

APETIT

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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Strategy period begins with weaker performance

The performance of the Finnish businesses in 2025 was clearly below the previous year, and the new guidance likely means that the strong level of 2024 will not be reached this year either. At the same time, the profitability of the Foodhills pea business acquired from Sweden is currently unprofitable, and the first signs of a turnaround can only be assessed after the harvest season, i.e., at the end of the year. The new strategy will be presented on Tuesday, February 17 ([link](#)), which could clarify guidelines for the future. We reiterate our Reduce recommendation and lower our target price to EUR 13 (previously EUR 13.50).

The year ended with an acquisition and production challenges

Q4 earnings were, as expected, weaker than the comparison period, as Apetit had already issued a profit warning in December. Comparable EBIT, excluding the non-recurring impact of the Foodhills acquisition, was 0.8 MEUR (Q4'24: 2.4 MEUR). Food Solutions' earnings suffered from a poor pea harvest, a decline in the efficiency of seasonal production at the end of the year, and partly from the shift of production to 2026. Earnings in Oilseed Products also remained weak, partly due to a weaker sales mix. The reported operating result for Q4 was 9 MEUR, which was influenced by, e.g., a positive entry of 8.3 MEUR related to the Foodhills acquisition's purchase price being below book value. Revenue increased by 1% to 43 MEUR and was below our forecast for both segments (we expected total growth of 6%). Apetit's net debt at the end of the period was 15.7 MEUR, which was higher than our 5 MEUR estimate. The dividend proposal was EUR 0.70 per share, exceeding our estimate (EUR 0.65). The dividend corresponds to 49% of the reported net income but clearly exceeds the comparable net income.

In 2026, modest earnings growth in Finland, losses in Sweden expected

Apetit's guidance for 2026 was weaker than our expectations, as the company estimates EBIT to decrease relative to the

comparable 2025 level (5.9 MEUR excluding the one-off impact of the Foodhills acquisition). The guidance was justified by the negative result of the acquired Foodhills. Improving the earnings of Swedish pea producer Foodhills would require Apetit to enhance the operational efficiency of the cultivation-processing chain. The first signs of this could therefore be seen at the earliest after the next harvest season, i.e., from the end of 2026 onwards. Our current estimates include the assumption of a positive EBITDA turnaround for Foodhills in 2027. For the old businesses, we estimate EBIT to strengthen to 7.5 MEUR in 2026, but on the other hand, Foodhills' earnings impact of -2.4 MEUR weighs on the total EBIT, bringing it to 5.1 MEUR. We interpreted that the shift in seasonal production to 2026 will not have a significant positive earnings impact on Food Solutions at the beginning of the year, but otherwise, we estimate that the Finnish operations have reasonably good conditions to improve their earnings level during 2026.

Current earnings are insufficient, and the turnaround faces uncertainty

Apetit's share valuation is high on an earnings basis with 2026 estimates (EV/EBIT: 17x, P/E: 24x) due to, ae.g., the unprofitability of the acquired Foodhills. If Foodhills' EBITDA turned positive, as we have assumed in our 2027 estimates, the valuation could decrease closer to a fair level (EV/EBIT: 12x). Even this valuation level would not, in our opinion, be very affordable, but would require a clearly upward earnings development over a longer period. Visibility into Foodhills' earnings turnaround is dim, considering the company's prolonged unprofitability and the challenges typically associated with international acquisitions. For this reason, we believe the stock's risk/reward ratio is weak. Apetit's new growth-oriented strategy is still in its early stages of development, and more detailed guidelines and progress are likely to be provided soon, which could potentially clarify the earnings outlook and reduce the risk level.

Recommendation

Reduce

(was Reduce)

Target price:

EUR 13.00

(was EUR 13.50)

Share price:

EUR 13.95

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	168	185	190	194
growth-%	3%	10%	3%	3%
EBIT adj.	5.9	5.1	7.2	8.2
EBIT-% adj.	3.5 %	2.8 %	3.8 %	4.2 %
Net Income	9.0	3.6	6.6	7.5
EPS (adj.)	0.21	0.59	1.06	1.20
P/E (adj.)	66.4	23.8	13.1	11.6
P/B	0.8	0.8	0.8	0.7
Dividend yield-%	4.7 %	5.4 %	5.4 %	5.4 %
EV/EBIT (adj.)	13.3	16.6	11.7	10.2
EV/EBITDA	3.8	6.0	5.1	4.7
EV/S	0.5	0.5	0.4	0.4

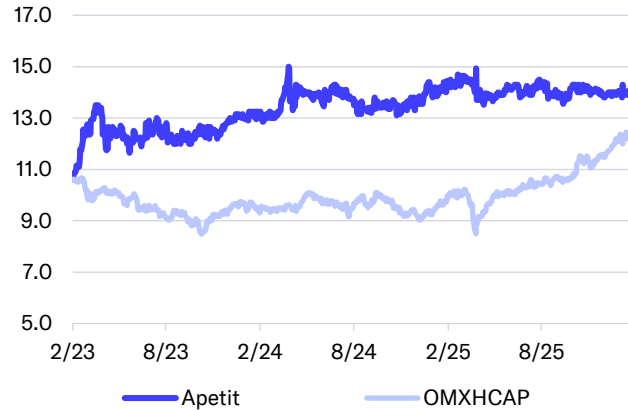
Source: Inderes

Guidance

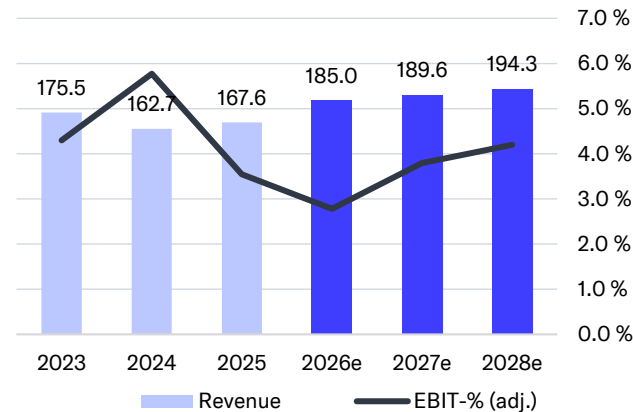
(New guidance)

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

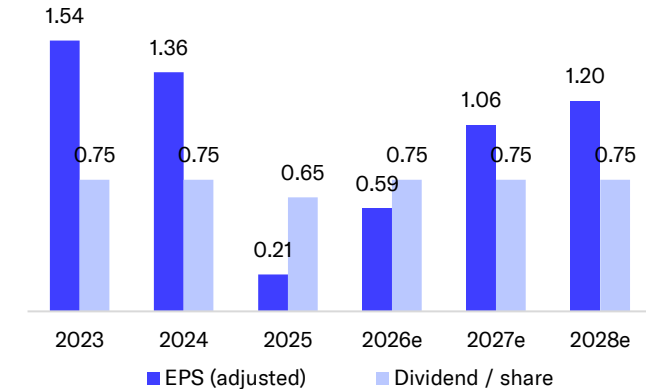
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

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

Risk factors

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

Valuation	2026e	2027e	2028e
Share price	14.0	14.0	14.0
Number of shares, millions	6.21	6.21	6.21
Market cap	87	87	87
EV	86	84	83
P/E (adj.)	23.8	13.1	11.6
P/E	23.8	13.1	11.6
P/B	0.8	0.8	0.7
P/S	0.5	0.5	0.4
EV/Sales	0.5	0.4	0.4
EV/EBITDA	6.0	5.1	4.7
EV/EBIT (adj.)	16.6	11.7	10.2
Payout ratio (%)	127.8 %	70.6 %	62.5 %
Dividend yield-%	5.4 %	5.4 %	5.4 %

Source: Inderes

Q4'25: The weakness in profitability was known

Revenue was slightly below expectations, but volumes in Food Solutions still grew

Q4 revenue grew by 1% y/y to 43.2 MEUR, mainly due to Food Solutions, but growth was weaker than our estimate. Food Solutions' revenue grew by 3% (we estimated 10%), and according to the company, revenue growth was driven by slight volume growth. We estimate that the overall growth falling short of our forecast is mainly due to the lower-than-expected revenue impact from Foodhills, included in Food Solutions (the acquisition was completed at the end of November). In Oilseed Products, revenue decreased by 2% (we expected 1% growth).

EBIT largely in line with expectations

Q4's adjusted EBIT was weak (Q4'25: 0.8 MEUR vs. Q4'24: 2.4 MEUR), which the company had already issued in the form of a profit warning in December. Reported EBIT was

as high as 9.0 MEUR, positively impacted by an 8.3 MEUR non-cash, non-recurring item related to the Foodhills acquisition at a price lower than its book value.

Food Solutions' adjusted earnings were stronger than our estimate, even though the delay in seasonal production to 2026 weakened the result. The result for Oilseed Products improved only slightly from the weak comparison period and was weaker than our estimate. For the full year, Oilseed Products' earnings have decreased due to factors such as an unfavorable sales mix and the price of raw materials used.

Net income suffered from Sucros' challenging market situation

Net income was clearly weaker than our estimate, as the associate company Sucros suffered from a low market price for sugar. Sugar refining was very profitable in 2023

and moderately profitable in 2024, but the market balance shifted to weak during 2025. A market recovery is likely in the medium term as market participants decrease production.

Dividend slightly higher than estimate

Apetit's net debt at the end of the period was 15.7 MEUR, which was somewhat higher than our 5 MEUR estimate. Nevertheless, the net debt to realized EBITDA ratio is a moderate 0.7x. The company's board proposes a dividend of EUR 0.70 per share, which exceeds our estimate (EUR 0.65). However, the dividend will decrease from the comparison period (2024: EUR 0.75), which we believe is caused by weaker like-for-like earnings performance year-on-year and possibly also the impact of the Foodhills acquisition on the company's balance sheet.

Estimates	Q4'24	Q4'25	Q4'25e	Difference (%)	2025
MEUR / EUR	Comparison	Actualized	Inderes	Act. vs. Inderes	Actualized
Revenue	42.9	43.2	45.3	-5%	168
EBITDA	4.2	10.9	11.9	-8%	21.0
EBIT (adj.)	2.4	0.8	0.9	-12%	5.9
EBIT	2.4	9.0	9.9	-9%	13.7
EPS (reported)	0.52	1.26	1.74	-28%	1.44
DPS	0.75	0.70	0.65	8%	0.70
Revenue growth-%	0.9 %	0.7 %	5.6 %	-4.9 pp	3.1 %
EBIT-% (adj.)	5.5 %	1.9 %	2.0 %	-0.2 pp	3.5 %

Source: Inderes

Earnings outlook weaker than expected

We lowered our assumptions for both the Finnish businesses and Foodhills

- Apetit's 2026 guidance fell short of expectations: the company estimates EBIT to decrease from the comparable 2025 level (5.9 MEUR excluding non-recurring items). We expected that the baseline could have been surpassed due to improved earnings from the old businesses, despite Foodhills' unprofitability.
- The guidance is particularly weakened by the negative earnings impact of the Foodhills acquisition. Foodhills' earnings turnaround requires streamlining the cultivation-processing chain, with the first signs of improvement expected no earlier than late 2026. We expect Foodhills' earnings to turn positive at the EBITDA level starting in 2027 (previously, we also expected EBIT to turn positive). There is significant uncertainty in estimating Foodhills' development.
- In our estimates, the old businesses improve EBIT to 7.5 MEUR in 2026, but the impact of around -2.4 MEUR from Foodhills weighs on the total EBIT, bringing it to 5.1 MEUR.
- We see moderate opportunities for earnings improvement in the Finnish operations in 2026, even though the shift in seasonal production is unlikely to provide a significant earnings boost in the early part of the year. However, from the guidance, we deduce that the earnings of the Finnish businesses in 2026 will fall below the strong 2024 level.
- We particularly lowered our 2026 earnings estimates due to the weak guidance. Our 2027 EBIT estimate also decreased by 10%, due to cuts in the estimates for both Foodhills and the Finnish businesses.

Estimate revisions MEUR / EUR	2025 Old	2025 New	Change %	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %
Revenue	170	168	-1%	187	185	-1%	192	190	-1%
EBITDA	13.0	21.0	61%	16.3	14.4	-12%	18.3	16.4	-10%
EBIT (exc. NRIs)	5.5	5.9	7%	7.0	5.1	-26%	9.1	7.2	-21%
EBIT	14.5	13.6	-6%	7.0	5.1	-26%	9.1	7.2	-21%
PTP	12.8	10.1	-21%	7.7	4.6	-41%	9.9	8.0	-19%
EPS (excl. NRIs)	0.47	0.21	-56%	1.02	0.59	-42%	1.31	1.06	-19%
DPS	0.65	0.65	0%	0.75	0.75	0%	0.75	0.75	0%

Source: Inderes

Earnings turnaround already largely priced in

Valuation summary: Defensive, but low-margin business

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

Associated company Sucros to be considered in valuation

Apetit's valuation is complicated by the company's 20% ownership in the sugar company Sucros. The value and earnings impact of Apetit's Sucros holding are significant, so we believe that valuing the share also requires an opinion on the fair value of Sucros. When looking at enterprise value-based metrics, Sucros' fair value should be deducted from Apetit's enterprise value (EV), or otherwise, the valuation multiples will appear too high. We have valued Sucros as a separate entity in EV-based valuation methods and DCF, based on its balance sheet value and historical earnings (fair value 11 MEUR or EUR 1.7/share). This corresponds to multiples of P/B: 0.6x, P/E 2020-24: 10x, P/E 2025: negative and P/E 2027e: 11x.

Short-term earnings-based valuation multiples elevated due to Foodhills

From an earnings perspective, Apetit's valuation is currently higher than usual (EV/EBIT 2026e: 17x, 2027e: 12x), which is particularly affected by the Foodhills acquisition's short-term negative earnings impact. We estimate the fair valuation level for the stock at around 10x. If Foodhills' profitability turnaround materializes, the multiples would decrease to attractive levels (EV/EBIT 2028e: 9x). If the Swedish acquisition proved to enable organic growth in the long term, there could also be a small upside in the fair value multiple. However, we believe it is premature to validate this for the time being. We feel much of the earnings turnaround has already been priced into the share, as the upside potential with the 2028 valuation multiple is quite modest and does not offer an attractive annual expected return.

Balance sheet-based valuation is not attractive

Apetit acquired Foodhills very cheaply on a balance sheet basis, resulting in a significant positive revaluation of the balance sheet. The P/B ratio is still close to the level of recent years (P/B: 0.8x). The write-up does not reflect the earnings capacity of the acquired business, so we feel the balance sheet value does not currently give a completely accurate picture of the fair value of the company's assets. If the company could turn around the earnings of the acquired business and achieve a moderate return on capital employed, as in its legacy businesses (2024 ROI: 10%), there would be significant upside potential for the share, even from a balance sheet perspective. The same applies to this line of thinking as to earnings-based valuation – the uncertainty regarding Foodhills' earnings turnaround is difficult to assess. With our current estimates, the ROI for the next few years remains rather weak (2026-28e: 4-7%).

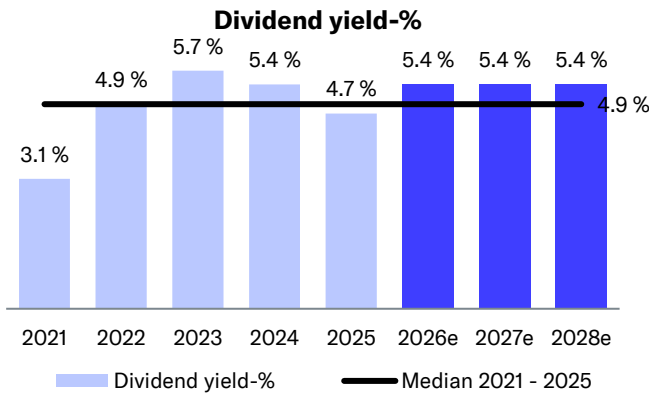
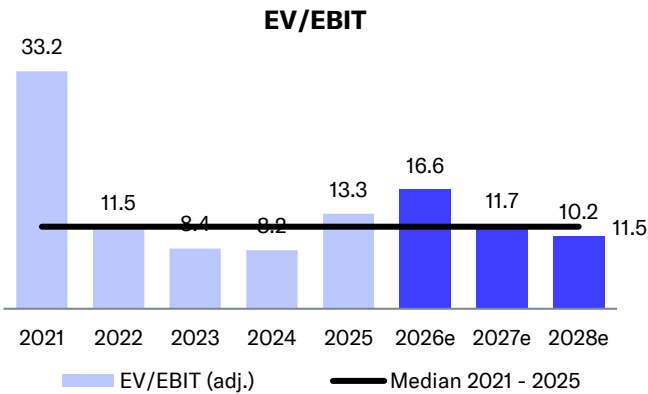
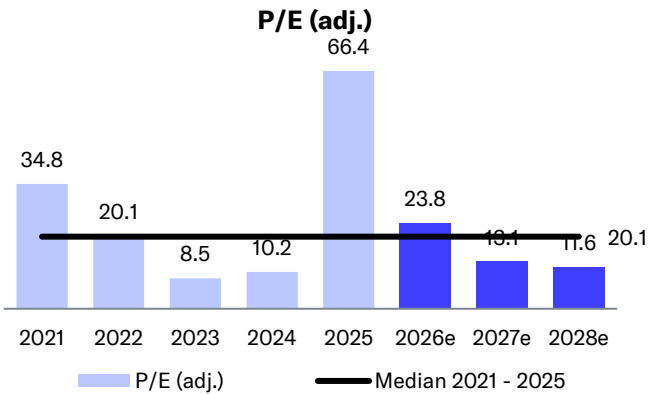
Valuation	2026e	2027e	2028e
Share price	14.0	14.0	14.0
Number of shares, millions	6.21	6.21	6.21
Market cap	87	87	87
EV	86	84	83
P/E (adj.)	23.8	13.1	11.6
P/E	23.8	13.1	11.6
P/B	0.8	0.8	0.7
P/S	0.5	0.5	0.4
EV/Sales	0.5	0.4	0.4
EV/EBITDA	6.0	5.1	4.7
EV/EBIT (adj.)	16.6	11.7	10.2
Payout ratio (%)	127.8 %	70.6 %	62.5 %
Dividend yield-%	5.4 %	5.4 %	5.4 %

Source: Inderes

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	12.9	10.2	13.2	14.0	13.9	14.0	14.0	14.0	14.0
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	87	87	87	87
EV	94	40	63	77	79	86	84	83	81
P/E (adj.)	34.8	20.1	8.5	10.2	66.4	23.8	13.1	11.6	9.9
P/E	34.8	20.1	8.5	10.2	9.6	23.8	13.1	11.6	9.9
P/B	0.9	0.7	0.8	0.8	0.77	0.78	0.8	0.7	0.7
P/S	0.3	0.4	0.5	0.5	0.5	0.5	0.5	0.4	0.4
EV/Sales	0.3	0.2	0.4	0.5	0.5	0.5	0.4	0.4	0.4
EV/EBITDA	10.3	4.2	4.8	4.8	3.8	6.0	5.1	4.7	4.1
EV/EBIT (adj.)	33.2	11.5	8.4	8.2	13.3	16.6	11.7	10.2	8.3
Payout ratio (%)	108.5 %	98.7 %	48.6 %	55.1 %	44.8 %	127.8 %	70.6 %	62.5 %	53.1 %
Dividend yield-%	3.1 %	4.9 %	5.7 %	5.4 %	4.7 %	5.4 %	5.4 %	5.4 %	5.4 %

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
Atria	488	739	10.0	9.4	5.4	5.1	0.4	0.4	10.0	9.3	4.7	5.0	1.1
Raisio	439	365	12.0	11.2	9.1	8.5	1.6	1.5	17.0	16.0	5.5	5.8	1.7
HKFoods	160	340	9.2	8.9	5.0	4.9	0.3	0.3	10.5	8.3	6.2	7.0	1.0
Fodelia	41	44	11.2	9.6	7.8	6.3	0.7	0.7	14.7	11.9	2.6	3.2	2.9
Nomad Foods	1636	3522	8.6	8.5	6.8	6.8	1.1	1.1	6.3	5.9	6.3	7.1	0.6
Savencia	831	1414	7.0	8.3	3.4	3.7	0.2	0.2	7.0	8.6	2.9	2.3	0.4
Agrana Beteiligungs	731	1288	18.8	12.8	7.0	6.0	0.4	0.4	54.4	13.9	6.0	6.6	0.7
Bonduelle	363	929	10.7	9.8	5.4	5.2	0.4	0.4	8.4	7.1	3.0	3.2	0.6
Austevoll Seafood	1687	2613	5.7	4.9	3.9	3.5	0.7	0.7	8.6	7.4	6.7	7.6	1.0
Origin Enterprises	458	595	6.8	6.7	5.0	5.0	0.3	0.3	7.9	7.7	4.3	4.4	1.0
Cranswick	3361	3678	13.9	13.2	9.8	9.3	1.1	1.0	18.4	17.4	2.0	2.1	2.6
Apetit (Inderes)	87	86	16.6	11.7	6.0	5.1	0.5	0.4	23.8	13.1	5.4	5.4	0.8
Average			9.9	9.1	6.1	5.8	0.6	0.6	15.5	13.2	4.6	4.9	1.2
Median			9.6	9.2	5.4	5.1	0.4	0.4	10.2	9.0	4.7	5.0	1.0
Diff-% to median			73%	27%	11%	-1%	13%	11%	132%	47%	14%	7%	-22%

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	163	43.8	39.2	41.4	43.2	168	48.2	43.5	46.3	47.0	185	190	194	198
Food Solutions	75.8	20.4	17.3	19.0	21.0	77.7	24.9	21.8	23.5	24.2	94.5	96.8	99.2	101
Oilseed Products	87.4	23.6	22.1	22.5	22.2	90.4	23.4	21.9	23.0	22.8	91.0	93.3	95.6	97.6
Eliminations	-0.4	-0.2	-0.2	-0.1	0.0	-0.5	-0.2	-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	4.1	1.2	4.8	4.3	14.4	16.4	17.6	19.5
Depreciation	-6.7	-1.8	-1.8	-1.8	-1.9	-7.4	-2.3	-2.3	-2.3	-2.4	-9.2	-9.2	-9.5	-9.7
EBIT (excl. NRI)	9.4	2.3	-0.8	3.7	0.8	5.9	1.8	-1.1	2.5	2.0	5.1	7.2	8.2	9.7
EBIT	9.4	2.3	-0.8	3.2	9.0	13.6	1.8	-1.1	2.5	2.0	5.1	7.2	8.2	9.7
Food Solutions	8.2	2.4	-0.4	2.7	9.5	14.3	1.5	-1.0	2.5	2.4	5.4	7.3	8.2	5.0
Oilseed Products	4.2	0.4	0.2	1.2	0.4	2.2	1.1	0.7	0.8	0.6	3.1	3.3	3.5	4.8
Group eliminations	-2.9	-0.6	-0.7	-0.7	-0.9	-2.9	-0.8	-0.8	-0.8	-0.9	-3.3	-3.4	-3.5	0.0
Share in associates	1.5	-1.5	-0.5	-0.2	-0.6	-2.8	-0.4	-0.2	0.2	0.4	0.0	1.0	1.0	1.0
Net financial items	-0.6	-0.1	-0.2	-0.2	-0.2	-0.7	-0.2	-0.2	-0.2	-0.2	-0.6	-0.2	-0.1	0.0
PTP	10.3	0.7	-1.5	2.8	8.2	10.1	1.3	-1.5	2.5	2.2	4.6	8.0	9.1	10.7
Taxes	-1.9	-0.3	0.1	-0.6	-0.3	-1.1	-0.3	0.3	-0.5	-0.4	-0.9	-1.4	-1.6	-1.9
Net earnings	8.5	0.4	-1.4	2.2	7.9	9.0	1.0	-1.2	2.0	1.8	3.6	6.6	7.5	8.8
EPS (adj.)	1.36	0.06	-0.23	0.43	-0.05	0.21	0.16	-0.19	0.32	0.29	0.59	1.06	1.20	1.41
EPS (rep.)	1.36	0.06	-0.23	0.35	1.27	1.45	0.16	-0.19	0.32	0.29	0.59	1.06	1.20	1.41

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-%	-7.3 %	3.8 %	5.9 %	2.2 %	0.6 %	3.0 %	10.0 %	11.0 %	11.9 %	8.8 %	10.4 %	2.5 %	2.5 %	2.0 %
Adjusted EBIT growth-%	25%	-33%	740%	-1%	-66%	-37%	-20%	32%	-34%	145%	-13%	40%	13%	19%
EBITDA-%	9.9 %	9.4 %	2.6 %	12.1 %	25.2 %	12.5 %	8.5 %	2.7 %	10.3 %	9.2 %	7.8 %	8.7 %	9.1 %	9.8 %
Adjusted EBIT-%	5.8 %	5.2 %	-2.1 %	8.9 %	1.9 %	3.5 %	3.8 %	-2.6 %	5.3 %	4.2 %	2.8 %	3.8 %	4.2 %	4.9 %
Net earnings-%	5.2 %	0.8 %	-3.7 %	5.3 %	18.2 %	5.4 %	2.1 %	-2.7 %	4.3 %	3.8 %	2.0 %	3.5 %	3.8 %	4.4 %

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	78.0	81.6	82.6	83.5
Goodwill	0.4	-8.6	-8.6	-8.6	-8.6
Intangible assets	5.2	5.2	5.2	5.2	5.2
Tangible assets	48.1	62.7	63.5	64.5	65.4
Associated companies	21.6	17.8	20.6	20.6	20.6
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.9	0.9	0.9	0.9	0.9
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
Current assets	58.8	67.0	72.1	73.9	75.8
Inventories	46.6	48.6	51.8	53.1	54.4
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	8.1	8.3	9.2	9.4	9.7
Cash and equivalents	4.1	10.1	11.1	11.4	11.7
Balance sheet total	135	145	154	157	159

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	108	112	112	113	116
Share capital	12.6	12.6	12.6	12.6	12.6
Retained earnings	65.6	70.0	69.6	71.5	74.3
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	23.4	23.4	23.4	23.4	23.4
Other equity	6.0	6.0	6.0	6.0	6.0
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	6.4	4.9	7.1	7.2	7.1
Deferred tax liabilities	0.4	0.4	0.4	0.4	0.4
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	5.9	4.4	6.6	6.7	6.6
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	28.2	35.0	35.8	35.9
Interest bearing debt	1.5	8.9	14.1	14.4	14.0
Payables	19.4	19.3	20.9	21.4	22.0
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	135	145	154	157	159

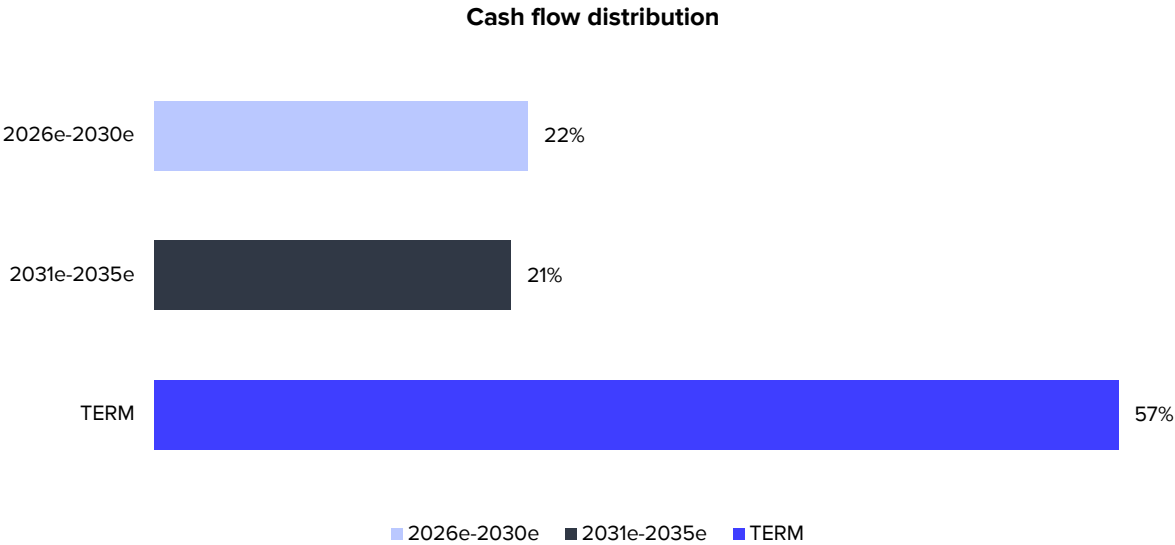
DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	3.0 %	10.4 %	2.5 %	2.5 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	8.1 %	2.8 %	3.8 %	4.2 %	4.9 %	4.9 %	4.9 %	4.9 %	4.5 %	4.0 %	4.0 %	4.0 %
EBIT (operating profit)	13.6	5.1	7.2	8.2	9.7	9.9	10.1	10.3	9.7	8.8	8.9	
+ Depreciation	7.4	9.2	9.2	9.5	9.7	9.9	10.1	10.2	10.4	10.5	10.7	
- Paid taxes	-1.1	-0.9	-1.4	-1.6	-1.9	-1.9	-2.0	-2.0	-1.9	-1.7	-1.7	
- Tax, financial expenses	-0.1	-0.1	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	-0.1	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-2.4	-2.4	-1.0	-1.0	-0.8	-0.9	-0.9	-0.9	-0.9	-0.9	-0.9	
Operating cash flow	17.4	10.9	14.0	15.0	16.7	17.0	17.3	17.6	17.2	16.6	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	-13.0	-10.0	-10.2	-10.4	-10.6	-10.8	-11.0	-11.3	-11.5	-11.7	-11.5	
Free operating cash flow	4.4	0.9	3.8	4.6	6.1	6.2	6.2	6.3	5.7	4.9	5.4	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	4.4	0.9	3.8	4.6	6.1	6.2	6.2	6.3	5.7	4.9	5.4	91.3
Discounted FCFF		0.9	3.3	3.7	4.5	4.2	4.0	3.7	3.1	2.5	2.5	42.6
Sum of FCFF present value		74.9	74.1	70.8	67.1	62.6	58.4	54.4	50.7	47.6	45.1	42.6
Enterprise value DCF		74.9										
- Interest bearing debt		-13.3										
+ Cash and cash equivalents		10.1										
+ Osakkuusyhtiö Sucroksen arvioitu käypä arvo		13.0										
-Dividend/capital return		0.0										
Equity value DCF		82.3										
Equity value DCF per share		13.3										

WACC

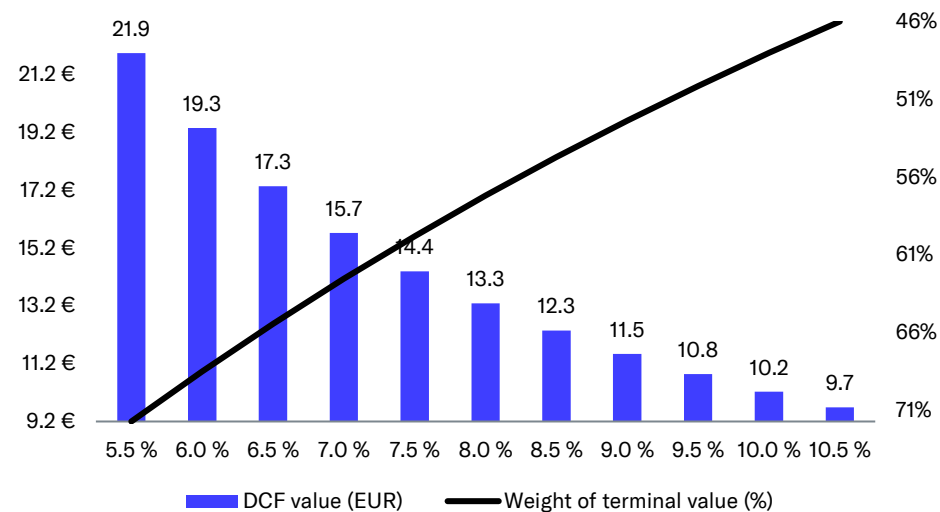
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	5.0 %
Cost of debt	3.0 %
Equity Beta	0.93
Market risk premium	4.75%
Liquidity premium	1.40%
Risk free interest rate	2.5 %
Cost of equity	8.3 %
Weighted average cost of capital (WACC)	8.0 %

Source: Inderes

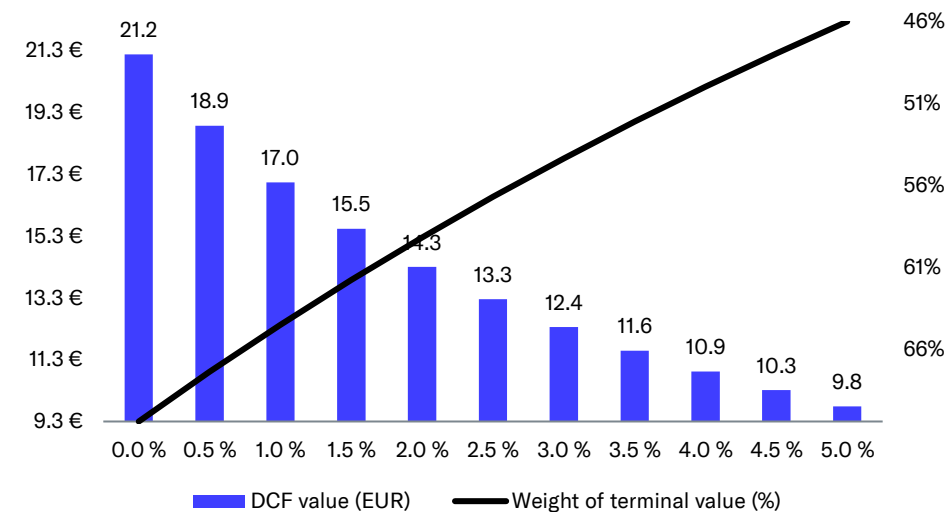


DCF sensitivity calculations and key assumptions in graphs

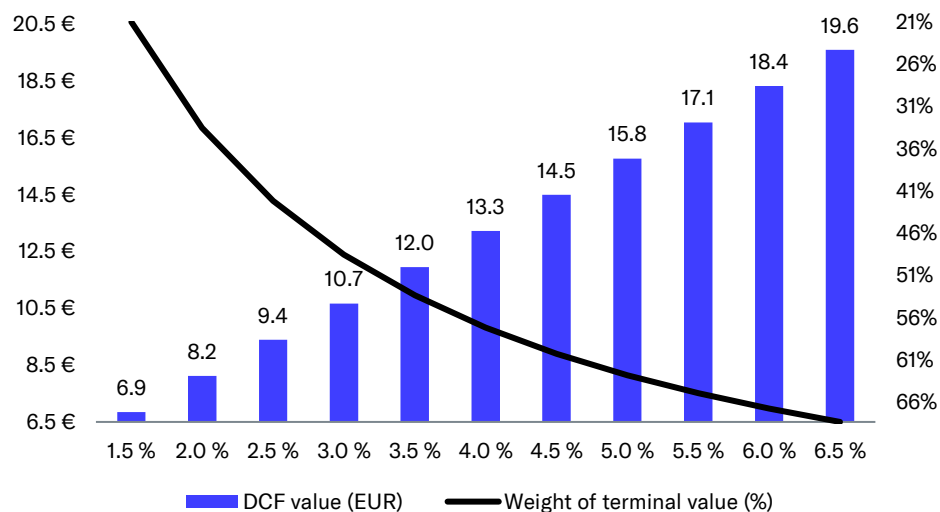
Sensitivity of DCF to changes in the WACC-%



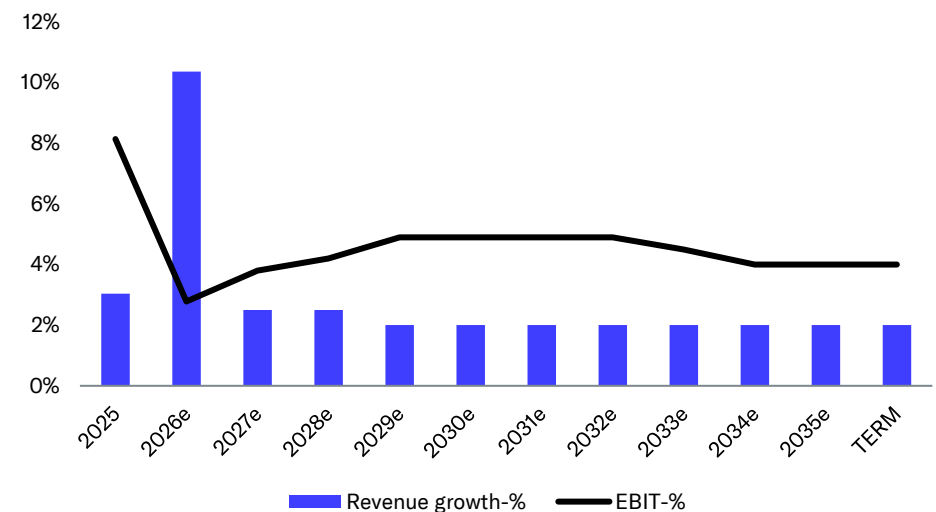
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation



Source: Inderes. NBI The terminal value weight (%) is presented on a reverse scale for clarity.

Summary

Income statement	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e
Revenue	175.5	162.7	167.6	185.0	189.6	EPS (reported)	1.54	1.36	1.45	0.59	1.06
EBITDA	13.2	16.1	21.0	14.4	16.4	EPS (adj.)	1.54	1.36	0.21	0.59	1.06
EBIT	7.5	9.4	13.6	5.1	7.2	OCF / share	1.44	0.58	2.81	1.76	2.25
PTP	11.2	10.3	10.1	4.6	8.0	FCF / share	-0.89	-1.16	0.71	0.15	0.61
Net Income	9.8	8.5	9.0	3.6	6.6	Book value / share	16.38	17.33	18.03	17.97	18.28
Extraordinary items	0.0	0.0	7.7	0.0	0.0	Dividend / share	0.75	0.75	0.65	0.75	0.75
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	131.1	135.0	145.0	153.7	156.5	Revenue growth-%	-3%	-7%	3%	10%	3%
Equity capital	103.5	107.6	111.9	111.6	113.5	EBITDA growth-%	41%	21%	31%	-32%	14%
Goodwill	0.4	0.4	-8.6	-8.6	-8.6	EBIT (adj.) growth-%	118%	25%	-37%	-13%	40%
Net debt	-5.9	3.3	3.3	9.7	9.7	EPS (adj.) growth-%	205%	-12%	-85%	180%	81%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	7.5 %	9.9 %	12.5 %	7.8 %	8.7 %
EBITDA	13.2	16.1	21.0	14.4	16.4	EBIT (adj.)-%	4.3 %	5.8 %	3.5 %	2.8 %	3.8 %
Change in working capital	-4.2	-12.4	-2.4	-2.4	-1.0	EBIT-%	4.3 %	5.8 %	8.1 %	2.8 %	3.8 %
Operating cash flow	9.1	3.6	17.4	10.9	14.0	ROE-%	9.8 %	8.0 %	8.2 %	3.3 %	5.9 %
CAPEX	-14.7	-10.7	-13.0	-10.0	-10.2	ROI-%	11.0 %	9.6 %	9.0 %	4.0 %	6.1 %
Free cash flow	-5.6	-7.2	4.4	0.9	3.8	Equity ratio	78.9 %	79.7 %	77.2 %	72.6 %	72.5 %
Valuation multiples	2023	2024	2025	2026e	2027e	Gearing	-5.7 %	3.1 %	2.9 %	8.7 %	8.6 %
EV/S	0.4	0.5	0.5	0.5	0.4						
EV/EBITDA	4.8	4.8	3.8	6.0	5.1						
EV/EBIT (adj.)	8.4	8.2	13.3	16.6	11.7						
P/E (adj.)	8.5	10.2	66.4	23.8	13.1						
P/B	0.8	0.8	0.8	0.8	0.8						
Dividend-%	5.7 %	5.4 %	4.7 %	5.4 %	5.4 %						

Source: Inderes

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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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

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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 €



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