

APETIT

4/27/2026 1:07 pm EEST

This is a translated version of "Alkuvuosi ei vielä helpotusta tarjoillut" report, published on 4/27/2026



Kaisa Vanha-Perttula, Analyytikko
+358 40 966 5534
kaisa.vanha-perttula@inderes.fi



Pauli Lohi, Analyytikko
+358 45 134 7790
pauli.lohi@inderes.fi

INDERES CORPORATE CUSTOMER COMPANY REPORT



No relief yet from the start of the year

Apetit's Q1 report fell short of our expectations as earnings were weighed down particularly by the unprofitability of Foodhills and cost pressures. Although the company reiterated its guidance, we believe the earnings outlook is weaker than before because cost pressures are overshadowing it. In light of the report, we have lowered our profitability forecasts for the current and future years. The share valuation is high on an earnings basis, and visibility into an earnings turnaround remains dim. As a result, we lower Apetit's recommendation to Sell (was Reduce) and our target price to EUR 12.5 (was EUR 13.0) in line with our downward revisions.

Q1 earnings were burdened by cost pressures and higher-than-expected losses

In Q1, Apetit's revenue increased by 5% to 46.1 MEUR, below our estimated 48.2 MEUR. The weaker-than-expected growth was due to Food Solutions' sales volumes in Finland, which remained at the comparison period's level. In Oilseed Products, tied to market price movements, revenue decreased by 8%, 1% below our estimate, due to declining volumes and stabilizing prices. Meanwhile, EBIT fell to -1.4 MEUR in Q1 (Q1'25: +2.3 MEUR), clearly below our EBIT forecast of 1.8 MEUR. Earnings in Food Solutions were weaker than both the comparison period and our estimates. This sluggish development was due to Foodhills' losses and the impact of rising electricity prices. Earnings in Oilseed Products declined from last year, too, falling short of our projections due to raw material prices, lower volumes, a weaker sales mix, and a narrowing crushing margin. We had also expected an earnings improvement from the associate company Sucros, but its losses remained flat year-on-year, causing EPS to fall to EUR -0.47, well below our estimate.

Guidance reiterated, but earnings outlook weaker than before

Apetit, as expected, reiterated its recently lowered earnings guidance for 2026, and the company still estimates that EBIT will decrease significantly relative to the comparison period (2025: 5.9 MEUR excluding the non-recurring impact of the Foodhills acquisition). The guidance also includes one-off costs and write-

downs (~2.3 MEUR) related to the closure of the frozen pizza factory. Although we expected the company to reiterate its guidance, its operational profitability in the early part of the year was weaker than our estimates. In addition, cost pressures overshadow the company's outlook due to the tightened geopolitical situation and the conflict in the Middle East.

We have revised our earnings forecasts for Apetit downward for 2026, taking into account the earnings shortfall in Q1, as well as the aforementioned cost pressures and pricing delays. Our earnings forecast for 2027–2028 has also been lowered by approximately 9%, as the outlook for the company's earnings improvement is weaker than before and cost inflation is expected to continue into next year as things stand. In our 2026 estimates, the adjusted EBIT of the old businesses (i.e., excluding non-recurring items related to the closure of the frozen pizza factory) will be 4.0 MEUR, but Foodhills' operating loss of 2.4 MEUR weighs on the total adjusted EBIT, bringing it to 1.6 MEUR. Due to sluggish volume growth and cost pressures in the beginning of the year, our earnings estimates will be more moderate than previously expected, despite seasonality supporting earnings accruals toward the year's end.

Valuation is not attractive, and there is uncertainty surrounding the turnaround

Based on our 2026 estimates, Apetit's share valuation is high on an earnings basis due to the weak earnings level and unprofitability of the business acquired in Sweden. Even if the Swedish business were to turn around and become profitable, the multiples based on our forecasts would remain above our estimated fair value of the share (~10x) in the coming years. Thus, even a successful earnings turnaround would not make the share neutrally valued at the current price. Additionally, visibility into an earnings turnaround for the business is dim, considering its prolonged unprofitability and the challenges typically associated with international acquisitions. In our view, the stock price already reflects the earnings improvement we forecast, which is why the expected return in our analysis remains below the required return.

Recommendation

Sell

(was Reduce)

Target price:

EUR 12.50

(was EUR 13.00)

Share price:

EUR 13.85

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	168	183	187	192
growth-%	3%	9%	2%	3%
EBIT adj.	5.9	1.6	7.1	8.0
EBIT-% adj.	3.5 %	0.9 %	3.8 %	4.2 %
Net Income	9.0	-1.8	6.5	7.4
EPS (adj.)	0.21	0.08	1.05	1.18
P/E (adj.)	66.4	>100	13.2	11.7
P/B	0.8	0.8	0.8	0.8
Dividend yield-%	4.7 %	5.4 %	5.4 %	5.4 %
EV/EBIT (adj.)	13.3	55.0	12.5	10.9
EV/EBITDA	3.8	10.5	5.5	5.1
EV/S	0.5	0.5	0.5	0.5

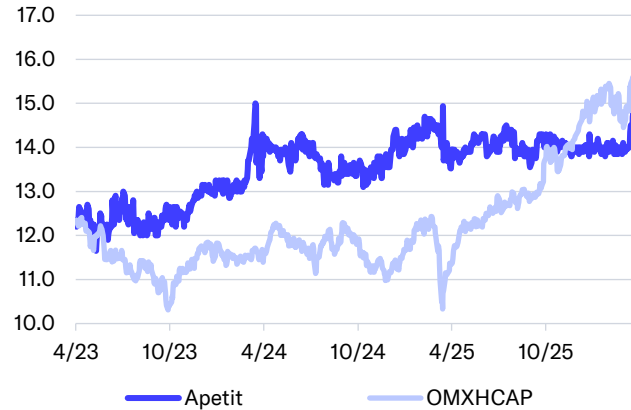
Source: Inderes

Guidance

(Unchanged)

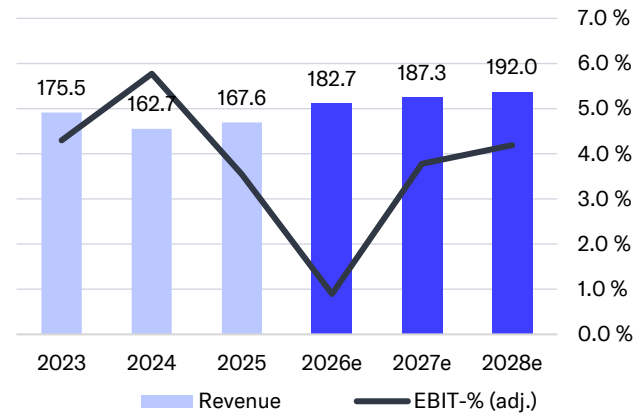
The Group's EBIT is estimated to clearly decrease from the comparison year (in 2025: 5.9 MEUR, excluding the one-off effect of the Foodhills acquisition on the earnings).

Share price



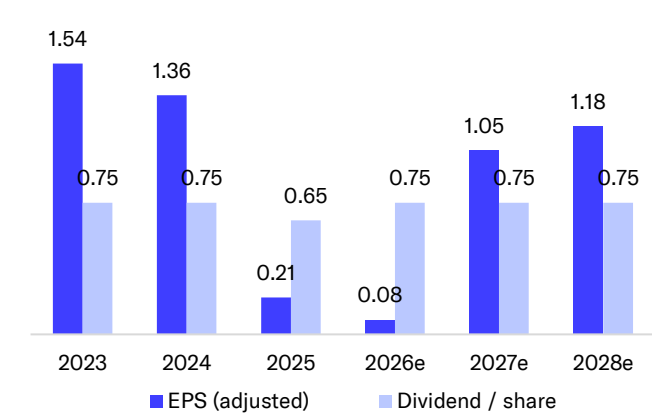
Source: Millstream Market Data AB

Revenue and EBIT % (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Significant market position as the only major Finnish producer of frozen vegetables and presser of vegetable oils
- Well-known Apetit brand
- The future outlook is supported by the vegetable trend, R&D investments, and capital expenditure
- Internationalization offers revenue potential

Risk factors

- Concentration and price competition in the retail sector
- Reliance on successful harvest seasons
- Potential acquisitions or investments in new product areas may fail
- Fluctuation in refining margins for sugar and vegetable oils in line with the market
Failure to turn around the results of the Swedish acquisition

Valuation	2026e	2027e	2028e
Share price	13.9	13.9	13.9
Number of shares, millions	6.21	6.21	6.21
Market cap	86	86	86
EV	90	88	87
P/E (adj.)	>100	13.2	11.7
P/E	neg.	13.2	11.7
P/B	0.8	0.8	0.8
P/S	0.5	0.5	0.4
EV/Sales	0.5	0.5	0.5
EV/EBITDA	10.5	5.5	5.1
EV/EBIT (adj.)	55.0	12.5	10.9
Payout ratio (%)	neg.	71.6 %	63.3 %
Dividend yield-%	5.4 %	5.4 %	5.4 %

Source: Inderes

Earnings remained modest due to larger-than-expected losses and cost pressures

Growth rate fell short of our forecasts as sales volumes remained below expectations

In Q1, Apetit's revenue increased by 5% to 46.1 MEUR, below our estimate of 48.2 MEUR. The weaker-than-expected growth was due to Food Solutions' sales volumes in Finland, which remained at the comparison period's level and therefore fell short of our estimates. However, the segment's revenue grew 20%, supported by the business acquisition in Sweden (4.1 MEUR). In Oilseed Products, which is tied to market price movements, revenue decreased by 8%, which was 1% below our estimate, due to declining volumes and stabilizing prices. Overall, Q1 volume development in both segments was weaker than we expected.

Result clearly below our estimates

In Q1, the company's EBIT fell to -1.4 MEUR (Q1'25: 2.3 MEUR), clearly below our EBIT forecast of 1.8 MEUR. In

Food Solutions, EBIT remained at zero, which was weaker than both the comparison period and our estimates. This sluggish performance was primarily due to losses from the Swedish business acquisition, which were greater than anticipated, and the impact of rising electricity prices.

In Oilseed Products, the result also declined from last year and fell short of our expectations. This was largely due to elevated raw material costs, lower sales volumes, a weaker sales mix, and narrowing crushing margins. In addition, the segment's earnings were burdened by higher-than-expected development and production costs for the BlackGrain plant protein product.

The group's EPS fell to EUR -0.47, well below our estimate. In addition to the factors affecting EBIT, this was due to the poor performance of the associated company Sucros. We had expected Sucros' result to improve from last year to -0.4 MEUR, but its losses remained at the comparison period's level of -1.1 MEUR. In our view, Sucros continued to

suffer from low market prices for sugar in Q1, and we believe that the cost-saving measures the company implemented during the quarter also negatively impacted the result.

Cash flow strengthened and financial position remained strong

A positive aspect of the report was the company's cash flow from operating activities, which improved from a weak comparison period to 5.4 MEUR (Q1'25: -1.5 MEUR). Despite the increase in net gearing to 11.4% in Q1 due to investments and the acquisition of Foodhills, Apetit's financial position remained strong.

Estimates MEUR / EUR	Q1'25	Q1'26	Q1'26e	Q1'26e	Consensus		Difference (%)	2026e
	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	43.8	46.1	48.2				-4%	185
EBITDA	4.1	0.9	4.1				-78%	12.1
EBIT	2.3	-1.4	1.8				-177%	2.8
EPS (reported)	0.06	-0.47	0.16				-387%	0.29
Revenue growth-%	3.8 %	5.3 %	10.0 %				-4.7 pp	3.1 %
EBIT-% (adj.)	5.2 %	-3.0 %	3.8 %				-6.8 pp	2.8 %

Source: Inderes

Earnings outlook for the current year weaker than before

We reduced our forecasts for this year in particular, following clearly sluggish start to the year

- Apetit, as expected, reiterated its recently lowered earnings guidance for 2026, and the company still estimates that EBIT will decrease significantly relative to the comparison period (2025: 5.9 MEUR excluding the non-recurring impact of the Foodhills acquisition). The guidance also includes one-off costs and write-downs (~2.3 MEUR) related to the closure of the Pudasjärvi frozen pizza factory.
- Although we expected the company to reiterate its guidance, its operational profitability in the early part of the year was weaker than our estimates. In addition, we believe that cost pressures overshadow the company's outlook due to the tightened geopolitical situation and the conflict in the Middle East.
- After the report, we revised our earnings forecasts for Apetit downward for 2026, taking into account the earnings shortfall in Q1, as well as the aforementioned cost pressures and pricing delays. Our EBIT forecast for 2027–2028 has also been revised downward by approximately 9%, as the outlook for the company's earnings improvement is weaker than before and cost inflation is expected to continue into next year as things stand.
- In our 2026 estimates, the adjusted EBIT of the old businesses (i.e., excluding non-recurring items related to the closure of the frozen pizza factory) will be 4.0 MEUR, but Foodhills' operating loss of 2.4 MEUR weighs on the total adjusted EBIT, bringing it to 1.6 MEUR.
- Sluggish volume development in the first half of the year and persistent cost pressures suggest that the earnings level of the Finnish operations in 2026 will be more moderate than our previous expectations, despite seasonality supporting earnings accruals in the latter part of the year.

Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	185	183	-1%	190	187	-1%	194	192	-1%
EBITDA	12.1	8.6	-29%	16.7	16.0	-4%	17.9	17.1	-4%
EBIT (exc. NRIs)	5.1	1.6	-68%	7.8	7.1	-9%	8.8	8.0	-9%
EBIT	2.8	-0.7	-123%	7.8	7.1	-9%	8.8	8.0	-9%
PTP	2.3	-1.4	-162%	8.6	7.9	-9%	9.7	8.9	-8%
EPS (excl. NRIs)	0.66	0.08	-87%	1.14	1.05	-8%	1.28	1.18	-8%
DPS	0.75	0.75	0%	0.75	0.75	0%	0.75	0.75	0%

Source: Inderes

Earnings turnaround already largely priced in

Valuation summary:

Defensive, but low-margin business

Apetit is a defensive stock in terms of its investment profile, as its business is not particularly dependent on economic cycles, but on the other hand, the market's growth prospects are rather moderate. The company operates in an established and competitive market where achieving high returns is challenging. In recent years, Apetit has succeeded in improving its efficiency and increasing sales in favorable product categories. As a processor, the company is dependent on the crop development of domestic agriculture and the global price level of vegetable oil raw materials, which can occasionally cause earnings volatility. The company's old businesses are quite predictable and have moderately stable profitability, but Foodhills, acquired from Sweden, would need a profitability turnaround, the success of which is uncertain in the coming years.

Associated company Sucros to be considered in valuation

Apetit's valuation is complicated by the company's 20% ownership in the sugar company Sucros. The value and earnings impact of Apetit's holding are significant, so we believe that valuing the share also requires an opinion on the fair value of Sucros. When using enterprise value-based metrics, we deduct the imputed value of Sucros from Apetit's enterprise value. This allows the multiples to better reflect the value of Apetit's business operations and prevents the value tied up in the associated company from misleadingly distorting the multiples upward. We have valued Sucros as a separate entity in EV-based valuation methods and DCF, based on its balance sheet value and historical earnings (fair value 11 MEUR or EUR 1.7/share). This corresponds to multiples of P/B: 0.6x, P/E 2020–2024: 10x, P/E 2025: negative and P/E 2027e: 11x.

Earnings-based multiples are elevated...

Apetit's earnings-based valuation is currently higher than usual (EV/EBIT 2026e: 55x, 2027e: 13x), which is particularly affected by the Foodhills acquisition's short-term negative earnings impact. We estimate the fair valuation level for the share to be around 10x. Even if Foodhills were to turn around and become profitable, the multiples based on our forecasts would remain above our estimated fair value level of the share in 2027–2028. Thus, even a successful earnings turnaround would not make the share neutrally valued at the current price. In our view, the stock price already reflects the earnings improvement we forecast, which is why the expected return in our analysis remains negative.

...and balance sheet-based valuation is not attractive either

Apetit was able to acquire Foodhills very cheaply on a balance sheet basis, which resulted in a significant positive revaluation of the balance sheet. The share's P/B ratio is still close to the level of recent years (P/B: 0.8x). The write-up does not reflect the earnings capacity of the acquired business, so we believe that the balance sheet value does not currently give a completely accurate picture of the fair value of the company's assets. If the company could turn around the earnings of the acquired business and achieve a moderate return on capital employed, as in its legacy businesses (2024 ROI: 10%), there would be significant upside potential for the share, even from a balance sheet perspective. The same applies to this line of thinking as to earnings-based valuation – the uncertainty regarding Foodhills' earnings turnaround is difficult to assess. With our current estimates, the ROI for the next few years remains rather weak (2026–2028e: 0-7%).

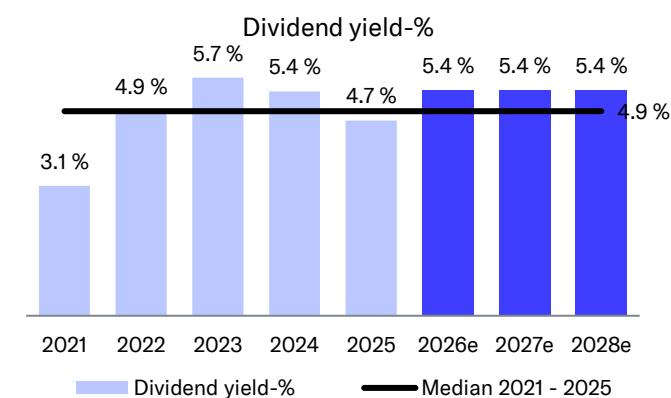
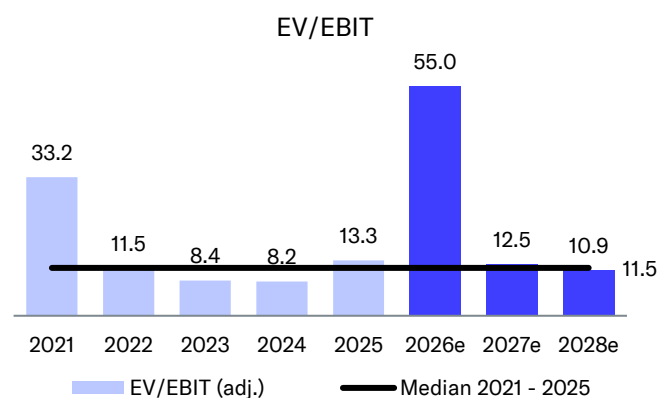
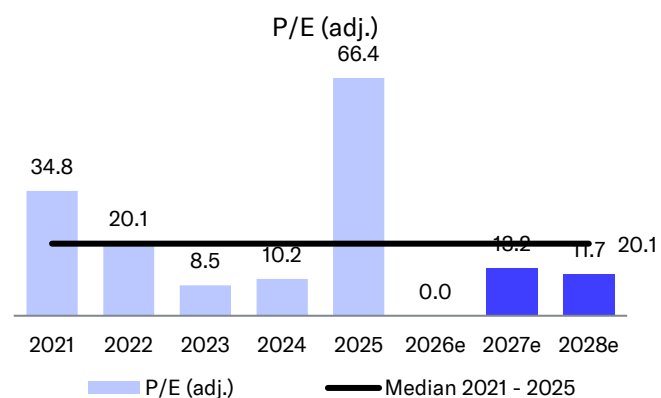
Valuation	2026e	2027e	2028e
Share price	13.9	13.9	13.9
Number of shares, millions	6.21	6.21	6.21
Market cap	86	86	86
EV	90	88	87
P/E (adj.)	>100	13.2	11.7
P/E	neg.	13.2	11.7
P/B	0.8	0.8	0.8
P/S	0.5	0.5	0.4
EV/Sales	0.5	0.5	0.5
EV/EBITDA	10.5	5.5	5.1
EV/EBIT (adj.)	55.0	12.5	10.9
Payout ratio (%)	neg.	71.6 %	63.3 %
Dividend yield-%	5.4 %	5.4 %	5.4 %

Source: Inderes

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	12.9	10.2	13.2	14.0	13.9	13.9	13.9	13.9	13.9
Number of shares, millions	6.32	6.32	6.32	6.21	6.21	6.21	6.21	6.21	6.21
Market cap	81	64	83	87	86	86	86	86	86
EV	94	40	63	77	79	90	88	87	85
P/E (adj.)	34.8	20.1	8.5	10.2	66.4	>100	13.2	11.7	9.9
P/E	34.8	20.1	8.5	10.2	9.6	neg.	13.2	11.7	9.9
P/B	0.9	0.7	0.8	0.8	0.77	0.8	0.8	0.8	0.7
P/S	0.3	0.4	0.5	0.5	0.5	0.5	0.5	0.4	0.4
EV/Sales	0.3	0.2	0.4	0.5	0.5	0.5	0.5	0.5	0.4
EV/EBITDA	10.3	4.2	4.8	4.8	3.8	10.5	5.5	5.1	4.5
EV/EBIT (adj.)	33.2	11.5	8.4	8.2	13.3	55.0	12.5	10.9	8.9
Payout ratio (%)	108.5 %	98.7 %	48.6 %	55.1 %	44.8 %	neg.	71.6 %	63.3 %	53.7 %
Dividend yield-%	3.1 %	4.9 %	5.7 %	5.4 %	4.7 %	5.4 %	5.4 %	5.4 %	5.4 %

Source: Inderes



Peer group valuation

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
			2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
Atria	472	714	9.9	9.6	5.2	5.0	0.4	0.4	9.9	9.5	5.0	5.3	1.0
Raisio	404	328	10.8	10.0	8.3	7.8	1.4	1.4	16.0	15.0	6.1	6.5	1.5
HKFoods	165	358	9.4	9.6	5.2	5.3	0.4	0.3	11.1	9.0	6.5	6.8	1.1
Fodelia	40	44	13.5	10.7	8.0	6.8	0.7	0.7	15.0	12.4	2.0	2.8	2.9
Nomad Foods	1158	3127	8.4	8.2	6.6	6.4	1.1	1.1	5.5	5.0	8.2	9.0	0.5
Savencia	980	1563	7.7	7.1	3.5	3.3	0.2	0.2	7.0	6.4	2.4	2.7	0.5
Agrana Beteiligungs	747	1238	18.0	12.8	6.8	5.9	0.4	0.4		15.4	5.9	6.1	0.7
Bonduelle	284	1050	12.8	11.4	6.2	5.9	0.5	0.5	7.3	5.8	3.3	3.9	0.4
Austevoll Seafood	1731	3711	9.1	7.4	5.8	5.2	1.0	1.0	9.1	7.8	6.3	8.0	1.0
Origin Enterprises	477	825	9.3	9.0	6.8	6.6	0.4	0.4	8.3	8.0	4.1	4.2	1.0
Cranswick	3375	3693	13.9	13.2	9.8	9.3	1.1	1.0	18.4	17.4	2.0	2.1	2.6
Apetit (Inderes)	86	90	55.0	12.5	10.5	5.5	0.5	0.5	165.7	13.2	5.4	5.4	0.8
Average			11.1	10.0	6.7	6.4	0.7	0.6	11.8	12.0	4.7	5.2	1.2
Median			9.8	9.8	6.7	6.2	0.5	0.5	9.9	9.2	5.0	5.3	1.0
Diff-% to median			461%	27%	58%	-10%	-1%	-2%	1577%	43%	9%	2%	-21%

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	163	43.8	39.2	41.4	43.2	168	46.1	43.5	46.3	46.8	183	187	192	196
Ruokaratkaisut	75.8	20.4	17.3	19.0	21.0	77.7	24.6	21.8	23.5	24.2	94.0	96.4	98.8	101
Öljykasvituotteet	87.4	23.6	22.1	22.5	22.2	90.4	21.6	21.9	23.0	22.8	89.2	91.5	93.7	95.6
Eliminoinnit	-0.4	-0.2	-0.2	-0.1	0.0	-0.5	-0.1	-0.2	-0.2	-0.1	-0.5	-0.5	-0.5	-0.5
EBITDA	16.1	4.1	1.0	5.0	10.9	21.0	0.9	-1.2	4.7	4.1	8.6	16.0	17.1	18.8
Depreciation	-6.7	-1.8	-1.8	-1.8	-1.9	-7.4	-2.3	-2.3	-2.3	-2.3	-9.2	-8.9	-9.1	-9.3
EBIT (excl. NRI)	9.4	2.3	-0.8	3.7	0.8	5.9	-1.4	-1.2	2.4	1.8	1.6	7.1	8.0	9.6
EBIT	9.4	2.3	-0.8	3.2	9.0	13.6	-1.4	-3.5	2.4	1.8	-0.7	7.1	8.0	9.6
Ruokaratkaisut	8.2	2.4	-0.4	2.7	9.5	14.3	0.0	-3.3	2.5	2.4	1.5	7.6	8.5	4.9
Öljykasvituotteet	4.2	0.4	0.2	1.2	0.4	2.2	-0.7	0.7	0.7	0.5	1.1	2.9	3.1	4.7
Konsernitoiminnot	-2.9	-0.6	-0.7	-0.7	-0.9	-2.9	-0.6	-0.8	-0.8	-1.1	-3.3	-3.4	-3.5	0.0
Osuus osakkuusyhtiöiden tuloksesta	1.5	-1.5	-0.5	-0.2	-0.6	-2.8	-1.1	-0.2	0.2	1.1	0.0	1.0	1.0	1.0
Net financial items	-0.6	-0.1	-0.2	-0.2	-0.2	-0.7	-0.3	-0.2	-0.2	-0.2	-0.8	-0.2	-0.1	0.0
PTP	10.3	0.7	-1.5	2.8	8.2	10.1	-2.8	-3.8	2.5	2.7	-1.4	7.9	8.9	10.6
Taxes	-1.9	-0.3	0.1	-0.6	-0.3	-1.1	-0.1	0.8	-0.5	-0.5	-0.4	-1.4	-1.6	-1.9
Net earnings	8.5	0.4	-1.4	2.2	7.9	9.0	-2.9	-3.0	2.0	2.2	-1.8	6.5	7.4	8.7
EPS (adj.)	1.36	0.06	-0.23	0.43	-0.05	0.21	-0.46	-0.12	0.32	0.35	0.08	1.05	1.18	1.40
EPS (rep.)	1.36	0.06	-0.23	0.35	1.27	1.45	-0.46	-0.49	0.32	0.35	-0.29	1.05	1.18	1.40

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	-7.3 %	3.8 %	5.9 %	2.2 %	0.6 %	3.0 %	5.3 %	11.0 %	11.9 %	8.4 %	9.0 %	2.5 %	2.5 %	2.0 %
Adjusted EBIT growth-%	25%	-33%	-740%	-1%	-66%	-37%	-161%	-37%	-35%	117%	-72%	333%	14%	19%
EBITDA-%	9.9 %	9.4 %	2.6 %	12.1 %	25.2 %	12.5 %	2.0 %	-2.7 %	10.2 %	8.8 %	4.7 %	8.5 %	8.9 %	9.6 %
Adjusted EBIT-%	5.8 %	5.2 %	-2.1 %	8.9 %	1.9 %	3.5 %	-3.0 %	-2.7 %	5.2 %	3.8 %	0.9 %	3.8 %	4.2 %	4.9 %
Net earnings-%	5.2 %	0.8 %	-3.7 %	5.3 %	18.2 %	5.4 %	-6.2 %	-7.0 %	4.2 %	4.6 %	-1.0 %	3.5 %	3.8 %	4.4 %

Source: Inderes

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	76.2	78.0	81.6	82.4	83.3
Goodwill	0.4	-8.6	-8.6	-8.6	-8.6
Intangible assets	5.2	5.2	5.2	5.2	5.2
Tangible assets	48.1	62.7	63.5	64.3	65.1
Associated companies	21.6	17.8	20.6	20.6	20.6
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.9	0.9	0.9	0.9	0.9
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
Current assets	58.8	67.0	71.2	73.0	74.8
Inventories	46.6	48.6	51.2	52.4	53.8
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	8.1	8.3	9.1	9.3	9.6
Cash and equivalents	4.1	10.1	11.0	11.2	11.5
Balance sheet total	135	145	153	155	158

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	108	112	106	108	111
Share capital	12.6	12.6	12.6	12.6	12.6
Retained earnings	65.6	70.0	64.2	66.0	68.7
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	23.4	23.4	23.4	23.4	23.4
Other equity	6.0	6.0	6.0	6.0	6.0
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	6.4	4.9	8.6	8.6	8.5
Deferred tax liabilities	0.4	0.4	0.4	0.4	0.4
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	5.9	4.4	8.1	8.1	8.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.1	0.1	0.1	0.1	0.1
Current liabilities	20.9	28.2	38.2	38.8	39.0
Interest bearing debt	1.5	8.9	17.5	17.7	17.3
Payables	19.4	19.3	20.7	21.2	21.7
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	135	145	153	155	158

DCF-calculation

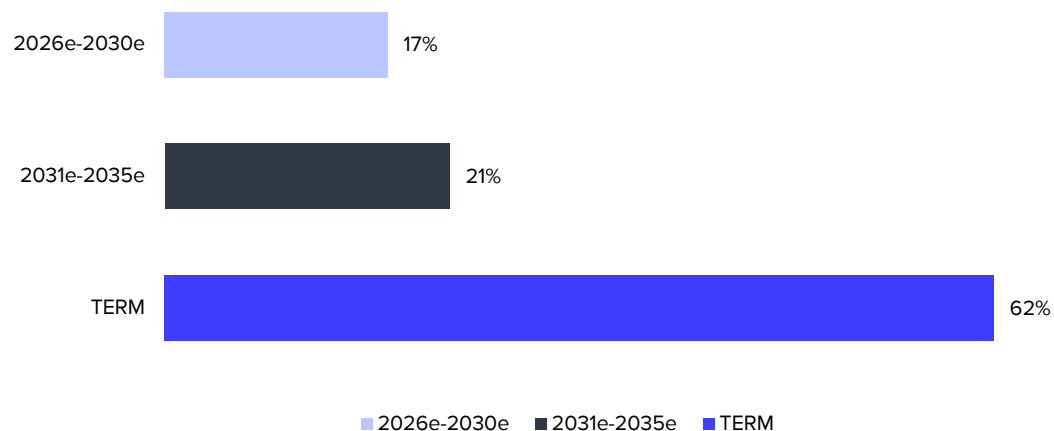
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	3.0 %	9.0 %	2.5 %	2.5 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	8.1 %	-0.4 %	3.8 %	4.2 %	4.9 %	4.9 %	4.9 %	4.9 %	4.5 %	4.0 %	4.0 %	4.0 %
EBIT (operating profit)	13.6	-0.7	7.1	8.0	9.6	9.8	10.0	10.2	9.5	8.6	8.8	
+ Depreciation	7.4	9.2	8.9	9.1	9.3	9.9	10.0	10.2	10.3	10.5	10.7	
- Paid taxes	-1.1	-0.4	-1.4	-1.6	-1.9	-1.9	-1.9	-2.0	-1.8	-1.7	-1.7	
- Tax, financial expenses	-0.1	0.2	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-2.4	-1.9	-1.0	-1.0	-0.8	-0.8	-0.9	-0.9	-0.9	-0.9	-0.9	
Operating cash flow	17.4	6.4	13.6	14.5	16.1	16.9	17.2	17.4	17.1	16.5	16.8	
+ Change in other long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-13.0	-10.0	-9.7	-9.9	-10.1	-10.8	-11.0	-11.2	-11.5	-11.7	-11.0	
Free operating cash flow	4.4	-3.6	3.9	4.6	6.0	6.1	6.1	6.2	5.6	4.8	5.8	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	4.4	-3.6	3.9	4.6	6.0	6.1	6.1	6.2	5.6	4.8	5.8	98.2
Discounted FCFF		-3.4	3.4	3.7	4.5	4.2	4.0	3.7	3.1	2.5	2.7	46.5
Sum of FCFF present value		75.0	78.4	75.0	71.3	66.7	62.5	58.5	54.8	51.7	49.3	46.5
Enterprise value DCF		75.0										
- Interest bearing debt		-13.3										
+ Cash and cash equivalents		10.1										
+ Associated companies		10.7										
+ Osakkuusyhtiö Sucroksen arvioitu käypä arvo		13.0										
-Dividend/capital return		-4.0										
Equity value DCF		78.4										
Equity value DCF per share		12.6										

WACC

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	5.0 %
Cost of debt	3.0 %
Equity Beta	0.93
Market risk premium	4.75%
Liquidity premium	1.40%
Risk free interest rate	2.5 %
Cost of equity	8.3 %
Weighted average cost of capital (WACC)	8.0 %

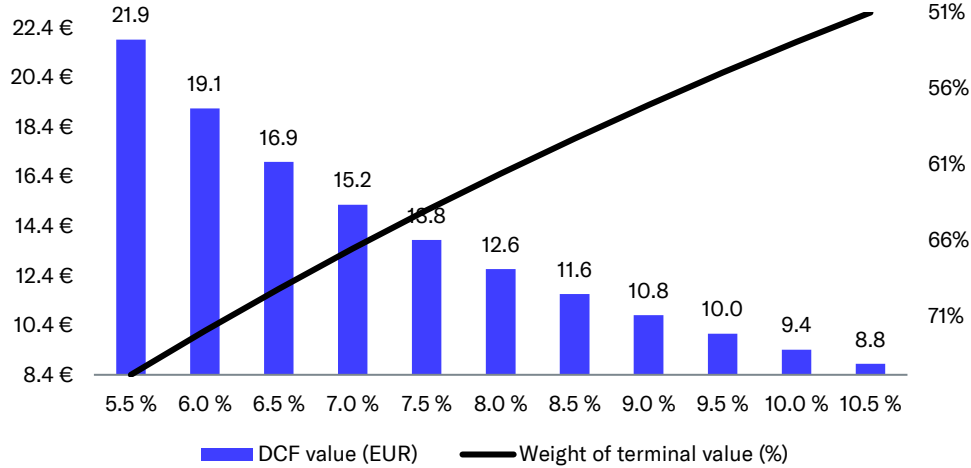
Source: Inderes

Cash flow distribution

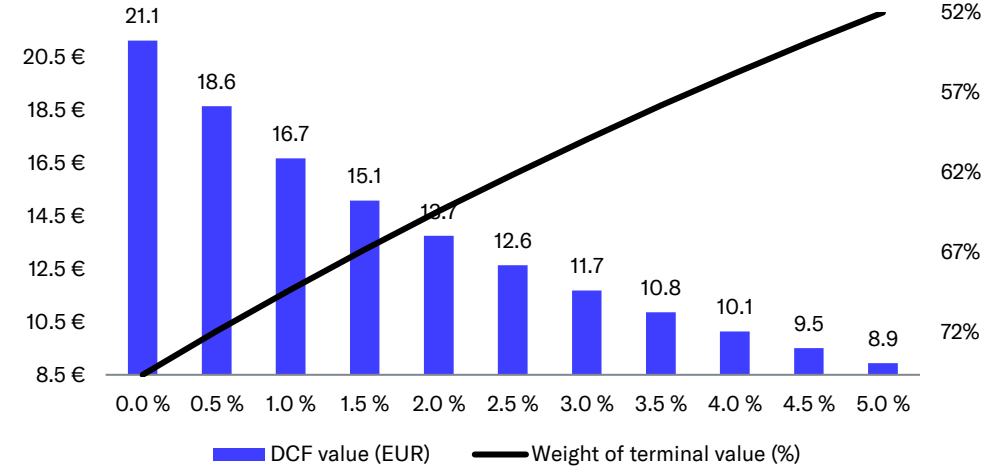


DCF sensitivity calculations and key assumptions in graphs

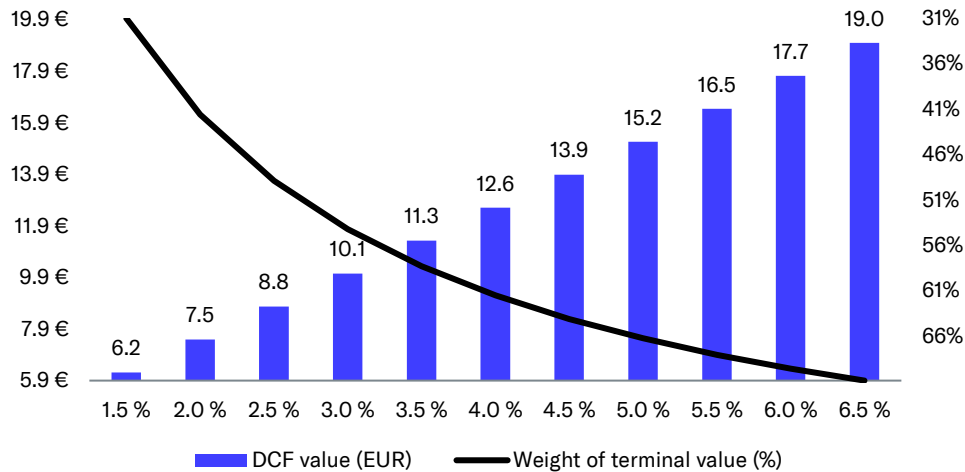
Sensitivity of DCF to changes in the WACC-%



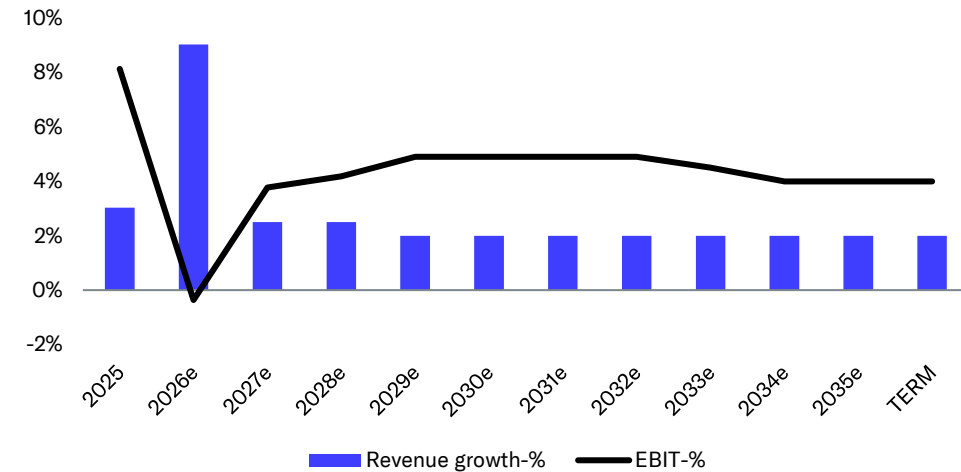
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e
Revenue	175.5	162.7	167.6	182.7	187.3	EPS (reported)	1.54	1.36	1.45	-0.29	1.05
EBITDA	13.2	16.1	21.0	8.6	16.0	EPS (adj.)	1.54	1.36	0.21	0.08	1.05
EBIT	7.5	9.4	13.6	-0.7	7.1	OCF / share	1.44	0.58	2.81	1.04	2.18
PTP	11.2	10.3	10.1	-1.4	7.9	OFCF / share	-0.89	-1.16	0.71	-0.57	0.62
Net Income	9.8	8.5	9.0	-1.8	6.5	Book value / share	16.38	17.33	18.03	17.09	17.39
Extraordinary items	0.0	0.0	7.7	-2.3	0.0	Dividend / share	0.75	0.75	0.65	0.75	0.75
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	131.1	135.0	145.0	152.9	155.4	Revenue growth-%	-3%	-7%	3%	9%	2%
Equity capital	103.5	107.6	111.9	106.1	108.0	EBITDA growth-%	41%	21%	31%	-59%	87%
Goodwill	0.4	0.4	-8.6	-8.6	-8.6	EBIT (adj.) growth-%	118%	25%	-37%	-72%	333%
Net debt	-5.9	3.3	3.3	14.6	14.6	EPS (adj.) growth-%	205%	-12%	-85%	-60%	1153%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	7.5 %	9.9 %	12.5 %	4.7 %	8.5 %
EBITDA	13.2	16.1	21.0	8.6	16.0	EBIT (adj.)-%	4.3 %	5.8 %	3.5 %	0.9 %	3.8 %
Change in working capital	-4.2	-12.4	-2.4	-1.9	-1.0	EBIT-%	4.3 %	5.8 %	8.1 %	-0.4 %	3.8 %
Operating cash flow	9.1	3.6	17.4	6.4	13.6	ROE-%	9.8 %	8.0 %	8.2 %	-1.6 %	6.1 %
CAPEX	-14.7	-10.7	-13.0	-10.0	-9.7	ROI-%	11.0 %	9.6 %	9.0 %	-0.5 %	6.1 %
Free cash flow	-5.6	-7.2	4.4	-3.6	3.9	Equity ratio	78.9 %	79.7 %	77.2 %	69.4 %	69.5 %
Valuation multiples	2023	2024	2025	2026e	2027e	Gearing	-5.7 %	3.1 %	2.9 %	13.8 %	13.5 %
EV/S	0.4	0.5	0.5	0.5	0.5	Net debt/EBITDA	-0.4	0.2	0.2	1.7	0.9
EV/EBITDA	4.8	4.8	3.8	10.5	5.5	EBITDA/net financials	44.1	26.8	30.0	11.4	79.8
EV/EBIT (adj.)	8.4	8.2	13.3	55.0	12.5						
P/E (adj.)	8.5	10.2	66.4	>100	13.2						
P/B	0.8	0.8	0.8	0.8	0.8						
Dividend-%	5.7 %	5.4 %	4.7 %	5.4 %	5.4 %						

Source: Inderes

Disclaimer and recommendation history

The information presented in Inderes reports is obtained from several different public sources that Inderes considers to be reliable. Inderes aims to use reliable and comprehensive information, but Inderes does not guarantee the accuracy of the presented information. Any opinions, estimates and forecasts represent the views of the authors. Inderes is not responsible for the content or accuracy of the presented information. Inderes and its employees are also not responsible for the financial outcomes of investment decisions made based on the reports or any direct or indirect damage caused by the use of the information. The information used in producing the reports may change quickly. Inderes makes no commitment to announcing any potential changes to the presented information and opinions.

The reports produced by Inderes are intended for informational use only. The reports should not be construed as offers or advice to buy, sell or subscribe investment products. Customers should also understand that past performance is not a guarantee of future results. When making investment decisions, customers must base their decisions on their own research and their estimates of the factors that influence the value of the investment and take into account their objectives and financial position and use advisors as necessary. Customers are responsible for their investment decisions and their financial outcomes.

Reports produced by Inderes may not be edited, copied or made available to others in their entirety, or in part, without Inderes' written consent. No part of this report, or the report as a whole, shall be transferred or shared in any form to the United States, Canada or Japan or the citizens of the aforementioned countries. The legislation of other countries may also lay down restrictions pertaining to the distribution of the information contained in this report. Any individuals who may be subject to such restrictions must take said restrictions into account.

Inderes issues target prices for the shares it follows. The recommendation methodology used by Inderes is based on the share's 12-month expected total shareholder return (including the share price and dividends) and takes into account Inderes' view of the risk associated with the expected returns. The recommendation policy consists of four tiers: Sell, Reduce, Accumulate and Buy. As a rule, Inderes' investment recommendations and target prices are reviewed at least 2–4 times per year in connection with the companies' interim reports, but the recommendations and target prices may also be changed at other times depending on the market conditions. The issued recommendations and target prices do not guarantee that the share price will develop in line with the estimate. Inderes primarily uses the following valuation methods in determining target prices and recommendations: Cash flow analysis (DCF), valuation multiples, peer group analysis and sum of parts analysis. The valuation methods and target price criteria used are always company-specific and they may vary significantly depending on the company and (or) industry.

Inderes' recommendation policy is based on the following distribution relative to the 12-month risk-adjusted expected total shareholder return.

Buy	The 12-month risk-adjusted expected shareholder return of the share is very attractive
Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

The assessment of the 12-month risk-adjusted expected total shareholder return based on the above-mentioned definitions is company-specific and subjective. Consequently, similar 12-month expected total shareholder returns between different shares may result in different recommendations, and the recommendations and 12-month expected total shareholder returns between different shares should not be compared with each other. The counterpart of the expected total shareholder return is Inderes' view of the risk taken by the investor, which varies considerably between companies and scenarios. Thus, a high expected total shareholder return does not necessarily lead to positive performance when the risks are exceptionally high and, correspondingly, a low expected total shareholder return does not necessarily lead to a negative recommendation if Inderes considers the risks to be moderate.

The analysts who produce Inderes' research and Inderes employees cannot have 1) shareholdings that exceed the threshold of significant financial gain or 2) shareholdings exceeding 1% in any company subject to Inderes' research activities. Inderes Oyj can only own shares in the target companies it follows to the extent shown in the company's model portfolio investing real funds. All of Inderes Oyj's shareholdings are presented in itemised form in the model portfolio. Inderes Oyj does not have other shareholdings in the target companies analysed. The remuneration of the analysts who produce the analysis are not directly or indirectly linked to the issued recommendation or views. Inderes Oyj does not have investment bank operations.

Inderes or its partners whose customer relationships may have a financial impact on Inderes may, in their business operations, seek assignments with various issuers with respect to services provided by Inderes or its partners. Thus, Inderes may be in a direct or indirect contractual relationship with an issuer that is the subject of research activities. Inderes and its partners may provide investor relations services to issuers. The aim of such services is to improve communication between the company and the capital markets. These services include the organisation of investor events, advisory services related to investor relations and the production of investor research reports.

More information about research disclaimers can be found at www.inderes.fi/research-disclaimer.

Inderes has made an agreement with the issuer and target of this report, which entails compiling a research report.

Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2/13/2023	Reduce	10.00 €	10.90 €
2/17/2023	Accumulate	12.00 €	10.80 €
3/27/2023	Reduce	12.50 €	12.95 €
4/25/2023	Accumulate	13.50 €	12.65 €
8/17/2023	Accumulate	14.00 €	12.50 €
10/18/2023	Accumulate	14.00 €	12.60 €
10/26/2023	Accumulate	14.00 €	12.65 €
2/16/2024	Reduce	13.50 €	13.25 €
3/28/2024	Reduce	13.50 €	13.70 €
4/29/2024	Accumulate	15.50 €	14.25 €
8/15/2024	Reduce	14.00 €	13.50 €
10/28/2024	Reduce	14.00 €	13.50 €
2/14/2025	Reduce	14.00 €	14.20 €
3/27/2025	Reduce	14.50 €	14.40 €
4/26/2025	Accumulate	15.00 €	13.52 €
8/25/2025	Accumulate	15.00 €	14.05 €
10/10/2025	Reduce	14.00 €	14.00 €
10/27/2025	Reduce	14.00 €	14.00 €
12/12/2025	Reduce	13.50 €	13.90 €
2/16/2026	Reduce	13.00 €	13.95 €
4/17/2026	Reduce	13.00 €	13.95 €
4/27/2026	Sell	12.50 €	13.85 €



CONNECTING INVESTORS AND COMPANIES.

Inderes democratizes financial information by connecting investors and listed companies. For investors, we are an investing community and a trusted source of financial information and equity research. For listed companies, we are a partner in delivering high-quality investor relations. Over 500 listed companies in Europe use our investor relations products and equity research services to provide better investor communications to their shareholders.

Our goal is to be the most investor-minded company in finance. Inderes was founded in 2009 by investors, for investors. As a Nasdaq First North-listed company, we understand the day-to-day reality of our customers.

Inderes Ab
Vattugatan 17, 5tr
Stockholm
+46 8 411 43 80

inderes.se

Inderes Oyj
Porkkalankatu 5
00180 Helsinki
+358 10 219 4690

inderes.fi

**inde
res.**