APETIT

10/23/2026 15:51 EEST

This is a translated version of the ”Pääoman sitoutuminen kiristänyt arvostusta” report, published on 10/25/2026



Pauli Lohi, Analyst
+35845 45 134 7790
pauli.lohi@inderes.fi

INDERES CORPORATE CUSTOMER

COMPANY REPORT



Capital commitment has tightened valuation

Apetit's earnings outlook is mixed, as Food Solutions in Finland is developing well, while visibility into the earnings turnaround in Sweden and Oilseed Products remains weak. In addition to earnings challenges, the valuation of the share is strained by the increase in working capital tied up in the balance sheet, which increases net debt. We reiterate our Sell recommendation and EUR 11 target price.

Accounting-wise high earnings, weak cash flow development

The Q3 report was weaker than our expectations in terms of revenue at the group level, but clearly stronger in terms of EBIT. Revenue decreased organically by 4% and all segments performed weaker than anticipated, which was impacted by, e.g., the decline in exports in Food Solutions and the timing of cake deliveries in Oilseed Products. Adjusted EBIT improved to as much as 5.0 MEUR (Q3'25: 3.6 MEUR) and clearly exceeded our estimate (2.6 MEUR), which was mainly driven by stronger-than-expected seasonality in Sweden, resulting from accounting practices. The company capitalized the manufacturing expenses of harvest-season production on the balance sheet, as a result of which Sweden's Q3 EBIT exceeded revenue, even though the operation is unprofitable on an annual basis. The adjusted earnings of the Finnish operations were slightly weaker than expected, as Food Solutions' earnings exceeded and Oilseed Products' earnings fell short of our estimates. The company reported that commercial successes accelerated growth in retail within Food Solutions, while Oilseed Products has continued to suffer from weak pressing margins. Working capital increased to 51 MEUR, representing an increase of 8 MEUR from the beginning of the year and 14 MEUR y/y. This weighed on the balance sheet as net debt rose to 29 MEUR (Q3'25: 6 MEUR).

We raised short-term earnings estimates

Apetit reiterated its guidance for 2026 and expects EBIT to be between -2 and +1 MEUR. Our estimate is -0.9 (in the mid-range). For Q4, we expect strong performance for Food Solutions in Finland, supported by a favorable harvest season, a significantly unprofitable quarter for the Swedish pea business, and a moderately recovering earnings profile for Oilseed Products, supported by, e.g., rising feed prices. We raised our 2026-27 adj. EBIT estimates by 0.3-0.6 MEUR, but the 2028 estimate remained unchanged as we had already modeled a significant earnings turnaround for that year. In addition, our cash flow estimate for this year decreased due to a higher-than-expected working capital commitment in Q3. Apetit stated that it expects the efficiency measures in Sweden to be visible already in this year's earnings, but in our view, a more significant turnaround requires better pea harvests and an increase in production volume. In Oilseed Products, the market situation is challenging, and earnings recovery to the 2.3-2.9% EBIT margin level we expect for the coming years is uncertain.

Valuation remains tight also due to the swelling net debt

Apetit' investment profile is defensive and capital-intensive, and its profitability fluctuates occasionally with harvest seasons and changes in the cost environment. Apetit can grow its earnings in the long term, but due to its capital-intensive nature, we estimate that value creation will be low. The EV/EBIT-based valuation has become expensive in recent years due to both earnings challenges and the relative weakening of the balance sheet (working capital was tied up during 2026). As the forecasted earnings turnaround materializes, EV/EBIT will decrease to 17x and 12x in 2027-28, which in our view are still above a fair level (~10x). We expect the company to continue paying a dividend, albeit below last year's level (2025: EUR 0.7, 2026e: EUR 0.45), even though earnings will remain negative in the short term. However, the dividend yield alone is not enough to provide a good expected return. Even if the company's earnings turnaround progresses in line with our estimates, we see the expected return as weak due to high valuation multiples, which are likely to need digestion for the next few years.

Recommendation
Sell
(was Sell)

Target price:
EUR 11.00
(was EUR 11.00)

Share price:
EUR 12.10

Business risk



Valuation risk



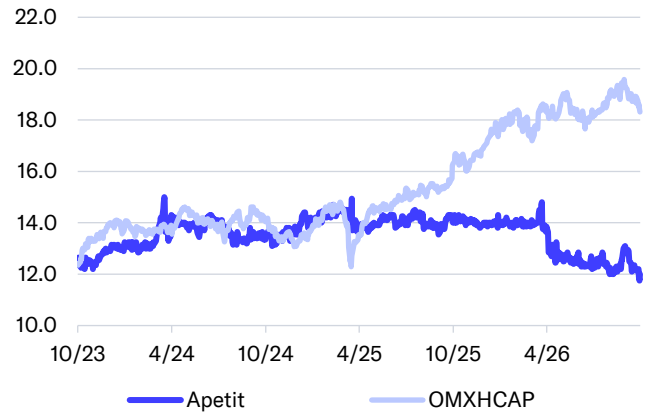
	2025	2026e	2027e	2028e
Revenue	168	172	179	183
growth-%	3%	3%	4%	3%
EBIT adj.	5.9	1.0	5.5	7.4
EBIT-% adj.	3.5 %	0.6 %	3.1 %	4.0 %
Net Income	9.0	-3.6	3.4	5.7
EPS (adj.)	0.21	-0.28	0.55	0.92
P/E (adj.)	66.4	neg.	21.6	13.0
P/B	0.8	0.7	0.7	0.7
Dividend yield-%	5.0 %	3.8 %	5.0 %	5.8 %
EV/EBIT (adj.)	15.4	95.3	16.7	12.1
EV/EBITDA	4.3	8.5	6.0	5.2
EV/S	0.5	0.5	0.5	0.5

Source: Inderes

Guidance (Unchanged)

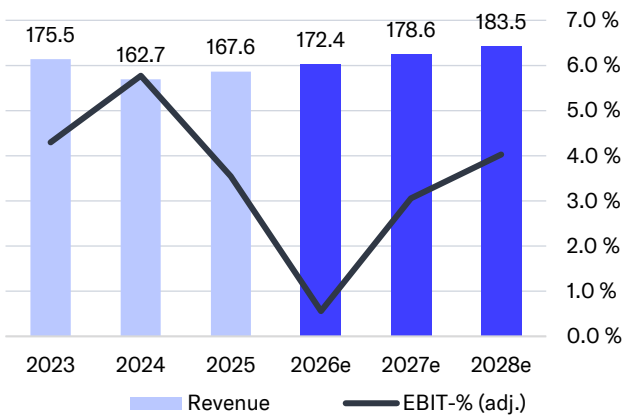
The group's operating result is estimated to be between -2.0 and +1.0 MEUR (in 2025: 5.9 MEUR, excluding the non-recurring impact of the Foodhills acquisition).

Share price



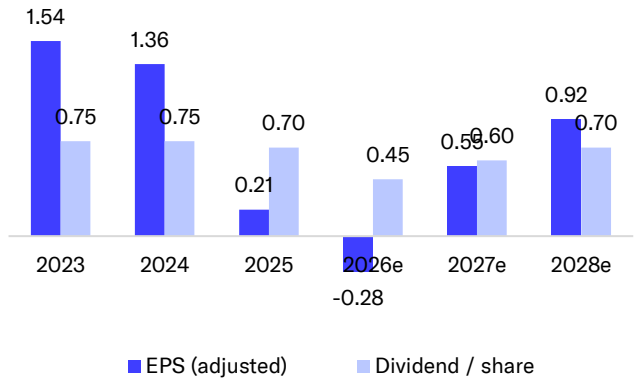
Source: Millistream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and DPS



Source: Inderes

Value drivers

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

Risk factors

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

Valuation	2026e	2027e	2028e
Share price	12.0	12.0	12.0
Number of shares, millions	6.21	6.21	6.21
Market cap	74	74	74
EV	92	91	90
P/E (adj.)	neg.	21.6	13.0
P/E	neg.	21.6	13.0
P/B	0.7	0.7	0.7
P/S	0.4	0.4	0.4
EV/Sales	0.5	0.5	0.5
EV/EBITDA	8.5	6.0	5.2
EV/EBIT (adj.)	95.3	16.7	12.1
Payout ratio (%)	neg.	108.2 %	75.9 %
Dividend yield-%	3.8 %	5.0 %	5.8 %

Source: Inderes

Q3'26: Bright spots aside, the result fails to whet the appetite

Revenue missed expectations

Q3 revenue was at the level of the comparison period, although the pea business acquired in Sweden contributed 1.6 MEUR to revenue (organic revenue decreased by 4%). Revenue was overall 8% below our estimate.

In Food Solutions Finland, revenue was slightly weaker than anticipated and decreased by 3% due to exports, but domestic retail revenue and sales volumes grew, supported by, among other things, commercial successes. We estimate that the decline in exports will prove temporary, as a new good pea harvest supports Finland's export outlook. In Sweden, revenue was at a low level of 1.6 MEUR and missed our estimate. In Oilseed Products, revenue decreased by 5%, while we expected 2% growth. The revenue of Oilseed Products typically fluctuates with market prices, and in addition, the company stated that the timing of deliveries had a negative impact on revenue.

Earnings beat driven in particular by seasonality in Sweden and capitalization of manufacturing expenses

Q3 adjusted EBIT was 5.0 MEUR, significantly exceeding our estimate of 2.6 MEUR and the comparison period level (3.6 MEUR). The beat came from the Swedish pea business, for which quarterly comparison figures have not been published. The Swedish operations are highly seasonal, and during the pea harvesting season, the company can capitalize manufacturing costs on the balance sheet, which resulted in an EBIT of 1.7 MEUR in Q3, exceeding revenue (we estimated -0.4 MEUR). The company emphasized in its report that Sweden's strong Q3 result is related to timing and does not directly reflect a change in annual operational profitability. But on the other hand, the company stated that efficiency measures implemented in Sweden are already impacting this year's earnings.

Food Solutions' earnings for Finland stood at 3.5 MEUR, which was a moderate beat relative to our estimate (3.0 MEUR), supported by well-performing harvest season production and volume growth in retail. In Oilseed Products, by contrast, the result remained at zero (we expected 0.7 MEUR) due to weak margins and delivery timing. The result of Group functions was exceptionally good (EUR -0.1 MEUR, Q3'25: -0.7 MEUR, we predicted -0.7 MEUR), as the company recorded a gain of 0.4 MEUR from real estate transactions. The share of the profit/loss of the associate company Sucros was -0.3 MEUR (Q3'25: -0.2 MEUR), slightly weaker than the zero result we expected.

Weak cash flow has increased debt

Apetit's working capital increased to 51 MEUR, representing an increase of 8 MEUR YTD and 14 MEUR y/y. This weighed on the balance sheet as net debt rose to 29 MEUR (Q3'25: 6 MEUR). We estimate this was driven by, among other things, the acquisition of the Swedish pea business and increased raw material procurement volumes in Food Solutions Finland. Working capital peaks in late autumn due to harvest-season production and unwinds during the year, particularly in H1.

Estimates	Q3'25	Q3'26	Q3'26e	Difference (%)	2026e
MEUR / EUR	**Comparison**	**Actualized**	**Inderes**	**Act. vs. inderes**	**Inderes**
Revenue	41.4	41.3	45.0	-8%	172
EBITDA	5.0	7.4	5.1	45%	10.9
EBIT (adj.)	3.6	4.6	2.6	75%	1.0
EBIT	3.2	5.0	2.6	90%	-0.9
EPS (reported)	0.35	0.59	0.29	101%	-0.59
Revenue growth-%	2.2 %	-0.2 %	8.7 %	-9 pp	3.1 %
EBIT-% (adj.)	8.7 %	11.1 %	5.8 %	5.3 pp	0.6 %

Source: Inderes

Near-term earnings outlook strengthened, cash flow outlook weakened

Guidance unchanged, the rest of the year is mixed

Apetit reiterated its guidance for 2026 and expects EBIT to be between -2 and +1 MEUR. Our estimate is -0.9 MEUR (at the mid-point of the guidance). For Q4, we expect strong earnings for Food Solutions in Finland, supported by a favorable harvest season (with particular export opportunities for peas), a significantly loss-making quarter for the Swedish pea business due to seasonality, and somewhat recovering earnings for Oilseed Products, although pressing margins remain under pressure.

Moderate increases in short-term earnings forecasts

We raised our 2026-27 adj. EBIT estimates by 0.3-0.6 MEUR, but the estimate for 2028 remained unchanged. Short-term earnings outlook was supported by Sweden's seasonally strong earnings in Q3, which offset the high losses of H1 and likely Q4. In addition, we also raised our earnings estimates for Food Solutions in Finland, driven by a good harvest season and seasonal production. For Oilseed Products, by contrast, we lowered our estimates, as pressing margins remain tight, even though a slight positive development has been seen in feed prices.

We cut our cash flow estimate for 2026

Cash flow for the current year looks set to fall short of our previous estimate, as 8 MEUR of working capital was tied up in Q3 relative to the beginning of the year. Working capital typically peaks in late fall when the harvest season production has filled the cold storage facilities. However, in recent years, working capital has not yet been significantly released during Q4, but rather in H1, which is why we also estimate that working capital at the end of 2026 will remain around 7 MEUR higher compared to 2025. This weighs on the company's cash position and pushes net debt up to an estimated 28 MEUR (an estimated 2.6x adj. EBITDA). Expressed this way, indebtedness sounds high, but the equity ratio remains supportive (2026e: 67%) and the likely substantial recovery in earnings will improve debt service capacity during 2027. However, we expect the dividend to decrease significantly from the comparison period (2026e: EUR 0.86, 2025: EUR 0.70). Our dividend estimate fell due to slightly weaker-than-expected cash flow.

Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	175	172	-2%	181	179	-1%	186	183	-2%
EBITDA	10.2	10.9	7%	14.6	15.2	4%	17.3	17.3	0%
EBIT (exc. NRIs)	0.7	1.0	41%	4.9	5.5	11%	7.4	7.4	0%
EBIT	-1.6	-0.9	42%	4.9	5.5	11%	7.4	7.4	0%
PTP	-4.0	-3.3	17%	4.1	4.6	12%	7.0	7.0	0%
EPS (excl. NRIs)	-0.34	-0.28	17%	0.51	0.55	10%	0.92	0.92	0%
DPS	0.50	0.45	-10%	0.60	0.60	0%	0.70	0.70	0%

Source: Inderes

Valuation is demanding relative to the baseline

Growth efforts raises the risk level for the coming years

The investment profile of Apetit's share is traditionally defensive, as the business is not particularly dependent on economic cycles, but on the other hand, the market's growth prospects are rather moderate. The company operates in a competitive market where achieving high returns on invested capital is challenging. In addition, the dependency on successful harvest seasons and global refining margins for oilseed products and sugar brings annual volatility to the company's earnings development.

Following its new strategy announced at the end of 2025, the company has taken bolder growth steps (particularly the acquisition in Sweden, and partly also the BlackGrain investments). These weigh on the earnings outlook for the coming years and increase estimate uncertainty, although in a positive scenario, they could boost the company's profitable growth in the long term. In our view, the Food Solutions business in Finland is a stably developing and moderately profitable business, and we believe it will continue to serve as the backbone of the company in the future. If the company's new growth initiatives do not start turning more profitable in the coming years, the positive development of Food Solutions Finland could partly become hidden under weaker elements.

Associated company Sucros considered in valuation

Valuation is complicated by the company's 20% holding in the sugar company Sucros. The value and at times also the earnings impact of the Sucros holding are significant, so stock valuation also requires an opinion on the fair value of Sucros. We value Sucros at P/B 0.6x due to the low long-term profitability of the business. We have adjusted Sucros' value in the EV-based valuation multiples and added it to the value indicated by the DCF.

The earnings-based valuation is currently higher than usual (EV/EBIT 2026e: 98x, 2027e: 17x), driven in particular by losses in the Swedish pea business. The earnings of Oilseed Products have also been weaker than usual lately, and no significant turnaround in the challenging market conditions is in sight for the time being. We estimate the fair valuation level of the stock to be around 10x, compared to which the stock appears expensive. Even if the Swedish pea business were to become profitable at the EBITDA level and Oilseed Products' earnings were to rise to a normalized level, the valuation would still be slightly above fair value (2028e: 12x). Consequently, even an earnings turnaround that we consider successful would not make the share neutrally valued at the current price.

Balance sheet valuation partly misleading

Apetit was able to acquire the Swedish pea business very cheaply on a balance sheet basis, which resulted in a significant positive revaluation of the balance sheet. For this reason, the stock's P/B ratio appears attractive (P/B: 0.7x). The write-up does not reflect the earnings capacity of the acquired business, so we believe that the balance sheet value does not currently give a completely accurate picture of the fair value of the company's assets. If the company could turn around the earnings of the acquired business and achieve a moderate return on capital employed, as in its legacy businesses (2024 ROI: 10%), there would be significant upside potential for the share, even from a balance sheet perspective. The same applies to this line of thinking as to earnings-based valuation – the uncertainty regarding Sweden's earnings turnaround is difficult to assess. With our current estimates, the ROI for the next few years remains low (2027-2028e: 4-6%).

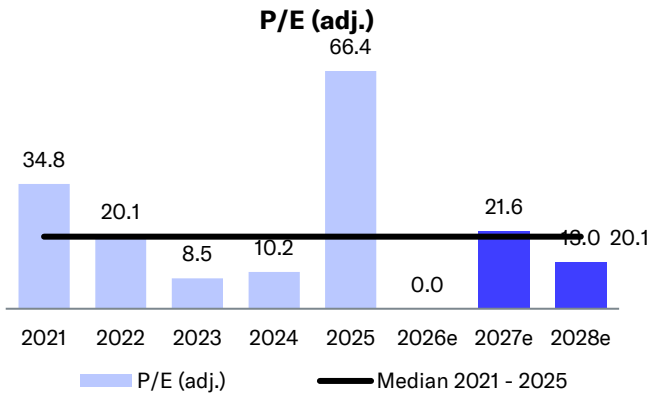
Valuation	2026e	2027e	2028e
Share price	12.0	12.0	12.0
Number of shares, millions	6.21	6.21	6.21
Market cap	74	74	74
EV	92	91	90
P/E (adj.)	neg.	21.6	13.0
P/E	neg.	21.6	13.0
P/B	0.7	0.7	0.7
P/S	0.4	0.4	0.4
EV/Sales	0.5	0.5	0.5
EV/EBITDA	8.5	6.0	5.2
EV/EBIT (adj.)	95.3	16.7	12.1
Payout ratio (%)	neg.	108.2 %	75.9 %
Dividend yield-%	3.8 %	5.0 %	5.8 %

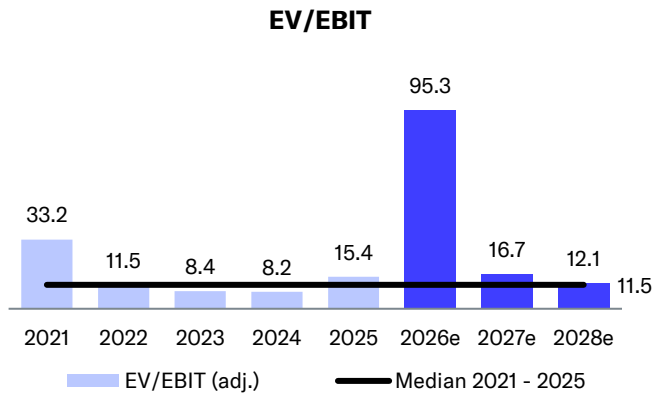
Source: Inderes

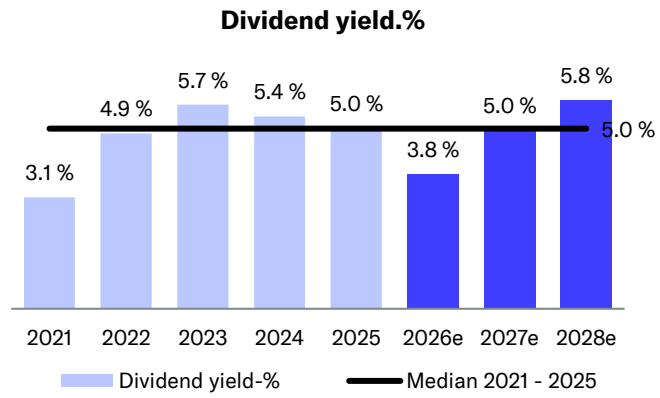
Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	12.9	10.2	13.2	14.0	13.9	**12.0**	**12.0**	**12.0**	**12.0**
Number of shares, millions	6.32	6.32	6.32	6.21	6.21	**6.21**	**6.21**	**6.21**	**6.21**
Market cap	81	64	83	87	86	**74**	**74**	**74**	**74**
EV	94	40	63	77	91	**92**	**91**	**90**	**88**
P/E (adj.)	34.8	20.1	8.5	10.2	66.4	**neg.**	**21.6**	**13.0**	**11.6**
P/E	34.8	20.1	8.5	10.2	9.6	**neg.**	**21.6**	**13.0**	**11.6**
P/B	0.9	0.7	0.8	0.8	0.77	**0.7**	**0.7**	**0.7**	**0.7**
P/S	0.3	0.4	0.5	0.5	0.5	**0.4**	**0.4**	**0.4**	**0.4**
EV/Sales	0.3	0.2	0.4	0.5	0.5	**0.5**	**0.5**	**0.5**	**0.5**
EV/EBITDA	10.3	4.2	4.8	4.8	4.3	**8.5**	**6.0**	**5.2**	**5.0**
EV/EBIT (adj.)	33.2	11.5	8.4	8.2	15.4	**95.3**	**16.7**	**12.1**	**11.1**
Payout ratio (%)	108.5 %	98.7 %	48.6 %	55.1 %	48.3 %	**neg.**	**108.2 %**	**75.9 %**	**72.5 %**
Dividend yield-%	3.1 %	4.9 %	5.7 %	5.4 %	5.0 %	**3.8 %**	**5.0 %**	**5.8 %**	**6.3 %**

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	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	**MEUR**	**MEUR**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**
Atria	446	749	10.3	10.0	5.4	5.3	0.4	0.4	8.9	9.0	5.4	5.6	1.0
Raisio	361	303	11.7	9.6	8.3	7.2	1.3	1.3	15.7	14.0	6.7	7.2	1.4
HKFoods	145	354	10.1	9.7	5.4	5.3	0.3	0.3	10.8	8.5	7.4	7.7	1.0
Fodelia	38	42	14.0	10.9	8.2	6.7	0.7	0.6	15.5	12.0	2.2	3.0	3.0
Nomad Foods	1497	3569	9.5	9.4	7.5	7.4	1.2	1.2	7.5	7.4	6.3	6.5	0.6
Savencia	794	2021	9.4	8.2	4.0	3.7	0.3	0.3	6.8	5.8	3.0	3.5	0.4
Agrana Beteiligungs	725	1222	17.8	14.4	6.7	6.3	0.4	0.4		15.4	6.0	5.0	0.7
Bonduelle	277	852	11.6	11.0	5.3	5.3	0.4	0.4	8.3	7.0	3.2	3.3	0.4
Austevoll Seafood	1603	3620	13.0	7.8	6.7	5.3	1.0	0.9	10.6	7.6	8.1	8.4	0.9
Origin Enterprises	435	581	6.6	6.5	4.8	4.7	0.3	0.3	7.5	7.4	4.5	4.7	0.9
Cranswick	3400	3689	13.4	12.3	9.4	8.7	1.0	1.0	17.8	16.5	2.1	2.3	2.6
Apetit (Inderes)	**74**	**92**	**95.3**	**16.7**	**8.5**	**6.0**	**0.5**	**0.5**	**-42.6**	**21.6**	**3.8**	**5.0**	**0.7**
Average			**11.4**	**9.8**	**6.7**	**6.1**	**0.7**	**0.6**	**11.2**	**10.4**	**5.0**	**5.2**	**1.2**
Median			**10.9**	**9.7**	**6.7**	**5.8**	**0.5**	**0.5**	**10.6**	**8.8**	**5.4**	**5.0**	**0.9**
Diff-% to median			***774%***	***73%***	***27%***	***3%***	***11%***	***12%***	***-501%***	***147%***	***-30%***	***-1%***	***-24%***

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26	Q4'26e	2026e	2027e	2028e	2029e
Revenue	**163**	**43.8**	**39.2**	**41.4**	**43.2**	**168**	**46.1**	**38.7**	**41.3**	**46.4**	**172**	**179**	**183**	**188**
Food Solutions	75.8	20.4	17.3	19.0	21.0	77.7	24.6	18.8	20.0	24.5	87.9	90.7	93.4	95.5
Oilseed Products	87.4	23.6	22.1	22.5	22.2	90.4	21.6	20.0	21.4	22.0	85.0	88.4	90.6	92.8
Eliminations	-0.4	-0.2	-0.2	-0.1	0.0	-0.5	-0.1	-0.2	-0.2	-0.1	-0.5	-0.5	-0.5	-0.5
EBITDA	**16.1**	**4.1**	**1.0**	**5.0**	**10.9**	**21.0**	**0.9**	**-0.9**	**7.4**	**3.4**	**10.9**	**15.2**	**17.3**	**17.8**
Depreciation	-6.7	-1.8	-1.8	-1.8	-1.9	-7.4	-2.3	-3.7	-2.4	-3.5	-11.8	-9.7	-9.9	-9.9
EBIT (excl. NRI)	**9.4**	**2.3**	**-0.8**	**3.7**	**0.8**	**5.9**	**-1.4**	**-3.2**	**4.6**	**1.0**	**1.0**	**5.5**	**7.4**	**7.9**
EBIT	**9.4**	**2.3**	**-0.8**	**3.2**	**9.0**	**13.6**	**-1.4**	**-4.5**	**5.0**	**0.0**	**-0.9**	**5.5**	**7.4**	**7.9**
Food Solutions	8.2	2.4	-0.4	2.7	9.5	14.3	0.0	-3.0	5.2	0.4	2.6	6.4	7.8	8.3
Oilseed Products	4.2	0.4	0.2	1.2	0.4	2.2	-0.7	-0.9	0.0	0.6	-1.1	2.0	2.6	2.7
Group functions	-2.9	-0.6	-0.7	-0.7	-0.9	-2.9	-0.6	-0.7	-0.1	-1.0	-2.4	-2.9	-3.0	-3.1
Share of associated companies' profits or losses	1.5	-1.5	-0.5	-0.2	-0.6	-2.8	-1.1	-0.2	-0.3	0.4	-1.2	0.5	1.0	1.0
Net financial items	-0.6	-0.1	-0.2	-0.2	-0.2	-0.7	-0.3	-0.4	-0.3	-0.3	-1.2	-1.4	-1.4	-1.2
PTP	**10.3**	**0.7**	**-1.5**	**2.8**	**8.2**	**10.1**	**-2.8**	**-5.1**	**4.4**	**0.1**	**-3.3**	**4.6**	**7.0**	**7.7**
Taxes	-1.9	-0.3	0.1	-0.6	-0.3	-1.1	-0.1	0.6	-0.8	-0.1	-0.3	-1.2	-1.3	-1.3
Net earnings	**8.5**	**0.4**	**-1.4**	**2.2**	**7.9**	**9.0**	**-2.9**	**-4.5**	**3.7**	**0.0**	**-3.6**	**3.4**	**5.7**	**6.4**
EPS (adj.)	**1.36**	**0.06**	**-0.23**	**0.43**	**-0.05**	**0.21**	**-0.46**	**-0.51**	**0.53**	**0.17**	**-0.28**	**0.55**	**0.92**	**1.03**
EPS (rep.)	**1.36**	**0.06**	**-0.23**	**0.35**	**1.27**	**1.45**	**-0.46**	**-0.72**	**0.59**	**0.01**	**-0.59**	**0.55**	**0.92**	**1.03**

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	-7.3 %	3.8 %	5.9 %	2.2 %	0.6 %	3.0 %	5.3 %	-1.4 %	-0.4 %	7.4 %	2.9 %	3.6 %	2.7 %	2.4 %
Adjusted EBIT growth-%	25%	-33%	-740%	-1%	-66%	-37%	-161%	-282%	24%	19%	-84%	466%	35%	7%
EBITDA-%	9.9 %	9.4 %	2.6 %	12.1 %	25.2 %	12.5 %	2.0 %	-2.2 %	17.9 %	7.4 %	6.3 %	8.5 %	9.4 %	9.5 %
Adjusted EBIT-%	5.8 %	5.2 %	-2.1 %	8.9 %	1.9 %	3.5 %	-3.0 %	-8.3 %	11.1 %	2.1 %	0.6 %	3.1 %	4.0 %	4.2 %
Net earnings-%	5.2 %	0.8 %	-3.7 %	5.3 %	18.2 %	5.4 %	-6.2 %	-11.6 %	8.9 %	0.1 %	-2.1 %	1.9 %	3.1 %	3.4 %

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	**76.2**	**85.5**	**85.3**	**85.3**	**85.3**
Goodwill	0.4	0.4	0.4	0.4	0.4
Intangible assets	5.2	6.3	6.3	6.3	6.3
Tangible assets	48.1	57.2	55.4	55.4	55.4
Associated companies	21.6	17.8	19.4	19.4	19.4
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.9	0.9	0.9	0.9	0.9
Deferred tax assets	0.0	2.9	2.9	2.9	2.9
Current assets	**58.8**	**63.7**	**69.2**	**70.7**	**71.8**
Inventories	46.6	49.5	53.1	54.1	54.7
Other current assets	0.0	0.2	0.2	0.2	0.2
Receivables	8.1	10.3	12.1	12.5	12.8
Cash and equivalents	4.1	3.7	3.8	3.9	4.1
Balance sheet total	**135**	**149**	**154**	**156**	**157**

Source: Inderes

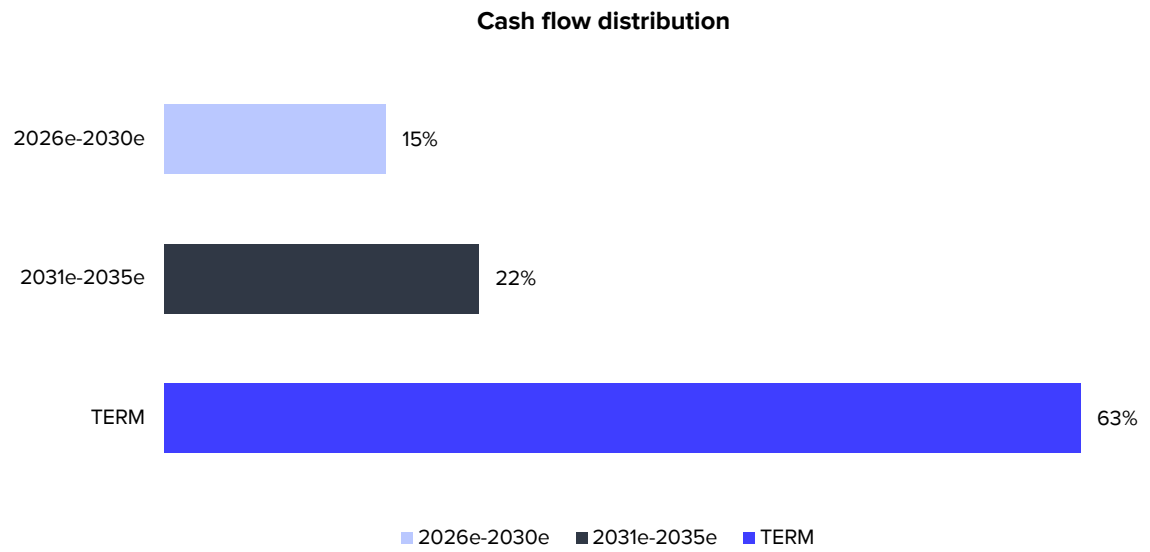
Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	**108**	**112**	**104**	**104**	**106**
Share capital	12.6	12.3	12.3	12.3	12.3
Retained earnings	65.6	70.0	62.0	62.6	64.6
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	23.4	23.4	23.4	23.4	23.4
Other equity	6.0	6.0	6.0	6.0	6.0
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	**6.4**	**12.8**	**11.4**	**11.5**	**11.0**
Deferred tax liabilities	0.4	1.3	1.3	1.3	1.3
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	5.9	11.4	10.0	10.1	9.6
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.1	0.1	0.1	0.1	0.1
Current liabilities	**20.9**	**24.8**	**39.4**	**40.2**	**39.7**
Interest bearing debt	1.5	7.9	22.0	22.2	21.1
Payables	19.4	16.9	17.4	18.0	18.5
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	**135**	**149**	**154**	**156**	**157**

DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	3.0 %	2.9 %	3.6 %	2.7 %	2.4 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.2 %	2.2 %
EBIT-%	8.1 %	-0.5 %	3.1 %	4.0 %	4.2 %	4.3 %	4.4 %	4.5 %	4.5 %	4.2 %	4.2 %	4.2 %
EBIT (operating profit)	**13.6**	**-0.9**	**5.5**	**7.4**	**7.9**	**8.3**	**8.7**	**9.1**	**9.3**	**8.9**	**9.1**	
+ Depreciation	7.4	11.8	9.7	9.9	9.9	9.9	10.0	10.1	10.2	10.4	10.6	
- Paid taxes	-3.1	-0.3	-1.2	-1.3	-1.3	-1.3	-1.4	-1.5	-1.7	-1.6	-1.7	
- Tax, financial expenses	-0.1	0.2	-0.4	-0.3	-0.2	-0.2	-0.2	-0.2	-0.1	-0.1	-0.1	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-7.8	-4.9	-0.8	-0.4	-0.2	-0.3	-0.3	-0.2	-0.2	-0.2	-1.1	
Operating cash flow	**10.0**	**5.9**	**12.8**	**15.3**	**16.0**	**16.3**	**16.7**	**17.2**	**17.6**	**17.4**	**16.9**	
+ Change in other long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-17.6	-10.0	-9.7	-9.9	-10.1	-10.8	-11.0	-11.2	-11.5	-11.7	-10.6	
Free operating cash flow	**-7.6**	**-4.1**	**3.1**	**5.5**	**5.9**	**5.5**	**5.7**	**6.0**	**6.1**	**5.7**	**6.3**	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-7.6	-4.1	3.1	5.5	5.9	5.5	5.7	6.0	6.1	5.7	6.3	103
Discounted FCFF		**-4.1**	**2.8**	**4.6**	**4.6**	**3.9**	**3.8**	**3.6**	**3.4**	**3.0**	**3.0**	**48.8**
Sum of FCFF present value		77.4	81.5	78.6	74.1	69.5	65.6	61.8	58.2	54.8	51.8	48.8
Enterprise value DCF		**77.4**										
- Interest bearing debt		-19.3										
+ Cash and cash equivalents		3.7										
+ Associated companies		10.7										
-Dividend/capital return		-4.3										
Equity value DCF		**68.1**										
Equity value DCF per share		**11.0**										

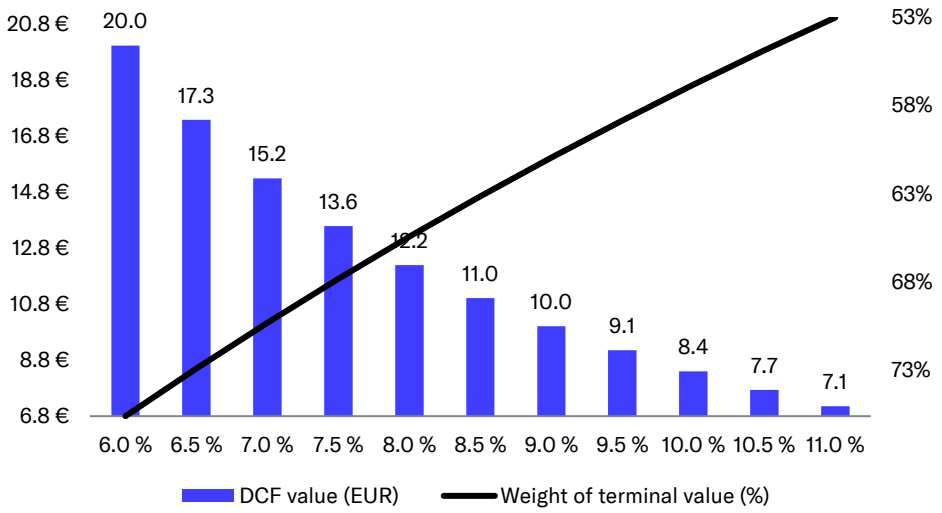
WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E)	5.0 %
Cost of debt	3.0 %
Equity Beta	0.92
Market risk premium	4.75%
Liquidity premium	1.40%
Risk free interest rate	3.0 %
Cost of equity	**8.8 %**
Weighted average cost of capital (WACC)	**8.5 %**

Source: Inderes

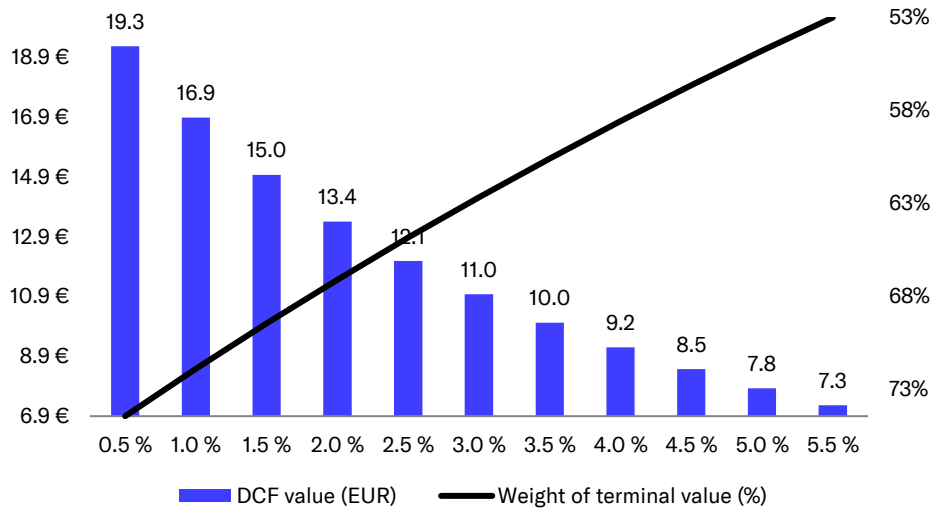


DCF sensitivity calculations and key assumptions in graphs

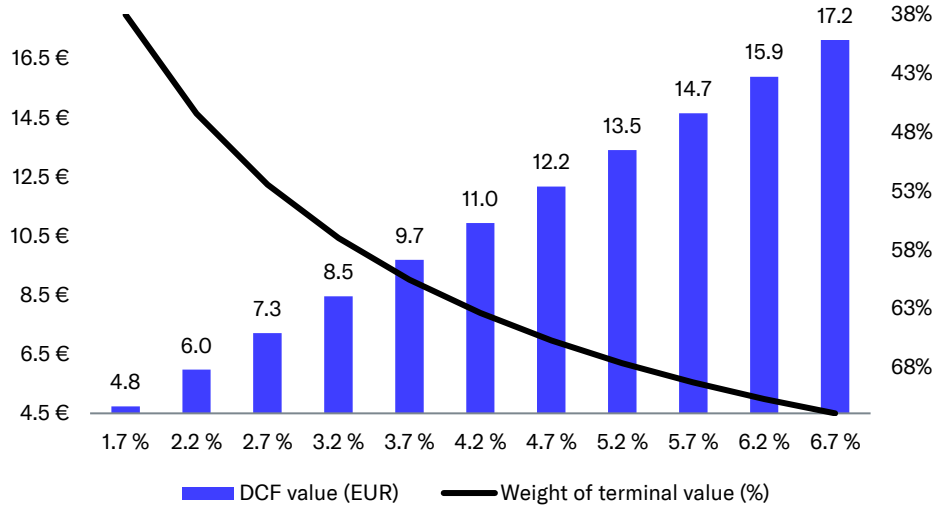
Sensitivity of DCF to changes in the WACC-%



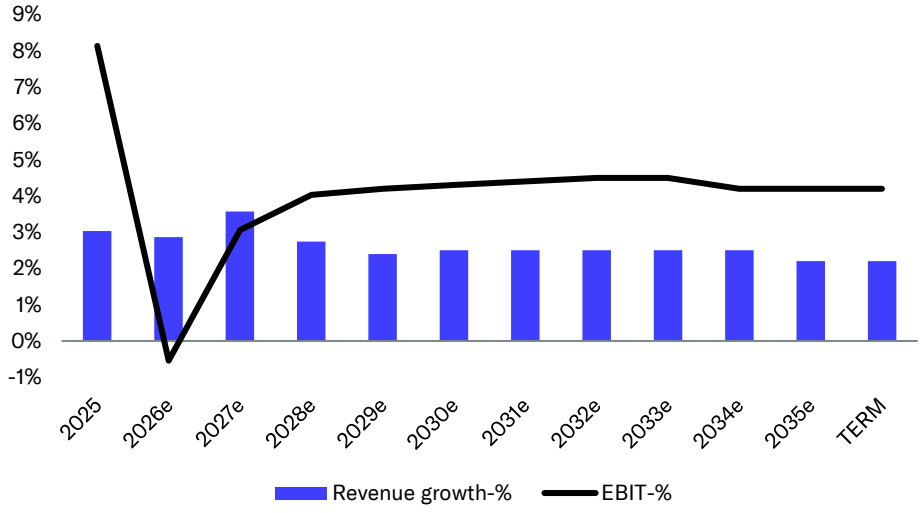
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



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

Summary

Income statement	2023	2024	2025	2026e	2027e
Revenue	175.5	162.7	167.6	**172.4**	**178.6**
EBITDA	13.2	16.1	21.0	**10.9**	**15.2**
EBIT	7.5	9.4	13.6	**-0.9**	**5.5**
PTP	11.2	10.3	10.1	**-3.3**	**4.6**
Net Income	9.8	8.5	9.0	**-3.6**	**3.4**
Extraordinary items	0.0	0.0	7.7	**-1.9**	**0.0**

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	131.1	135.0	149.2	**154.5**	**156.0**
Equity capital	103.5	107.6	111.7	**103.7**	**104.3**
Goodwill	0.4	0.4	0.4	**0.4**	**0.4**
Net debt	-5.9	3.3	15.6	**28.2**	**28.4**

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	13.2	16.1	21.0	**10.9**	**15.2**
Change in working capital	-4.2	-12.4	-7.8	**-4.9**	**-0.8**
Operating cash flow	9.1	3.6	10.0	**5.9**	**12.8**
CAPEX	-14.7	-10.7	-17.6	**-10.0**	**-9.7**
Free cash flow	-5.6	-7.2	-7.6	**-4.1**	**3.1**

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S	0.4	0.5	0.5	**0.5**	**0.5**
EV/EBITDA	4.8	4.8	4.3	**8.5**	**6.0**
EV/EBIT (adj.)	8.4	8.2	15.4	**95.3**	**16.7**
P/E (adj.)	8.5	10.2	66.4	**neg.**	**21.6**
P/B	0.8	0.8	0.8	**0.7**	**0.7**
Dividend-%	5.7 %	5.4 %	5.0 %	**3.8 %**	**5.0 %**

Source: Inderes

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	1.54	1.36	1.45	**-0.59**	**0.55**
EPS (adj.)	1.54	1.36	0.21	**-0.28**	**0.55**
OCF / share	1.44	0.58	1.61	**0.94**	**2.06**
OFCF / share	-0.89	-1.16	-1.22	**-0.67**	**0.50**
Book value / share	16.38	17.33	17.99	**16.70**	**16.80**
Dividend / share	0.75	0.75	0.70	**0.45**	**0.60**

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	-3%	-7%	3%	**3%**	**4%**
EBITDA growth-%	41%	21%	31%	**-48%**	**40%**
EBIT (adj.) growth-%	118%	25%	-37%	**-84%**	**466%**
EPS (adj.) growth-%	205%	-12%	-85%	**-234%**	**297%**
EBITDA-%	7.5 %	9.9 %	12.5 %	**6.3 %**	**8.5 %**
EBIT (adj.)-%	4.3 %	5.8 %	3.5 %	**0.6 %**	**3.1 %**
EBIT-%	4.3 %	5.8 %	8.1 %	**-0.5 %**	**3.1 %**
ROE-%	9.8 %	8.0 %	8.2 %	**-3.4 %**	**3.3 %**
ROI-%	11.0 %	9.6 %	8.8 %	**-1.6 %**	**4.4 %**
Equity ratio	78.9 %	79.7 %	74.8 %	**67.1 %**	**66.9 %**
Gearing	-5.7 %	3.1 %	14.0 %	**27.2 %**	**27.2 %**
Net debt/EBITDA	-0.4	0.2	0.7	**2.6**	**1.9**
EBITDA/net financials	44.1	26.8	30.0	**9.2**	**11.1**

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.

Disclaimer and recommendation history

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

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

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

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

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

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

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

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

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

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

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

Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2/13/2023	Reduce	10.00 €	10.90 €
2/17/2023	Accumulate	12.00 €	10.80 €
3/27/2023	Reduce	12.50 €	12.95 €
4/25/2023	Accumulate	13.50 €	12.65 €
8/17/2023	Accumulate	14.00 €	12.50 €
10/18/2023	Accumulate	14.00 €	12.60 €
10/26/2023	Accumulate	14.00 €	12.65 €
2/16/2024	Reduce	13.50 €	13.25 €
3/28/2024	Reduce	13.50 €	13.70 €
4/29/2024	Accumulate	15.50 €	14.25 €
8/15/2024	Reduce	14.00 €	13.50 €
10/28/2024	Reduce	14.00 €	13.50 €
2/14/2025	Reduce	14.00 €	14.20 €
3/27/2025	Reduce	14.50 €	14.40 €
4/26/2025	Accumulate	15.00 €	13.52 €
8/25/2025	Accumulate	15.00 €	14.05 €
10/10/2025	Reduce	14.00 €	14.00 €
10/27/2025	Reduce	14.00 €	14.00 €
12/12/2025	Reduce	13.50 €	13.90 €
2/16/2026	Reduce	13.00 €	13.95 €
4/17/2026	Reduce	13.00 €	13.95 €
4/27/2026	Sell	12.50 €	13.85 €
6/22/2026	Reduce	12.50 €	12.65 €
8/23/2026	Sell	11.00 €	12.35 €
10/1/2026	Sell	11.00 €	12.90 €
10/25/2026	Sell	11.00 €	12.00 €



CONNECTING INVESTORS AND COMPANIES.

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

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

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

inderes.se

Inderes Oyj
Porkkalankatu 5
00180 Helsinki
+358 10 219 4690

inderes.fi

inderes.