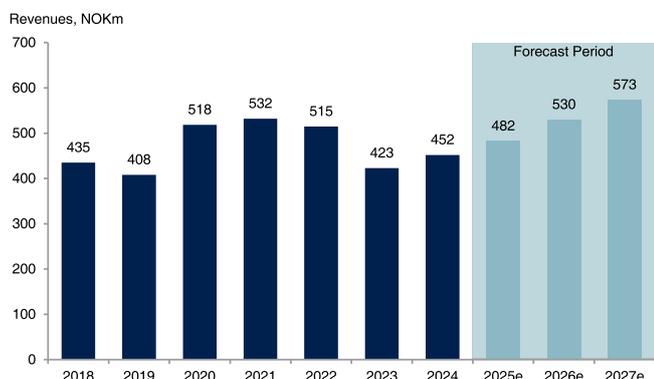
Source: ABG Sundal Collier, Lumi Gruppen

Historical and forecasted adj. EBIT - AY



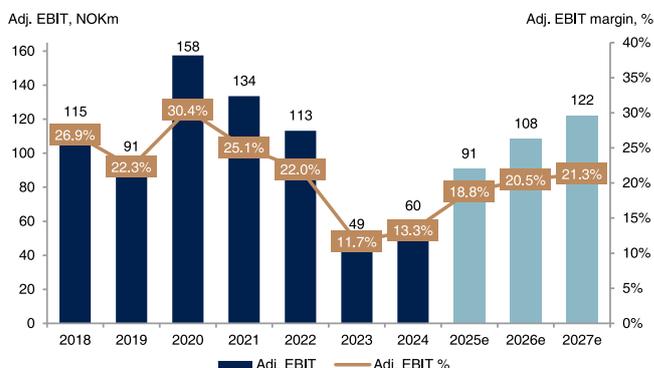
Source: ABG Sundal Collier, Lumi Gruppen

Historical and forecasted revenue - Calendar year



Source: ABG Sundal Collier, Lumi Gruppen

Historical and forecasted EBIT - Calendar year



Source: ABG Sundal Collier, Lumi Gruppen

Historical and estimated P&L - Academic year

Group P&L, NOKm	20/21	21/22	22/23	23/24	24/25e	25/26e	26/27e	CAGR ('24-'27)
Campus	383	336	218	176	204	218	235	
Online	150	203	241	246	265	289	318	
Revenues	534	531	460	422	469	507	553	9%
EBITDA	188	149	113	86	116	146	163	
One-offs	-16	-22	-295	-11	-4	0	0	
Adj. EBITDA	204	171	408	97	119	146	163	
D&A	-59	-57	-59	-49	-47	-45	-46	
EBIT	129	92	-216	37	69	101	117	
Adj. EBIT	154	116	83	48	72	101	117	35%
Net financials	-48	-25	-33	-42	-34	-39	-39	
PTP	80	67	-250	-6	35	62	79	
Tax	-18	-14	-5	-2	-7	-14	-17	
Net profit	63	53	-255	-8	27	48	61	
Adj. Net profit	90	71	-22	1	30	48	61	
EPS	n.a.	1.46	-4.63	-0.14	0.47	0.83	1.06	
Adj. EPS	1.37	1.97	-0.15	0.01	0.52	0.83	1.06	
Revenue growth	n.a.	-1%	-13%	-8%	11%	8%	9%	
Adj. EBIT (%)	29%	22%	18%	11%	15%	20%	21%	

Source: ABG Sundal Collier, Lumi Gruppen, *CAGR from AY '23/'24 to AY '26/'27

Historical and estimated P&L

Group P&L, NOKm	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	CAGR ('24-'27)
Campus	n.a.	n.a.	387	364	277	188	193	209	226	243	
Online	n.a.	n.a.	130	175	237	235	258	274	304	331	
Revenues	423	408	517	531	515	423	451	482	530	573	8%
EBITDA	163	141	197	167	136	90	100	136	154	168	
One-offs	0	-7	-10	-18	-32	-285	-7	0	0	0	
Adj. EBITDA	163	148	206	185	168	374	107	136	154	168	
D&A	-48	-57	-64	-55	-59	-55	-47	-45	-46	-46	
EBIT	115	84	133	112	77	-235	53	91	108	122	
Adj. EBIT	115	91	158	134	113	49	60	91	108	122	27%
Net financials	n.a.	-48	-52	-36	-30	-39	-35	-39	-39	-39	
PTP	n.a.	36	81	75	48	-275	18	52	70	84	
Tax	n.a.	-9	-18	-16	-10	-2	-4	-11	-15	-18	
Net profit	n.a.	27	63	59	37	-276	14	41	54	65	
Adj. Net profit	74	55	108	84	65	-54	20	41	54	65	
EPS	n.a.	n.a.	n.a.	1.63	1.03	-5.00	0.24	0.70	0.94	1.12	
Adj. EPS	n.a.	n.a.	2.97	2.32	1.80	-0.98	0.34	0.70	0.94	1.12	
DPS	n.a.	n.a.	n.a.	1.00	0.00	0.00	0.00	0.00	0.00	0.00	
Key metrics	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	
Revenue growth (y-o-y)	n.a.	-4%	27%	3%	-3%	-18%	7%	7%	10%	8%	
Adj. EBITDA margin	39%	36%	40%	35%	33%	89%	24%	28%	29%	29%	
Adj. EBIT margin	27%	22%	30%	25%	22%	12%	13%	19%	20%	21%	
NIBD ex. IFRS 16	n.a.	684	608	374	400	231	190	159	106	41	
NIBD/EBITDA ex. IFRS 16	n.a.	7.4x	4.1x	3.1x	4.8x	5.8x	3.4x	1.7x	1.0x	0.3x	
NIBD incl. IFRS 16	n.a.	882	765	519	538	431	444	414	360	295	
Lease adj. FCF	n.a.	-137	73	23	12	-19	15	31	53	65	

Source: ABG Sundal Collier, Lumi Gruppen

Balance sheet

Below, we show Lumi's balance sheet. It is an asset-light company, as its campuses are leased. Net debt/EBITDA (incl. IFRS 16) was 4.4x in '24 (3.4x excl. IFRS 16), down vs. 4.8x in '23 (5.8x excl. IFRS 16). We expect the ratio to continue its trend downwards as earnings improve, implying that Lumi could potentially be debt free in '27/'28.

Note that, in 2023, Lumi refinanced its bank loan and reduced its debt by NOK 180m, utilising funds from the private placement and the subordinated loan of NOK 52m (now NOK 26m after repayment) provided by the group's majority stakeholders. On its bank loan, Lumi pays biannual instalments of NOK 7.5m until termination date (15 aug'26). As part of its loan agreement, Lumi does not pay dividends (paid dividends in '22).

Balance sheet estimates

Balance sheet (NOKm)	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Assets									
Intangible assets	1,001	968	978	993	725	735	735	735	735
Tangible assets	12	14	12	10	8	14	15	17	20
Right-of-Use assets	195	150	136	124	185	216	216	216	216
Financial assets	1	1	1	2	2	27	27	27	27
Non-current assets	1,209	1,134	1,127	1,129	919	992	993	995	998
Accounts receivable	32	24	22	23	27	17	22	22	20
Other receivable	45	52	41	19	4	6	10	7	7
Prepaid expenses	0	0	0	0	0	0	0	0	0
Other current assets	43	16	21	0	0	0	0	0	0
Cash and bank deposits	35	18	64	29	68	69	100	153	218
Current assets	155	110	147	71	99	91	131	181	246
Total assets	1,364	1,243	1,275	1,199	1,018	1,084	1,125	1,176	1,243
Equity and liabilities									
Equity									
LT IBD	641	542	437	429	257	244	244	244	244
LT Leasing	149	113	99	100	155	208	208	208	208
Provisions	0	0	0	0	0	0	0	0	0
Other non-current liabilities	11	2	0	0	0	0	0	0	0
Non-current liabilities	801	657	537	529	412	452	452	452	452
ST IBD	78	84	0	0	41	15	15	15	15
ST Leasing	50	44	46	38	45	46	46	46	46
Payables	35	39	36	36	25	32	31	29	31
Pre-invoiced income	74	82	76	11	7	7	8	7	7
Other current liabilities	68	39	35	38	37	40	40	40	40
Current liabilities	305	289	194	123	155	140	141	138	140
Equity & Liabilities	1,364	1,243	1,275	1,199	1,018	1,084	1,125	1,176	1,243
Balance sheet metrics									
Net working capital (NWC)	-57	-68	-64	-44	-38	-56	-47	-48	-50
Equity ratio	19%	24%	43%	46%	44%	45%	47%	50%	52%
NIBD excl. IFRS 16	684	608	374	400	231	190	159	106	41
NIBD incl. IFRS 16	882	765	519	538	431	444	414	360	295
NIBD/EBITDA excl. IFRS 16	7.4x	4.1x	3.1x	4.8x	5.8x	3.4x	1.7x	1.0x	0.3x
NIBD/EBITDA incl. IFRS 16	6.3x	3.9x	3.1x	3.9x	4.8x	4.4x	3.0x	2.3x	1.8x
NIBD/adj EBITDA excl. IFRS 16	6.8x	3.9x	2.7x	3.5x	0.7x	3.0x	1.7x	1.0x	0.3x

Source: ABG Sundal Collier, Lumi Gruppen

Covenants look fine

We argue that Lumi looks good on its covenant, and we see little risk of breach. Lumi is subject to three covenants: 1) Lumi is required to maintain NIBD/EBITDA below certain thresholds. This varies from quarter to quarter to reflect seasonal variations in WC (3.0x in Q1 and Q3, 4.0x in Q2 and Q4). The covenant is tested quarterly and is calculated based on NGAAP (excl. IFRS 16) and including up to 15% of EBITDA adjusted for one-off items. 2) In the event of a significant change in the ownership structure of Lumi Group (e.g. a change of majority control), the lender has the right to terminate the loan and demand early repayment or renegotiation; and 3) Dividend restrictions.

Cash flow

Lease adj. free cash flow was NOK 15m in '24, up vs. NOK -19m in '23. We forecast the positive trend to continue, in line with improved earnings. Note that in late '24, Lumi acquired Ekko Digitale AS and Ekko Digital Fagskole (growth capex).

Historical and forecasted cash flow

Cash flow (NOKm)	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
PTP	36	81	75	48	-275	18	52	70	84
Taxes paid	-10	-16	-23	-17	-15	-1	-11	-15	-18
D&A	64	66	55	59	55	47	45	46	46
Δ working capital	16	30	-8	-21	-7	26	-9	1	3
Adjustments/other	5	-3	13	8	275	-5	0	0	0
CFO	111	159	112	77	33	85	77	101	114
Maintenance capex	0	0	-8	-18	-10	-14	-5	-5	-6
Growth capex	0	0	-11	0	0	-19	-6	-7	-7
Other CFI	-210	-45	-30	0	0	0	0	0	0
CFI	-210	-45	-48	-18	-10	-34	-11	-12	-13
Equity issue/buy-back	44	-1	188	0	200	28	0	0	0
Dividends paid	0	0	0	-36	0	0	0	0	0
Net borrowing	99	-94	-170	-10	-130	-41	0	0	0
Leasing amortisation (principal)	-38	-41	-41	-47	-42	-37	-35	-36	-36
Other	0	4	-11	0	-12	-1	0	0	0
CFF	105	-131	-34	-93	15	-50	-35	-36	-36
Net cash flow	6	-18	30	-34	39	1	31	53	65
FX	0	0	0	0	0	0	0	0	0
Change in cash	6	-18	30	-34	39	1	31	53	65
Lease adj. FCF	-137	73	23	12	-19	15	31	53	65

Source: ABG Sundal Collier, Lumi Gruppen

Valuation

Based on our peer group valuation and DCF valuation, we arrive at a fair value range for Lumi Gruppen of NOK 13-25/sh. This corresponds to a '26e P/E of 13-26x, and a '27e P/E of 11x-22x.

Peer valuation

In the following section we have identified both international and Nordic peers for Lumi and benchmarked the companies in terms of business offering, concept overlap, geographical footprint and key financial metrics. Although there are few peers that do exactly what Lumi does (grade improvement and private university), we have analysed a selection of peers that are comparable to parts of Lumi's offering, especially for ONH. Note that we expect ONH to be the main source of growth going forward.

Nordic and International Education Peers

Legacy Education emerges as the closest comparable peer to Lumi in terms of business offering. However, Legacy Education operates in a much more competitive and dynamic market compared with the stability of the Nordic region. Legacy Education reported sales of NOK 567m in 24, with growth of 35% and an EBITDA margin of 11%. In comparison, Lumi showed greater operational efficiency with a higher EBITDA margin of 22%.

In the Nordic region, Cedergrenska and AcadeMedia are the most relevant competitors. Cedergrenska focuses on private schools, covering pre-school, primary and secondary education. AcadeMedia, the largest peer in terms of size, operates across the Nordics and Europe, serving 111,000 students.

Looking at other international peers, Bright Horizons offers early childhood and workforce education services, but operates on a much larger scale, as illustrated by its NOK 28.8bn revenue in 2024. Another peer, Strategic Education, focuses on post-secondary education, offering both digital and campus-based programmes in the US and Australia/New Zealand. G8 Education represents a mature and stable business within the early education segment. As such, its market positioning remains distinct from Lumi's given its exclusive focus on early childhood education.

Lumi Gruppen vs. Nordic and International edu. peers

	 LUMI GRUPPEN	 LEGACY EDUCATION	 AcadeMedia	 CEDERGRENSKA	 Bright Horizons	 STRATEGIC EDUCATION	 G8 Education™
Company (NOKm)	Lumi Gruppen	Legacy Education	AcadeMedia	Cedergrenska	Bright Horizons	Strategic Education	G8 Education
Description	Norway's leading private educational institution. Programmes on-campus and online, from high school to vocational and university college	Post secondary education in the healthcare field, operates 3 (4) schools on 5 campuses	Private school covering the entire education ladder, from preschool to adult education	One of Sweden's largest private school groups. Preschools, primary schools, high schools, and adult education	Global provider of early education and child care, back-up care, and workforce education services	Post-secondary education programmes and services. Offers both digital and campus education	Australia's largest early learning education and care, with >430 centres
Concept overlap							
Geographical footprint	Norway	US	Nordics and Europe	Sweden	US, UK, AUS and NL	US and Australia/NZ	Australia
Sales (FY'24)	451	567	18,857	1,009	28,893	13,606	7,365
Growth '24 (%)	7%	35%	13%	11%	13%	8%	5%
Share of online revenue	57%	0%	n.a.	n.a.	n.a.	5%	n.a.
EBITDA '24	101	83	3,943	83	3,794	2,583	1,874
EBITDA margin	22%	11%	22%	8%	13%	19%	25%
# of students	8,549	2,768	110,774	7,677	n.a.	227,000	45,000

Source: ABG Sundal Collier, Company data

Footnote: Legacy Education awaiting acquisition approval, hence (4). FactSet for Strategic Education and G8. Strategic Education 5% online share from Education Technology Services revenue share. AcadeMedia students excl. adult education

Peers point to a fair valuation range of NOK 13-19

In the table below, we summarise the EV/EBITDA, EV/EBIT, P/E, expected sales growth, EBIT margins and FCF yield for peers. Note that due to a lack of consensus estimates, we have not included Cedergrenska in our edu. peer section.

Compared to its overall peer base, Lumi is trading 13–25% below the average of its peers on '25–'27e EV/EBITDA and 6-19% below on '25-'27e EV/EBIT. Compared to peers, Lumi has slightly higher expected sales growth on our estimates (~8% p.a. vs. peers at ~7%) and higher margins (~21% vs. peers at ~13%).

If we were to derive Lumi's valuation based on peer multiples, we would arrive at an implied valuation range of NOK 13–19 (based on EV/EBITDA, EV/EBIT, and P/E). However, we find '26/'27e multiples to be more relevant for several reasons: 1) a decision on NOKUT institutional accreditation is likely coming in 2026 and could act as a growth catalyst, and 2) the academic year-based revenue model means that Lumi benefits from high revenue visibility, as students pay upfront and commit to a full school year (90% of AY revenue secured in autumn).

Peer valuation

Company	EV/EBITDA			EV/EBIT			P/E			Sales growth			EBIT margin			FCF yield		
	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e
Edu.peers																		
Legacy Education	8.9x	7.3x	1.5x	9.8x	8.2x	6.6x	11.6x	10.9x	8.1x	n.a.	20%	21%	15%	15%	16%	n.a.	n.a.	n.a.
AcadeMedia	4.8x	4.3x	3.9x	9.9x	8.9x	8.0x	8.8x	7.8x	7.0x	17%	5%	5%	8%	8%	8%	18.3%	21.3%	23.3%
Bright Horizons	17.8x	15.4x	13.9x	24.8x	20.9x	18.5x	31.3x	26.7x	23.2x	2%	8%	7%	11%	12%	13%	3.5%	4.0%	n.a.
Strategic Education	6.9x	6.7x	n.a.	9.6x	9.0x	n.a.	15.2x	12.9x	n.a.	-1%	5%	n.a.	14%	16%	n.a.	7.6%	8.5%	n.a.
Graham Holdings Co	n.a.	10.2x	11.2x	n.a.	13.9x	15.1x	18.9x	14.0x	15.0x	-3%	6%	3%	4%	6%	5%	7.9%	9.8%	8.6%
Universal Technical Institute Inc	n.a.	12.4x	11.0x	n.a.	19.2x	16.7x	26.3x	24.6x	22.1x	15%	8%	7%	9%	9%	10%	4.2%	5.3%	n.a.
IDP Education Ltd	12.5x	11.2x	9.7x	16.7x	14.4x	12.1x	25.0x	20.4x	16.8x	-11%	10%	11%	18%	19%	21%	3.8%	5.6%	6.9%
Stride Inc	10.0x	10.4x	9.4x	12.3x	12.4x	11.0x	20.1x	18.2x	16.1x	17%	7%	9%	19%	20%	21%	5.0%	5.9%	n.a.
3P Learning Ltd	13.1x	11.3x	9.0x	18.6x	14.9x	11.2x	19.1x	16.5x	16.5x	-4%	1%	7%	8%	11%	13%	5.1%	n.a.	n.a.
Grand Canyon Education Inc	12.5x	12.6x	n.a.	14.7x	14.9x	n.a.	20.0x	18.1x	n.a.	1%	7%	n.a.	28%	28%	n.a.	5.1%	5.4%	n.a.
Coursing																		
M2i SA	10.8x	9.1x	n.a.	16.7x	13.1x	n.a.	21.2x	17.9x	n.a.	0%	5%	n.a.	5%	5%	n.a.	6.5%	6.1%	n.a.
Nordic Consulting																		
Afry	8.5x	7.2x	6.5x	12.0x	9.8x	8.7x	13.8x	11.5x	10.5x	7%	6%	5%	8%	9%	9%	8.8%	9.4%	10.9%
Bouvet	11.0x	10.0x	9.6x	13.7x	12.4x	11.6x	18.9x	17.2x	16.0x	5%	9%	8%	12%	12%	12%	5.3%	7.6%	8.1%
Netcompany	12.9x	11.0x	9.7x	16.9x	14.0x	11.9x	20.9x	16.3x	13.8x	6%	9%	8%	14%	15%	16%	4.3%	5.1%	5.8%
Norconsult	8.8x	8.2x	7.6x	13.6x	12.2x	11.2x	17.5x	16.1x	15.1x	8%	6%	2%	9%	9%	10%	6.3%	7.7%	8.1%
Sweco	14.9x	13.4x	12.3x	19.1x	16.6x	15.0x	27.3x	24.2x	22.3x	10%	6%	5%	11%	11%	12%	4.3%	5.1%	5.7%
Exsittec	10.7x	8.6x	7.4x	17.4x	12.9x	10.8x	23.6x	17.4x	15.2x	15%	9%	8%	12%	14%	14%	7.5%	8.8%	9.5%
Nordic non-cyclical																		
Gjensidige	n.a.	n.a.	n.a.	14.6x	12.9x	11.9x	18.2x	16.2x	15.3x	6%	5%	4%	19%	21%	22%	n.a.	n.a.	n.a.
Orkla	11.8x	11.4x	10.8x	16.0x	15.3x	14.4x	16.7x	15.7x	14.9x	2%	3%	3%	11%	11%	11%	8.0%	5.4%	5.7%
Axfood	9.0x	8.2x	7.5x	18.0x	15.8x	14.4x	20.8x	17.8x	16.3x	11%	4%	3%	4%	4%	5%	8.7%	9.2%	9.8%
Bravida	8.1x	7.3x	6.7x	10.8x	9.7x	8.7x	13.8x	12.6x	11.7x	5%	4%	3%	6%	7%	7%	10.0%	8.7%	9.1%
Detection Technology	10.0x	8.6x	7.6x	12.0x	10.0x	8.8x	17.5x	15.1x	13.6x	8%	10%	9%	14%	15%	15%	5.4%	4.6%	5.7%
Swedencare	10.5x	8.8x	7.2x	17.3x	13.8x	10.8x	24.2x	19.9x	15.8x	18%	11%	11%	15%	16%	18%	4.5%	5.7%	6.9%
Education and coursing peers																		
Average	10.8x	10.1x	8.7x	14.8x	13.6x	12.4x	19.8x	17.1x	15.6x	3%	8%	9%	13%	14%	13%	6.7%	8.0%	12.9%
Median	10.8x	10.4x	9.6x	14.7x	13.9x	11.6x	20.0x	17.9x	16.3x	0%	7%	7%	11%	12%	13%	5.1%	5.9%	8.6%
Nordic consulting and onn cyclicals																		
Average	10.6x	9.3x	8.4x	15.1x	12.9x	11.5x	19.4x	16.7x	15.0x	8%	7%	6%	11%	12%	12%	6.6%	7.0%	7.8%
Median	10.5x	8.6x	7.6x	15.3x	12.9x	11.4x	18.5x	16.3x	15.2x	8%	6%	5%	11%	12%	12%	6.3%	7.6%	8.1%
Total peer group																		
Average	10.7x	9.7x	8.6x	15.0x	13.3x	11.9x	19.6x	16.9x	15.3x	6%	7%	7%	12%	13%	13%	6.7%	7.5%	8.9%
Median	10.6x	9.5x	9.0x	14.7x	13.1x	11.4x	19.1x	16.5x	15.3x	6%	6%	7%	11%	12%	12%	5.4%	6.0%	8.1%
Lumi (ABGScE)	9.2x	7.8x	6.7x	13.8x	11.0x	9.3x	19.7x	14.7x	12.3x	7%	10%	8%	19%	20%	21%	7.9%	10.6%	12.1%
Premium/Discount	-13%	-18%	-25%	-6%	-15%	-19%	3%	-11%	-20%	0.7pp	3.4pp	1.4pp	7.5pp	8.3pp	8.9pp	2.5pp	4.6pp	4.0pp
Implied share price from peers (ABGScE)	17	19	19	16	18	19	13	15	16									

Source: ABG Sundal Collier, FactSet

Footnote: *Non lease adj. FCF for comparison reason

DCF valuation

Our discounted cash flow (DCF) valuation returns an equity value of NOK 25/share for Lumi. Our calculation assumes:

- Sales growth avg. ~8% p.a. in '25e-'27e. The long-term terminal growth rate is set to 2%.
- An EBIT margin average of ~21% in 2025e-2027e. As for our terminal value, we use ~23%.
- We assume capex in line with depreciation.
- A weighted average cost of capital (WACC) of 9%

Note, however, that our estimates do not include a recovery in Sonans. We reiterate that Sonans' revenue dropped from NOK 376m at the peak in 2020, to NOK 183m in 2024. Sonans has closed six campuses, so it is unlikely that revenues will return to peak levels if we assume a recovery. We argue that a recovery with the current portfolio would point to NOK 270-300m in revenue. If we assume such a recovery by AY'26'27, our DCF would point to a share price of NOK 27-28/share.

DCF valuation

DCF analysis										
	Explicit Forecast Period			Extrapolated (stage 1)			Normalisation (stage 2)			Terminal
NOKm	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e
Revenue	482	530	573	605	624	642	659	675	690	703
Revenue growth	6.7%	9.8%	8.2%	5.6%	3.1%	2.9%	2.6%	2.4%	2.2%	2.0%
EBIT	91	108	122	138	142	147	151	154	158	161
EBIT-margin (%)	19%	20%	21%	23%	23%	23%	23%	23%	23%	23%
Net financials	-38.6	-38.6	-38.6	-38.9	-39.2	-39.5	-39.6	-39.8	-39.8	-39.8
PTP	52	70	84	99	103	107	111	115	118	121
Tax	-11	-15	-18	-22	-23	-24	-24	-25	-26	-27
D&A reversal	45	46	46	46	47	47	47	47	47	47
Leasing payments	-35	-36	-36	-36	-37	-37	-37	-37	-37	-37
CapEx	-11	-12	-13	-13	-13	-13	-13	-13	-13	-13
Change net working capital	9	-1	-3	-3	-3	-3	-3	-3	-3	-3
Net financials	39	39	39	39	39	39	40	40	40	40
FCFF	87	91	98	110	114	117	120	123	125	128
Terminal value										1,824
Discount factor	1.00	0.92	0.84	0.77	0.71	0.65	0.60	0.55	0.50	
Discounted FCFF	87	83	83	85	81	76	71	67	63	915
EV: Discounted value (NOKm)										
ABGSCe: '25-'27e	253									
Stage 1 '28-'30e (extrapolated)	242									
Stage 2: '31-'33e (normalisation)	201									
Terminal: '34e-	915									
Total EV	1,612									
NIBD ex. IFRS 16	190									
Equity value	1,422									
Share price (NOK)	25									

Source: ABG Sundal Collier

DCF: Sensitivity tables

Sensitivity analysis							
Total EV				Share price			
WACC							
	13.0%	11.0%	9.0%	8.0%	7.0%		
Terminal growth	-1.0%	913	1,060	1,266	1,404	1,576	
	0.0%	951	1,117	1,356	1,521	1,733	
	1.0%	996	1,184	1,468	1,671	1,942	
	2.0%	1,048	1,267	1,612	1,871	2,234	
	2.5%	1,078	1,316	1,701	1,998	2,428	
	3.0%	1,110	1,370	1,804	2,151	2,671	
	3.5%	1,147	1,432	1,926	2,337	2,984	
	4.0%	1,187	1,503	2,072	2,570	3,400	

Terminal EBIT margin							
	17%	20%	23%	24%	25%		
Terminal growth	-1.0%	1,117	1,192	1,266	1,291	1,316	
	0.0%	1,185	1,270	1,356	1,384	1,413	
	1.0%	1,269	1,368	1,468	1,501	1,535	
	2.0%	1,376	1,494	1,612	1,651	1,691	
	2.5%	1,442	1,571	1,701	1,744	1,787	
	3.0%	1,519	1,662	1,804	1,852	1,899	
	3.5%	1,610	1,768	1,926	1,979	2,031	
	4.0%	1,719	1,896	2,072	2,131	2,190	

WACC							
	13.0%	11.0%	9.0%	8.0%	7.0%		
Terminal growth	-1.0%	13	15	19	21	24	
	0.0%	13	16	20	23	27	
	1.0%	14	17	22	26	30	
	2.0%	15	19	25	29	35	
	2.5%	15	19	26	31	39	
	3.0%	16	20	28	34	43	
	3.5%	17	21	30	37	48	
	4.0%	17	23	33	41	56	

Terminal EBIT margin							
	17%	20%	23%	24%	25%		
Terminal growth	-1.0%	16	17	19	19	19	
	0.0%	17	19	20	21	21	
	1.0%	19	20	22	23	23	
	2.0%	21	23	25	25	26	
	2.5%	22	24	26	27	28	
	3.0%	23	25	28	29	30	
	3.5%	25	27	30	31	32	
	4.0%	26	29	33	34	35	

Source: ABG Sundal Collier

Risks

Business risks

The Group faces ongoing market uncertainty, with stabilisation still unclear and student intake influenced by labour market conditions. Future growth will depend on market normalization and the Group's ability to adapt to demand shifts. Additionally, delays in NOKUT's accreditation process could slow the rollout of new programs, potentially constraining expansion opportunities.

Market risks

Lumi Gruppen's performance is influenced by economic conditions and labour market trends. When the job market is strong, particularly for younger workers, interest in further education may decline. In contrast, a weaker labour market could drive more students towards their programmes.

Competition risks

Lumi operates in a market with highly attractive characteristics and strong demand, which may draw new entrants. While Lumi has established a strong market position, there is a risk that new competitors could achieve similar standing. However, given Lumi's long-term development and experience, we believe it would take considerable time for any competitor to reach a comparable level.

Regulatory risks

The company operates under government regulations that can impact its services. A proposal in 2022 to limit exam retakes posed a threat to Lumi, but a 2024 decision upheld existing policies. While we consider the political environment to remain stable going forward, the risk of future regulatory changes remains.

Strategic risks

Growth plans for Oslo Nye Høyskole (ONH) involve expanding facilities and applying for self-accreditation. Delays in the accreditation process, partly due to limited capacity at regulatory agencies, could slow the roll-out of new initiatives.

Political risks

Lumi generates 100% of its revenue directly from students, who receive subsidies from Lånekassen on the same terms as students in both private and public schools. Although highly unlikely, there is a remote possibility that politicians could eliminate these subsidies for student loans. Such a change would lead to higher interest rates for students and reduce incentives to pursue further education, potentially impacting Lumi's business by lowering demand.

Appendix

Appendix I - Management

Management

Name	Position	Experience
 Nina Vesterby	Chief Executive Officer	Nina Vesterby assumed the role of CEO at Lumi Gruppen on August 1, 2024. She brings extensive leadership experience, having previously served as the CEO of Story House Egmont AS and Global Connect Privat in the telecom industry. Vesterby has held board positions in several companies, incl. Markedspartner, Norsk Presseforbund, MBL, Lynet Internet, s360, and Garnius. She holds a master's degree in Strategic Management from the Norwegian School of Economics and a degree in Business Administration from BI Norwegian Business School.
 Martin Prytz	Chief Financial Officer & Investor Relations	Martin Prytz has been CFO of since 2021. With over 15 years of experience in finance and auditing, Previous roles include CFO and Head of Business Development at REMA Industrier, CFO at Fibo Group, Consultant at Deloitte, and Head of Economy at Telia Sonera Norge and Rockwool. He also worked as an Auditor at Deloitte and has held multiple board memberships in group internal companies at Fibo and TeliaSonera. Prytz holds an MSc in Accounting and Auditing from BI Norwegian Business School and Sivlökonom from the Norwegian School of Economics.

Source: ABG Sundal Collier, Lumi Gruppen

Appendix II - BoD

Board of Directors

Name	Position	Experience
 Rob Woodward	Chair	Rob Woodward has a distinguished career in leadership within public and private companies, focusing on the technology, media, and telecommunications (TMT) sector. Has served as Chair of the Met Office, CEO of STV Group, and held senior roles at Channel 4, UBS Corporate Finance, and Deloitte. Currently Chair of Court at Glasgow Caledonian University and Chair of Ebiquity.
 Bente Sollid	Board member	Bente Sollid is CEO of Digital Hverdag and a board member for Polaris Media, Hafslund, Europris, Motor Gruppen, Questback, Nortel, and Eika Gruppen. She chairs Placewise Group and Ocean Visioneering. Sollid founded an internet consultancy in 1993, now Bouvet ASA, listed on Oslo Børs. She has also served on multiple government advisory boards and was the youngest member of the Norwegian Association of Editors.
 Ashkan Senobari	Board member	Ashkan Senobari is a Director at Hanover Investors, focusing on public market deals in Scandinavia. He serves on the board of ZetaDisplay and was previously a Board Observer for its learning. Prior to Hanover, Senobari worked at EQT Partners in mid-market private equity buyouts and began his career in J.P. Morgan's M&A division.
 Henriette Grønn	Board member	Henriette Grønn, General Manager at Business is Personal, has 20+ years of experience in leadership, strategy, and government affairs. She holds a law degree, an MBA, and a minor in psychology, with senior roles at Microsoft, First House, and the Ministry of Trade and Industry. She has expertise in competition policy, public procurement, and board leadership.
 Fred Lundqvist	Board member	Fred Lundqvist is a Partner at Hanover Investors and sits on the Investment Committee, advising on target assessment and deal execution. He is a board member of ZetaDisplay AB and has over 15 years of experience in public and private investments across diverse sectors and regions. Lundqvist joined Hanover in 2006 and became a partner in 2011.

Source: ABG Sundal Collier, Lumi Gruppen

Appendix III - Shareholders

Shareholders: Lumi Gruppen

Shareholder	Type of Account	# of shares	shares (%)
The Bank of New York Mellon SA/NV	Nominee	20 504 212	35.3%
Euroclear Bank S.A./N.V.	Nominee	10 438 362	18.0%
Pareto Aksje Norge Verdipapirfond	Ordinary	3 769 885	6.5%
J.P. Morgan SE	Nominee	3 046 609	5.2%
Verdipapirfondet Holberg Norge	Ordinary	2 733 333	4.7%
The Northern Trust Comp, London Br	Nominee	2 189 896	3.8%
Forsvarets Personellservice	Ordinary	1 550 540	2.7%
Melesio Invest AS	Ordinary	1 420 709	2.4%
Valorem AS	Ordinary	1 217 000	2.1%
CMDC AS	Ordinary	913 006	1.7%
Wenaas EFTF AS	Ordinary	900 000	1.6%
VJ Invest AS	Ordinary	608 198	1.0%
Ginko AS	Ordinary	600 000	1.0%
Dyvi Invest AS	Ordinary	593 696	1.0%
Cawa Invest AS	Ordinary	520 000	0.9%
Cortex AS	Ordinary	440 000	0.8%
Goldman Sachs International	Nominee	843 685	0.7%
Varner Equities AS	Ordinary	366 216	0.6%
Bit For Bit Huset AS	Ordinary	325 895	0.6%
Jacob Hatteland Holding AS	Ordinary	290 780	0.5%
Top 20 shareholder / nominee		52 743 027	91.0%

Source: ABG Sundal Collier, Lumi Gruppen

Footnote: As of Dec 31, 2024. Note that Hanover Active Equity Fund III S.C.A. SICAV-RAIF controls the majority of the shares in Lumi Gruppen AS, with total direct and indirect ownership of 30,942,574 shares (53.32%) through the nominee accounts, The Bank of New York Mellon SA/NV and Euroclear Bank S.A./N.V.

Income Statement (NOKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	435	408	518	532	515	423	452	482	530	573
COGS	-4	0	0	0	0	0	0	0	0	0
Gross profit	430	408	518	532	515	423	452	482	530	573
Other operating items	-268	-281	-336	-369	-382	-610	-360	-352	-381	-410
EBITDA	163	127	182	163	133	-187	92	130	149	163
Depreciation and amortisation	-48	-43	-50	-51	-56	-49	-39	-40	-40	-41
of which leasing depreciation	-39	-42	-44	-43	-49	-43	-34	-35	-36	-36
EBITA	115	84	133	112	77	-235	53	91	108	122
EO Items	-0	-7	-10	-18	-32	-285	-7	0	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0	0	0
EBIT	115	84	133	112	77	-235	53	91	108	122
Net financial items	-	-48	-52	-36	-30	-39	-35	-39	-39	-39
Pretax profit	115	36	81	75	48	-275	18	52	70	84
Tax	-	-9	-18	-16	-10	-2	-4	-11	-15	-18
Net profit	115	27	63	59	37	-276	14	41	54	65
Minority interest	-	0	0	0	0	0	0	0	0	0
Net profit discontinued	-	-	-	0	0	0	0	0	0	0
Net profit to shareholders	115	27	63	59	37	-276	14	41	54	65
EPS	-	-	-	1.63	1.03	-5.00	0.24	0.70	0.94	1.12
EPS adj.	-	-	2.97	2.32	1.80	-0.98	0.34	0.70	0.94	1.12
Total extraordinary items after tax	-0	-7	-10	-14	-25	-287	-5	0	0	0
Leasing payments	-39	-42	-44	-43	-49	-43	-34	-35	-36	-36
<i>Tax rate (%)</i>	<i>0.0</i>	<i>24.4</i>	<i>22.4</i>	<i>21.5</i>	<i>21.8</i>	<i>-0.7</i>	<i>23.3</i>	<i>22.0</i>	<i>22.0</i>	<i>22.0</i>
<i>Gross margin (%)</i>	<i>99.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>
<i>EBITDA margin (%)</i>	<i>37.5</i>	<i>31.1</i>	<i>35.2</i>	<i>30.6</i>	<i>25.8</i>	<i>-44.2</i>	<i>20.3</i>	<i>27.0</i>	<i>28.0</i>	<i>28.4</i>
<i>EBITA margin (%)</i>	<i>26.5</i>	<i>20.5</i>	<i>25.6</i>	<i>21.0</i>	<i>15.0</i>	<i>-55.7</i>	<i>11.7</i>	<i>18.8</i>	<i>20.5</i>	<i>21.3</i>
<i>EBIT margin (%)</i>	<i>26.5</i>	<i>20.5</i>	<i>25.6</i>	<i>21.0</i>	<i>15.0</i>	<i>-55.7</i>	<i>11.7</i>	<i>18.8</i>	<i>20.5</i>	<i>21.3</i>
<i>Pre-tax margin (%)</i>	<i>26.5</i>	<i>8.7</i>	<i>15.6</i>	<i>14.1</i>	<i>9.2</i>	<i>-64.9</i>	<i>4.1</i>	<i>10.8</i>	<i>13.2</i>	<i>14.6</i>
<i>Net margin (%)</i>	<i>26.5</i>	<i>6.6</i>	<i>12.1</i>	<i>11.1</i>	<i>7.2</i>	<i>-65.4</i>	<i>3.1</i>	<i>8.4</i>	<i>10.3</i>	<i>11.4</i>
Growth Rates y-o-y	-	-	-	-	-	-	-	-	-	-
<i>Sales growth (%)</i>	--	<i>-6.2</i>	<i>27.1</i>	<i>2.6</i>	<i>-3.3</i>	<i>-17.9</i>	<i>6.9</i>	<i>6.7</i>	<i>9.8</i>	<i>8.2</i>
<i>EBITDA growth (%)</i>	--	<i>-22.1</i>	<i>43.6</i>	<i>-10.7</i>	<i>-18.5</i>	<i>-240.8</i>	<i>-149.1</i>	<i>42.3</i>	<i>13.9</i>	<i>9.7</i>
<i>EBITA growth (%)</i>	--	<i>-27.5</i>	<i>58.6</i>	<i>-15.9</i>	<i>-30.9</i>	<i>-405.3</i>	<i>-122.5</i>	<i>71.1</i>	<i>19.5</i>	<i>12.7</i>
<i>EBIT growth (%)</i>	--	<i>-27.5</i>	<i>58.6</i>	<i>-15.9</i>	<i>-30.9</i>	<i>-405.3</i>	<i>-122.5</i>	<i>71.1</i>	<i>19.5</i>	<i>12.7</i>
<i>Net profit growth (%)</i>	--	<i>-76.7</i>	<i>133.5</i>	<i>-6.1</i>	<i>-37.0</i>	<i>-843.1</i>	<i>-105.1</i>	<i>189.6</i>	<i>33.9</i>	<i>19.7</i>
<i>EPS growth (%)</i>	--	--	--	--	<i>-37.0</i>	<i>-586.9</i>	<i>-104.8</i>	<i>nm</i>	<i>33.9</i>	<i>19.7</i>
Profitability	-	-	-	-	-	-	-	-	-	-
<i>ROE (%)</i>	--	<i>20.8</i>	<i>22.6</i>	<i>14.0</i>	<i>6.8</i>	<i>-55.4</i>	<i>3.0</i>	<i>7.9</i>	<i>9.7</i>	<i>10.5</i>
<i>ROE adj. (%)</i>	--	<i>26.5</i>	<i>26.1</i>	<i>17.4</i>	<i>11.4</i>	<i>2.1</i>	<i>4.1</i>	<i>7.9</i>	<i>9.7</i>	<i>10.5</i>
<i>ROCE (%)</i>	--	<i>14.2</i>	<i>11.8</i>	<i>10.1</i>	<i>6.9</i>	<i>-22.8</i>	<i>5.4</i>	<i>8.9</i>	<i>10.1</i>	<i>10.8</i>
<i>ROCE adj. (%)</i>	--	<i>15.5</i>	<i>12.6</i>	<i>11.7</i>	<i>9.7</i>	<i>4.8</i>	<i>6.2</i>	<i>8.9</i>	<i>10.1</i>	<i>10.8</i>
<i>ROIC (%)</i>	--	<i>11.1</i>	<i>9.3</i>	<i>8.3</i>	<i>5.6</i>	<i>-24.1</i>	<i>4.5</i>	<i>7.7</i>	<i>9.2</i>	<i>10.4</i>
<i>ROIC adj. (%)</i>	--	<i>12.1</i>	<i>10.0</i>	<i>9.6</i>	<i>8.0</i>	<i>5.1</i>	<i>5.2</i>	<i>7.7</i>	<i>9.2</i>	<i>10.4</i>
Adj. earnings numbers	-	-	-	-	-	-	-	-	-	-
<i>EBITDA adj.</i>	<i>163</i>	<i>134</i>	<i>192</i>	<i>181</i>	<i>165</i>	<i>98</i>	<i>99</i>	<i>130</i>	<i>149</i>	<i>163</i>
<i>EBITDA adj. margin (%)</i>	<i>37.5</i>	<i>32.9</i>	<i>37.0</i>	<i>34.0</i>	<i>32.0</i>	<i>23.2</i>	<i>21.9</i>	<i>27.0</i>	<i>28.0</i>	<i>28.4</i>
<i>EBITDA lease adj.</i>	<i>124</i>	<i>92</i>	<i>148</i>	<i>137</i>	<i>115</i>	<i>55</i>	<i>65</i>	<i>95</i>	<i>113</i>	<i>127</i>
<i>EBITDA lease adj. margin (%)</i>	<i>28.5</i>	<i>22.6</i>	<i>28.5</i>	<i>25.8</i>	<i>22.4</i>	<i>13.0</i>	<i>14.3</i>	<i>19.7</i>	<i>21.3</i>	<i>22.1</i>
<i>EBITA adj.</i>	<i>115</i>	<i>91</i>	<i>142</i>	<i>130</i>	<i>109</i>	<i>49</i>	<i>60</i>	<i>91</i>	<i>108</i>	<i>122</i>
<i>EBITA adj. margin (%)</i>	<i>26.5</i>	<i>22.3</i>	<i>27.5</i>	<i>24.4</i>	<i>21.2</i>	<i>11.7</i>	<i>13.3</i>	<i>18.8</i>	<i>20.5</i>	<i>21.3</i>
<i>EBIT adj.</i>	<i>115</i>	<i>91</i>	<i>142</i>	<i>130</i>	<i>109</i>	<i>49</i>	<i>60</i>	<i>91</i>	<i>108</i>	<i>122</i>
<i>EBIT adj. margin (%)</i>	<i>26.5</i>	<i>22.3</i>	<i>27.5</i>	<i>24.4</i>	<i>21.2</i>	<i>11.7</i>	<i>13.3</i>	<i>18.8</i>	<i>20.5</i>	<i>21.3</i>
<i>Pretax profit Adj.</i>	<i>115</i>	<i>43</i>	<i>91</i>	<i>93</i>	<i>80</i>	<i>10</i>	<i>25</i>	<i>52</i>	<i>70</i>	<i>84</i>
<i>Net profit Adj.</i>	<i>115</i>	<i>34</i>	<i>73</i>	<i>73</i>	<i>62</i>	<i>10</i>	<i>19</i>	<i>41</i>	<i>54</i>	<i>65</i>
<i>Net profit to shareholders adj.</i>	<i>115</i>	<i>34</i>	<i>73</i>	<i>73</i>	<i>62</i>	<i>10</i>	<i>19</i>	<i>41</i>	<i>54</i>	<i>65</i>
<i>Net adj. margin (%)</i>	<i>26.5</i>	<i>8.4</i>	<i>14.0</i>	<i>13.7</i>	<i>12.1</i>	<i>2.4</i>	<i>4.3</i>	<i>8.4</i>	<i>10.3</i>	<i>11.4</i>

Source: ABG Sundal Collier, Company Data

Cash Flow (NOKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	163	127	182	163	133	-187	92	130	149	163
Net financial items	-	-48	-52	-36	-30	-39	-35	-39	-39	-39
Paid tax	-	-	-	-16	-10	-2	-4	-11	-15	-18
Non-cash items	-163	-25	17	6	5	267	14	5	5	5
Cash flow before change in WC	0	54	148	116	97	39	67	86	100	111
Change in working capital	0	57	11	-4	-21	-6	19	-9	1	3

Cash Flow (NOKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Operating cash flow	0	111	159	112	77	33	85	77	101	114
Capex tangible fixed assets	0	-210	-45	-48	-18	-10	-34	-11	-12	-13
Capex intangible fixed assets	0	0	0	0	0	0	0	0	0	0
Acquisitions and Disposals	0	0	0	0	0	0	0	0	0	0
Free cash flow	0	-99	114	64	59	23	51	66	89	101
Dividend paid	0	0	0	0	-36	0	0	0	0	0
Share issues and buybacks	0	44	-1	188	0	200	28	0	0	0
Leasing liability amortisation	-30	-33	-35	-36	-43	-33	-22	-23	-23	-23
Other non-cash items	30	-804	48	32	2	-83	-46	-13	-13	-13
Balance Sheet (NOKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Goodwill	0	1,001	968	978	993	725	735	735	735	735
Other intangible assets	0	0	0	0	0	0	0	0	0	0
Tangible fixed assets	0	12	14	12	10	8	14	15	17	20
Right-of-use asset	0	195	150	136	124	185	216	216	216	216
Total other fixed assets	0	1	1	1	2	2	27	27	27	27
Fixed assets	0	1,209	1,134	1,127	1,129	919	992	993	995	998
Inventories	0	0	0	0	0	0	0	0	0	0
Receivables	0	77	76	63	42	31	23	32	29	28
Other current assets	0	43	16	21	0	0	0	0	0	0
Cash and liquid assets	0	35	18	64	29	68	69	100	153	218
Total assets	0	1,364	1,243	1,274	1,199	1,018	1,084	1,125	1,176	1,243
Shareholders equity	0	259	298	544	547	450	492	532	587	652
Minority	0	0	0	0	0	0	0	0	0	0
Total equity	0	259	298	544	547	450	492	532	587	652
Long-term debt	0	641	542	437	429	257	244	244	244	244
Pension debt	0	0	0	0	0	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0	0	0	0
Leasing liability	0	198	158	146	138	200	254	254	254	254
Total other long-term liabilities	0	11	2	0	0	0	0	0	0	0
Short-term debt	0	78	84	0	0	41	15	15	15	15
Accounts payable	0	35	39	36	36	25	32	31	29	31
Other current liabilities	0	142	122	112	49	44	47	48	47	47
Total liabilities and equity	0	1,364	1,243	1,275	1,199	1,018	1,084	1,125	1,176	1,243
Net IB debt	0	881	764	518	536	429	417	387	333	268
Net IB debt excl. pension debt	0	881	764	518	536	429	417	387	333	268
Net IB debt excl. leasing	0	683	606	373	398	229	163	132	79	14
Capital employed	0	1,176	1,081	1,127	1,114	949	1,005	1,045	1,100	1,165
Capital invested	0	1,140	1,062	1,062	1,084	880	909	919	920	920
Working capital	0	-57	-68	-64	-44	-38	-56	-47	-48	-50
EV breakdown	-	-	-	-	-	-	-	-	-	-
Market cap. diluted (m)	0	0	0	499	499	762	801	801	801	801
Net IB debt adj.	0	881	764	518	538	431	444	414	360	295
Market value of minority	0	0	0	0	0	0	0	0	0	0
Reversal of shares and participations	0	0	0	0	0	0	0	0	0	0
Reversal of conv. debt assumed equity	-	-	-	-	-	-	-	-	-	-
EV	0	881	764	1,018	1,037	1,193	1,245	1,214	1,161	1,096
Total assets turnover (%)	--	59.8	39.8	42.3	41.6	38.1	43.0	43.7	46.1	47.4
Working capital/sales (%)	0.0	-7.0	-12.1	-12.4	-10.5	-9.6	-10.4	-10.7	-9.0	-8.6
Financial risk and debt service	-	-	-	-	-	-	-	-	-	-
Net debt/equity (%)	--	340.8	256.7	95.3	98.0	95.3	84.9	72.6	56.8	41.2
Net debt / market cap (%)	--	--	--	103.8	107.4	56.3	52.1	48.3	41.6	33.5
Equity ratio (%)	--	19.0	23.9	42.7	45.6	44.2	45.4	47.3	49.9	52.4
Net IB debt adj. / equity (%)	--	340.8	256.7	95.3	98.3	95.7	90.4	77.7	61.4	45.3
Current ratio	--	0.61	0.45	1.00	0.83	0.90	0.97	1.40	1.98	2.63
EBITDA/net interest	--	2.6	3.5	4.5	4.5	4.8	2.6	3.4	3.8	4.2
Net IB debt/EBITDA (x)	0.0	6.9	4.2	3.2	4.0	-2.3	4.6	3.0	2.2	1.6
Net IB debt/EBITDA lease adj. (x)	0.0	7.4	4.1	2.7	3.5	4.2	2.9	1.7	0.9	0.3
Interest coverage	--	1.7	2.6	3.1	2.6	6.0	1.5	2.4	2.8	3.2

Source: ABG Sundal Collier, Company Data

Share Data (NOKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Actual shares outstanding	-	-	-	36	36	55	58	58	58	58
Actual shares outstanding (avg)	-	-	-	36	36	55	58	58	58	58

Share Data (NOKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
All additional shares	-	-	-	-	0	19	3	0	0	0
Issue month	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assumed dil. of shares from conv.	0	0	0	0	0	0	0	0	0	0
As. dil. of shares from conv. (avg)	0	0	0	0	0	0	0	0	0	0
Conv. debt not assumed as equity	0	0	0	0	0	0	0	0	0	0
No. of warrants	0	0	0	0	0	0	0	0	0	0
Market value per warrant	0	0	0	0	0	0	0	0	0	0
Dilution from warrants	0	0	0	0	0	0	0	0	0	0
Issue factor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Actual dividend per share	-	-	-	1.00	0.00	0.00	0.00	0.00	0.00	0.00
Reported earnings per share	-	-	-	-	-	-	-	-	-	-

Source: ABG Sundal Collier, Company Data

Valuation and Ratios (NOKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Shares outstanding adj.	-	-	-	36	36	55	58	58	58	58
Diluted shares adj.	0	0	0	36	36	55	58	58	58	58
EPS	-	-	-	1.63	1.03	-5.00	0.24	0.70	0.94	1.12
Dividend per share	-	-	-	1.00	0.00	0.00	0.00	0.00	0.00	0.00
EPS adj.	-	-	2.97	2.32	1.80	-0.98	0.34	0.70	0.94	1.12
BVPS	-	-	-	15.03	15.12	8.15	8.47	9.17	10.11	11.24
BVPS adj.	-	-	-	-11.99	-12.31	-4.97	-4.19	-3.49	-2.55	-1.43
Net IB debt/share	-	-	-	14.32	14.86	7.80	7.66	7.13	6.21	5.09
Share price	13.80	13.80	13.80	13.80	13.80	13.80	13.80	13.80	13.80	13.80
Market cap. (m)	0	0	0	499	499	762	801	801	801	801
Valuation	-	-	-	-	-	-	-	-	-	-
P/E (x)	--	--	--	8.5	13.4	nm	57.0	19.7	14.7	12.3
EV/sales (x)	0.00	2.16	1.47	1.91	2.02	2.82	2.75	2.52	2.19	1.91
EV/EBITDA (x)	0.0	6.9	4.2	6.3	7.8	-6.4	13.6	9.3	7.8	6.7
EV/EBITA (x)	0.0	10.5	5.8	9.1	13.5	-5.1	23.5	13.4	10.7	9.0
EV/EBIT (x)	0.0	10.5	5.8	9.1	13.5	-5.1	23.5	13.4	10.7	9.0
Dividend yield (%)	0.0	0.0	0.0	7.2	0.0	0.0	0.0	0.0	0.0	0.0
FCF yield (%)	0.0	0.0	0.0	12.8	11.8	3.0	6.4	8.2	11.1	12.6
Le. adj. FCF yld. (%)	0.0	0.0	0.0	5.6	3.2	-1.3	3.7	5.4	8.2	9.7
P/BVPS (x)	--	--	--	0.92	0.91	1.69	1.63	1.50	1.36	1.23
P/BVPS adj. (x)	13.80	13.80	13.80	-1.15	-1.12	-2.78	-3.29	-3.95	-5.40	-9.65
P/E adj. (x)	--	--	4.6	6.0	7.6	nm	40.9	19.7	14.7	12.3
EV/EBITDA adj. (x)	0.0	6.6	4.0	5.6	6.3	12.2	12.6	9.3	7.8	6.7
EV/EBITA adj. (x)	0.0	9.7	5.4	7.9	9.5	24.2	20.7	13.4	10.7	9.0
EV/EBIT adj. (x)	0.0	9.7	5.4	7.9	9.5	24.2	20.7	13.4	10.7	9.0
EV/CE (x)	--	0.7	0.7	0.9	0.9	1.3	1.2	1.2	1.1	0.9
Investment ratios	-	-	-	-	-	-	-	-	-	-
Capex/sales (%)	0.0	51.6	8.7	9.1	3.5	2.4	7.5	2.3	2.3	2.3
Capex/depreciation	0.0	159.2	8.2	6.2	2.9	1.8	7.5	2.4	2.6	2.7
Capex tangibles / tangible fixed assets	--	1,722.2	327.5	402.5	172.0	130.4	235.0	70.9	69.4	64.9
Capex intangibles / definite intangibles	--	--	--	--	--	--	--	--	--	--
Depreciation on intang / def. intang	--	--	--	--	--	--	--	--	--	--
Depreciation on tangibles / tangibles	--	10.82	39.95	64.77	59.16	72.57	31.22	29.44	26.76	23.72

Source: ABG Sundal Collier, Company Data

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