NEWS FLASH

Software & Services

Fair value: SEK27.0–41.0

Share price: SEK23.4

Sleep Cycle

Launches new features

Research analysts:
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Sleep Cycle has launched an AI-powered coach, Luma, built on the company's proprietary sleep data. We view the feature as an initial step towards repositioning Sleep Cycle as a broader lifestyle offering, supporting user growth and engagement. We expect the launch to be taken positively and see potential for the stock to trade higher on the news.

What is new? Sleep Cycle has launched Luma, an AI-powered coach that uses sleep-tracking data to provide feedback and help users achieve broader lifestyle goals such as weight management and overall well-being. Luma's chat functionality will be available to free users, while advanced sleep and health insights will remain exclusive to premium subscribers

What does it mean? We argue that this initiative will increase user engagement, supporting both new user acquisition and lower churn. Moreover, by expanding further into lifestyle-related content, Sleep Cycle effectively broadens the addressable market for its services.

What do we do? We view an acceleration in Y/Y growth as the key catalyst for the Sleep Cycle share. Combined with the new partnership with Urban Sports Club and the ongoing pilot with Ultrahuman, an India-based health-tech company developing a smart ring, we believe a return to Y/Y revenue growth in 2026 is increasingly plausible.

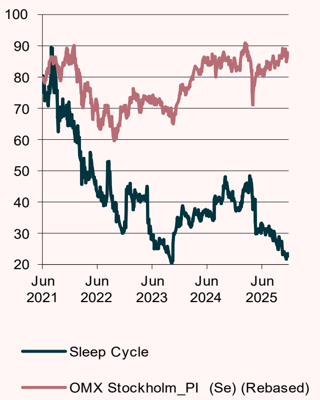
Upcoming events

Key facts

Key facts	
No. shares (m)	20.3
Market cap. (USDm)	50
Market cap. (SEKm)	473
Net IB Debt. (SEKm)	-124
Adjustments (SEKm)	0
EV (2025e) (SEKm)	349
Free float	30.0%
Avg. daily vol. ('000)	30
BBG	SLEEP SS
Fiscal year end	December
Share price as of (CET)	03 Dec 2025 11:20

Key figures (SEK)	2024	2025e	2026e	2027e
Sales (m)	262	251	261	290
EBITDA (m)	86	73	77	90
EBIT (m)	77	67	70	83
EPS	3.09	2.65	2.71	3.31
EPS adj.	3.31	2.65	2.71	3.31
DPS	3.00	1.19	1.22	1.49
Sales growth Y/Y	11%	-4%	4%	11%
EPS adj. growth Y/Y	22%	-20%	3%	22%
EBIT margin	29.4%	26.6%	26.7%	28.6%
P/E adj.	7.1	8.8	8.6	7.1
EV/EBIT	8.2	5.2	4.5	3.3
EV/EBITA	8.2	5.2	4.5	3.3
EV/EBITDA	7.4	4.8	4.1	3.0
P/BV	6.0	6.5	4.6	3.2
Dividend yield	12.8%	5.1%	5.2%	6.4%
FCF yield	11.3%	11.5%	12.5%	14.3%
Equity/Total Assets	33.6%	30.8%	37.1%	43.1%
ROCE	94.8%	75.1%	65.8%	56.4%
ROE adj.	95.6%	70.5%	62.4%	53.7%
Net IB debt/EBITDA	-1.6	-1.7	-2.1	-2.2

Share price – 5-year



High/Low (12M) **SEK48.4/21.7**

Perf.	3M	6M	12M	YTD
Abs.	-18.50	-22.17	-42.63	-37.90
Rel.	-23.52	-29.77	-46.02	-44.37

Source: DNB Carnegie (estimates), FactSet, Infront & company data

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