

Update: Report Q3 2026

2026-10-27

Advenica: Reaching a milestone with NATO

- Product order of MSEK 41 to be delivered in H1 2027
- Positive EBIT despite low product sales
- We keep our fair value of SEK 23 per share

Analysts

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Stock ticker: ADVE
Industry: Cybersecurity
Listed on: Nasdaq First North
Latest share price (SEK): 17,46
Market cap (MSEK): 768,0
Enterprise Value (MSEK): 702,8
Total number of shares (K): 43 986
- of which free float (K): 13 979

VHCF fair value per share
DCF model SEK 23

Advenica
Address: Roskildevägen 1
200 10 Malmö
Webpage: advenica.com
CEO: Marie Bengtsson

Main owners (Sep 30 2026) Capital (%)

Linde Family	32,8
Fredrik Rapp	22,0
Avanza Pension	4,7
Fjärde AP-Fonden	3,6
Ålandsbanken Abp	3,4

Share price history (SEK)



Source: Västra Hamnen Corporate Finance

Advenica's third quarter is oftentimes more subdued than the rest of the year due to the Swedish summer holidays. This year is seemingly no exception, although the company reported a positive EBIT at a modest MSEK 0.1 (-2.7), with net sales of MSEK 40.3 (34.1). We expected higher sales of MSEK 53.2, with an EBIT of MSEK 1.0. We are, however, happy to see the company achieve a positive EBIT despite low product sales.

In September Advenica delivered its first-ever order from **NATO**. More specifically, the client is the **NATO Communications and Information Agency** (NCIA), NATO's IT and cybersecurity agency. The organisation is responsible for procuring and operating NATO's communications networks and secure information systems.

Another order was made public in October, this one significantly larger. The product order worth MSEK 41 is from a Swedish authority regarding encryption products to be delivered mainly during H1 2027. The products have been developed as part of the company's Designhouse business, meaning that they are tailored specifically for the client's needs. While we do not know which particular project the order is tied to, in an [interview with Västra Hamnen](#), CEO **Marie Bengtsson** stated that the project was completed around a decade ago and is still paying dividends.

In summary, the financial performance is a bit weaker than we estimated, prompting us to make minor adjustments to our revenue forecast for the next quarter. We do, however, expect Q4 to be the strongest quarter of 2026, as there are product orders of more than MSEK 14 to be delivered. The first half of 2027 is also looking good with a major product order to fill, and we bump up revenue slightly. The alterations are not significant enough to move the needle, and we keep our fair value of SEK 23 per share.

Table 1: Financial Overview

MSEK	2024	2025	2026e	2027e	2028e
Total revenues	162,2	203,3	182,4	258,1	306,1
Growth (%)	9,8%	25,0%	-10,4%	41,1%	18,5%
EBITDA	20,3	32,9	12,1	32,9	35,7
EBITDA margin (%)	12,5%	16,2%	6,6%	12,8%	11,7%
EBT	7,9	17,5	-4,6	20,7	25,6
Cash holdings	118,9	96,5	84,0	112,9	137,6
Total assets	225,9	199,8	212,3	263,5	308,3
Total equity	101,6	114,4	103,1	121,2	141,5
Solidity (%)	45,0%	57,3%	48,6%	46,0%	45,9%
P/E	95,6	46,5	neg	42,4	37,9
ROE	7,9%	14,5%	neg	15,0%	14,3%
EV/EBIT (x)	112,2	37,6	neg	33,2	28,4
EV/Sales (x)	4,3	3,4	3,8	2,7	2,3

Source: Västra Hamnen Corporate Finance

Table 2: Estimates vs actual, Q3 2026

MSEK	Q3 '25	Q3 '26e	Q3 '26 act	Diff
Net Revenues	34 144	53 189	40 334	-12 855
Other Revenues	434	0	258	258
Total Revenues	34 578	53 189	40 592	-12 597
Cost of Goods Sold	-18 490	-23 445	-18 922	4 523
Gross Profit	16 088	29 744	21 670	-8 074
Sales and Marketing Expenses	-11 232	-16 434	-10 692	5 742
Administrative expenses	-2 091	-2 507	-2 023	484
R&D Expenses	-5 477	-9 816	-8 814	1 002
Total OPEX	-18 800	-28 757	-21 529	7 228
EBIT	-2 712	986	141	-845
Added Amortisation and Depreciation	3 751	3 114	5 605	2 491
EBITDA	1 039	4 100	5 746	1 646
Net Financial Items	-203	-101	-165	-64
EBT	-2 915	885	-24	-909
Net Profit	-3 232	885	-220	-1 105
Cash and Equivalents	96 505	93 915	79 457	-14 458
Total Equity	117 898	107 283	99 360	-7 923

Source: Västra Hamnen Corporate Finance

Financials in Q3

Table 2 shows our projected figures for Q3 compared to the numbers reported by Advenica. The largest discrepancy is to be found in the top line, where Advenica fell almost MSEK 13 below our expectations. Thankfully, with lower revenues came lower costs. Cost of goods sold was about MSEK 4.5 lower than our estimate, and total operational expenses were MSEK 7.2 lower. This led to a reported EBIT of KSEK 141, KSEK 845 below our projected KSEK 986.

Despite lower revenue and product sales, the company managed to keep costs low enough to show a positive EBIT. It is encouraging to see margins increased in a quarter where revenue is largely from services. As we have repeated many times, volatility between quarters is to be expected from a company with customers such as Advenica's. While this volatility is unlikely to end any time soon, getting to a point where the company could consistently report a meagre profit even in weaker quarters would be very beneficial.

Product orders

The volume of product deliveries during 2026 stands in stark contrast to 2025. Thus far, MSEK 13.7 has been delivered, compared with MSEK 55.9 during the same period last year. Revenues from services performed have however increased from MSEK 97 to MSEK 112 during the same period. Despite what the numbers tell us, Advenica is indeed a product-based business. While maintenance and support as well as the Designhouse business have represented most of the company's income this year, it is all in service of selling more products in the end.

Low product sales yet again

Large orders to be delivered in coming quarters

The last three quarters of product sales have been disappointing, but the upcoming three are looking much more promising. At least three orders with a combined total deal value of about MSEK 14.4 are to be delivered during Q4 of 2026. The latest order of MSEK 41 is to be delivered mainly during H1 of 2027, meaning we should see three consecutive quarters of higher profitability. CEO Bengtsson also commented in a [recent video interview](#) that the product stems from a Designhouse-project upwards of a decade old. It is clear that long-term relationships are important in this business, and that these projects pay dividends for a long time after completion. Product orders

totalling less than MSEK 1.5 are also not made public, and some smaller sales to industrial actors are to be expected.

NATO deliveries

First NATO order delivered

In late September, Advenica made public that they had delivered data diodes to NATO. The company has been able to compete in NCIA's procurements since 2024, first through its Finnish subsidiary Advenica Oy in March, and the whole company in October the same year. What we are now seeing is NCIA making the first request from the product catalogue, specifically three data diodes. Clearly, this is not a very large order, and what we can only speculate on what NCIA wants with three units. Hopefully, this will lead to larger orders in the future, but for now, we can just wait and see.

Looking ahead

We expect the upcoming quarters to look better than the previous few, and there are public orders to support our forecast. Having said that, it is starting to look increasingly unlikely that 2026 will be able to top the record-breaking year 2025. In our initial analysis, that was also our expectation, and we did not model for any meaningful growth. A large order at the end of 2025 made us raise our forecast, but in retrospect we should have stuck to our guns.

Small changes made to forecast

Once again, we are prompted to make changes, albeit this time smaller. We are lowering our revenue forecast for Q4 by about MSEK 8.8 and now expect a top line of MSEK 56.9. If service revenues hold and product sales come through, this should be feasible. For the full year 2026 to be profitable, the company would need a net profit of about 9.2 during Q4. That does not happen in our scenario.

We also make some changes to 2027, mainly during H1. We increase our revenue estimate by about MSEK 2.4 and MSEK 3.4 for Q1 and Q2, respectively. The adjustment is attributable to the large order of MSEK 41 to be delivered mainly during H1 2027.

We expect total revenues of about MSEK 66 for both quarters, which is a high bar, but one that can be cleared. It is once again well placed to remind about the earnings volatility expected in this business and the obvious risk of us being wrong more often than right in the short term. That said, we are quite optimistic about the coming quarters. What matters is the long-term trend of the company, rather than the outcome of individual quarters.

Maintaining fair value at SEK 23 per share

The changes to the model are not enough to impact the valuation, and we keep our fair value of SEK 23 per share.

Triggers

- Product sales announcements
- New Designhouse orders
- Cost development
- Larger NATO orders

Income Statement - Annual Data

kSEK	2023	2024	2025	2026e	2027e	2028e	2029e	2030e
Net sales	148 862	162 167	203 291	182 393	258 062	306 093	378 013	462 557
Other revenues	622	2 037	1 923	1 507	1 457	1 453	1 454	1 454
Total revenue	149 484	164 204	205 214	183 899	259 519	307 546	379 467	464 011
Cost of goods sold	-40 955	-71 768	-94 180	-84 892	-114 397	-136 936	-169 649	-207 591
Sales and marketing expenses	-48 731	-49 390	-51 516	-48 279	-64 107	-74 888	-86 474	-94 662
Administrative expenses	-6 695	-7 809	-10 473	-9 662	-12 165	-14 429	-17 819	-21 804
R&D expenses	-58 001	-28 955	-30 322	-45 177	-47 625	-56 489	-69 762	-84 177
EBIT	-4 898	6 282	18 723	-4 110	21 225	24 805	35 763	55 776
Added Amortisation and depreciation	13 098	14 020	14 131	16 166	11 714	10 871	10 595	10 620
EBITDA	8 200	20 302	32 854	12 056	32 939	35 676	46 358	66 397
Net financial	884	1 664	-1 220	-502	-564	746	873	1 204
EBT	-4 014	7 946	17 503	-4 612	20 661	25 550	36 636	56 981
Tax	-101	104	-932	-601	-2 520	-5 263	-7 547	-11 738
Net income/loss	-4 115	8 050	16 571	-5 213	18 141	20 287	29 089	45 243
Earnings per share (SEK)	-0,09	0,18	0,38	-0,12	0,41	0,46	0,66	1,03
Growth (%)								
Net revenues	25,7%	8,9%	25,4%	-10,3%	41,5%	18,6%	23,5%	22,4%
EBITDA	12,6%	147,6%	61,8%	-63,3%	173,2%	8,3%	29,9%	43,2%
EBIT	na	na	198,0%	-122,0%	na	16,9%	44,2%	56,0%
Net profit	na	na	105,9%	-131,5%	na	11,8%	43,4%	55,5%
% of revenues (%)								
EBITDA margin	5,5%	12,5%	16,2%	6,6%	12,8%	11,7%	12,3%	14,4%
EBIT margin	neg	3,9%	9,2%	neg	8,2%	8,1%	9,5%	12,1%
EBT margin	neg	4,9%	8,6%	neg	8,0%	8,3%	9,7%	12,3%
Profit margin	neg	5,0%	8,2%	neg	7,0%	6,6%	7,7%	9,8%
Total OPEX	76,2%	53,1%	45,4%	56,5%	48,0%	47,6%	46,0%	43,4%
Profitability (%)								
ROE	neg	7,9%	14,5%	neg	15,0%	14,3%	17,1%	21,0%
ROIC	neg	neg	49,7%	neg	57,9%	107,0%	87,2%	197,6%

Source: Västra Hamnen Corporate Finance

Balance Sheet - Annual Data

kSEK	2023	2024	2025	2026e	2027e	2028e	2029e	2030e
Inventories	8 203	22 331	15 895	19 520	23 417	29 932	35 575	44 013
Receivables	36 157	31 457	34 909	37 316	62 505	79 183	94 112	116 432
Other receivables	1 827	3 385	4 045	3 947	4 693	5 945	7 066	8 742
Prepaid costs & accrued income	7 810	8 835	9 518	14 441	17 168	21 750	25 850	31 981
Cash and cash equivalents	81 685	118 857	96 534	83 959	112 877	137 649	170 170	219 968
Total current assets	135 682	184 865	160 901	159 183	220 660	274 459	332 773	421 136
Tangible fixed assets	31 567	22 900	18 433	33 244	24 650	16 597	32 787	25 093
Intangible assets	15 457	17 919	20 291	19 724	18 042	17 061	16 526	16 281
Tax assets	1 230	175	155	148	148	148	148	148
Total fixed assets	48 254	40 994	38 879	53 116	42 840	33 806	49 461	41 522
Total assets	183 936	225 860	199 781	212 299	263 500	308 265	382 234	462 658
Accounts payable	12 714	23 304	6 937	11 689	23 560	30 115	35 793	44 282
Advance payments from customers	4 500	12 781	4 607	6 288	7 476	9 471	11 256	13 926
Accrued expenses and prepaid income	33 273	53 623	39 783	45 006	69 858	88 499	105 183	130 130
Other current liabilities	10 000	13 618	13 833	11 021	13 103	16 599	19 728	24 407
Short-term lease	6 289	7 846	7 342	7 285	7 285	7 285	7 285	7 285
Total current liabilities	66 776	111 172	73 334	81 533	121 526	152 213	179 490	220 274
Total non-current liabilities	23 429	13 081	12 011	27 679	20 745	14 536	32 139	26 536
Total equity	93 731	101 607	114 437	103 088	121 229	141 516	170 605	215 848
Total equity and liabilities	183 936	225 860	199 781	212 299	263 500	308 265	382 234	462 658

Source: Västra Hamnen Corporate Finance

Cash flow statement

kSEK	2023	2024	2025	2026e	2027e	2028e	2029e	2030e
Operating activities	137	52 053	1 719	10 581	48 895	44 287	52 880	71 018
Changes in working capital	-8 914	30 545	-30 247	-1 314	8 501	3 451	3 087	4 616
Investing activities	-4 266	-8 857	-10 522	-8 838	-9 438	-9 838	-10 250	-10 682
Financing activities	-6 289	-6 623	-12 275	-7 219	-8 000	-8 000	-8 000	-8 000
Cash flow for the period	-10 418	36 573	-21 078	-5 475	31 457	26 449	34 630	52 336
Beginning cash balance	92 121	81 685	118 857	96 534	83 959	112 877	137 649	170 170
Ending cash balance	81 685	118 857	96 534	83 959	112 877	137 649	170 170	219 968

Source: Västra Hamnen Corporate Finance

Income Statement - Quarterly Data

kSEK	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026e	Q1 2027e	Q2 2027e	Q3 2027e
Net sales	50 702	38 656	46 957	40 334	56 446	64 886	65 643	60 428
Other revenues	542	456	383	258	410	377	357	350
Total revenue	51 244	39 112	47 340	40 592	56 855	65 262	66 000	60 778
Cost of goods sold	-23 444	-18 657	-22 432	-18 922	-24 881	-28 666	-29 066	-26 817
Sales and marketing expenses	-17 194	-9 481	-13 600	-10 692	-14 506	-15 057	-15 747	-16 343
Administrative expenses	-3 194	-2 320	-2 658	-2 023	-2 661	-3 059	-3 094	-2 848
R&D expenses	-8 163	-10 982	-14 964	-8 814	-10 417	-11 974	-12 114	-11 152
EBIT	-751	-2 328	-6 314	141	4 391	6 506	5 978	3 618
Added Amortisation and depreciation	2 857	3 732	3 689	5 605	3 140	3 056	2 962	2 883
EBITDA	2 106	1 404	-2 625	5 746	7 531	9 562	8 940	6 501
Net financial	-150	63	43	-165	-443	-296	-167	-84
EBT	-901	-2 265	-6 271	-24	3 948	6 211	5 811	3 534
Tax	652	-212	-193	-196	0	0	-740	-728
Net income/loss	-248	-2 477	-6 464	-220	3 948	6 211	5 071	2 806
Earnings per share (SEK)	-0,01	-0,06	-0,15	-0,01	0,09	0,14	0,12	0,06
Y-o-Y Growth (%)								
Net revenues	2,1%	-33,5%	-22,1%	18,1%	11,3%	67,9%	39,8%	49,8%
EBITDA	-77,1%	-91,2%	-119,1%	453,0%	257,6%	581,0%	na	13,1%
EBIT	-113,6%	-119,1%	-163,1%	na	na	na	na	2465,7%
Net profit	-103,8%	-126,6%	-160,1%	na	na	na	na	na
% of revenues (%)								
EBITDA margin	4,2%	3,6%	neg	14,2%	13,3%	14,7%	13,6%	10,8%
EBIT margin	neg	neg	neg	0,3%	7,8%	10,0%	9,1%	6,0%
EBT margin	neg	neg	neg	neg	7,0%	9,6%	8,9%	5,8%
Profit margin	neg	neg	neg	neg	7,0%	9,6%	7,7%	4,6%
Total OPEX	56,3%	58,9%	66,5%	53,4%	48,9%	46,4%	47,2%	50,2%
Profitability (%)								
ROE	neg	neg	neg	neg	3,8%	5,7%	4,4%	2,4%
ROIC	neg	neg	neg	0,2%	7,4%	14,0%	13,9%	9,0%

Source: Västra Hamnen Corporate Finance

Balance Sheet - Quarterly Data

kSEK	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026e	Q1 2027e	Q2 2027e	Q3 2027e
Inventories	15 895	19 840	21 386	27 132	19 520	22 489	22 804	21 039
Receivables	34 909	16 962	43 447	40 378	37 316	60 437	61 143	56 285
Other receivables	4 045	3 079	3 535	4 156	3 947	4 538	4 591	4 226
Prepaid costs & accrued income	9 518	21 932	8 290	10 964	14 441	16 601	16 794	15 460
Cash and cash equivalents	96 534	81 036	79 457	65 182	83 959	98 970	104 825	107 158
Total current assets	160 901	142 849	156 115	147 812	159 183	203 035	210 157	204 168
Tangible fixed assets	18 433	17 679	16 490	35 016	33 244	31 035	28 885	26 721
Intangible assets	20 291	20 394	20 108	20 087	19 724	19 205	18 717	18 350
Tax assets	155	145	133	148	148	148	148	148
Total fixed assets	38 879	38 218	36 731	55 251	53 116	50 387	47 750	45 219
Total assets	199 781	181 069	192 846	203 063	212 299	253 422	257 906	249 386
Accounts payable	6 937	9 360	7 983	18 224	11 689	22 627	22 943	21 168
Advance payments from customers	4 607	3 951	4 418	4 380	6 288	7 229	7 313	6 732
Accrued expenses and prepaid income	39 783	33 802	46 726	36 878	45 006	67 547	68 336	62 906
Other current liabilities	13 833	3 515	15 136	7 534	11 021	12 669	12 817	11 799
Short-term lease	7 342	7 245	7 285	7 285	7 285	7 285	7 285	7 285
Total current liabilities	73 334	58 920	82 698	74 545	81 533	117 601	118 938	110 134
Total non-current liabilities	12 011	10 171	10 788	29 378	27 679	26 523	24 599	22 077
Total equity	114 437	111 978	99 360	99 140	103 088	109 298	114 369	117 175
Total Equity and Liabilities	199 781	181 069	192 846	203 063	212 299	253 422	257 906	249 386

Source: Västra Hamnen Corporate Finance

Cash flow statement

kSEK	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026e	Q1 2027e	Q2 2027e	Q3 2027e
Operating activities	11 210	-11 662	8 212	-10 786	22 847	19 339	10 179	6 685
Changes in working capital	8 069	-12 853	10 631	-13 319	14 227	8 073	146	-1 004
Investing activities	-3 368	-2 340	-1 930	-2 030	-2 538	-2 327	-2 324	-2 352
Financing activities	-2 116	-1 919	-7 988	-1 937	-1 533	-2 000	-2 000	-2 000
Cash flow for the period	5 726	-15 921	-1 706	-14 753	18 777	15 012	5 855	2 333
Beginning cash balance	91 362	96 534	81 036	79 457	65 182	83 959	98 970	104 825
Ending cash balance	96 534	81 036	79 457	65 182	83 959	98 970	104 825	107 158

Source: Västra Hamnen Corporate Finance

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