

## Enrad AB (publ) [ENRAD]

Website: <https://enrad.se/ir/>

Industry: Refrigeration and heat pump systems

Lista: Nordic SME Sweden

Market cap: SEK 270m

Last updated research report: [1 March 2026](#)

### Positive EBITDA in sight, but the real story starts in H2

Enrad is due to publish its Q1 report on 24 April 2026. The key focus is revenues, and whether EBITDA can remain positive into the print.

As shown in the table below, we forecast net sales of SEK 15.1m in Q1 2026, representing a 7.0% decline YoY versus SEK 16.2m in Q1 2025. The decline reflects a sluggish market environment. On profitability, we expect a gross margin of a touch above 50%. At the EBITDA line, we look for a positive result of SEK 0.2m MSEK, corresponding to a 1.1% margin, down from 5.3% in the corresponding quarter last year.

#### Carlsquare estimates, income statement Q1 2026 (SEKm)

	Q1, 26E	Q1, 25A	Growth	Revision CSQ est.
Net sales	15.1	16.2	-7.0%	0.0
Gross profit	7.7	8.1	-4.5%	0.0
Gross margin	51.0%	49.7%	1.3p.p.	0.0p.p.
EBITDA	0.2	0.9	-81.4%	-0.4
EBITDA margin	1.1%	5.3%	-4.2p.p.	-2.4p.p.
EBIT	-0.5	0.0	-1401.8%	-0.4
EBIT margin	-3.1%	-0.2%	-2.9p.p.	-2.4p.p.
EBT	-0.5	-0.2	-202.1%	-0.4
EBT margin	-3.5%	-1.1%	-2.4p.p.	-2.4p.p.
EPS (SEK)	-0.02	-0.01	-95.7%	-0.01

Source: Company information and Carlsquare estimates

The Sales Manager appointed in March for Sweden, alongside an additional salesperson, is the key operational initiative for H2 2026. The Benelux expansion is another initiative, but it is still not expected to contribute meaningfully to revenues in either the past quarter or the coming one. We like the strategic direction but note that revenue volumes remain modest in absolute terms, and that the route to sustainable profitability requires the Sweden push to start showing through in order intake during the second half of the year.

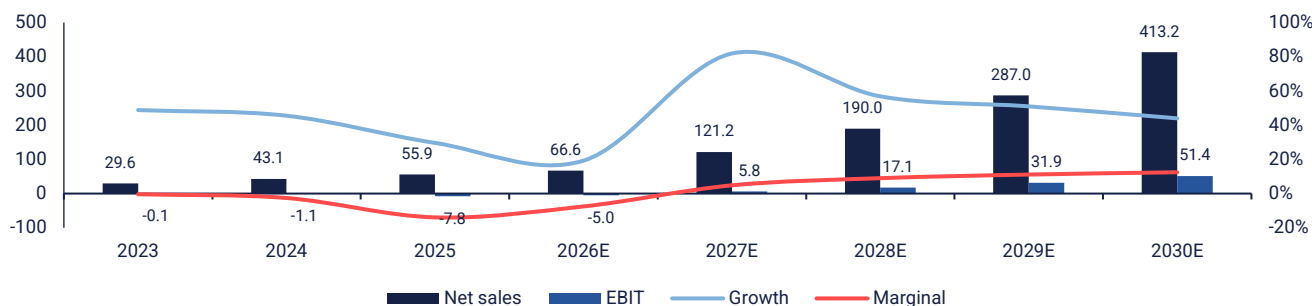
On capacity, the current site supports production equivalent to around SEK 80m, and the planned move to a new factory is expected to lift the ceiling to above SEK 100m. Weland Stal AB continues to secure working capital by lending against inventories and trade receivables, which caps financial downside risk in the ongoing expansion phase.

## A leading position in a market with structural tailwinds

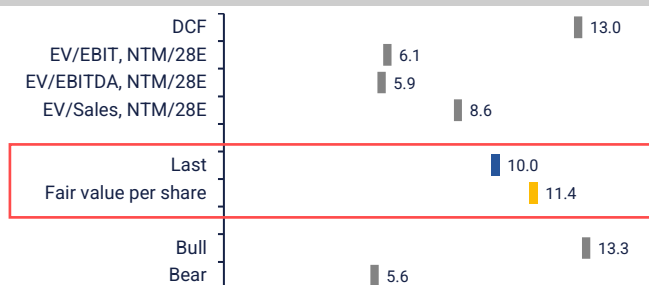
**Enrad** develops, manufactures and sells liquid-cooled chillers and heat-pump units based on natural refrigerants. Its customer base is industrial and commercial clients with high demands on energy efficiency and environmental performance. In a landscape dominated by foreign volume manufacturers focused on synthetic refrigerants, or specialised service players without in-house manufacturing, Enrad brings design, production and refrigeration engineering under one roof, creating a distinct technology edge. The business model rests on three revenue streams: hardware sales of units, ancillary services such as predictive maintenance and performance certification, and EPIC, a subscription service for real-time monitoring of installed units. The company is in an early but accelerating growth phase and, looking ahead, aims to deepen its presence in Sweden, Norway and Benelux, with EPIC as a scalable, recurring revenue source.

- **A prominent market position:** Manufacturing cooling and heat pump systems based on natural hydrocarbons, with production in Sweden, is distinctly rare. Most competitors are either overseas volume manufacturers focused on synthetic-refrigerant systems or specialist service providers without in-house manufacturing. Enrad combines design, production and refrigeration engineering expertise under one roof, underpinning a deep technological moat and low substitution risk. This positioning should further strengthen as the market is forced to transition.
- **EU is structurally driving demand:** The EU's tightened F-gas Regulation (2024) implies a gradual ban on synthetic refrigerants with high GWP (Global Warming Potential). This also captures next-generation HFO refrigerants, which risk being banned within a few years. Enrad's products, based on natural hydrocarbons, are therefore already regulatorily future-proofed. The practical impact is that an entire product category of competitors is progressively eliminated, while a forced technology shift is accelerated. In effect, the market is converting towards Enrad's niche, not the other way round.
- **Strong financial momentum:** Revenue has tripled since 2023, which does not look random given the EU's tightened F-gas Regulation and the company's differentiated offering built around natural refrigerants. The company is still in an early, but accelerating, phase, as is the market. As the space scales, competition is likely to intensify, which we expect will pressure gross margin. To partly offset this, we see solid potential in EPIC, the company's subscription service that remotely monitors installed cooling and heat pump units in real time.
- **Strong ownership base and scalable manufacturing:** The Weland Group is a major shareholder, providing financial security and an industrial backbone. Weland supports working capital via lending against inventories and receivables, underwriting commitments in equity raises, and facilitating factory expansion. Combined with the ongoing digitisation of production, this is building a scalable manufacturing platform with low financial vulnerability. This foundation directly supports Enrad's ambition to materially ramp volumes without losing operational control.

Revenue and profitability (SEKm), base case



- **A fair value of SEK 11.4 per share** is calculated in our base case, within a range of SEK 5.6–13.3 per share.
- Our fair value implies an EV/Sales 2027E of 2.4x.
- Our fair value implies an EV/EBIT 2028E of 17.1x.
- The reference group trades at a median EV/EBIT NTM of 18.1x and P/E NTM of 22.3x.



- **High growth comes with execution risk:** Enrad is scaling rapidly and plans a new factory. Ramping the organisation, production capacity and culture without quality slippage or loss of key personnel is a clear operational risk.
- **Procurement risk:** Raw materials and components make up a significant share of the cost base, and price volatility, FX exposure and supplier concentration remain real risks, despite broadened purchasing and a larger supplier base.
- **Timing risk.** Enrad is positioning itself to be ready ahead of a meaningful market inflection. That is strategically sound, but it introduces timing risk and could test the endurance of both management and owners.
- **"Fourth-generation refrigerants":** Adding to the timing risk is HFOs with lower GWP. Even if the company believes these are likely to be banned, there is a risk they remain in the market for a period, in a way that favours the larger players.
- **Germany:** Germany allowing oil and gas boilers again is not a helpful signal, even if Enrad is primarily geared towards industrial customers, property companies and other commercial end-markets. Moreover, Germany is not a market where the company is currently active.

## Accounts and key figures

### Income statement (SEKm), quarterly

	Q1, 25	Q2, 25	Q3, 25	Q4, 25	Q1, 26E	Q2, 26E	Q3, 26E	Q4, 26E
Net sales	16.2	15.2	12.6	11.8	15.1	16.3	17.2	18.0
Total operating income	16.2	15.2	12.6	12.0	15.3	16.5	17.4	18.2
Raw materials & consum./COGS	-8.2	-7.7	-6.0	-5.1	-7.6	-8.2	-8.6	-9.0
Gross profit	8.1	7.6	6.6	6.9	7.7	8.3	8.8	9.2
OPEX, less D&A	-7.2	-9.9	-6.9	-9.8	-7.5	-10.4	-7.9	-10.8
EBITDA	0.9	-2.3	-0.3	-2.9	0.2	-2.1	0.9	-1.6
D&A	-0.9	-1.0	-1.0	-0.2	-0.6	-0.6	-0.6	-0.6
EBIT	0.0	-3.3	-1.4	-3.1	-0.5	-2.7	0.3	-2.2
EBT	-0.2	-3.4	-1.4	-3.1	-0.5	-2.7	0.3	-2.2
Net PL att. to parent comp.	-0.2	-3.4	-1.4	-3.1	-0.5	-2.7	0.3	-2.2
EPS (SEK)	-0.01	-0.13	-0.05	-0.12	-0.02	-0.10	0.01	-0.08
Growth, net sales	112.6%	20.6%	57.0%	-20.1%	-7.0%	7.0%	37.0%	52.0%
Growth, gross profit	87.6%	10.3%	37.6%	16.6%	-4.5%	9.9%	33.1%	33.3%
Growth, EBITDA	-	-	-	-	-81.4%	-	-	-
Growth, EBIT	-	-	-	-	-	-	-	-
Growth, EBT	-	-	-	-	-	-	-	-
Growth, EPS (SEK)	-	-	-	-	-	-	-	-
Gross margin	49.7%	49.6%	52.5%	58.2%	51.0%	51.0%	51.0%	51.0%
EBITDA margin	5.3%	-15.3%	-2.5%	-24.6%	1.1%	-12.9%	5.2%	-8.8%
EBIT margin	-0.2%	-21.8%	-10.8%	-26.1%	-3.1%	-16.6%	1.8%	-12.0%
EBT margin	-1.1%	-22.2%	-11.3%	-26.3%	-3.5%	-16.8%	1.5%	-12.3%

Margins are calculated on net sales. Source: Company information and Carlsquare estimates

### Income statement (SEKm)

	2023	2024	2025	2026E	2027E	2028E	2029E	2030E
Net sales	29.6	43.1	55.9	66.6	121.2	190.0	287.0	413.2
Total operating income	30.3	44.0	56.1	67.3	121.9	190.8	287.7	414.0
Raw materials & consum./COGS	-15.2	-22.2	-27.0	-33.4	-60.2	-94.2	-141.8	-203.6
Gross profit	15.1	21.9	29.1	34.0	61.7	96.6	145.9	210.4
Other external expenses	-5.3	-7.0	-13.7	-14.6	-18.4	-22.6	-28.4	-36.0
Personnel costs	-8.2	-13.6	-20.1	-22.0	-34.7	-53.0	-80.8	-117.4
D&A	-1.8	-2.4	-3.1	-2.4	-2.7	-3.9	-4.9	-5.6
Other operating expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OPEX	-15.2	-23.0	-36.9	-39.0	-55.9	-79.5	-114.0	-159.0
EBITDA	1.7	1.3	-4.7	-2.6	8.5	21.0	36.8	57.0
EBIT	-0.1	-1.1	-7.8	-5.0	5.8	17.1	31.9	51.4
Net financial items	0.2	-0.3	-0.3	-0.2	-0.2	-0.2	-0.1	0.2
Extraordinary items or approp.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	0.1	-1.4	-8.1	-5.2	5.6	16.9	31.8	51.6
Income tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-10.6
Net profit/loss b4 minority int.	0.1	-1.4	-8.1	-5.2	5.6	16.9	31.8	41.0
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net PL att. to parent comp.	0.1	-1.4	-8.1	-5.2	5.6	16.9	31.8	41.0
EPS (SEK)	0.00	-0.06	-0.31	-0.19	0.21	0.62	1.18	1.52
Shares, EoP	24.4	24.4	27.0	27.0	27.0	27.0	27.0	27.0
Growth, net sales	48.8%	45.5%	29.6%	19.2%	81.9%	56.9%	51.0%	44.0%
Growth, gross profit	62.1%	44.5%	33.2%	16.7%	81.6%	56.5%	51.1%	44.1%
Growth, EBITDA	-	-21.0%	-	-	-	146.1%	75.3%	55.0%
Growth, EBIT	-	-	-	-	-	193.0%	86.8%	61.1%
Growth, EBT	-	-	-	-	-	201.5%	88.7%	62.1%
Growth, EPS (SEK)	-	-	-	-	-	201.5%	88.7%	28.7%
Gross margin	51.1%	50.7%	52.1%	51.0%	50.9%	50.8%	50.9%	50.9%
EBITDA margin	5.6%	3.1%	-8.4%	-4.0%	7.0%	11.0%	12.8%	13.8%
EBIT margin	-0.4%	-2.6%	-13.9%	-7.5%	4.8%	9.0%	11.1%	12.4%
EBT margin	0.3%	-3.3%	-14.5%	-7.8%	4.6%	8.9%	11.1%	12.5%
Tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-20.6%

Margins are calculated on net sales. Source: Company information and Carlsquare estimates

**Balance sheet (SEKm)**

	2023	2024	2025	2026E	2027E	2028E	2029E	2030E
Tot. intangible assets	6.6	6.8	4.7	3.7	3.1	2.8	2.7	2.8
Tot. tangible assets	1.2	1.7	2.5	3.2	7.8	11.7	14.0	16.4
Tot. other fixed assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tot. fixed assets	7.8	8.5	7.3	6.8	10.8	14.5	16.8	19.2
Inventories	13.0	15.2	18.2	14.8	22.2	30.6	44.1	60.5
Accounts receivable	7.3	11.1	11.0	12.6	21.3	30.6	42.0	54.5
Oth. current assets	1.0	1.3	1.1	1.8	3.5	5.5	8.3	12.0
Cash & cash eqv.	6.4	4.7	19.6	18.3	14.6	22.4	44.4	76.8
Total current assets	27.7	32.3	49.9	47.5	61.5	89.1	138.9	203.7
Total assets	35.6	40.8	57.2	54.4	72.4	103.6	155.6	222.9
Total equity	23.3	23.7	41.1	35.9	41.5	58.3	90.2	131.1
Provisions	0.0	0.0	0.5	0.5	0.5	0.5	0.5	0.5
Liabilities to creditors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-current liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tot. long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities to creditors, ST	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade payables	2.7	1.9	5.3	5.7	11.3	17.8	26.9	38.7
Other current liabilities	9.6	15.2	10.3	12.2	19.1	27.0	38.1	52.6
Tot. short-term debt	12.3	17.1	15.6	18.0	30.4	44.8	65.0	91.3
Tot. equity and debt	35.6	40.8	57.2	54.4	72.4	103.6	155.6	222.9
Current ratio (x)	2.3	1.9	3.2	2.6	2.0	2.0	2.1	2.2
Quick ratio (x)	1.2	1.0	2.0	1.8	1.3	1.3	1.5	1.6
CFO/tot. short-term debt	39.3%	6.7%	-55.9%	3.4%	9.9%	34.3%	44.9%	44.3%
IB debt, incl. leasing	0.0	0.0	5.0	5.0	5.0	0.0	0.0	0.0
Net debt(+)/cash(-), incl. leasing	-6.4	-4.7	-14.6	-13.3	-9.6	-22.4	-44.4	-76.8
Net debt/EBITDA (x)	NM	NM	NM	NM	NM	NM	NM	NM
IB debt, incl. leasing/total equity (x)	0.0	0.0	0.1	0.1	0.1	0.0	0.0	0.0
Total equity/total assets	65.4%	58.1%	71.9%	66.0%	57.3%	56.3%	57.9%	58.8%
ROA	0.2%	-3.5%	-14.1%	-9.6%	7.7%	16.3%	20.4%	18.4%
ROE	0.3%	-6.1%	-19.7%	-14.6%	13.5%	28.9%	35.3%	31.2%
ROIC	-0.5%	-4.7%	-23.4%	-17.6%	14.5%	37.7%	55.4%	75.1%

Source: Company information and Carlsquare estimates

**Cash flow (SEKm)**

	2023	2024	2025	2026E	2027E	2028E	2029E	2030E
CFO b4 Δ WC	1.5	2.7	-4.4	-2.8	8.3	20.8	36.7	46.6
Δ WC	3.3	-1.5	-4.3	3.5	-5.3	-5.4	-7.5	-6.2
CFO	4.8	1.1	-8.7	0.6	3.0	15.3	29.2	40.4
CFI	-1.7	-2.9	-1.8	-1.9	-6.7	-7.5	-7.1	-8.0
FCF	3.2	-1.7	-10.6	-1.3	-3.7	7.8	22.0	32.3
CFF	0.0	0.0	25.5	0.0	0.0	0.0	0.0	0.0
Cash flow	3.2	-1.7	14.9	-1.3	-3.7	7.8	22.0	32.3
Cash, BoP	3.2	6.4	4.7	19.6	18.3	14.6	22.4	44.4
Exchange differences	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash, EoP	6.4	4.7	19.6	18.3	14.6	22.4	44.4	76.8
Δ WC/net sales	11.3%	-3.5%	-7.7%	5.2%	-4.4%	-2.9%	-2.6%	-1.5%
CFO/net sales	16.4%	2.7%	-15.6%	0.9%	2.5%	8.1%	10.2%	9.8%
CFO/EBITDA	291.0%	87.4%	NA	NA	35.2%	73.1%	79.3%	70.8%
CFI/EBITDA	-101.1%	-217.5%	NA	NA	-78.6%	-36.0%	-19.4%	-14.1%
FCF/net sales	10.7%	-4.0%	-18.9%	-2.0%	-3.1%	4.1%	7.7%	7.8%

Source: Company information and Carlsquare estimates

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