

ANORA

04/09/2026 07:30 EEST

This is a translated version of the "Tehostaminen paikkaa kasvun puutetta" report, published on 04/09/2026



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INDERES CORPORATE CUSTOMER

EXTENSIVE REPORT



Efficiency compensates for lack of growth

We slightly lowered our estimates due to the likely acceleration of inflation, but we still believe the company will gradually improve its earnings in 2026-28. We reiterate our Reduce recommendation and EUR 4.0 target price, as we believe the stock's valuation is neutral (e.g., 2026 P/E 11x) and growth potential is limited.

Leading producer and distributor of wines and spirits in the Nordic countries

Anora was born in September 2021 from the Finnish Altia and Norwegian Arcus, who both were producers, importers and distributors of spirits and wines. In June 2022, Anora acquired the leading Danish wine company Globus Wine. Anora is the largest player in the Nordic spirits market and the second largest in the wine market. The company has both own brands and partner brands that it distributes. The company has strong expertise and a good market share, especially in the alcohol monopoly chains in Finland, Sweden, and Norway.

Targets at a realistic level

The market for alcoholic beverages in the Nordic countries has historically been very stable. Anora's goal is to grow faster than the market. Current market estimates expect roughly zero growth in the Nordics, and the company's own assumptions anticipate market contraction in the coming years. As Anora's market position is already strong, it is difficult to win significant market shares in monopoly markets, and there are no clear signs of accelerating international growth. We therefore feel that the organic growth outlook for the company is modest. We, therefore, expect very stable revenue development. In terms of earnings, Anora aims for an annual adjusted EBITDA growth of 6-7%. In absolute terms, this means a target of 85-90 MEUR in 2028. We estimate that this will be achieved mainly through efficiency measures, as the revenue growth prospects are limited. We expect an upward earnings trend, but earnings growth and level

will still fall short of targets. The adjusted EBITDA for 2028 is 79 MEUR in our estimates.

Inflationary pressures decreased this year's estimate

Anora guides adjusted EBITDA of 74-79 MEUR for 2026. This is in line with the financial targets. In this report, we cut our earnings estimate for the current year by 1.5 MEUR due to inflationary pressures caused by the war in Iran. For Anora, this is particularly evident in logistics and packaging costs (bottles). Due to rigid pricing, we believe Anora's profitability will suffer as inflation accelerates. Our adjusted EBITDA estimate is now at the bottom end of the guidance (74 MEUR).

Value creation still seems difficult

Although we believe Anora can improve its profitability, the company's return on capital remains roughly at the level of our required return in our forecasts. We estimate the company's investment needs to be small, and it continues to aim at freeing up working capital, which is only realized to a limited extent in our estimates. The growth outlook for the longer term is also subdued, as we do not believe there is any growth in the alcohol market in sight. In an environment of flat or decreasing volumes, the company must continuously improve its efficiency just to compensate for normal cost inflation. Therefore, after the earnings improvement in the coming years, we estimate earnings and cash flow to remain at the same levels in 2028-2034.

Valuation is neutral

Anora's 2026 P/E 11x is at the level of our acceptable multiples (10-12x). Anora's expected return is slightly below our required return, with dividends playing a significant role. Since we feel sustainable earnings growth is absent, the dividend yield alone is not enough to cover our required return. A modest return on capital also weakens the risk/reward ratio in our view. The value of our DCF model is EUR 4.1 per share.

Recommendation

Reduce

(was Reduce)

Target price:

EUR 4.00

(was EUR 4.00)

Share price:

EUR 4.05

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	657.9	656.0	653.9	651.8
growth-%	-5%	0%	0%	0%
EBITDA (oik.)	71.0	73.6	77.0	79.0
EBITDA-% (oik.)	10.8 %	11.2 %	11.8 %	12.1 %
Net Income	5.5	22.6	28.3	30.5
EPS (adj.)	0.33	0.38	0.42	0.45
P/E (adj.)	11.8	10.8	9.8	9.1
P/B	0.7	0.7	0.7	0.7
Dividend yield-%	6.2 %	6.3 %	6.8 %	7.8 %
EV/EBIT (adj.)	8.3	7.9	7.1	6.6
EV/EBITDA	7.1	5.2	4.7	4.4
EV/S	0.6	0.6	0.6	0.5

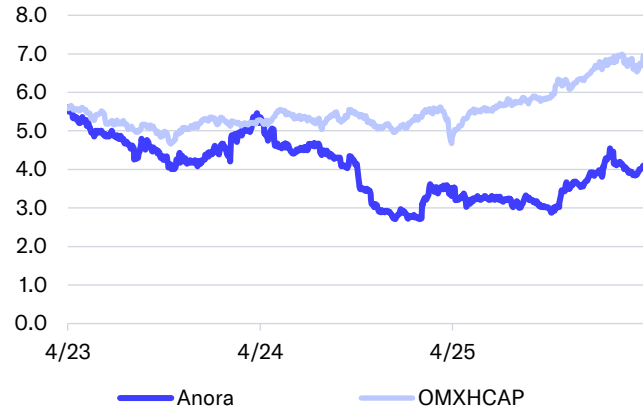
Source: Inderes

Guidance

(Unchanged)

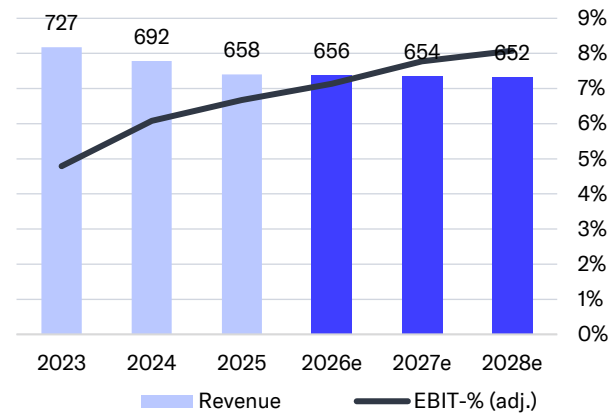
In 2026, Anora's comparable EBITDA is expected to be 74-79 MEUR (2025: 71 MEUR).

Share price



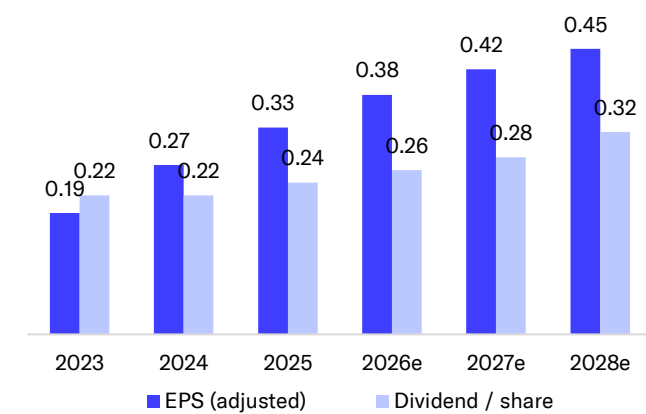
Source: Millstream Market Data AB

Revenue and EBIT % (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Strong market position and extensive product portfolio
- Stable market and historically stable profitability
- Good potential for creating cash flow

Risk factors

- The alcohol market is on a downward trend
- Globus Wine's performance remaining weak
- Price fluctuations of barley affect earnings
- Anora will continue to seek acquisitions, which involves risks related to the price and integration

Valuation	2026e	2027e	2028e
Share price	4.10	4.10	4.10
Number of shares, millions	67.6	67.6	67.6
Market cap	277	277	277
EV	368	361	349
P/E (adj.)	10.8	9.8	9.1
P/E	12.3	9.8	9.1
P/B	0.7	0.7	0.7
P/S	0.4	0.4	0.4
EV/Sales	0.6	0.6	0.5
EV/EBITDA	5.2	4.7	4.4
EV/EBIT (adj.)	7.9	7.1	6.6
Payout ratio (%)	78%	67%	71%
Dividend yield-%	6.3 %	6.8 %	7.8 %

Source: Inderes

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Anora in brief

Anora is the leading producer/distributor of wines and spirits in the Nordic countries. Anora was born in the fall of 2021 when the Finnish Altia and Norwegian Arcus merged. The company has an extensive brand portfolio and exports to dozens of countries in addition to domestic sales.

1888 / 1922

Years of establishment of Anora's predecessors in Finland / Norway

9/2021

Altia and Arcus merged into Anora

MEUR 658

Revenue 2025

71 MEUR (10.8%)

Comparable EBITDA 2025

Wine #2, Spirits #1

Market position in the Nordic market

1,190

Personnel at the end of 2025

1888s to the 1990s

Anora's predecessors belonged to state-owned alcohol companies that also handled retail sales until the 1990s when EEA (European Economic Area) rules demanded the dismantling of alcohol production, wholesale, and foreign trade monopolies

Late 1990s to 2016

Alcohol production (Altia) and retail sales (Alko) were separated in Finland in 1999

Correspondingly in Norway, Arcus was established in 1996 and Vinmonopolet continued with retail sales

Both Arcus and Altia expanded internationally

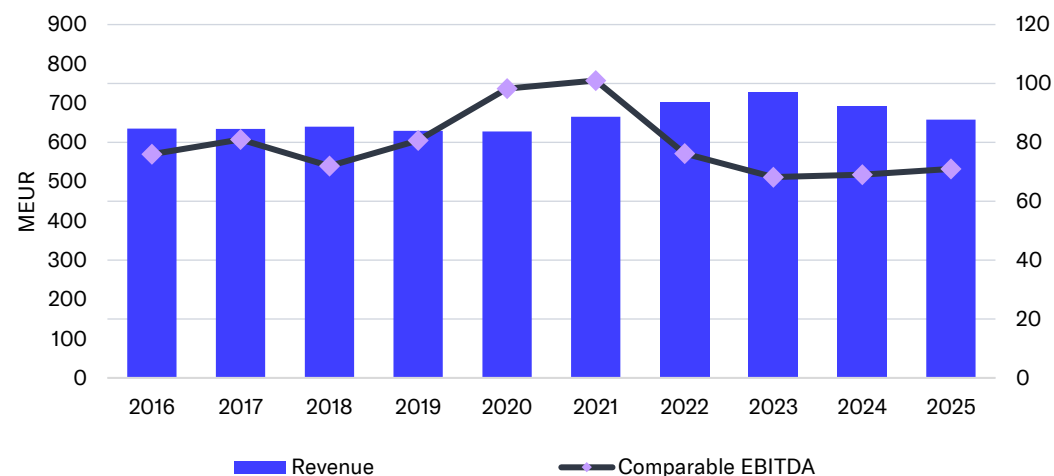
2016 -

Arcus was listed on the stock exchange at the end of 2016 and Altia in 2018

The merger of Arcus and Altia took place in September 2021 – the new company was named Anora

In June 2022, Anora acquired the Danish company Globus wine

Anora's revenue and profitability (MEUR)



Source: Anora

Company description and business model 1/8

Leading producer and distributor of wines and spirits in the Nordic countries

Anora was formed in 2021 when the Finnish Altia and Norwegian Arcus merged. Both companies had previously operated as producers, importers and distributors of alcohol. Anora's predecessors had also expanded through acquisitions and Anora is now the largest player in the Nordic market for both wines and spirits. The company has both own brands and partner brands that it distributes. Anora's competitive advantage consists of the attractiveness of its own brands compared to competitors and its strong position in the Nordic countries, which makes it an attractive distribution partner. Anora acquired the Danish Globus Wine in June 2022. For earlier years, we mainly use pro forma figures that consider the merger of Altia and Arcus, but Globus only from the time it was acquired.

Anora's market position in spirits in the Nordic countries is strong and the market share varies from 15% to over 50% depending on the product group. The wine market is more fragmented. and Anora's market share is 16% according to the company. Overall, according to the company, Anora has a share of around 25% of the Nordic alcohol market.

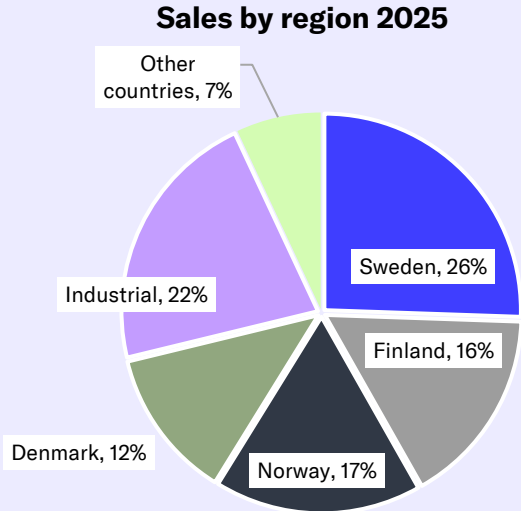
Geographically, Anora is the market leader in both wines and spirits in Finland and Norway. In Sweden, the company is also number one in spirits but holds second place in wines. In Denmark, the company ranks second in spirits and first in wines. In addition to these markets, Anora has exports to nearly 30 countries but the overall market shares there are small.

Since 2022, Anora has been organized into three segments: Wine, Spirits and Industrial. We will discuss these segments in detail later in this report.

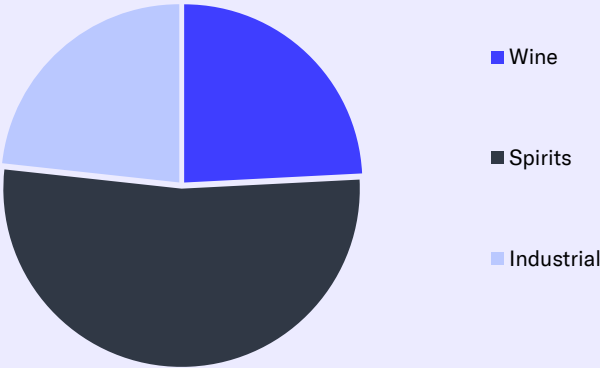
Distribution mainly through monopoly chains

Anora's main sales channel is the state-owned alcohol monopoly stores, which accounted for 47% of sales in 2025. In Finland, Sweden and Norway, legislation restricts the sale of wines and spirits mainly to monopoly chains, which include Alko in Finland, Systembolaget in Sweden and Vinmonopolet in Norway. These accounted for about 60% of the revenue of beverages (excluding the Industrial segment) in 2025. There is no monopoly chain in Denmark, so sales are mainly directed to retail trade, in addition to which there are also sales to restaurants, travel retail and duty free (DFTR), and exports. Anora's market share is higher in the monopoly channels than in other channels, which supported Anora's sales and profitability in 2020-2021, when sales of monopoly chains increased due to the COVID pandemic.

Price increases in monopoly chains are typically possible twice a year, in Norway three times. This pricing rigidity exposes the company to margin erosion when costs rise. This was clearly visible, e.g., from the end of 2022 to the end of 2023, as cost inflation and the weakening of SEK and NOK increased costs. At present, the company hedges its currency risk more, which should smooth out gross margin development in this respect. In DFTR, prices are typically updated only once a year. The pricing interval for Industrial operations varies.

















Comparable EBITDA by segment 2025



Source: Anora

Company description and business model 2/8 - Product groups

Product group	Description	Examples of own brands	Examples of partner brands	Share of revenue in 2025
Wines	<ul style="list-style-type: none"> Development, marketing and sales of partners' and own wine brands in the Nordic countries Several dozen partner brands A wide range of red, white and sparkling wines and, e.g., glöggs 	   	 	46%
Spirits	<ul style="list-style-type: none"> Development, production, marketing and sales of partners' and own spirits brands in the Nordic countries A wide range in various spirits categories Also includes RTD beverages, i.e. ethanol-based low-alcoholic beverages 	 	  	33%
Industrial products and contract manufacturing	<ul style="list-style-type: none"> Industrial products such as grain spirits, technical ethanol, barley starch and feed components Contract manufacturing, especially Finlandia vodka manufacturing 			17%
Logistics	<ul style="list-style-type: none"> Logistics company Vectura in Norway that also transports non-Anora products to customers 			4%
Other beverages	<ul style="list-style-type: none"> For example, non-alcoholic products 		 	< 2%*

Source: Anora, Inderes' estimate All figures for 2025 revenue *Revenue for the Wines and Spirits segments, including products in the "other beverages" category. Share of other beverages is Inderes' estimate.

Company description and business model 3/8

Barley is the most important raw material

Anora produces its own spirits mainly from raw materials itself, while wines are sourced from wine-producing regions and are usually packaged or bottled in Anora's plants. Thus, the direct raw material risk is directed at spirits production where barley used in Finland is the most important single raw material. Anora typically uses some 170 million kilos of barley annually, i.e. about 15% of the Finnish barley harvest and over 30% of the barley sold in Finland. The barley is obtained either directly from farmers or from grain dealers.

The price of barley is usually determined by the quantity and quality of the harvest collected in the fall but is also affected by the market price that reacts to global movements in the financial and commodity markets. At the end of 2021 and in 2022, the price of barley was exceptionally high due to poor harvests and availability problems caused by the war in Ukraine. The price has fallen dramatically since then. There are no hedging instruments for the price of barley, so, in practice, Anora has to buy barley at the prevailing market price. Anora normally has about a month's stock of barley and purchase prices are agreed for a couple of months ahead of time. Higher barley prices can be passed on to sales prices, but not necessarily in full, and there is also a delay due to rigid pricing. Other important raw materials in terms of costs are, e.g., bottles, boxes and packaging materials.

Production in five own plants

Anora has a total of five plants located in Finland, Norway, Denmark, and Estonia. The most important of these are two factories in Finland, Gjelleråsen in Norway, and Køge in Denmark, which focuses on wines. Their efficiency is central to the company, and potential problems at these

plants could clearly be reflected in the company's performance. In particular, the production of Norwegian and Finnish plants that produce local spirits brands is difficult to move elsewhere, as they must be made from local raw materials in those countries. The production plants are presented on the following page.

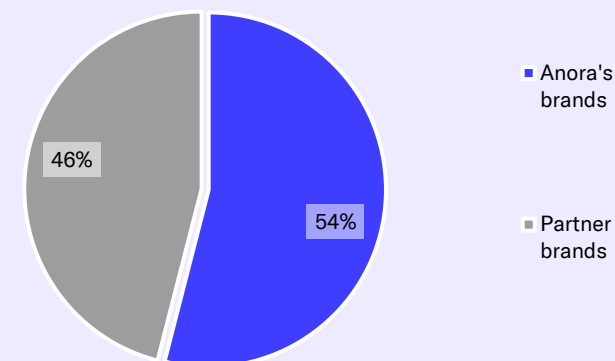
Investment needs are small

Anora's investment needs are limited because Anora's growth is slow or non-existent, about half of its beverage revenue comes from partner brands, and production in its wine brands is limited to bottling. However, the plants require a certain amount of maintenance and replacement investments, which we expect to be about 10 MEUR p.a. Anora is currently investing in a biomass boiler at the Koskenkorva plant, which will enable the plant to become carbon neutral in 2026. In addition, the company is considering renewing its ERP system. Due to these investments, the company estimates the investment level for 2026-28 to be around 15 MEUR per year.

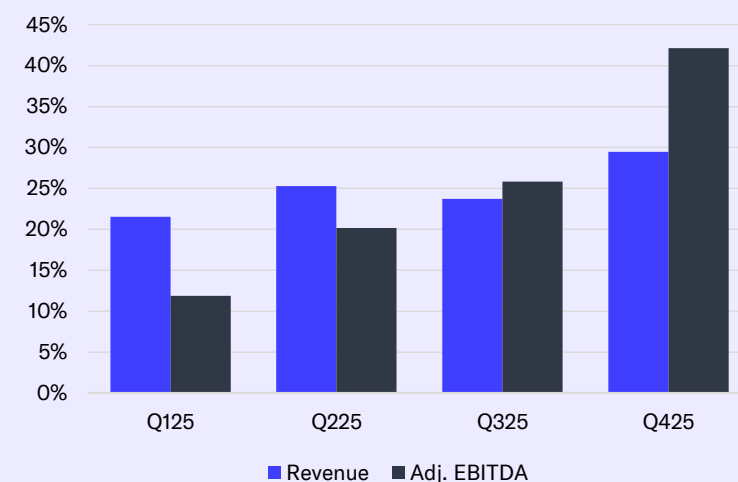
Earnings focus on the end of the year

Alcohol sales are typically higher during holidays, so Christmas and New Year are usually Anora's best sales period. In addition, the sales of glögg and aquavit focus on holidays. Thus, Q4 is normally by far the strongest in terms of both revenue and earnings. Normal seasonality is that Q1 is the weakest and the performance keeps improving every quarter toward the end of the year. The timing of Easter in the spring has some effect on the relative emphasis of Q1 and Q2, but the first of May, midsummer, and the beginning of the summer season usually make Q2 a better earnings quarter.

Beverage revenue breakdown by brand category, 2025



Seasonal variation on average 2023-25



Source: Anora, Inderes

Company description and business model 4/8 – Anora’s production sites

Koskenkorva, Finland

- A distillery and integrated plant producing grain spirits and by-products such as technical ethanol, starch and animal feed components

Rajamäki, Finland

- Most of the bottling/packaging of former Altia's own products
- Focus especially on vodka-based drinks

Tabasalu, Estonia

- A small bottling plant serving the Baltic market and contract manufacturing customers

Sundsvall, Sweden

- A small aquavit distillery/contract manufacturer

Gjelleråsen, Norway

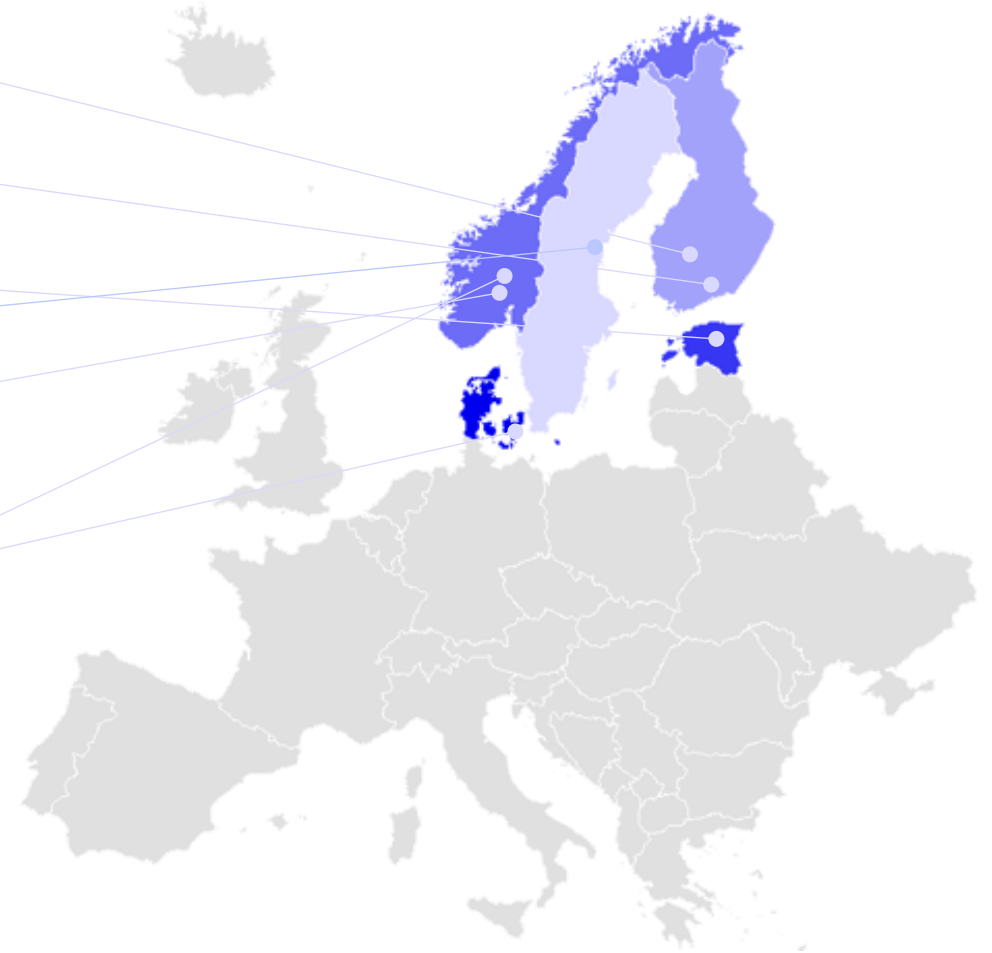
- Former Arcus' production and logistics center
- Bottling/packaging of wines and spirits
- Focuses especially on aquavit and bitters
- Logistics operations (Vectura)

Koge, Denmark

- Wine bottling and packaging, also for other markets
- Former Globus Wine's production plant

Atlungstad, Norway

- A small aquavit distillery/contract manufacturer



Source: Anora, Bing

Company description and business model 5/8 – Spirits segment

Spirits segment

The Spirits segment develops, markets and sells Anora's own spirits brands and partners' spirits. Sales channels are both the Nordic monopoly markets and the normal retail market in Denmark. The Spirits segment also includes the International business area, which is responsible for Anora's own operations in the Baltic countries, Danish and German markets, and for international DFTR and exports. The main sales channels for the entire segment are, however, the same as for Anora as a whole, i.e., state retail monopolies in Finland, Sweden and Norway. The main export brands are Koskenkorva, Linie, Skagerrak, and Xanté. Smaller sales channels like restaurants and DFTR, are important for building the brand and Anora is a strong player in these channels as well.

Nordic market leader

Anora has a wide portfolio of spirits brands, which enables it to be present in all categories and price categories. Its biggest brand, Koskenkorva, accounts for just under 20% of revenue. Anora's market position in spirits is strong: market leader in Finland, Sweden and Norway, and second largest in Denmark. Thus, the company is also the largest player in the Nordic countries. In addition, it is the market leader in the German aquavitt segment, which is a small category. Finland is the segment's most important market, as it accounted for around 40% of the segment's EBITDA in 2024. The market for spirits is quite concentrated. Anora's market shares in monopoly sales vary from around 15% to over 50%, depending on the product category, and according to the company, the average share was around 35% in 2025. In Finland, the market share is just over 50%.

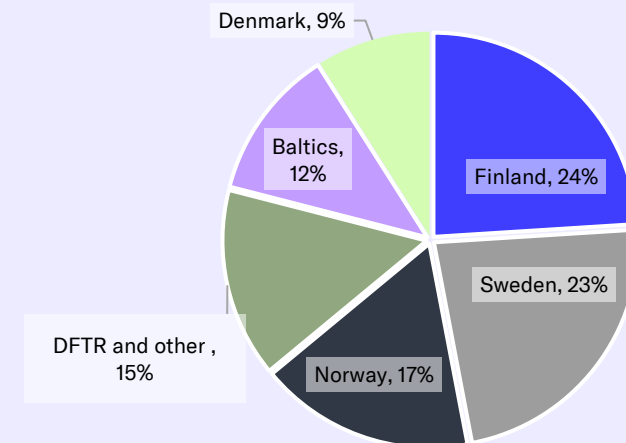
Anora has its own distillery in Koskenkorva, Finland, and smaller aquavitt distilleries as contract manufacturers in Sweden and Norway. Bottling and packaging are carried out at the company's large plants in Gjelleråsen and Rajamäki.

Anora's best segment in terms of margin profile

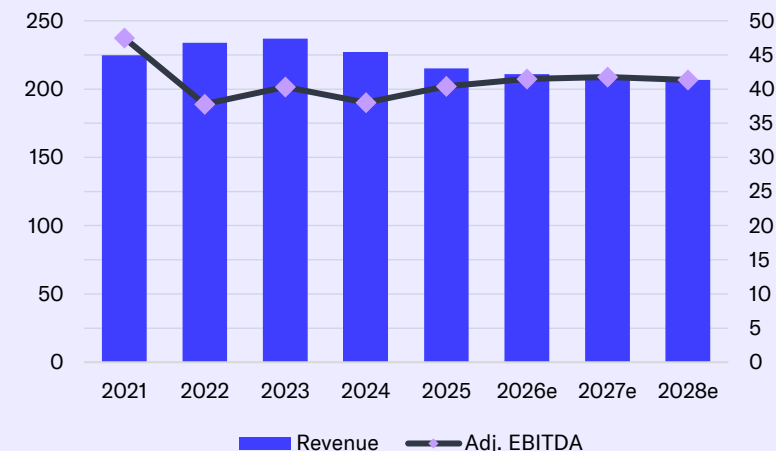
Around two-thirds of Spirits' revenue comes from own brands, which are largely self-produced. Thanks to its extensive own production, the margin profile of the Spirits segment is different and higher than that of the wines. The gross margin is typically 40-50% and the adjusted EBITDA margin is 15-20%. Sales of partner brands account for a significant portion of this segment as well, which depresses the margin. Any changes in partner agreements can affect the segment's result.

With its extensive portfolio, the Spirits segment aims to benefit from a stronger product offering (compared to Arcus and Altia separately) by cross-selling on the Nordic markets. Growth is also sought in export markets through strong "hero brands" (especially Koskenkorva). International growth has not progressed according to previous plans in recent years, hampered by limitations on growth investments due to the weak financial situation. Anora has made small progress in the German market, for example, and opened its own sales company in Lithuania. However, competition in international markets is fierce, and apart from Koskenkorva, Anora has hardly any strong, international brands. We believe that this clearly limits its growth opportunities.

Spirits segment revenue breakdown



Spirits segment development (MEUR)



Source: Anora

Company description and business model 6/8 – Wine segment

Wine segment

The Wine segment develops, markets and sells partner wines and Anora's wine brands in the Nordic monopoly markets and Denmark. The main sales channels are the same as for Anora as a whole, i.e. state retail monopolies in Finland, Sweden and Norway, HoReCa sales, and the grocery trade (mainly in Denmark). Wines with a maximum alcohol content of 8% are also sold in retail stores in Finland.

In wines, Anora has numerous partners in different wine regions and varieties, as well as different price categories. This is how the company ensures a broad product portfolio. Anora is the leading wine seller in the Nordics: it is the market leader in Norway and Denmark, and the second largest in Finland and Sweden, where a long decline in market share finally turned around last year, and the company rose from third place back to second. In the Nordics as a whole, its market share is 16%, which the company aims to increase to 20% by the end of 2028. Measured by revenue, however, Sweden is the largest, accounting for 36% of the segment, Denmark 24%, Norway 23%, and Finland 17% of revenue in 2025.

Business model is based on several smaller importers

In the wine business, the operating model is slightly different and based on the use of several small import companies. In all markets, Anora has several importers, some of which are also partly owned by the employees, supporting an entrepreneurial approach. While the main brands of one importer can bring a significant share of its income stream, Anora's extensive cooperation and brand portfolio balance the risk. The importers help wine producers to enter the market without their own sales

organization and associated costs. The benefit of several small importers is a more personal relationship with the wine producers and more independent operations. On the other hand, through a number of independent companies, Anora receives more candidates for the monopoly chains' tender offers than it would on its own. For entrepreneurs, Anora offers efficient joint support functions, which also benefits the importers' performance.

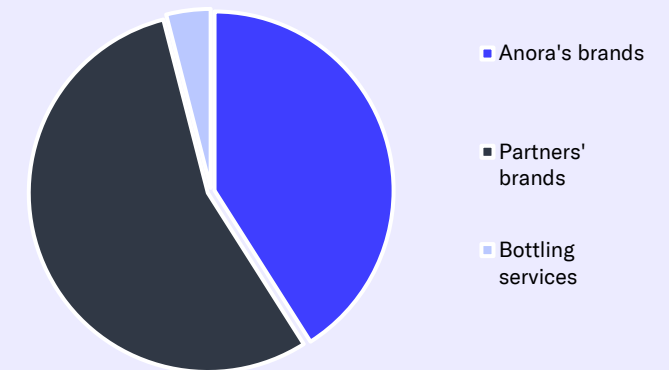
Low added value visible as low margins

Wine bottling and packaging takes place in Gjelleråsen (Norway), Rajamäki (Finland), and Køge (Denmark), where bottling of products sold in Norway has also been increasingly transferred in recent years. Partner brands and bottling services (for other companies) account for about 60% of the Wine segment's revenue, and the remaining some 40% comes from own brands. The share of own brands has increased somewhat in recent years, mainly through the contraction of the partners and bottling business.

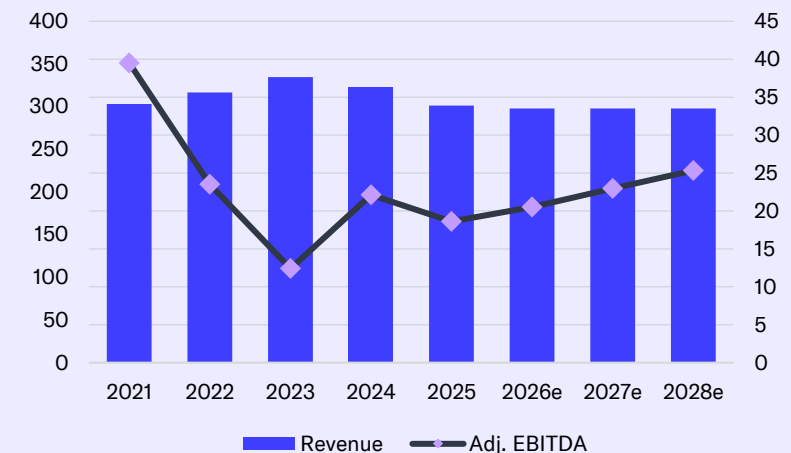
The margins of Anora's wine business are low, which is partly due to the significant share of low-margin distribution. The profitability of own brands is better, although we also note that Anora buys wine in large batches and the added value is mainly branding and selecting the right products for each market, unlike in the Spirits segment, where it produces beverages from raw materials.

The EBITDA margin of the Wine segment was 7% in 2025, which is a low level, but typical for the company in recent years. In our view, profitability is weighed down by, e.g., the weak profitability of Danish operations (Globus Wine) and declining revenue.

Revenue distribution, Wine segment 2025



Wine segment development (MEUR)



Source: Anora

Company description and business model 7/8 – Industrial segment

Industrial segment

The Industrial segment includes Anora's supply chain operations and contract manufacturing, as well as the industrial products business in Finland and the logistics company Vectura in Norway.

Industrial operations and contract manufacturing in Finland

The industrial business includes the activities of the Koskenkorva distillery, including industrial products (grain spirits, technical ethanol, barley starch, and feed components) and contract manufacturing at the bottling plant. The main raw material in industrial products is barley. Approximately 35% of Industrial's revenue is internal sales (for spirits production for the Spirits segment and wine and mulled wine production for the Wine segment), but the segment also has significant external sales. The logic of the operations is to utilize all the side streams from the process as vendible products, where we feel Anora is successful.

Anora also offers contract manufacturing and logistics services for its partners. The biggest contract manufacturing agreement is the production of Finlandia Vodka for Coca-Cola HBC. This agreement stems from the sales of the Finlandia Vodka brand from Altia to Brown-Forman (which sold the brand forward in 2023). In connection with the sale, Altia signed a long manufacturing contract valid until the end of 2035. According to Anora, the contract is a significant part of the Industrial segment's external revenue (we estimate ~20%) and supports capacity utilization of the Rajamäki plant.

Logistics company Vectura in Norway

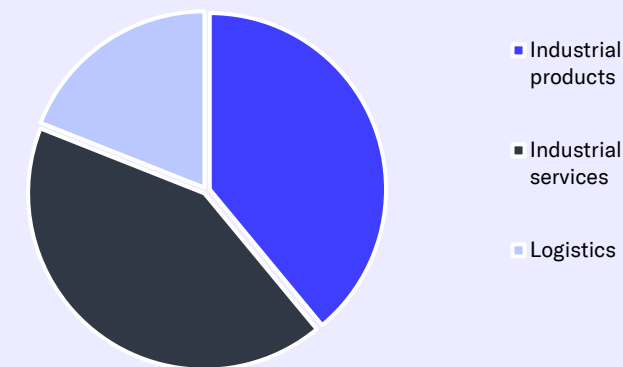
In logistics services, the Industrial segment includes Arcus' former logistics segment, i.e., the logistics service provider called Vectura. Vectura's logistics center is located in Gjelleråsen and works in close cooperation with Anora's production. Around one-third of Vectura's operations is distribution of Anora's own and partner's products and the rest other customers' products. The products are supplied to typical distribution channels, mainly to the Norwegian alcohol monopoly chain, Vinmonopolet, as well as restaurants, hotels and bars.

Nature of operations keeps the margin low

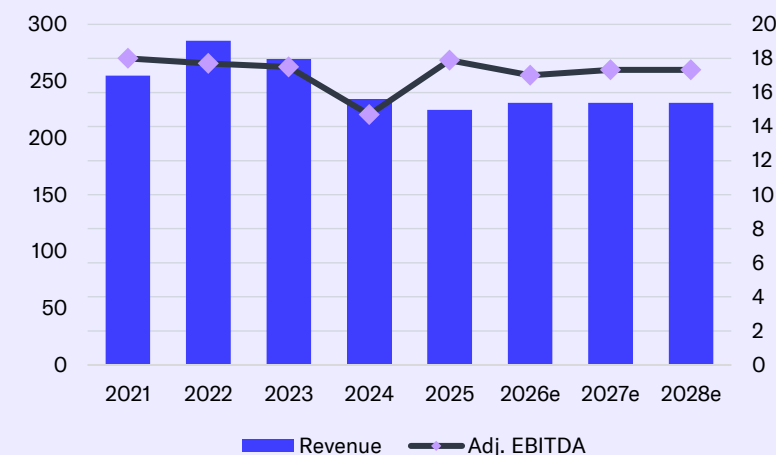
Altia Industrial's comparable EBITDA margin was about 8% in 2017-2019, while Arcus' logistics operations had a historically tight EBITDA level, at best only 4-5% in 2017-2019. Combined, Anora's Industrial segment has reached an EBITDA margin of 6-8% in 2021-2025. In absolute terms, the company has typically achieved an adjusted EBITDA of 18 MEUR in recent years. Revenue has decreased mainly due to the decrease in raw material prices (especially barley). We believe that this is a sustainable and normal earnings level also in the future. With this result, the segment still generates a clearly positive EBIT for the company. As previously mentioned, a significant part of the segment's sales comes from sidestream utilization. A positive result after direct costs from these operations partly supports Anora's core business, i.e., spirits production.

The Industrial segment does not have independent growth or profitability targets, but it focuses on as efficient operations as possible.

Revenue distribution, Industrial segment 2025



Industrial segment development (MEUR)



Source: Anora

Company description and business model 8/8

Two main owners

Anora has two major shareholders, who were the main owners of the former Altia and Arcus: The State of Finland's investment company Solidium (19%) and the Norwegian investment company Canica (22%). Although both are long-term owners, we consider it possible that either of these would be prepared to reduce their holding to at least 10%, and giving up ownership entirely is not out of the question either. In addition, Norwegian shipping mogul John Fredriksen owns just under 5% of Anora.

Both the CEO and the Chairman of the Board changed in 2025

Anora's CEO is Kirsi Puntila, who previously headed the Spirits segment and has been with the company since 2014. She started in the position in March 2025, when Jacek Pastuszka, who had led the company for only a year and a half, stepped aside as previously announced. As expected, Puntila has initiated straightforward efficiency and improvement measures within the company, which we believe is the right approach to turn around the company's sluggish performance in recent years.

The new CEO owns over 6,600 shares. The company has a recommendation that the CEO should own at least one year's gross salary in the company's shares, which is still far from the case. Members of the Executive Management Team are expected to keep at least half of the received share rewards until the target is reached. So, we believe there is no obligation or incentive to acquire shares otherwise.

The Group's CFO is Norwegian Stein Eriksen, who joined the company in the summer of 2024. He holds 10,000 shares in the company. In addition to Puntila and Eriksen, the Group's Executive Management Team currently consists of five persons with relatively small holdings (more details in the table).

Anora's long-term incentive plan consists of several different programs. The indicators of the plan are revenue growth (35%), EPS (35%), relative development of the share's total return (20%), and Sustainalytics' ESG risk assessment (10%). We find the indicators reasonable, although the weight of revenue growth is quite high (35%), as we do not necessarily feel revenue growth alone brings value to the company and its owners.

Anora's Chairman of the Board was replaced at the end of 2025 in an exceptional manner, when, shortly after the company's strategy update was published, an extraordinary general meeting was held where the chairman was replaced. Michael Holm Johansen, who previously chaired the Board for years (and before that, the Arcus Board), stepped down from the Board and was replaced by Atle Nagel Johansen. Johansen has had a long career at the Norwegian consumer product company Orkla and has served on its management team for almost 15 years. Canica is also the main owner of Orkla. As far as we know, Johansen has no experience in the beverage business. In just a couple of months, Johansen has already acquired 24,000 Anora shares, which we consider a positive sign. Other members of the Board have smaller holdings.

Largest shareholders on 3/31/2026

	Share
Canica	22.4%
Solidium	19.4%
John Fredriksen	4.6%
Hoff SA	2.3%
Varma	2.2%
Ilmarinen	1.9%
WestStar	1.7%
Elo	1.6%
Fidelity International	0.8%
Veritas	0.7%
OP Life Assurance Company Ltd	0.5%

Source: Anora

Management holdings

	Shares
Kirsi Puntila	6666
Stein Eriksen	10000
Imre Avalo	1000
Johanna Sunden	3000
Hannu Vähämurto	200
Thomas Heinonen	4375
Mikkel Pilemand	16000

Source: Anora

Investment profile 1/2

- 1 Strong market position and extensive brand portfolio in the Nordic countries
- 2 Historically a very stable market, the trend has turned downwards
- 3 In our view, returns on capital do not exceed their cost
- 4 Efficiency measures have the potential to improve the earnings level in the coming years
- 5 Historically a good dividend payer

Potential

- **Synergies and efficiency measures:** Anora is implementing additional significant efficiency measures, partly due to the benefits of previous mergers still not being fully realized
- **Geographical expansion:** Export markets have a lot of potential, but also plenty of competition
- **Complementing acquisitions:** The company is interested in further growth through acquisitions, where the next logical, larger step would in our view be Central Europe. However, we believe the company will focus on improving efficiency in the coming years, and the balance sheet does not currently allow for significant acquisitions

Risks

- **Decrease in alcohol consumption:** Consumption is on a downward trend, and Anora's markets will shrink in the future
- **Exposure to raw material price volatility**
- **An error in product safety or other deterioration in a brand/brand reliability may result in a drop in demand:** However, this risk is mitigated by Anora's geographical dispersion and several different brands
- **Acquisition risks:** Prices paid in possible future acquisitions and integration of operations

Investment profile 2/2

Limited competitive advantages

In terms of competitive advantages, we feel that Anora's business should be divided into its own brands and partner brands. In own brands, the potential competitive advantage lies in the brand's strength. This is challenging to measure, but market shares give an indication of the brand's strength. From this viewpoint, Anora's well-known spirits brands like Koskenkorva in non-flavored vodkas and Linie & OP Anderson in aquavit seem to enjoy some competitive advantage, as we believe their market shares in the Nordic countries are 50% or more. However, we do not see a company-wide competitive advantage in own brands, even though we believe that certain brands and markets have them. Anora's history and know-how of acting in monopoly markets and knowing the local consumer can generate some advantage against international competitors but we do not see this as a clear competitive advantage either.

In partner brands, a long experience in the monopoly markets, combined with a strong position in all Nordic markets, gives Anora some competitive advantage in our opinion. On the other hand, the Swedish Viva Wine Group, for example, operates in the same monopoly markets (in wines) and has increased its market share steadily, which indicates that Anora does not have a competitive advantage at least against them, but rather the opposite. However, partners can easily get skilled distribution across the Nordic countries through Anora.

The Industrial segment's operations are mainly handling side streams and logistics, where we do not see any competitive advantages as such. Side stream management is nevertheless important for Anora and even a small profit

here is naturally positive for the Group's performance as a whole.

Other strengths and opportunities

Anora's strong position in the Nordic countries and extensive brand portfolio provide a foundation for seeking growth in export markets and exporting Nordic products to Europe, e.g. through a possible acquisition. However, we believe that the limited international recognition of the brands and, consequently, the marketing investments required for growth, limit growth potential. However, the role of the export market in Anora as a whole is limited,

Anora also sees itself as a forerunner in sustainability. For example, the company aims to reduce its carbon dioxide emissions and move to more climate-friendly packaging. We do not believe that, at least in the eyes of consumers, Anora's sustainability profile has a significant impact on purchasing decisions, so its importance on the demand side is minor. Monopoly chains, on the other hand, have clear responsibility aspirations and Anora's actions support the entry and retention of products in the monopoly chains.

Weaknesses and risks

We see the target market that is on a downward trend, at least in terms of volume, as a clear weakness for Anora. This has weighed on the company in recent years. Anora significantly revised its market expectations to be more negative at the CMD held at the end of 2025, and now assumes that markets will also decline in the coming years. Research company Euromonitor estimates marginal growth in wines and a slight decrease in spirits for 2025-29. Anora has a small range of non-alcoholic products and, in 2023,

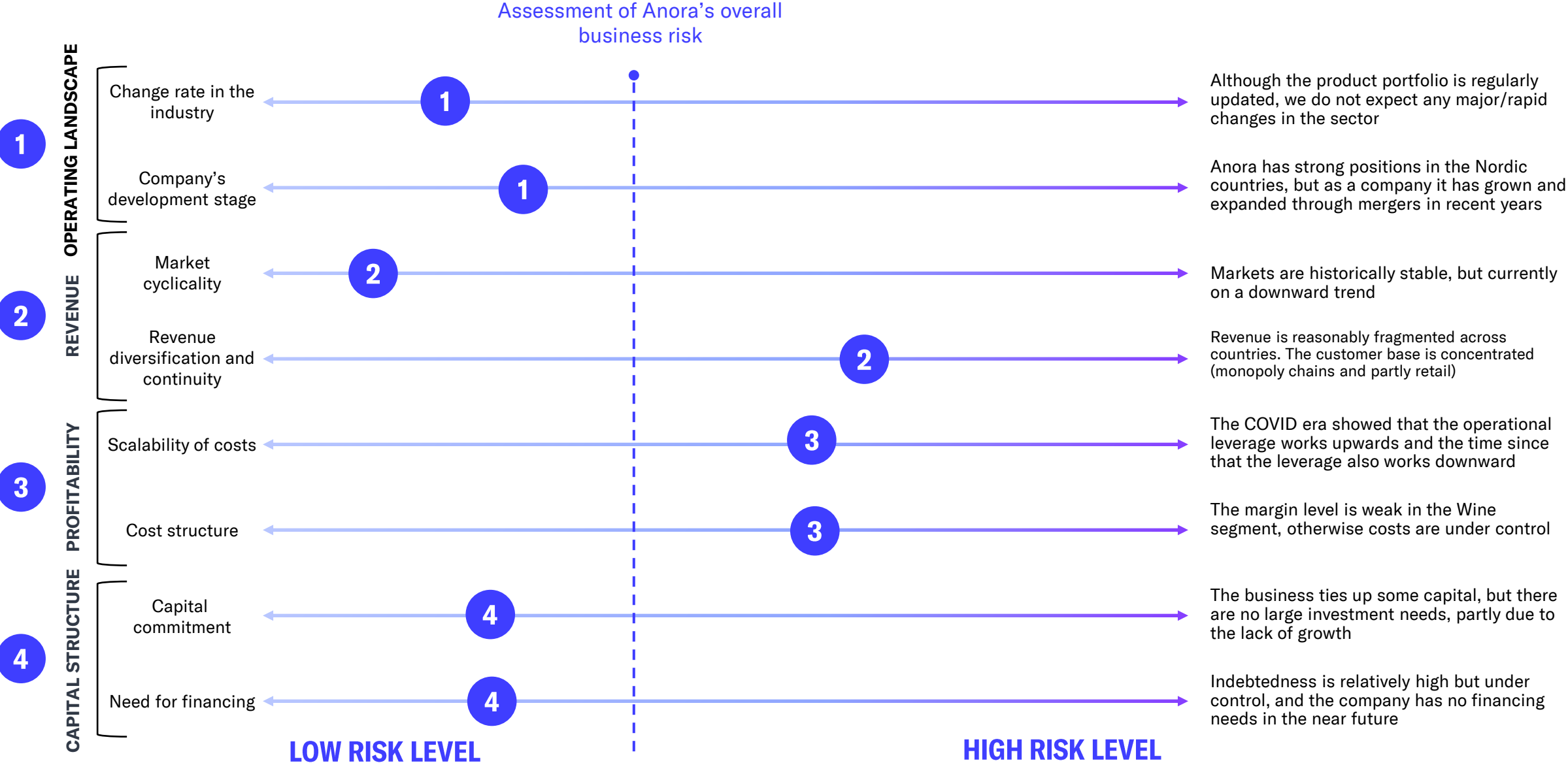
made an investment in the Danish company ISH, which sells non-alcoholic beverages. However, the scale of this business is so small for the time being that it is not, in our view, able to compensate for the reduction in alcohol consumption.

Another clear weakness is the current poor performance of the Wine segment (although clearly improved from the bottom level of 2023), which has been affected by, e.g., 1) Globus Wine's weaker-than-expected margin, 2) lower volumes due to partner agreement losses, and 3) excessively high fixed costs relative to current revenue.

We estimate that Anora's return on capital will be approximately at the level of the required return in the medium term (being below it in the next few years), which is a weakness for Anora as an investment as it considerably limits its longer-term expected return. Improving this would require a clear improvement in profitability or a better capital turnover. We will discuss these later.

We see the reduction in partner agreements as a risk, which we believe could mainly be caused by continued consolidation of international alcohol producers. This could lead to an increase in the number of companies handling Nordic distribution themselves. A clear risk is also changes in Finnish legislation, i.e. the deregulation of wine sales. This could negatively affect both wine volumes and margins, in addition to spirits sales in Finland, which is a significant part of the company's Spirits segment's earnings.

Risk profile of the business model



Industry and markets 1/3

The market relevant for Anora is mainly the Nordic wine and spirits market, which is dominated by monopoly chains in Finland, Sweden and Norway. In addition, Industrial segment's products have their own, separate, market.

Anora estimates market decline for the coming years

Anora revised its investment view on the future development of the alcohol markets at its CMD at the end of 2025. Previously, the company expected volumes to remain unchanged, and as late as 2022, it anticipated growth in the coming years, even though base figures were significantly higher after the COVID era. However, markets have decreased in Finland and Norway since 2022. In Sweden, the trend has been more stable in recent years, but even there, the market is not growing. Estimates for the market size in the coming years have thus decreased significantly in recent years.

For 2025-28, Anora now expects the Nordic wine market to decrease by over 2% annually and the spirits market by over 3% annually. Cumulatively, this means a significant market decline in the coming years. Anora's competitor, Viva Wine, also confirmed that a small decrease for 2026 is a common view in the industry, although the company does not directly provide its own market estimate. The research company Euromonitor estimates marginal growth in wines (0.5% p.a.) and a slight decrease in spirits (-0.7% p.a.) for 2025-29.

The market for alcoholic beverages is defensive and stable, meaning it typically does not experience significant annual fluctuations, e.g., with economic cycles. However, the COVID years 2020-2021 were an exception, especially if one examines the sale of monopoly chains that is important to Anora. During COVID, consumption shifted from

restaurants and DFTR to monopoly chains. Likewise, the post-COVID recovery weighed on the markets, especially in 2022-2023.

Sweden is the largest market

Country-specific market information can be found via monopoly chains from Finland, Sweden and Norway. The figures do not include restaurant consumption, which, however, accounts for a relatively small share of total consumption. When comparing the countries, Sweden stands out as a very large wine market. In 2025, the sales volume of wines in Sweden was about 200 million liters per year. In Norway, sales are just under 70 million liters, and in Finland, about 45 million liters, considering both Alko's sales and sales of under 8% wines in grocery stores. There is no exact public information available on the size of the Danish market, and estimates differ from others, as Denmark does not have an alcohol sales monopoly. As an order of magnitude, we estimate the Danish wine market to be around 100 million liters. In Sweden, Viva Wine Group is the clear market leader. Anora's market share in Sweden is relatively weaker than in other countries, although after a long downward trend, it managed to turn the share to growth in 2025 and regain its position as the market's second-largest player.

In spirits, the Swedish market was about 24 million liters last year, Finland almost 20 million liters, and Norway 12 million liters. In other words, Finland consumes significantly more spirits per person than the other Nordic countries. Differences in the markets can be partly explained by different tax policies. In Finland and Norway, the taxation of spirits and wines is relatively close to one another, while in Sweden spirits are taxed in relative terms more severely

than wines. Compared to other European countries, taxation in the monopoly markets is by far the highest, and Denmark's taxation is also above average.

A possibility of legislative revisions in Finland

In Finland, the sales of alcoholic beverages with a maximum alcohol content of 8% are allowed in retail stores from June 2024 onwards. As a result, wine sales moved from the monopoly chain Alko to retail stores. Alko's sales volume decreased by around 10% due to the revision, while the entire market's sales decreased by only 3%. At the same time, Alko's decreased visitor numbers have also reduced the consumption of spirits. The focus of alcohol purchases thus shifted more towards retail stores.

In terms of volume, this may support larger players such as Anora, as retailers do not want a large number of suppliers, and we believe wines have taken market share from other alcoholic products in stores. As a whole, we see the implemented deregulation of wine sales as slightly negative for Anora, mainly due to a decrease in spirits sales.

Finland is also considering a total liberalization of wine sales. This would likely have more significant effects on the market, as we believe that, e.g., retailers would open their direct procurement channels and/or introduce own wine brands if the category grew. In addition, Alko's position would be threatened, and spirit sales would likely decline further to lower customer numbers. We believe all of this would be negative for Anora, creating both volume and margin pressure in the Finnish wine business and decreasing spirits sales (assuming their monopoly would be maintained).

Industry and markets 2/3

The competitive field is quite extensive

We feel Anora's competitive landscape in the Nordics can be divided into three groups: 1) global alcohol producers, who handle product distribution themselves in the Nordic countries, 2) regional companies such as Viva Wine Group or Royal Unibrew better known as a brewery group, and 3) small local distributors. The market is more consolidated in spirits, while there are more competitors in wines. However, the wine market is also becoming consolidated to some extent, and the five largest players are already responsible for about half of the wine volumes (Finland, Sweden and Norway). The risk to Anora's market position is that the market of international alcohol producers consolidates further, allowing a larger proportion of the volume to come directly from producers to retail.

In terms of margins, comparison with competitors at Group level is to some extent useless, as there are no other companies like Anora that operate both in wines and spirits and both as producers and distributors. The margins of large producers are manifold (at EBIT level) compared to Anora, while pure distributors have very low margin levels. Viva Wine Group, on the other hand, is relatively comparable to Anora's Wine segment. Viva's margins were under pressure in 2022-2023, like Anora, but for the last 12-18 months, they have been on an upward trend (see figure). In recent years, Viva has, however, consistently been able to achieve better profitability than Anora's Wine segment. As Viva acquired businesses in Central Europe last year, it no longer publishes figures solely for the Nordic countries, which reduces comparability with Anora.

Alcohol sales and advertising are restricted

The sale of alcoholic beverages is limited in all of Anora's markets with age limits. The age limits vary depending on the strength of the beverage and the sales channel. In retail trade, the age limits vary between 16 and 20 years, while restaurants typically allow purchase of all alcoholic beverages at the age of 18. In monopoly markets, advertising of alcohol is also restricted in different ways.

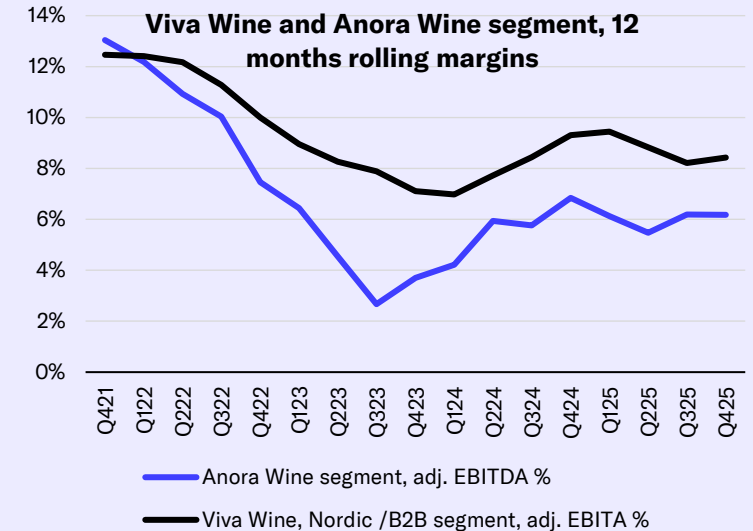
In Finland, the law prohibits advertising of all strong alcoholic beverages (over 22% by volume). Advertising of weaker alcoholic beverages than this is generally permitted. Alcohol advertising directed at young people is also prohibited.

In Sweden, advertising of beverages over 15% by volume is completely prohibited, as is directing advertising at those under the age of 25.

In Norway, all advertising of alcoholic beverages of over 2.5% by volume is explicitly prohibited.

In Denmark, alcohol advertising is more liberal. However, there too, it involves both regulatory and voluntary regulation and supervision. Advertising aimed at children under the age of 18 is prohibited.

Advertising of Anora's products is therefore possible in Denmark for all products, in Finland and Sweden for wines and in Norway only for non-alcoholic products. The presence or absence of advertising naturally affects the company and its competitors' ability to support product sales. To the extent that advertising is not possible, access to the shelves of monopoly stores is in itself crucial. This also highlights the role of the monopoly chains in the distribution of market shares.



Source: Viva Wine, Anora

Monopoly chain

Alko (Finland)

Systembolaget (Sweden)

Vinmonopolet (Norway)

Source: Inderes

Monopoly rights

All beverages over 8% by volume

All beverages over 2.25% by volume, except for up to 3.5% beer which can also be sold in grocery stores

All beverages over 4.75% by volume

Industry and markets 3/3

Distribution mainly through monopoly chains

As mentioned earlier, Anora's main sales channels are the alcohol monopoly chains in Finland, Sweden and Norway. In these countries, monopolies are the only retail outlet for wines and spirits, with the exception of wines up to 8% allowed in grocery stores in Finland. Denmark is a different market because there alcohol sales is less regulated. Anora also has small amounts of ready-to-drink products for retail sale.

The offering of monopoly chains is typically divided into permanent products, seasonal and temporary products, as well as order selection. The order selection can also be a way for a product to become part of the permanent selection if it reaches a certain level of sales. Thus, products can also be included in the selection without a process initiated by the monopoly chain. Going forward into the permanent selection through the order selection is more typical for Anora's wines than through the actual selection process.

The selection process is similar in all monopoly chains. In these processes, monopoly chains typically publish a description of what kind of product (category, age, country, taste, and price) they want. Then producers and importers like Anora submit their proposals to the monopoly chain. The selection process is slightly different in different countries, and it is either based on the taste of the wine or it can also consider, e.g., the appearance of the packaging. All product samples also undergo a thorough quality check.

However, the choice of selection based on the monopoly chains' requirements somewhat limits Anora's ability to find and launch products on the market that interest consumers (compared to a completely free market). On the other hand,

once a product is included in the selection, it will remain there if certain sales volumes are exceeded. This brings stability to market positions. Monopoly chains also offer a wide range of beverages of varying quality and prices, and, e.g., pricing does not aim at controlling consumption. We believe that this also supports Anora's margins to some extent.

Industrial segment's market

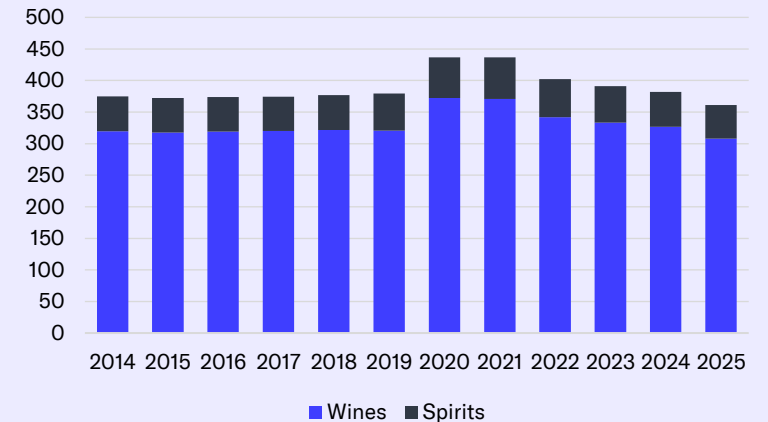
The Industrial segment's market is quite different. As noted earlier, Industrial's mission is mainly to utilize production side streams. Anora is largely a price taker in these products in the market, although its position is strong in some products.

Technical ethanols are used for various industrial needs in geothermal fluids and, e.g., in the pharmaceutical industry, healthcare, and the technochemical sector. Anora is the market leader in the geothermal fluids market in Finland under its own Naturet brand. The main competitors in the technical ethanols market are Aspo-owned Telko and international chemical giants Ineos and Cargill.

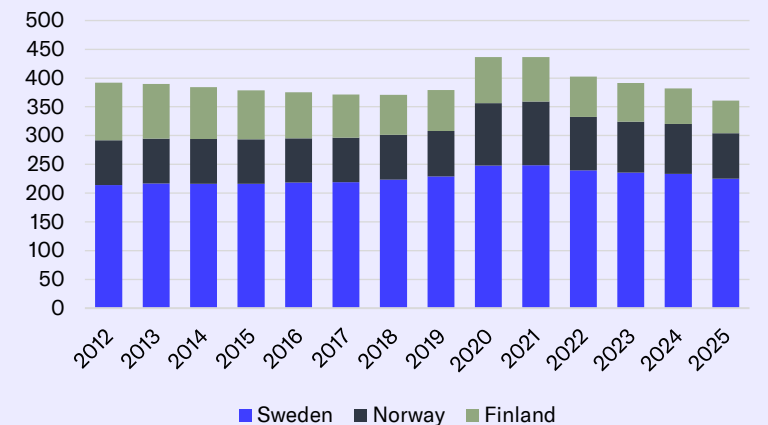
In the case of starch, Anora cooperates closely with Finnish Chemigate, whose main customers are the paper and paperboard industry. Anora also sells products directly to the brewery and food industry. In 2018, the company estimated that its market share in the Finnish starch market was around 25%. However, the price of starch is determined by world market prices. The main competitors are international Cargill and Roquette.

As regards feed components, Anora has a cooperation agreement with Atria-owned A-Rehu which purchases all feed components produced by Anora.

Alcohol monopoly sales in Finland, Sweden, and Norway (million liters)



Monopoly sales of wines and spirits (million liters)



Source: Alko, Systembolaget, Vinmonopolet

Strategy and financial targets 1/3

Previous growth strategy overshadowed by weak market and earnings performance

After the merger of Arcus and Altia (and the acquisition of Globus Wine) in November 2022, Anora published a strategy extending all the way to 2030, which included various growth plans for both the Nordic and international markets.

Since the targets were set, market development has been consistently negative, contrary to the company's expectations at the time. In the year following the strategy launch (right from the beginning of Q4'22), the company's margin declined more strongly than expected, especially due to the weakness of the Danish operations (Globus Wine), cost inflation and FX effects. Therefore, in recent years, the company has had to focus more on correcting profitability, balance sheet, and short-term problems than on investing in longer-term growth. Thus, the previous strategic and financial targets were not achieved.

The strategy is a straightforward and credible action plan for the coming years

In November 2025, the company published a new strategy, which is clearly more straightforward and shorter-term than before, extending until the end of 2028. We believe the strategy is more of a phased action plan and performance improvement program for the coming years, which we see as sensible after several years of subdued performance. The company calls the strategy Fit, Fix, Focus, which divides the strategy themes as follows:

- Fit (2025-26): Immediate efficiency measures, such as personnel savings and procurement optimization. The target is 20 MEUR in gross savings.

- Fix (2025-27): Structural measures to improve profitability and competitiveness, including supply chain and product portfolio optimization.
- Focus (2026 onwards): Growth measures, targeting a gross impact of 10 MEUR on EBITDA.

As we already mentioned, the strategy and financial targets (more on these on the next page) are based on the assumption of negative market development in the coming years. Anora will allocate a portion (according to the company, ¼ or around 10 MEUR) of the savings to support growth. Thus, with targeted gross savings of 50 MEUR, the company aims for an EBITDA improvement of only around 15 MEUR. We consider this to be a realistic and sensible objective for the coming years.

In our view, the company still has a surprisingly large amount of so-called normal efficiency potential remaining from the mergers of previous years, e.g., in IT systems, procurement, and production. We feel this makes the targeted gross savings of 40 MEUR for 2025-2027 a realistic target. The company already cut its personnel expenses by around 7 MEUR on an annual basis at the end of 2025, which is a significant portion of the first phase's 20 MEUR savings target. We have reservations about the 10 MEUR earnings impact of the growth phase, as we believe growth will be challenging in declining markets.

The strategy includes growth targets in certain product categories, but the figures above also show that the emphasis in the coming years will largely be on improving operational efficiency. The focus of growth is on the company's core markets, namely the Nordic and Baltic countries. The company has promised to communicate its long-term targets during the strategy period.

Anora's sustainability objectives

SBTi approved science-based targets:

Total emissions reduction (scope 1, 2 and 3 to some extent) of 42% and of 90% by 2050.

30% reduction by 2030 and 72% reduction by 2050 in absolute FLAG greenhouse gas emissions related to land use

The company's objectives:

Koskenkorva distillery carbon neutral by the end of 2026 and the entire production by 2030 without carbon compensation

Share of own grain spirits produced from renewable grains raised to 30%

All Anora's packaging will be light, 100% recyclable and manufactured from certified sources or recycled materials by 2030

Strategy and financial targets 2/3

Financial targets for 2028 (issued in November 2025)

Organic growth > market growth

- Anora expects Nordic market volumes to decrease by 2-3% annually in the coming years. Regarding revenue, the development is likely to be slightly more positive, i.e., close to zero, but rather negative. This depends in part on future cost development. Thus, the target can also be achieved with slightly negative revenue development, although the company presumably aims for growth
- Anora's revenue decreased by about 5% per year in 2024-25
- We estimate Anora's revenue to remain at approximately 2025 levels in the coming years, which means development in line with or slightly better than the market
- The target is clearly lower than the previous growth target, which is logical and reasonable, given the negative market growth estimate

Annual adjusted EBITDA growth of 6-7%

- Anora has formulated the target to mean 85-90 MEUR in absolute terms in 2028.
- The target is largely formed by the equation of gross savings included in the strategy presented on the previous page, negative market development, and costs allocated to growth
- We consider the objective good and realistic. In our estimates, earnings growth is 6% in 2026, 4% in 2027, and 1% in 2028, with EBITDA reaching 79 MEUR in 2028. Our estimate is therefore somewhat below the target, mainly due to our more cautious assessment of the growth achievable through growth investments
- The company's previous adjusted EBITDA margin target was as high as 16%, which seemed clearly too high from the outset. At the current revenue level, the current target implies an EBITDA margin of around 13-14%

Net debt/adjusted EBITDA below 2.5x

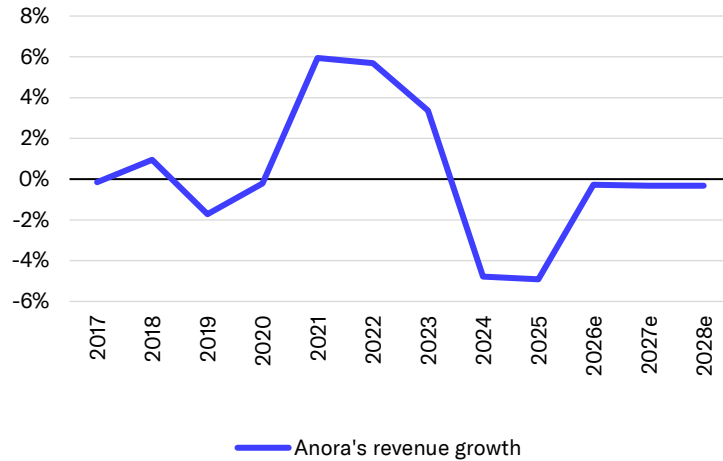
- This objective remained unchanged compared to the previous one
- In the summer of 2022, Anora acquired Globus Wine with debt, which, together with the subsequent weakening of the earnings level, increased its leverage.
- The company's balance sheet situation is always seasonally clearly at its strongest at the end of the year, and at the end of 2025, net debt/adjusted EBITDA was 1.4x. However, at the end of Q3'25, the ratio was 3.0x, which we feel indicates that the balance sheet still needs strengthening
- However, the company has fundamentally good cash flow and, supported by improving earnings, we believe that the balance sheet position will strengthen in the future.
- However, we do not believe the balance sheet allows for larger debt-driven acquisitions in the coming years

Dividend: Aim to distribute 50-70% of profit as dividends

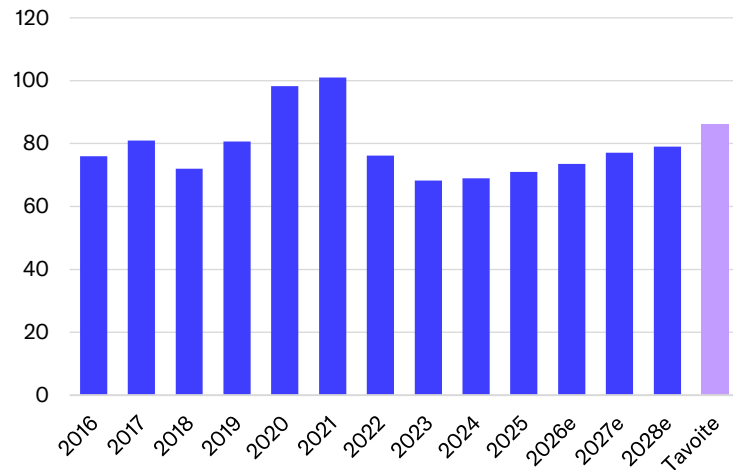
- This target also remained unchanged in the 2025 update.
- Due to weak earnings, Anora's dividend distribution has exceeded its policy in recent years. In the coming years, we believe that the payout ratio will be at the top of the target range at 65-75% We believe the company has the opportunity to distribute an even larger portion of its earnings as dividends in the longer term if no acquisitions are made.

Strategy and financial targets 3/3

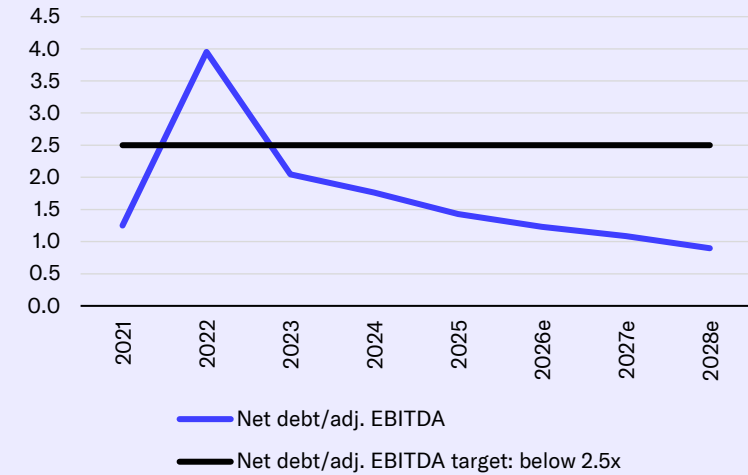
Revenue growth



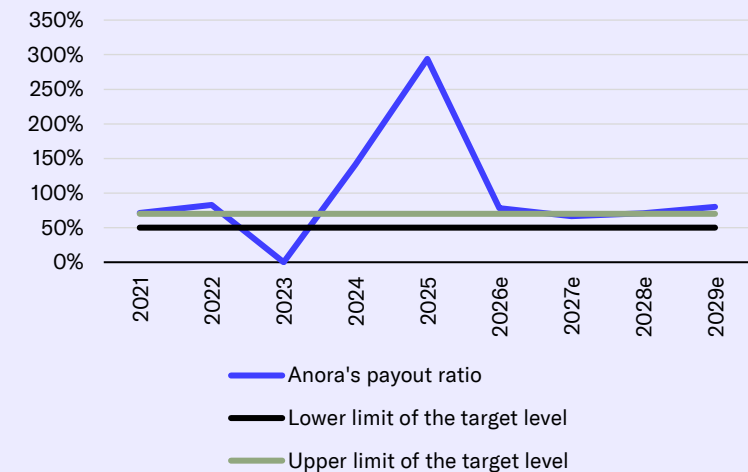
Anora adj. EBITDA vs. target



Net debt/adj. EBITDA vs. target



Payout ratio vs. target level



Source: Anora, Inderes *until 2021, the figures are combined pro forma figures for Arcus and Altia, Globus Wine is included from its acquisition in July 2022

Past development

Altia and Arcus have grown through acquisitions

Altia and Arcus both grew through acquisitions before their merger. In case of former Altia, there was a break in acquisitions after 2013, and in 2016-2020 revenue remained at the same level. Arcus managed to maintain the growth trend (about 5% CAGR in 2016-20), partly organically, partly with small acquisitions.

Starting from 2019, Anora also publishes pro forma figures for the new company. However, this does not include Globus Wine. In 2019, the combined pro forma revenue of Altia and Arcus were about 630 MEUR and remained almost at the same level in 2020. If we add Globus Wine's 2020 sales (of around 70 MEUR) to this, the sales of the current structure were around 700 MEUR before the COVID era, which temporarily supported demand. In comparison, organic development has been clearly negative in 2023-25, with revenue decreasing to 660 MEUR in 2025.

Profitability clearly deteriorated in 2022-23 and has remained subdued in 2024-25

Anora's profitability in its own spirits production is, in our opinion, quite good (although not published separately), but the margin is depressed by the lower-margin distribution of partner brands and industrial and logistics operations that together form the majority of the company's revenue. On the other hand, the businesses are integrated to some extent, and eliminating one sub-area may not be practically possible or sensible.

However, former Altia was able to raise its profitability from the 10% adjusted EBITDA margin in 2015 to 12.7% in 2019.

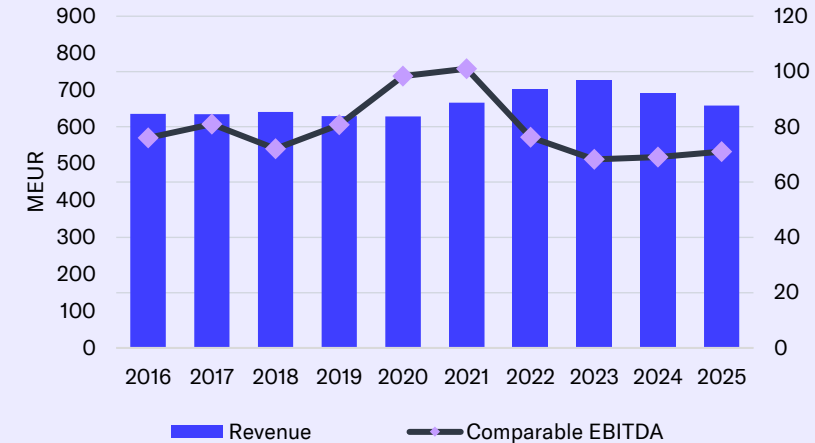
Boosted by COVID, the margin rose above 15% in 2021, but we do not consider this a sustainable level. For the former Arcus, the margin varied between 11-14% before COVID and rose to 17% in 2020-21. The combined EBITDA margin was 12.8% in 2019, which we believe is a relevant baseline. The company's targets indicate achieving or exceeding this level in 2028.

In 2020-21, supported by the COVID demand peak, the pro forma EBITDA margin was 15-16%, while due to a decline in volume, cost inflation, negative FX impact, and the weakness of Globus, the margin fell below 11% in 2022. In 2023, the margin declined further to below 10% and recovered only slightly in 2024. In absolute terms, adjusted EBITDA was just under 70 MEUR, from which it recovered slightly to 71 MEUR in 2025. After the transaction, Globus Wine's margin proved to be clearly weaker than expected, which weighed on the entire Group's margin. The company is applying for insurance compensation related to the acquisition. In addition, the weakened volume level and the inability to cut fixed costs have hit profitability.

Stable cash flow enables the use of financial leverage and a dividend stream

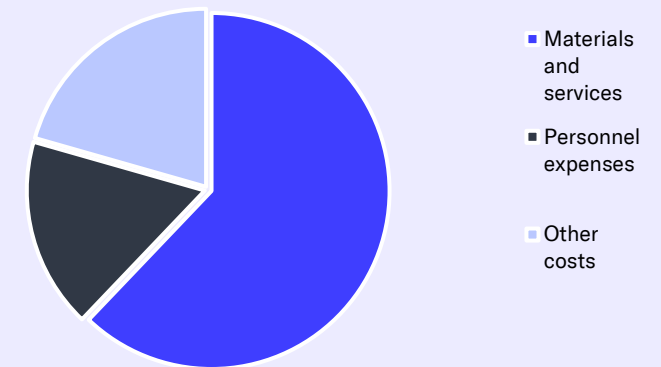
Due to the stable nature of the business, the ability to generate cash flow is also fairly stable. However, changes in working capital can cause annual cash flow volatility. As growth is very moderate, growth investments are not needed in practice, so investments are replacement and improvement investments. Last year, the company generated free cash flow of around 25 MEUR, supported by a small release of working capital.

Anora's revenue and profitability (MEUR)



Source: Anora, Inderes *Years 2016-21 combined figures of Arcus and Altia

Cost structure 2025



Source: Anora

Financial position

Acquisitions have increased intangible assets

The balance sheet contains a significant amount of intangible assets, mainly from acquisitions. Goodwill and other intangible assets amount to over 480 MEUR, or good 45% of the balance sheet. The Wine segment whose profitability is currently weak is subject to goodwill of some 100 MEUR, where we see a write-down risk if the profitability level was to remain weak more permanently. Anora has assumed the Wine segment's EBITDA margin to be 8-10% in the coming years, while our estimates remain at the lower end of this range. Based on Anora's assumptions, the value of the Wine segment is clearly above its book value. If the Wine segment's goodwill were written down in full, it would be around 25% of equity, and the equity ratio would still be around 30%. Thus, we do not believe even a bigger write-down causing any major problems for the balance sheet. For a brand company, we feel intangible assets are justified due to the long-lasting value of the brands.

The balance sheet contains relatively little tangible assets, good 10%. Of this, just under half is right-of-use assets, i.e., leases recognized in the balance sheet, and actual tangible assets only amount to 65 MEUR. As we have pointed out, considering the company's modest organic growth profile, it has no substantial investment needs, so we do not expect tangible assets to grow considerably.

Compared to sales, inventories are around 17% and receivables around 19% at the end of 2025. These represent under 25% of the balance sheet total. The amount of receivables is significantly reduced by Anora's sales program for trade receivables, which it expanded in 2023 to improve its balance sheet. On the debt side, accounts payable are higher than trade receivables and inventories (over 30% of the balance sheet total and almost 50% of revenue). This is largely due to the payment period for

alcohol excise duty, with actual accounts payable being less than sales receivables. Even if sold receivables were added to the balance sheet's accounts receivable, the company's working capital would be negative.

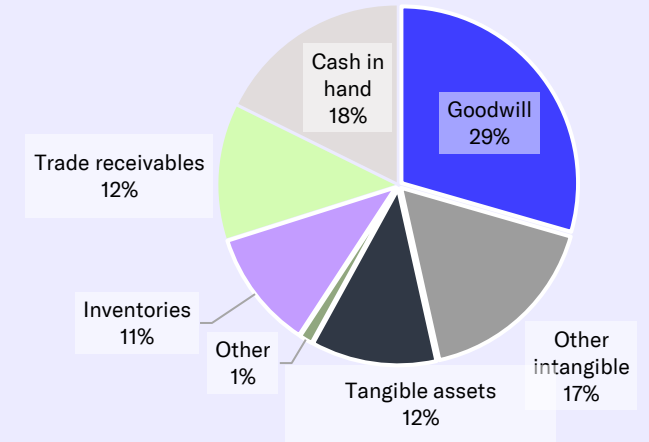
Accounts payable thus represent a large share of Anora's liabilities (30%). Equity covers nearly 40%, which is also the company's equity ratio, while interest-bearing debt is moderate relative to the balance sheet at nearly 20%. Indeed, indebtedness is highish mainly compared to the modest earnings level, as explained above. In our view, the balance sheet as a whole is quite balanced and, as mentioned, large accounts payable support Anora's balance sheet situation.

Improving balance sheet efficiency seems difficult

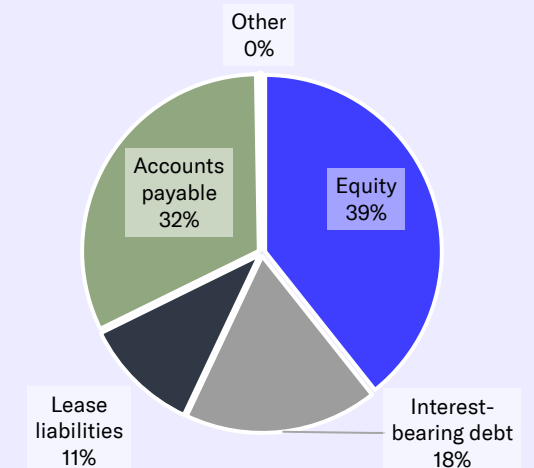
The company's return on capital has been weak in recent years. To improve the return on capital, Anora should improve profitability and/or capital turnover. Improving capital turnover, in turn, requires higher revenue with the same balance sheet or reducing the balance sheet. We have previously described Anora's modest growth potential, which means that a significant improvement in capital turnover is hardly likely.

Considering that the balance sheet contains a large amount of intangible assets and tangible assets, which are unlikely to substantially change, the only efficiency target is working capital. Reducing inventory levels has been the company's goal for years, and it has been partially successful in this regard. In that respect, we believe there is still room for improvement, but it is limited relative to the overall balance sheet size. Considering accounts payable, net working capital is already at a good level. All in all we, therefore, see only limited possibilities for improving balance sheet efficiency and thus capital turnover.

Balance sheet assets 2025 (MEUR)



Balance sheet liabilities 2025 (MEUR)



Source: Anora

Estimates 1/4

Estimates are based on the segments

We model Anora based on the development of revenue and EBITDA in its three segments. Anora does not report segments at EBIT level, so we deduce it by subtracting the Group's depreciation from the EBITDA of the segments. We do not estimate any potential future M&A transactions.

As we pointed out previously, Anora's business is quite defensive and stable and its development is not significantly affected by the economic cycle. Clearly, the most important factor for the company's earnings development in the coming years is the success of its own efficiency measures. In our view, market development deviating from the company's expectations poses both downside and upside risks.

The company guides for slightly improving earnings in 2026

For this year, Anora's guidance is an adjusted EBITDA of 74-79 MEUR, while in 2025 it was 71 MEUR. The guidance is in line with the company's financial targets, which assume an annual earnings improvement of around 5 MEUR in 2026-2028. We expect this year's adjusted EBITDA to be 74 MEUR (previously 75 MEUR). The slight decrease in the earnings estimate is due to rising inflationary pressures, which the company cannot immediately pass on to its sales prices due to rigid pricing. For Anora, higher oil and gas prices are first reflected in logistics costs and packaging (bottles).

We expect stable revenue this year

Anora does not guide revenue but states that alcoholic beverage consumption will remain "structurally challenging"

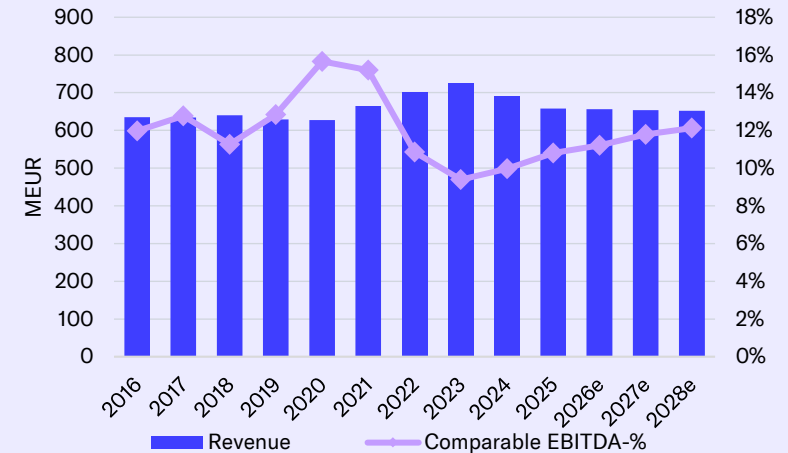
in 2026, with volume pressure continuing in 2026 and beyond. Based on the market assumptions for the coming years presented at the CMD, we know this means a decrease in volumes in the coming years.

We believe this assumption is realistic and, in that sense, better than the market estimates from previous years, which proved to be overly optimistic. We expect Anora's revenue in 2026 to remain at the level of the comparison period, which we believe requires slightly better performance than the market.

At the segment level, we believe the Wine and Spirits segments can slightly improve their earnings, while in the Industrial segment, we expect earnings to decrease slightly but remain at a level typical of recent years. We expect the improvement in the beverage segments' earnings to be mainly supported by the company's efficiency measures. One significant factor among these was the 7 MEUR personnel savings already implemented at the end of 2025. We feel the energy price increases due to the war in Iran pose a negative risk to Anora's earnings estimates.

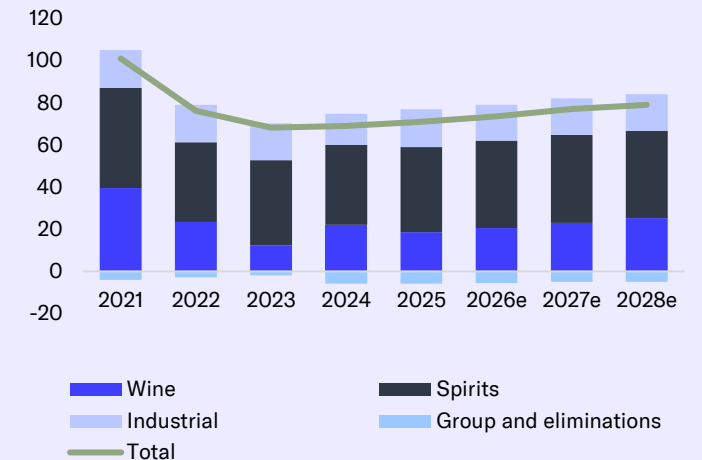
Further down the income statement, we forecast financial expenses to remain more or less unchanged and an improvement in adjusted earnings per share from EUR 0.33 to EUR 0.38. We expect the dividend to rise to EUR 0.26 from EUR 0.24 last year, with the result . This would, however, exceed the company's targeted 50-70% payout ratio, but if the outlook for 2027 is also positive, we believe the company could distribute a dividend higher than its dividend policy.

Anora's revenue and profitability*



Source: Anora, Inderes *Years 2016-21 combined figures of Arcus and Altia

Comparable EBITDA by segment, MEUR



Source: Anora, Inderes

Estimates 2/4

Steady, small earnings improvement in 2027-28

We believe the market will remain challenging, in line with Anora's assumptions, and thus the market will not support growth in 2027-2028 either. We expect Anora's revenue to remain practically unchanged during these years as well. If the market declines slightly in line with Anora's estimates, this implies a slight market share gain and/or growth in other segments such as export markets. Anora also still has certain gaps in its product range within the Nordic monopoly chains, and focusing on these can support the market share. However, we do not believe there will be significant changes in market shares in the coming years.

We estimate adjusted EBITDA to improve slightly in 2027-28 as Anora implements the efficiency measures outlined in its strategy. Our adjusted EBITDA forecast for 2028 is 79 MEUR, which is somewhat lower than Anora's target of 85-90 MEUR. We believe we are more cautious than the company's targets, especially regarding the company's ability to generate additional earnings through revenue growth in the coming years. We estimate an earnings improvement mainly in the Wine segment, which we believe is currently the least profitable relative to its potential. On the other hand, the earnings development of the Spirits segment is weighed down by the likely continued decline in the Finnish market, which is important for the segment. Rising earnings with stable revenue means an increase in the adjusted EBITDA margin, which we estimate will reach over 12% in 2028. This is roughly the pre-COVID level if the former Altia and Arcus operations are combined, so we consider it somewhat normal compared to historical levels.

With financial expenses and the tax rate being relatively stable in our estimates, a small improvement at the EBITDA level also trickles down to the lower lines. In our forecasts,

adjusted earnings per share increases to EUR 0.42 in 2027 and EUR 0.45 in 2028. We also believe that this will allow the dividend to be raised further to EUR 0.32 in 2028, which would mean a payout ratio of 70%, in line with Anora's dividend policy.

Relatively stable cash flow goes mainly to dividends

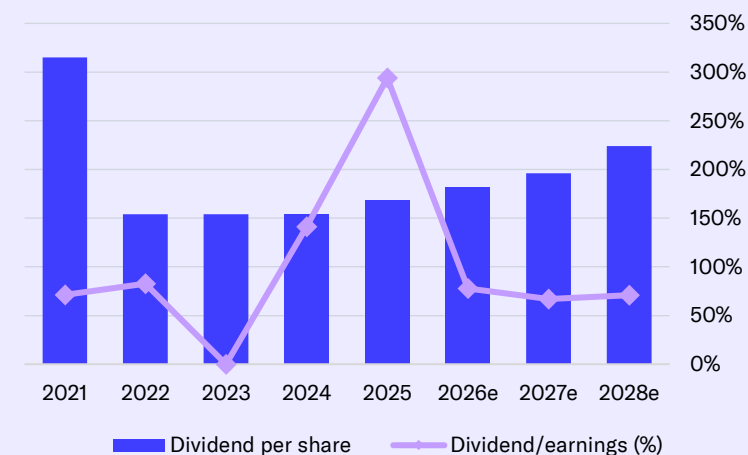
Anora released significant cash from working capital by selling trade receivables in 2023. It still strives to reduce inventory levels, which may support cash flow. In the longer term, as revenue changes are small, we believe that Anora's working capital will remain relatively stable.

We believe typical operating cash flow to be around 50 MEUR from 2027 onwards of which Anora spends about 25 MEUR on replacement investments and lease repayments (divided approximately 50/50 between these). Thus, free cash flow amounts to some 25 MEUR. This means a free cash flow yield of approximately 10% with the current share price. Of this, around 16-22 MEUR will be used for the dividend distribution we estimate in the coming years, so there will still be some money left for debt repayment or possible growth investments in the medium term.

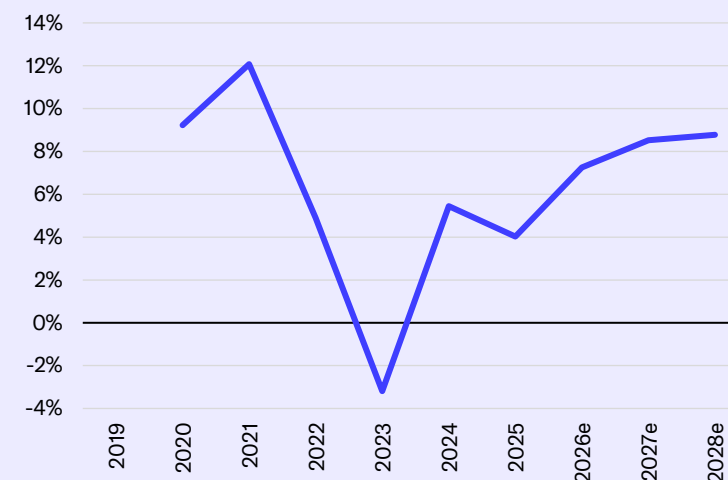
Return on capital close to the required return

The ROCE of Anora and its predecessors Altia and Arcus, has typically been at a moderate level of 5-10%. We expect Anora's return on capital to be 7-9% in the coming years. This corresponds roughly to the level of the company's required return, i.e. we do not expect the company to create much financial added value. This also affects the longer-term expected return, which we will discuss in the valuation section. However, the return on equity will remain somewhat weaker in the coming years, ranging between 6% and 8%.

Dividend back on an upward trend



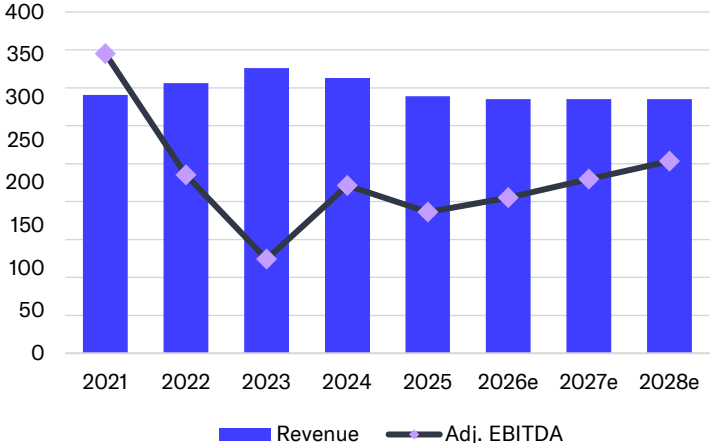
ROI %



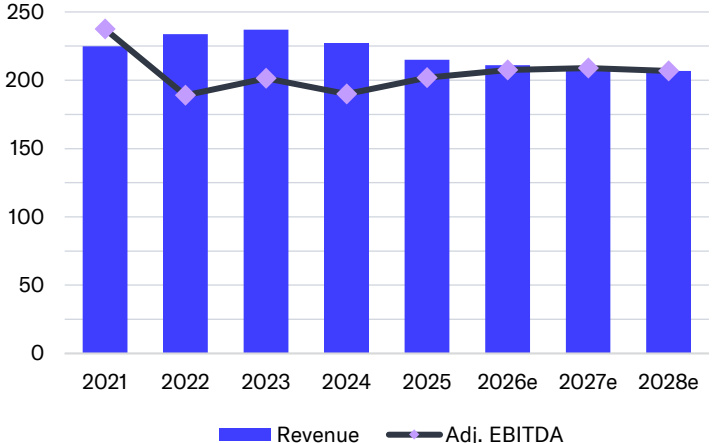
Source: Inderes

Estimates 3/4 - Division estimates

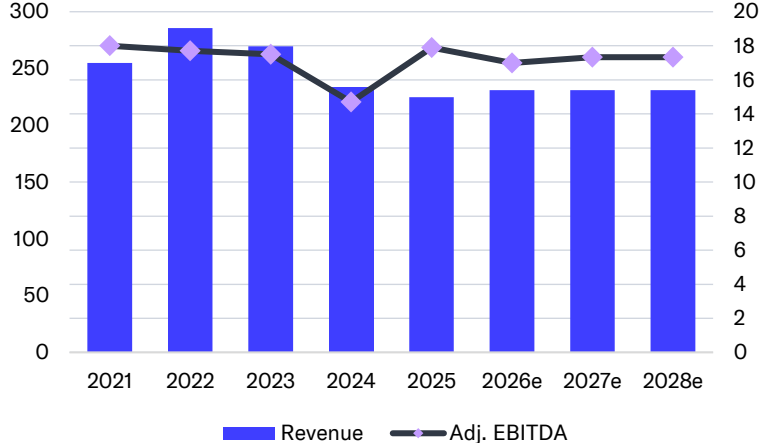
Wine segment development (MEUR)



Spirits segment development (MEUR)



Industrial segment development (MEUR)



Source: Anora, Inderes' estimates

Estimates 4/4 - Estimates lowered due to inflationary pressures

Estimate revisions

- For this year, we lowered our earnings estimates by about 1.5 MEUR or 2-5%, depending on the bottom line. We cut our estimates for 2027 by 1-2%.
- The decrease is due to inflationary pressures from the war in Iran, which we estimate will affect Anora this year mainly through increased logistics and packaging costs (bottles) caused by rising oil and gas prices
- In our view, there is also upward pressure on, e.g., fertilizer costs, which could increase the price of barley. In our view, this would more likely be reflected only at the end of the year or in 2027.
- Since Anora's pricing periods are long, especially for monopoly chains, we believe that the acceleration of cost inflation will initially be reflected as a decrease in profitability. However, price increases are likely to compensate for most of the increased costs over the next 12 months.

Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	656	656	0%	654	654	0%	652	652	0%
EBITDA (adj.)	75.0	73.6	-2%	77.9	77.0	-1%	79.0	79.0	0%
EBIT (exc. NRIs)	48.2	46.8	-3%	51.8	50.9	-2%	52.6	52.6	0%
EBIT	45.2	43.8	-3%	51.8	50.9	-2%	52.6	52.6	0%
PTP	30.4	29.0	-5%	36.8	35.9	-2%	38.6	38.6	0%
EPS (excl. NRIs)	0.40	0.38	-4%	0.43	0.42	-2%	0.45	0.45	0%
DPS	0.26	0.26	0%	0.28	0.28	0%	0.32	0.32	0%

Source: Inderes

Valuation 1/3

Relatively stable income and cash flow make valuation easier

Anora's steady performance and cash flow development makes it relatively easy to use a number of conventional valuation methods. This enables the use of both the DCF model and earnings-based valuation, and also makes dividend yield predictable. For the expected return, we look at the earnings growth in coming years, the dividend level and possible changes in valuation multiples.

Valuation summary

Anora's expected return for the next few years is based on both dividend yield and earnings growth, as the margin level gradually improves from a weak outset. The share's valuation level for 2025 is not yet attractive measured with earnings multiples considering the modest organic growth potential. However, looking at other valuation methods and the earnings multiples for the coming years, the overall valuation picture seems neutral.

We believe the total expected return of the stock consists of dividend yield, earnings growth driven by improved profitability, which is offset by an expected decrease in multiples. Based on different valuation methods, we estimate the fair value range for Anora is EUR 3.3-4.5.

DCF model value close to current share price

Due to the stable industry, steady growth and relatively easily predictable business, the DCF model is, in our opinion, a relevant valuation method for Anora. Our DCF model gives Anora a debt-free value of about 520 MEUR, which means that the value of the share capital is about 280 MEUR, or EUR 4.1 per share. Here we treat sold

receivables (~140 MEUR) as debt. However, the DCF model assumes better profitability than currently in the longer term, whose materialization naturally entails uncertainty.

After our more detailed estimate years, discussed above, we expect the company's revenue to remain at the same level from 2029 onwards. We assume the EBIT margin to be close to 8%. This means that EBIT will be 50-55 MEUR in 2027-34. Investments remain close to depreciation levels. We also assume profitability in the terminal period to be 8.0%.

Because the company's demand is even and defensive and profitability is stable, we use a relatively low 8.0% WACC. About half of the cash flows will already be generated in the next 10 years, and half in the terminal period.

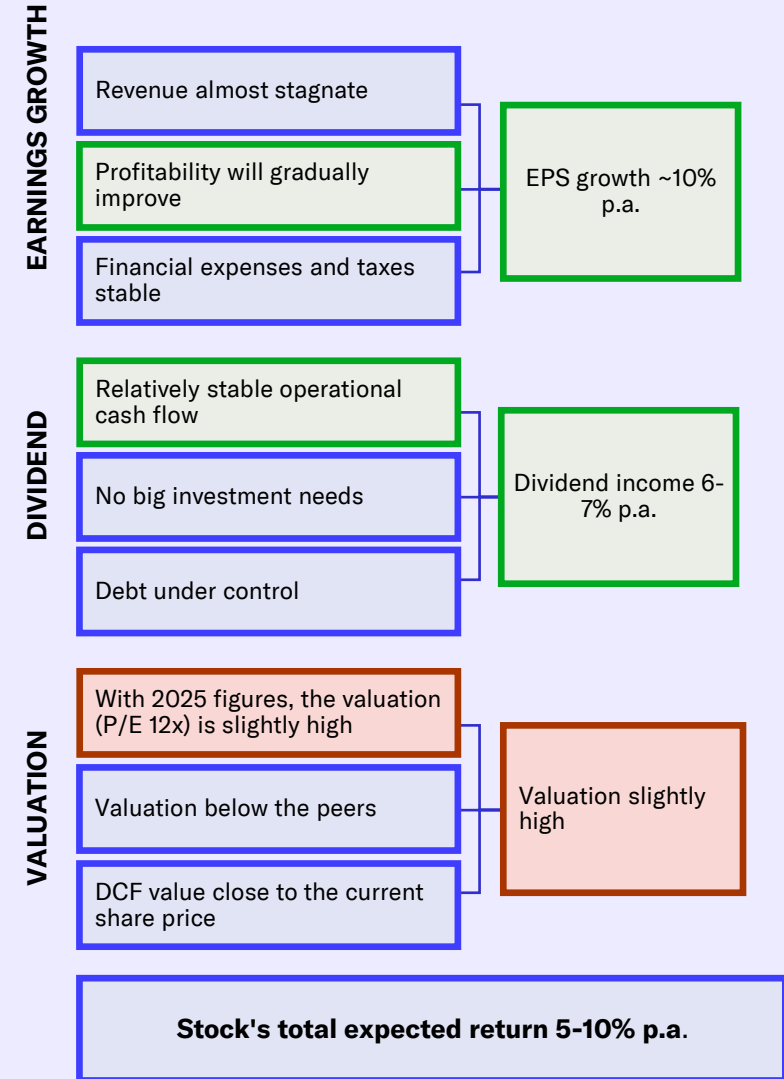
Earnings-based valuation is close to neutral

In its current form, Anora has only been operational for one year, but we find Altia's historic valuation levels relevant also to Anora, as the return on capital and growth profile are very similar. However, the historical ratios of former Arcus have been somewhat higher. Anora's P/E ratio for 2026 is 11x and the historical average is 12x. The EV/EBIT valuation is approximately 8x with 2026 earnings.

As regards the EV-based valuation, we note that Anora has around 140 MEUR sold receivables off-balance-sheet, which can be considered debt-like liabilities. Considering the company's modest growth profile and return on capital, we believe the valuation multiples are close to neutral. We consider a P/E of 10-12x to be an acceptable valuation multiple for Anora.

Total shareholder return drivers 2025-2028e

■ Positive
 ■ Neutral
 ■ Negative



Valuation 2/3

Balance sheet-based valuation looks cheap, partly for a reason

Based on our forecasts, Anora's total return on capital is around 7-8% in 2025-26, while the return on equity is 6-7%. The rate of return is thus at the same level or below our required return (8.4% for equity, 8.0% for total capital). Thus, the balance sheet-based valuation of the share, or P/B, should be below 1.0x. The same is true for the EV/IC ratio (i.e. enterprise value/invested capital). At the current share price, both the P/B and EV/IC ratios for 2026 are 0.7x. This level is justified at current earnings levels, but we believe that medium-term return on capital levels justify figures closer to 1x. The book value per share is nearly EUR 6.

Potential for relatively strong cash flow and dividend – if margin improvement materializes

We believe Anora has the possibility of substantially increasing its volumes within the existing production facilities. Thus, growth in the foreseeable future will not require significant factory investments and the company can use its free cash flow mainly for dividends and possible acquisitions. In the near term, cash flow can still be directed to some extent towards reducing debt.

The impact of growth on earnings and return on capital depends on what type of products the company can grow with. However, with our current estimates, growth is relatively neutral from the point of view of return on capital and hence value creation. Therefore, the company's level of return on capital is mainly determined by its profitability level. In recent years (after the strong period caused by COVID), the company's profitability has been constantly disappointing and at a low level. However, we expect profitability to improve slightly from the level of recent years.

Although the return on capital in our forecasts at best reaches the level of the required return also looking further into the future, Anora's expected return at current valuation is reasonably good also in the longer term. If Anora distributed its entire free cash flow as dividends (from 2028 onwards, some 25-30 MEUR), the dividend yield would be over 10%. We see this as a reflection of Anora's long-term annual return potential, if profitability improves in the coming years as we expect. The return slightly exceeds our required return of around 8%. However, we see a risk that profitability will remain at a lower level than we predict in the future, which would naturally depress the expected return. If the result is potentially lower than our expectations, the indebted balance sheet would also bring additional risk to the shareholder. In the coming years, cash flow will be directed slightly more towards investments, and on the other hand, the earnings level is still lower than our medium-term estimates.

Valuation compared to the peer group

In our opinion, Anora has no direct peers, either in the Nordic countries nor internationally. We use large international alcohol producers as the peer group, among which we have chosen: Brown-Forman (USA), David Campari Milano (Italy), Diageo (UK), Pernod Ricard (France), Remy Cointreau (France) and Constellation Brands (USA). These are large international alcohol producers whose market cap is measured in billions or tens of billions. Of these, Diageo and Pernod Ricard compete directly with Anora in the Nordic markets. As this group mainly produces alcoholic beverages themselves, their margin and return on capital are clearly higher than Anora's (Anora also has a lot of partner brand distribution).

Valuation	2026e	2027e	2028e
Share price	4.10	4.10	4.10
Number of shares, millions	67.6	67.6	67.6
Market cap	277	277	277
EV	368	361	349
P/E (adj.)	10.8	9.8	9.1
P/E	12.3	9.8	9.1
P/B	0.7	0.7	0.7
P/S	0.4	0.4	0.4
EV/Sales	0.6	0.6	0.5
EV/EBITDA	5.2	4.7	4.4
EV/EBIT (adj.)	7.9	7.1	6.6
Payout ratio (%)	78%	67%	71%
Dividend yield-%	6.3 %	6.8 %	7.8 %

Source: Inderes

Valuation 3/3

The more international business of the peers also enables a better growth profile. Thus, the valuation of these companies must be much higher than Anora's. We have also included the Nordic Olvi and Royal Unibrew, which are mainly breweries, in the peer group. These businesses are not, therefore, directly comparable to Anora either .

Of the peer group, Viva Wine Group is Anora's main competitor in wines, although the companies' geographical distribution differs to some extent. Viva's current EV/EBITDA multiple is about 7.5x, which is clearly higher than Anora's. However, Viva has regularly gained market share in the Nordics, and it also has operations in Central Europe. We would, therefore, not use Viva's multiples directly for Anora's Wine segment, but it does provide an interesting benchmark. On the other hand, Anora's spirits operations (Spirits segment) are better comparable (though not directly) to international alcohol producers. Anora's multiples are well below the average/median of the peer group with both earnings-based and balance sheet multiples, as should be. This is due to Anora's lower profitability, return on capital and growth. So, overall we do not feel peer group comparison provides essential support to Anora's valuation.

Acquisition potential

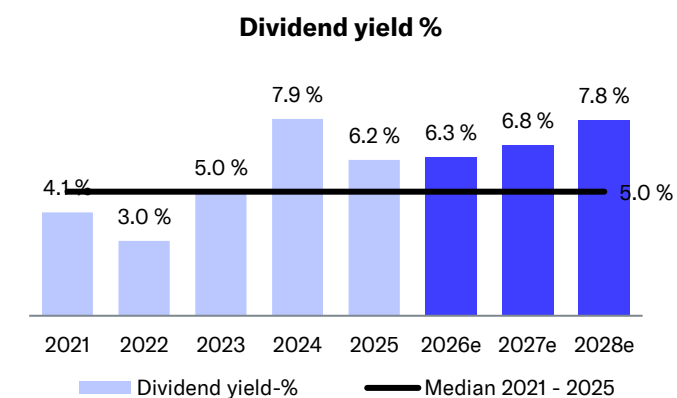
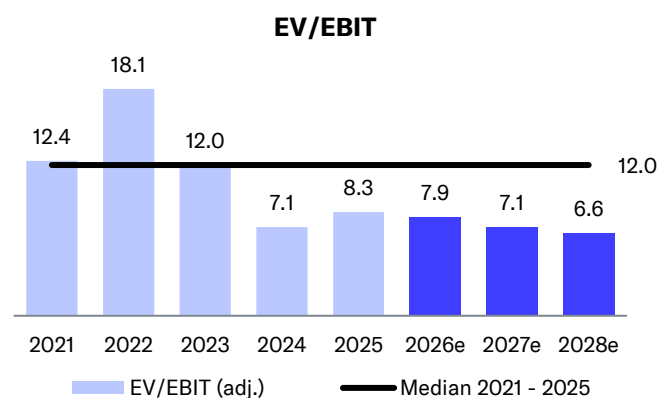
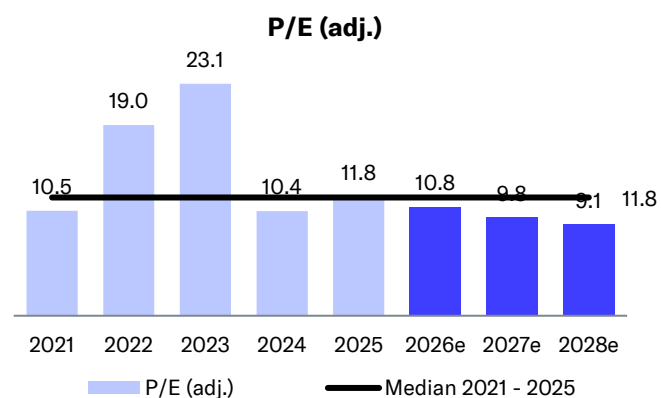
As mentioned earlier, part of Anora's strategy is acquisitions and its predecessors, Arcus and Altia, have expanded mainly through acquisitions in the Nordic countries. We do not believe in significant value creation opportunities through acquisitions, as the next natural step would be on the Central European market where cost synergies with Anora are likely to be small. The lower than

expected profitability of Globus Wine, acquired in the summer of 2022, and accounting uncertainties are unlikely to encourage Anora to actively pursue new acquisitions. The company does have the possibility of receiving insurance compensation related to the Globus transaction, but we feel the deal would still be a failure, at least so far. The company's leveraged balance sheet also still limits acquisition opportunities, and we believe the company will focus on improving its own operations in the coming years instead of acquisitions.

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	10.9	7.36	4.44	2.80	3.86	4.10	4.10	4.10	4.10
Number of shares, millions	46.6	67.6	67.6	67.6	67.6	67.6	67.6	67.6	67.6
Market cap	736	498	300	189	261	277	277	277	277
EV	864	778	419	298	364	368	361	349	338
P/E (adj.)	10.5	19.0	23.1	10.4	11.8	10.8	9.8	9.1	8.7
P/E	11.9	27.7	neg.	18.0	47.3	12.3	9.8	9.1	8.7
P/B	1.5	1.0	0.7	0.5	0.7	0.7	0.7	0.7	0.6
P/S	1.1	0.7	0.4	0.3	0.4	0.4	0.4	0.4	0.4
EV/Sales	1.3	1.1	0.6	0.4	0.6	0.6	0.6	0.5	0.5
EV/EBITDA	9.1	11.5	6.2	4.9	7.1	5.2	4.7	4.4	4.2
EV/EBIT (adj.)	12.4	18.1	12.0	7.1	8.3	7.9	7.1	6.6	6.3
Payout ratio (%)	71.2 %	82.9 %	neg.	141.2 %	293.9 %	77.7 %	66.8 %	70.9 %	80.0 %
Dividend yield-%	4.1 %	3.0 %	5.0 %	7.9 %	6.2 %	6.3 %	6.8 %	7.8 %	9.2 %

Source: Inderes



The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

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
Brown-Forman	10542	12567	13.0	13.4	12.2	12.4	3.7	3.7	15.3	15.6	3.5	3.6	3.0
Davide Campari Milano	7673	9517	15.2	14.0	12.4	11.5	3.1	3.0	20.0	17.8	1.7	1.9	1.4
Diageo	35430	55470	11.0	11.0	9.9	9.9	3.2	3.2	11.5	11.4	3.5	3.8	3.2
Pernod-Ricard	15883	28087	11.7	11.1	9.7	9.6	2.9	2.9	10.8	10.6	6.9	6.6	1.0
Remy-Cointreau	1965	2629	16.0	15.0	12.4	11.8	2.8	2.7	22.6	20.7	3.1	3.3	1.0
Constellation Brands	23047	32130	12.7	12.0	11.1	10.5	4.1	4.1	13.2	12.4	2.7	2.8	3.5
Olvi	684	672	7.5	7.0	5.7	5.4	0.9	0.9	9.9	9.3	4.3	4.6	1.7
Royal Unibrew	3651	4418	13.8	12.8	10.5	10.0	2.1	2.0	15.9	14.3	3.2	3.5	3.8
Viva Wine Group	259	385	10.3	9.4	7.5	7.0	0.7	0.6	10.8	9.5	5.4	6.3	1.6
Anora (Inderes)	277	368	7.9	7.1	5.2	4.7	0.6	0.6	10.8	9.8	6.3	6.8	0.7
Average			12.3	11.8	10.1	9.8	2.6	2.6	14.4	13.5	3.8	4.0	2.3
Median			12.7	12.0	10.5	10.0	2.9	2.9	13.2	12.4	3.5	3.6	1.7
Diff-% to median			-38%	-41%	-50%	-53%	-81%	-81%	-18%	-21%	83%	89%	-59%

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	692	141	165	157	194	658	143	163	158	192	656	654	652	650
Wine	323	65	75	70	91	301	65	73	70	90	298	298	298	298
Spirits	227	45	54	51	66	215	44	52	50	65	211	209	207	205
Industrial	234	51	58	60	57	225	55	59	59	58	231	231	231	231
Group and eliminations	-92.0	-19	-21	-24	-19	-83.2	-21	-21	-21	-21	-84	-84	-84	-84
EBITDA	61.3	8.9	13.5	18.0	10.6	51.0	9.4	14.0	17.0	30.2	70.6	77.0	79.0	79.6
Depreciation	-26.8	-6.8	-6.8	-6.6	-7.0	-27.2	-6.7	-6.7	-6.7	-6.7	-26.8	-26.2	-26.4	-26.1
EBIT (excl. NRI)	42.1	1.2	7.3	11.3	24.1	43.9	4.7	8.3	10.3	23.5	46.8	50.9	52.6	53.5
EBIT	34.5	2.1	6.7	11.4	3.6	23.8	2.7	7.3	10.3	23.5	43.8	50.9	52.6	53.5
Wine (EBITDA)	22.1	0.2	2.0	3.4	13.0	18.6	1.5	2.5	3.0	13.5	20.5	22.9	25.3	25.3
Spirits (EBITDA)	38.0	7.2	8.6	9.3	15.3	40.4	7.4	9.0	10.5	14.7	41.6	41.8	41.4	40.9
Industrial (EBITDA)	14.7	3.1	3.9	5.9	5.1	18.0	4.0	4.5	4.5	4.0	17.0	17.3	17.3	17.3
Group and eliminations	-5.9	-2.5	-0.5	-0.6	-2.3	-5.9	-1.5	-1.0	-1.0	-2.0	-5.5	-5.0	-5.0	-4.0
Share of profits in assoc. compan.	0.3	-0.2	-0.2	-0.3	-0.4	-1.1	-0.1	-0.1	-0.1	-0.1	-0.4	0.0	0.0	0.0
Net financial items	-20.0	-4.3	-3.4	-3.5	-3.5	-14.8	-3.6	-3.6	-3.6	-3.6	-14.4	-15.0	-14.0	-13.0
PTP	14.7	-2.4	3.0	7.7	-0.3	8.0	-1.0	3.6	6.6	19.8	29.0	35.9	38.6	40.5
Taxes	-3.7	0.1	-0.8	-1.5	-0.1	-2.4	0.2	-0.8	-1.5	-4.4	-6.4	-7.5	-8.1	-8.5
Minority interest	-0.5	0.0	0.0	-0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	10.5	-2.3	2.2	6.0	-0.4	5.5	-0.8	2.8	5.1	15.4	22.6	28.3	30.5	32.0
EPS (adj.)	0.27	-0.04	0.04	0.09	0.25	0.33	0.02	0.06	0.08	0.23	0.38	0.42	0.45	0.47
EPS (rep.)	0.16	-0.03	0.03	0.09	-0.01	0.08	-0.01	0.04	0.08	0.23	0.33	0.42	0.45	0.47

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	-4.7 %	-3.7 %	-6.6 %	-3.6 %	-5.4 %	-4.9 %	1.1 %	-1.5 %	0.8 %	-1.2 %	-0.3 %	-0.3 %	-0.3 %	-0.3 %
Adjusted EBIT growth-%	21.0 %	-36.8 %	-16.2 %	22.9 %	8.1 %	4.3 %	291.7 %	13.9 %	-8.9 %	-2.5 %	6.6 %	8.7 %	3.5 %	1.7 %
EBITDA-%	8.9 %	6.3 %	8.2 %	11.5 %	5.5 %	7.8 %	6.6 %	8.6 %	10.8 %	15.7 %	10.8 %	11.8 %	12.1 %	12.3 %
Adjusted EBIT-%	6.1 %	0.8 %	4.4 %	7.2 %	12.4 %	6.7 %	3.3 %	5.1 %	6.5 %	12.2 %	7.1 %	7.8 %	8.1 %	8.2 %
Net earnings-%	1.5 %	-1.6 %	1.4 %	3.8 %	-0.2 %	0.8 %	-0.5 %	1.7 %	3.3 %	8.0 %	3.4 %	4.3 %	4.7 %	4.9 %

Source: Inderes

Full-year earnings per share are calculated using the number of shares at year-end.

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	628	611	613	617	616
Goodwill	299	304	304	304	304
Intangible assets	194	176	176	176	176
Tangible assets	122	119	122	126	124
Associated companies	11.6	10.5	10.5	10.5	10.5
Other investments	0.7	2.2	1.0	1.0	1.0
Other non-current assets	0.2	0.0	0.0	0.0	0.0
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
Current assets	442	421	387	386	385
Inventories	139	113	118	118	117
Other current assets	7.2	0.0	0.0	0.0	0.0
Receivables	114	126	105	105	104
Cash and equivalents	182	183	164	163	163
Balance sheet total	1070	1032	1000	1003	1000

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	399	393	399	410	422
Share capital	61.5	61.5	61.5	61.5	61.5
Retained earnings	50.1	41.0	47.4	58.2	69.7
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	286	290	290	290	290
Minorities	0.9	0.3	0.3	0.3	0.3
Non-current liabilities	306	292	266	260	248
Deferred tax liabilities	35.4	32.7	32.7	32.7	32.7
Provisions	2.6	2.6	2.6	2.6	2.6
Interest bearing debt	268	257	231	224	212
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.1	0.0	0.0	0.0	0.0
Current liabilities	364	347	335	333	331
Interest bearing debt	34.9	27.4	23.4	22.7	21.4
Payables	324	320	312	311	310
Other current liabilities	5.0	0.0	0.0	0.0	0.0
Balance sheet total	1070	1032	1000	1003	1000

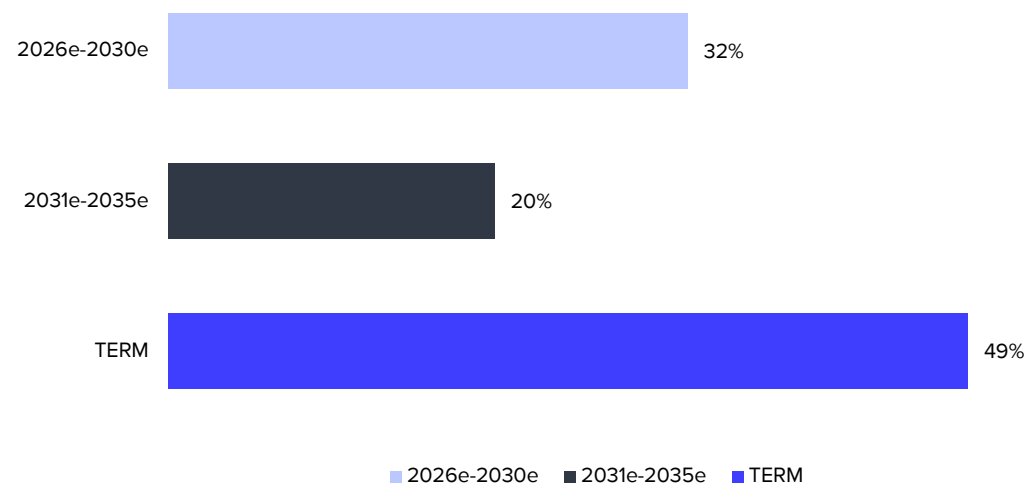
DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	-4.9 %	-0.3 %	-0.3 %	-0.3 %	-0.3 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.5 %	0.5 %
EBIT-%	3.6 %	6.7 %	7.8 %	8.1 %	8.2 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %
EBIT (operating profit)	23.8	43.8	50.9	52.6	53.5	52.0	52.0	52.0	52.0	52.0	52.2	
+ Depreciation	27.2	26.8	26.2	26.4	26.1	25.9	25.8	25.8	25.9	25.9	25.9	
- Paid taxes	-5.1	-6.4	-7.5	-8.1	-8.5	-8.2	-8.2	-8.2	-8.2	-8.2	-7.3	
- Tax, financial expenses	-5.2	-4.2	-4.2	-4.0	-3.8	-3.8	-3.8	-3.8	-3.8	-3.8	-3.7	
+ Tax, financial income	1.3	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	0.0	
- Change in working capital	12.4	7.0	-0.3	-0.3	-0.3	0.0	0.0	0.0	0.0	0.0	0.4	
Operating cash flow	54.5	68.1	66.1	67.7	68.1	67.0	66.9	66.9	66.9	67.0	67.6	
+ Change in other long-term liabilities	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-11.8	-28.8	-30.0	-25.0	-25.2	-25.5	-41.1	-26.0	-26.2	-25.9	-27.5	
Free operating cash flow	42.6	39.3	36.1	42.7	42.8	41.5	25.8	40.9	40.7	41.1	40.1	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	42.6	39.3	36.1	42.7	42.8	41.5	25.8	40.9	40.7	41.1	40.1	536
Discounted FCFF		37.1	31.6	34.6	32.1	28.8	16.6	24.3	22.4	20.9	18.9	253
Sum of FCFF present value		520	483	451	417	385	356	339	315	293	272	253
Enterprise value DCF		520										
- Interest bearing debt		-425										
+ Cash and cash equivalents		183										
+ 0		-0.4										
-Minorities		-0.2										
-Dividend/capital return		0.0										
Equity value DCF		277										
Equity value DCF per share		4.1										

WACC

Tax-% (WACC)	21.0 %
Target debt ratio (D/(D+E))	10.0 %
Cost of debt	6.0 %
Equity Beta	1.03
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	2.5 %
Cost of equity	8.4 %
Weighted average cost of capital (WACC)	8.0 %

Cash flow distribution



Summary

Income statement	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e	
Revenue	726.5	692.0	657.9	656.0	653.9	EPS (reported)	-0.59	0.16	0.08	0.33	0.42	
EBITDA	67.5	61.3	51.0	70.6	77.0	EPS (adj.)	0.19	0.27	0.33	0.38	0.42	
EBIT	-31.3	34.5	23.8	43.8	50.9	OCF / share	2.88	0.77	0.81	1.01	0.98	
PTP	-53.8	14.7	8.0	29.0	35.9	FCF / share	3.02	0.76	0.63	0.58	0.53	
Net Income	-39.9	10.5	5.5	22.6	28.3	Book value / share	6.04	5.89	5.81	5.90	6.06	
Extraordinary items	-66.1	-7.6	-20.1	-3.0	0.0	Dividend / share	0.22	0.22	0.24	0.26	0.28	
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e	
Balance sheet total	1135.7	1069.6	1032.3	1000.4	1003.0	Revenue growth-%	3%	-5%	-5%	0%	0%	
Equity capital	408.7	398.9	393.0	399.4	410.2	EBITDA growth-%	-1%	-9%	-17%	38%	9%	
Goodwill	304.3	299.1	303.8	303.8	303.8	EBIT (adj.) growth-%	-19%	21%	4%	7%	9%	
Net debt	138.2	121.6	101.5	90.1	83.5	EPS (adj.) growth-%	-50%	40%	22%	16%	11%	
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	9.3 %	8.9 %	7.8 %	10.8 %	11.8 %	
EBITDA	67.5	61.3	51.0	70.6	77.0	EBIT (adj.)-%	4.8 %	6.1 %	6.7 %	7.1 %	7.8 %	
Change in working capital	138.9	1.2	12.4	7.0	-0.3	EBIT-%	-4.3 %	5.0 %	3.6 %	6.7 %	7.8 %	
Operating cash flow	194.5	52.3	54.5	68.1	66.1	ROE-%	-9.0 %	2.6 %	1.4 %	5.7 %	7.0 %	
CAPEX	10.1	-1.2	-11.8	-28.8	-30.0	ROI-%	-3.2 %	5.4 %	4.0 %	7.3 %	8.5 %	
Free cash flow	203.8	51.3	42.6	39.3	36.1	Equity ratio	36.0 %	37.3 %	38.1 %	39.9 %	40.9 %	
						Gearing	33.8 %	30.5 %	25.8 %	22.6 %	20.4 %	
							0	2.0	2.0	2.0	1.3	1.1
							0	3.0	3.1	3.5	4.9	5.1
Valuation multiples	2023	2024	2025	2026e	2027e							
EV/S	0.6	0.4	0.6	0.6	0.6							
EV/EBITDA	6.2	4.9	7.1	5.2	4.7							
EV/EBIT (adj.)	12.0	7.1	8.3	7.9	7.1							
P/E (adj.)	23.1	10.4	11.8	10.8	9.8							
P/B	0.7	0.5	0.7	0.7	0.7							
Dividend-%	5.0 %	7.9 %	6.2 %	6.3 %	6.8 %							

Source: Inderes

The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years. Per-share figures are calculated using the number of shares at year-end.

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

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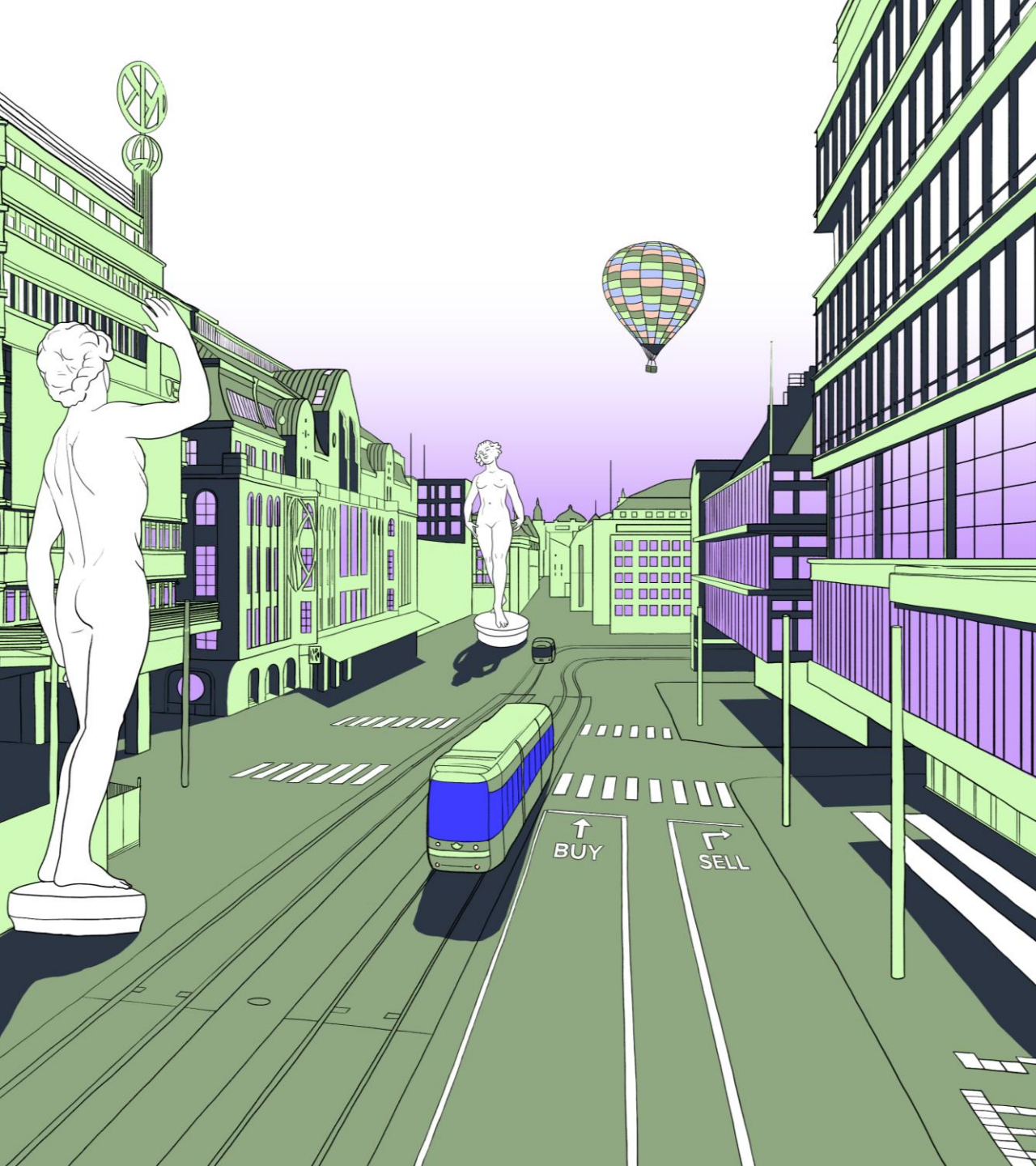
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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
9/27/2022	Reduce	7.50 €	7.05 €
11/24/2022	Reduce	7.50 €	7.40 €
3/1/2023	Reduce	6.80 €	6.45 €
3/29/2023	Accumulate	6.20 €	5.19 €
5/12/2023	Accumulate	6.20 €	5.26 €
7/26/2023	Accumulate	5.50 €	4.80 €
8/16/2023	Accumulate	4.70 €	4.30 €
8/28/2023	Accumulate	5.00 €	4.46 €
9/7/2023	Buy	5.50 €	4.74 €
11/10/2023	Buy	5.50 €	4.44 €
1/12/2024	Buy	5.50 €	4.44 €
2/15/2024	Buy	5.50 €	4.42 €
4/8/2024	Accumulate	5.50 €	5.39 €
5/8/2024	Accumulate	5.30 €	4.72 €
8/14/2024	Accumulate	5.00 €	4.43 €
8/21/2024	Accumulate	5.00 €	4.32 €
10/15/2024	Reduce	3.80 €	3.77 €
11/8/2024	Reduce	3.40 €	3.22 €
1/15/2025	Reduce	3.00 €	2.80 €
2/13/2025	Accumulate	3.30 €	3.11 €
4/10/2025	Accumulate	3.50 €	3.32 €
5/5/2025	Accumulate	3.50 €	3.38 €
5/8/2025	Accumulate	3.50 €	3.03 €
8/18/2025	Accumulate	3.30 €	3.01 €
11/3/2025	Accumulate	3.30 €	3.15 €
11/6/2025	Accumulate	3.50 €	3.42 €
1/21/2025	Reduce	3.80 €	3.81 €
2/12/2026	Reduce	4.00 €	4.15 €
4/9/2026	Reduce	4.00 €	4.10 €



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