

APETIT

10/01/2026 20:10 EET

This is a translated version of the "Kasvuhakuinen strategia heijastuu myös riskitasoon" report, published on 10/01/2026



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

INDERES CORPORATE CUSTOMER EXTENSIVE REPORT



Growth-oriented strategy also reflected in the risk level

Apetit is a leading Finnish food sector operator that produces frozen vegetables and processes oilseed products. The acquisition of the unprofitable pea business in Sweden has weakened earnings and increased the risk level, while also offering more growth potential than before. We believe the current share valuation is based on the assumption that both the Swedish pea business and Oilseed Products achieve a substantial earnings turnaround. The turnaround depends partly on, e.g., the success of harvests and market development, which limits visibility and increases estimate risks. We are looking for more evidence of progress in the earnings turnaround, but for now, the valuation is very challenging, so we reiterate our Sell recommendation and EUR 11 target price.

Significant position in domestic food production

Apetit is a food company operating in Finland and Sweden with a strong integration into local primary production. The company has two different businesses: Oilseed Products and Food Solutions, plus a 20% holding in Sucros, a sugar refiner. Oilseed Products presses rapeseed into vegetable oil and cakes for feed use at its Kirkkonummi plant. Food Solutions has a versatile vegetable processing and frozen food plant in Säkylä, as well as a pea-focused plant in Skåne, Sweden. In both of its segments, the company is the only major domestic player in the market.

The strategy has focused on growth over the past year

At the end of 2025, Apetit published a new, more growth-oriented strategy that focuses on, e.g., legumes, plant proteins, the volume of oilseed products, and regionally on Sweden. The company acquired a pea processor in Sweden at an attractive valuation relative to its balance sheet value, featuring a modern factory but weak profitability. The turnaround of the acquired unit is partly in Apetit's own hands (trimming costs, investments in higher-margin channels), but increasing the plant's volume and utilization rate also depends on, e.g., farmers and the

success of harvests, creating uncertainty in the earnings outlook (EBIT impact currently estimated at -3 MEUR/year).

Visibility into the earnings turnaround is unclear

The highest adjusted EBIT of recent years was seen in 2024 (9.3 MEUR), but this year adjusted EBIT is decreasing to only 0.8 MEUR due to losses in Sweden and a weak refining margin in Oilseed Products. In Oilseed Products, profitability fluctuates alongside factors like the price ratio between raw material and feed, and the company cannot fully influence earnings development. The development of the nutrient-rich BlackGrain ingredient from rapeseed cakes is also currently an unprofitable element in Oilseed Products, although it could develop into an earnings growth driver in the long run. We expect earnings to recover significantly in both Sweden and Oilseed Products, leading to an EBIT improvement of 5-7 MEUR in 2027-28 (company target >10 MEUR).

Even a moderate turnaround is not enough to warrant the valuation

Apetit is a defensive and capital-intensive company in terms of its investment profile, and its profitability fluctuates occasionally with harvest seasons and changes in the cost environment. The company is capable of growing 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. As the forecasted earnings turnaround materializes, EV/EBIT will decrease to 18x 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 even though the result is negative in the short term. However, the dividend yield alone is not enough for a good expected return, and considering the downside risk of the valuation and the uncertainty related to earnings estimates, we consider the current share price level unsustainable.

Recommendation

Sell

(was Sell)

Target price:

EUR 11.00

(was EUR 11.00)

Share price:

EUR 12.90

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	168	175	181	186
growth-%	3%	5%	3%	3%
EBIT adj.	5.9	0.7	4.9	7.4
EBIT-% adj.	3.5 %	0.4 %	2.7 %	4.0 %
Net Income	9.0	-4.4	3.1	5.7
EPS (adj.)	0.21	-0.34	0.51	0.92

P/E (adj.)	66.4	neg.	25.5	14.0
P/B	0.8	0.8	0.8	0.8
Dividend yield-%	5.0 %	3.9 %	4.7 %	5.4 %
EV/EBIT (adj.)	15.4	>100	18.5	12.2
EV/EBITDA	4.3	8.9	6.2	5.2
EV/S	0.5	0.5	0.5	0.5

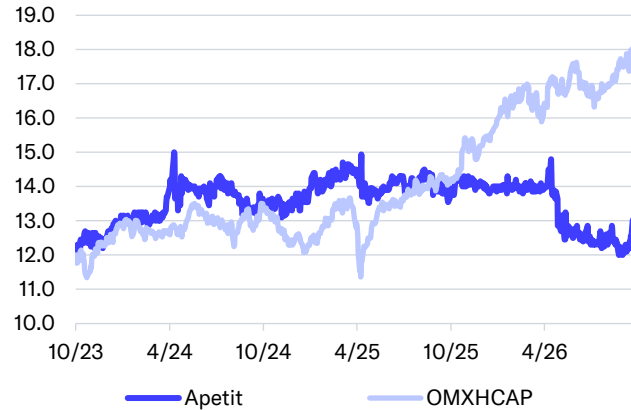
Source: Inderes

Guidance

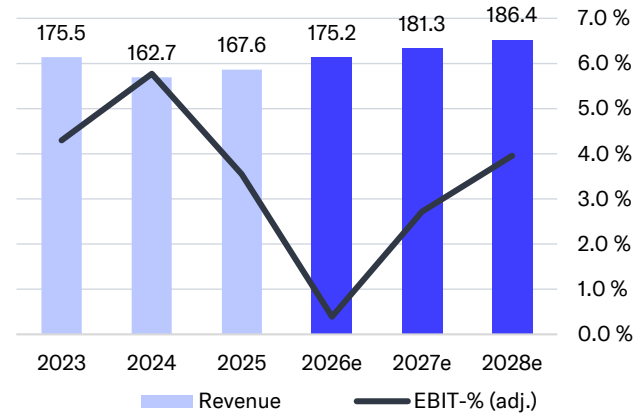
(Unchanged)

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).

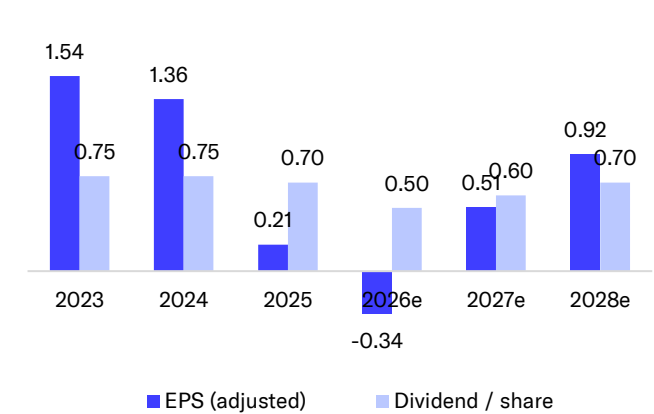
Share price



Revenue and EBIT % (adj.)



EPS and dividend



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	12.9	12.9	12.9
Number of shares, millions	6.21	6.21	6.21
Market cap	80	80	80
EV	91	91	90
P/E (adj.)	neg.	25.5	14.0
P/E	neg.	25.5	14.0
P/B	0.8	0.8	0.8
P/S	0.5	0.4	0.4
EV/Sales	0.5	0.5	0.5
EV/EBITDA	8.9	6.2	5.2
EV/EBIT (adj.)	>100	18.5	12.2
Payout ratio (%)	neg.	118.6 %	76.0 %
Dividend yield-%	3.9 %	4.7 %	5.4 %

Source: Inderes

Company description 1/2

Apetit is a Finnish food company with a strong integration into local primary production. The company manufactures plant-based food products and processes rapeseed and turnip rape into vegetable oils and cakes.

1950

Year of establishments (listed in 1989)

MEUR 168

Revenue 2025

MEUR 5.9

Adjusted EBIT 2025

322

Average number of personnel in H1'2026

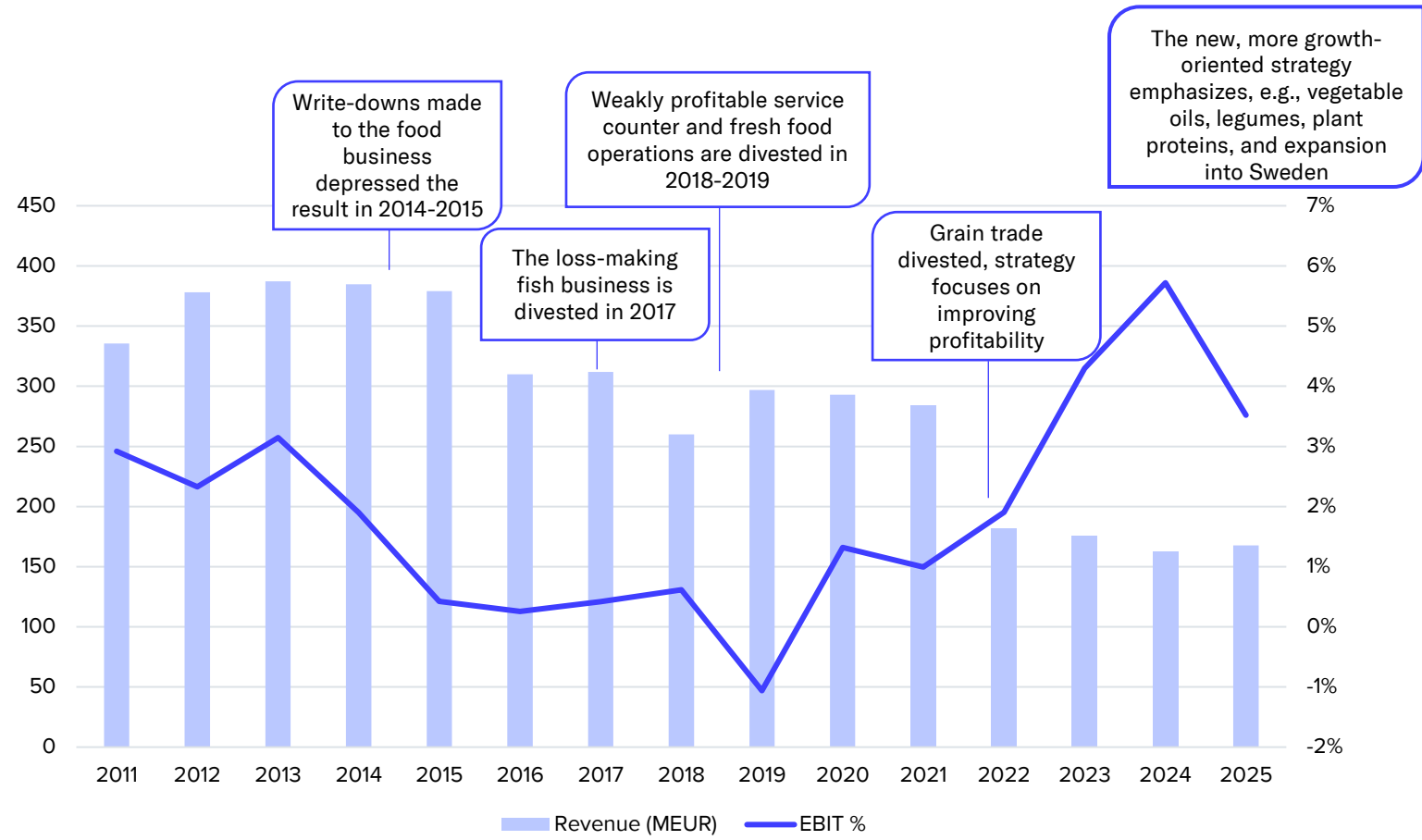
EUR 16.0

Equity per share H1 2026

8.2%

Return on equity 2025

Revenue development and company history¹



1) EBIT for 2025 adjusted for items related to the acquisition.

Company description 2/2

Nordic food processor

Apetit is a food company with a strong integration into regional primary production in its domestic markets in Finland and Sweden. The company creates well-being from vegetables by offering healthy food solutions that make everyday life easier. Vegetables and frozen foods are mainly sold under the Apetit brand, but the company also manufactures for private label and industrial customers. Apetit Kasviöljy Oy, part of the Apetit Group, refines vegetable oils for food use and produces rapeseed cakes as feed raw material. The majority of Apetit Kasviöljy's sales are directed at industry, with a minority going to restaurant use and retail. Apetit's largest markets are Finland, Sweden and Norway. In 2025, revenue was 168 MEUR, adjusted EBIT was 5.9 MEUR, and the Group employed an average of 321 people.

Business Segments

Oilseed Products

Apetit is the most significant processor of vegetable oils and producer of rapeseed cakes in Finland. The oilseed pressing plant located in Kirkkonummi utilizes 99.9% of the oilseed seeds it uses as raw material, processing them into products for both human and animal nutrition. The revenue of the Oilseed Products segment in 2025 was 90 MEUR and EBIT was 2.2 MEUR.

Food Solutions

Apetit produces a wide range of frozen vegetables and food products, including both basic frozen foods and highly developed and processed ready meal products. Most of the frozen vegetables are cultivated on the farms of Apetit's contract farmers near the company's plants in

Satakunta, Finland and Skåne, Sweden. Food Solutions' revenue in 2025 was 78 MEUR and EBIT was 6.5 MEUR.

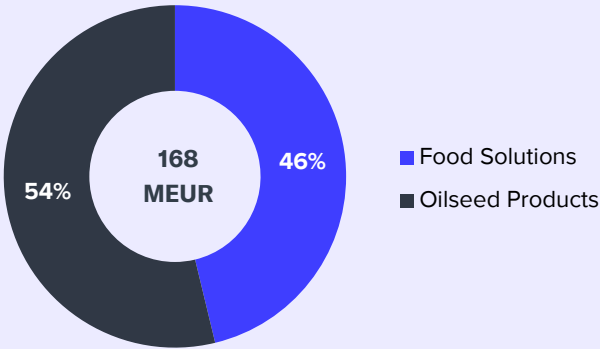
Two production plants in Finland and one in Sweden

Going forward, Apetit Group will have two factories in Finland, one of which belongs to Food Solutions and the other to Oilseed Products. The company used to have a third factory in Finland, but the frozen pizza factory belonging to Food Solutions will be closed at the end of 2026, and pizzas will be produced via a subcontractor in the future. In Sweden, Apetit has one factory that focuses on pea production. Investments are actively being made in production facilities. Investment themes in recent years have included growth in higher value-added segments, improving production efficiency, developing the environmental friendliness of operations, and renewing the ERP system.

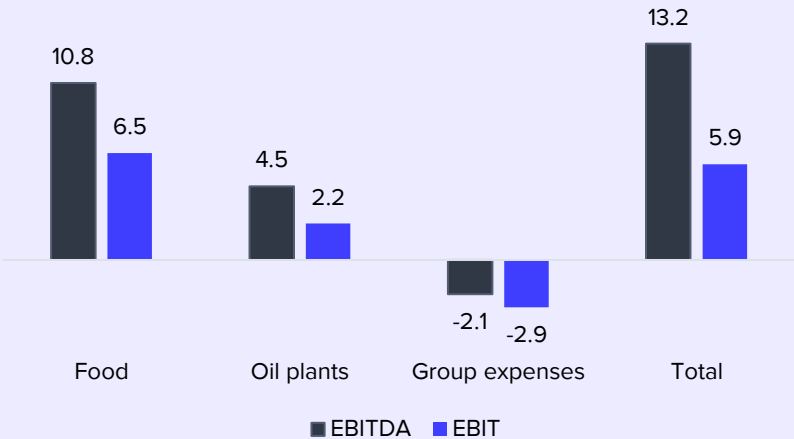
Significant holding in the sugar refiner Sucros

Apetit owns 20% of Sucros Ltd located in Säkylä. Sucros's sugar factory is located in the Säkylä industrial area, which is also home to Apetit's frozen food plant. Sucros also has a subsidiary, Finnsugar Ltd, which refines sugar products in Kirkkonummi and sells them to the retail and food industries. The value of Apetit's 20% holding of Sucros Ltd's net assets was 17.8 MEUR in the 2025 financial statements. If the fair value of Apetit's Sucros holding is gauged close to its net assets, the Sucros holding constitutes a significant portion of Apetit's market value. Apetit's share of Sucros' earnings in the 2020s has averaged 0.7 MEUR per year, which is 11% of the group's net profit. Sucros typically pays out its entire annual earnings as dividends to its shareholders.

Revenue breakdown by segment 2025



Earnings distribution by segment 2025 (MEUR)¹



1) Food Solutions' earnings have been adjusted for items related to the acquisition in Sweden.

Food Solutions business 1/4

Overview: Business in Finland and Sweden

Food Solutions consists of the development, processing and marketing of food and frozen vegetable products. The company has factories producing frozen products in Säkylä, Finland, and Bjuv, Sweden (in the Skåne region). In Finland, the product range is relatively broad, including various frozen vegetables and more processed products such as patties, balls, and ready meals. In Sweden, production has so far consisted only of peas, but the company has planned to expand production to other vegetables as well.

Prior to the acquisition in Sweden (Foodhills AB) completed in late 2025, Food Solutions business segment’s revenue was around 77 MEUR and EBIT in 2023-2025 was some 6-8 MEUR (8-11% of revenue). Prior to the acquisition in Sweden, Food Solutions generated the majority of the Group's earnings, but the acquisition has weakened the EBIT of Food Solutions, at least in the short term. Food Solutions employed 247 people in 2025, accounting for the vast majority of the Group's personnel.

Raw materials mainly from local producers

Raw materials in both Finland and Sweden are mainly sourced from long-term contract suppliers located near the processing plants. In Finland, the most significant domestic raw materials are potatoes, carrots, peas, spinach, and swedes. Apetit has close relationships with its contract farmers who cultivate crops in accordance with Apetit’s farming method. The company maintains a continuous dialogue with them regarding the necessary raw materials, assists them in procuring production inputs, and helps them yield as much high-quality raw material from their farmlands as possible. At Apetit’s own experimental farm, Räpi, testing is conducted on, for example, plant varieties best suited to the products and growing conditions.

Volumes and prices for raw material procurement are typically agreed upon around the turn of the year so that farmers can aim to align production with demand. The quality of the harvest can vary annually, which is significant for the operation of Apetit's production processes and profitability. Typically, Apetit commits to purchasing a certain amount of root vegetables at certain prices. In pea cultivation, contract structures are different, as Apetit commits to paying farmers a certain compensation per cultivated area. This is due to the challenges of growing peas and their susceptibility to weather fluctuations. Apetit bears some of the risks associated with pea cultivation and, on the other hand, occasionally benefits from strong harvest years.

Food Solutions includes two country companies

	 Apetit Ruoka Oy	 Apetit Sverige AB
Revenue ¹	MEUR 77	MEUR 13
Profitability	Good (EBIT ~10%)	Loss-making
Product range	Wide range of frozen vegetables and processed food products	Only frozen peas
Sales channels	Wide range of channels, weight on retail	Share of exports dominant
Production facility	Old, developed with active investment	New, but underutilized
Investments 2018-2025	~35 MEUR	~20 MEUR

A large and versatile factory complex in Säkylä



Modern pea processing plant in Bjuv



1) Estimate of 2025 revenue.

Food Solutions business 2/4

Food Solution Finland

In the big picture, earnings in Finland have been on an upward trajectory

Looking at Apetit's Food Solutions business, which is based on its factories in Finland, we can see that earnings have developed positively over the decade. The earnings improvement can be divided into two phases, the first of which was divesting weak businesses (2017-19). The divested and discontinued operations included the fish business, Apetit's service counters in cooperative stores, and the fresh produce business. In 2020-24, earnings strengthened as a result of the development of the remaining businesses and investments. Operations have been made more efficient, and the sales mix has strengthened as revenue has grown in higher value-added products.

However, Finland's earnings development has not been linear either, as earnings weakened in 2022 as a result of strong cost pressure. In 2025, the result decreased due to challenges in the crop harvesting season compared to the peak level of the comparison period.

Apetit is the market leader in frozen vegetables in Finland

Apetit's product range in Finland consists of a wide spectrum of different frozen foods, ranging from basic products to high added-value products. Products are sold under the Apetit brand, but the company also manufactures private-label products for retailers and supplies products to the foodservice channel and industry. The Apetit brand is one of the largest and best-known brands in the frozen food section of domestic retail, and the only domestic brand in many frozen vegetable and root vegetable categories. Increasing exports has also played a central role in the company's strategy (share in 2025: 11%). Frozen peas are

Apetit's key export product, and the most important target countries have been Sweden and Italy.

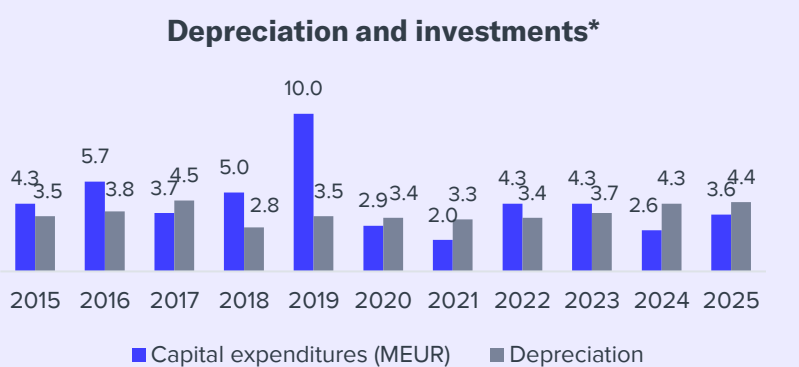
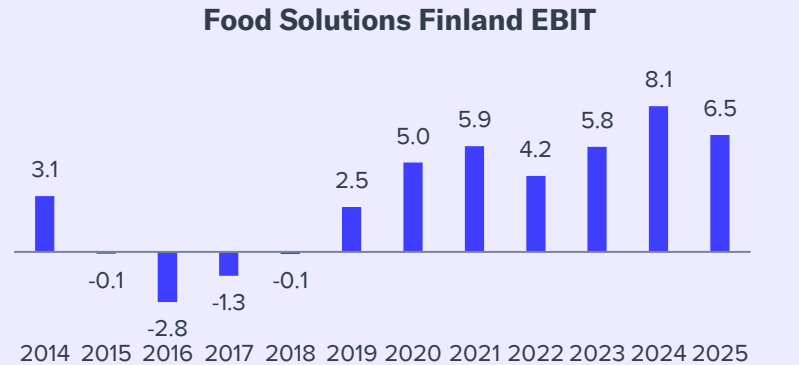
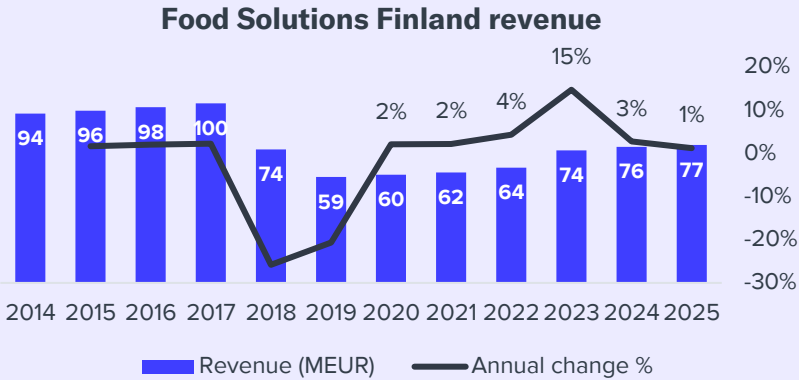
Active investments in production

Apetit has actively invested in the Food Solutions segment for several years, which has accounted for the majority of the group's capex investments. Investments and depreciation play a significant role in the Food Solutions' EBITDA, and from an investor's perspective, EBIT gives a better picture of the cash flow generated by the business than EBITDA.

Of the investments in the recent history, the years 2018-19 stand out particularly, when Apetit invested in a new patty and ball production line in the frozen foods production at the Säkylä plant. The new production line doubled production capacity, enabled the manufacturing of new products for the domestic and international markets, and improved production efficiency. Plant- and fish-based patties and balls have been one of Apetit's growing product categories in recent years, particularly due to demand in the foodservice sales channel.

In 2022, the company invested around 2 MEUR in the renovation of the Pudasjärvi pizza factory. However, pizza sales did not develop as expected, and the plant would have required further investments to keep operations viable, so in 2026, the company decided to discontinue its own pizza production and transition to contract manufacturing for pizzas.

In 2023, the company invested in an energy solution that improved the efficiency and environmental friendliness of the Säkylä plant. The solution utilizing renewable energy, biogas, and waste heat recovery was estimated to decrease carbon dioxide emissions by up to 80%.



*The figures for 2025 include the acquired Swedish business for December. The impact is not significant.

Food Solutions business 3/4

Market overview Finland & Sweden

Grocery trade is the most important sales channel

Finland is the largest end market in Food Solutions, although Sweden's role has been emphasized through the acquisition and export efforts. Grocery trade is the most important sales channel in Finland, but considerable volumes are also sold through foodservice wholesalers.

In Sweden's pea business, the commercialization of products to retail and the foodservice channel under its own brand is still in its infancy. This is partly due to the packaging solutions at the Swedish pea factory, which were previously mainly aimed at industrial sales and exports.

The development of Food Solutions' sales depends on domestic consumption and retailers' product assortment decisions. Apetit's product portfolio is weighted toward low- and medium-priced products, which is why its demand volumes in retail and foodservice develop relatively stably regardless of the economic cycle.

Growth in the domestic market comes from prices and added value, not volume

Food consumption in Finland and Sweden is growing mainly driven by prices, as volume development is modest. Sales volumes of food products have grown by a total of around 5% in Finland over the past 5 years, while prices have risen by around 25%. The highest absolute growth figures were seen during the COVID pandemic (2020: 8%) driven by volumes, and in 2023, driven by prices alongside accelerating inflation (6%). We estimate that the comparable revenue growth of Apetit's Food Solutions segment has largely matched the development of the market in recent years.

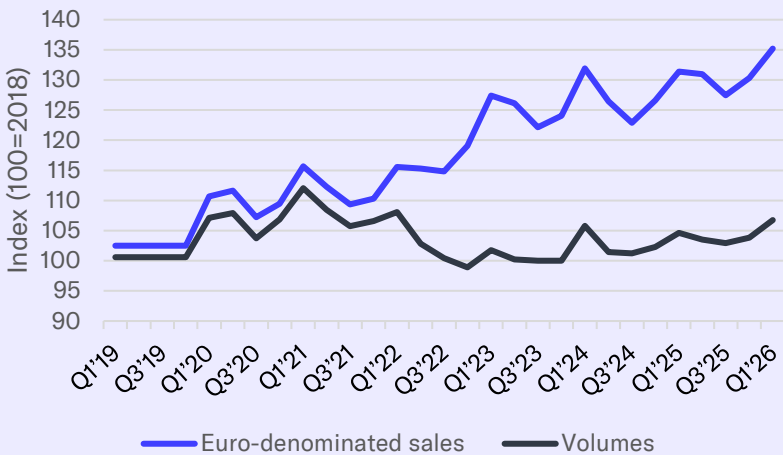
The Nordic grocery trade is concentrated

One of the peculiarities of the Finnish and Swedish grocery trade is the high concentration in the hands of a few large players. In 2025, grocery sales in Finland totaled approximately 24 BEUR, of which S Group's market share was 49% and K Group's 34%. Lidl is the third largest player in the market with a 10% market share, and the three largest players combined account for 92%. In Sweden, trade is also concentrated (ICA 50%, Axfood 25%). The bargaining power of the large chains to the food industry is strong, which limits the bargaining power of Apetit and other players. In this setting, Apetit aims to emphasize the competitive advantage of well-known brands and the importance of quality domestic products in retail assortments. In many product categories in Finland, Apetit is the only domestic alternative, which improves the company's bargaining power.

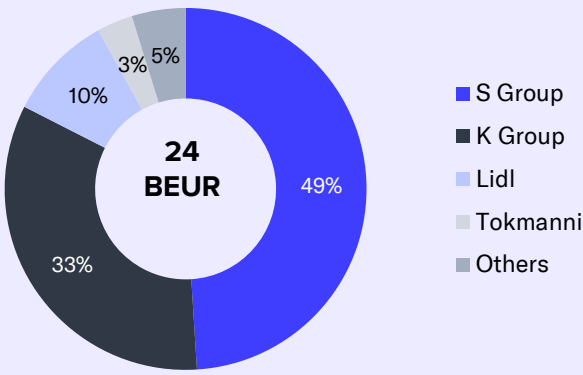
Private labels and foreign brands keep the competition active

In addition to the bargaining power of the large retail chains, Apetit's pricing power is weakened by private labels (e.g. Pirkka, Coop and Kotimaista). Private labels account for around 24% of the value of sales in the Finnish grocery trade. Private label products have seen moderate growth over the long term, but in recent years the share has remained fairly stable. In Finland, the share of private labels is quite low compared to many other European countries. In Sweden, the share of private labels and imports in frozen vegetables is even higher than in Finland, which, on the other hand, can also be an opportunity for Apetit to stand out with a domestic product (so far only peas) and brand image.

Food sales in Finnish retail



Market shares of the Finnish grocery trade in (2025)



Food Solutions business 4/4

Apetit also manufactures private label products as contract manufacturing. This allows for good volumes, but the margin profile of private label is typically weaker than that of branded products. Relying too heavily on private labels as a contract manufacturer is not a favorable position in the long run. Apetit does not disclose the split between private label and branded sales (nor does it disclose the differences in margins between them).

In addition to private labels, competition in frozen vegetables comes from, e.g., the widely known Findus brand. The brand is of Swedish origin, but the company's products are not, as production has largely been moved outside Sweden. Apetit has a high market share in Finland and a fairly strong position as the largest and, in several plant-based products, even the only domestic manufacturer.

Food Solutions Sweden

Expansion with an acquisition a major strategic step

At the end of November 2025, Apetit completed an acquisition in which it bought the Swedish pea producer Foodhills AB (now Apetit Sverige AB). The acquired company has been unprofitable for a long time, allowing Apetit to purchase the business at clearly below its book value. Foodhills' revenue in 2025 was around 13 MEUR, and its EBIT averaged -3 MEUR in 2020-2024.

Following the merger, Apetit has become a significant pea exporter even on a European scale. Combined production in Finland and Sweden accounts for over 10% of European frozen pea production. The cultivation area of contract farmers located near the Swedish production facility totals 4,000 hectares, which is double the area of Apetit's pea farmers in Finland. Apetit Sverige is Sweden's only pea processor after a competitor ceased operations in 2025, which opens up opportunities to gain market share locally.

Efforts are being made to extract more efficiency from the modern factory

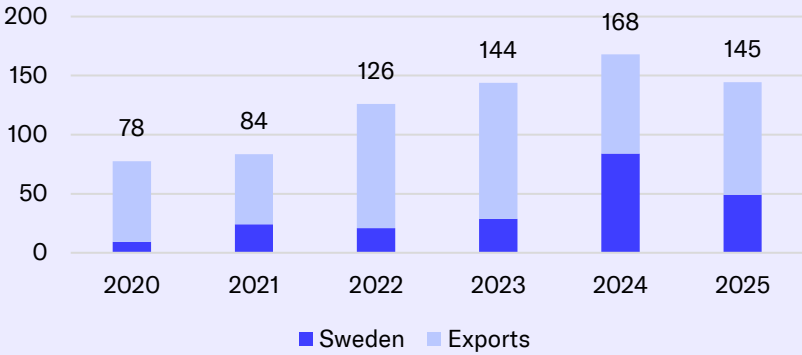
Apetit Sverige has a modern plant in Bjuv, Skåne, as over 200 MSEK (~20 MEUR) has been invested in the facility since 2018. The capacity of the plant is of around 15 million kilos of frozen peas. However, the capacity utilization rates at the Bjuv plant have so far been too low for profitable business. In addition, sales in Sweden have been largely directed at exports and industry, which is not the optimal equation for the margin.

Commercial development plays a key role

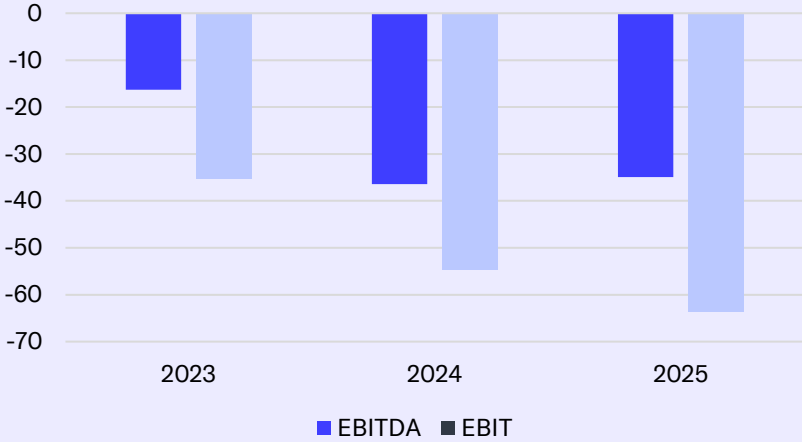
We estimate that the broader commercialization of products into various channels could support the margin alongside increasing factory utilization rates. A packaging line for consumer products was completed at the Foodhills plant in 2025, enabling growth in, for example, retail. In addition to peas, the excess production and packaging capacity can also be utilized for processing other seasonal vegetables to increase revenue and the utilization rate. Apetit has long experience in pea cultivation and processing, which the company aims to leverage in turning around the profitability of the acquired business.

In fall 2026, Apetit launched the Skånska Ärtor frozen pea package for the retail market, which is a significant breakthrough for the company's business in Sweden in developing the consumer brand. We estimate that this product can also support the Apetit brand image in general in the Swedish market and improve Apetit's competitive position relative to imported products. The share of imports is high in Sweden in both branded and private label products. On the other hand, embedding the brand in consumers' minds takes time.

Apetit Sweden revenue (MSEK)¹



Apetit Sweden Profitability (MSEK)¹



1) Includes only the acquired Swedish operations (former Foodhills AB). Excludes exports from Apetit's Finnish factory to Sweden.

Oilseed Products business 1/2

Processing business with a relatively lower margin

The Oilseed Products business segment accounts for about half of the group's revenue. 2025 revenue was 90 MEUR. Revenue reached a high level in 2022-2023 as market prices rose, e.g., as a result of the war in Ukraine. The segment's EBIT in 2025 was 2.2 MEUR (EBIT 2.4%) and the average number of personnel was 59.

Most of the production is sold to B2B customers

Roughly 80% of the Oilseed Products segment's revenue comes from Finland and ~20% from exports (with Norway as the most important target country). The largest customers in the segment are the food and feed industries, which we estimate account for the majority of the segment's sales. These customers are sold goods either as bulk oil or in large containers. Specialty oils and packaged oils (~10-litre packages or smaller) are sold mainly to foodservice customers and consumers. Vegetable oils are sold to consumers under the *Apetit* and *Neito* brands as well as private label brands.

The only large oil mill in Finland

Apetit Kasviöljy Oy, which is responsible for the Oilseed Products business, is the most significant vegetable oil refiner and producer of oilseed-based feed raw materials in Finland. The company's oil mill is located in *Kirkkonummi*, where rapeseed and turnip rape seeds are processed into high-quality, high-value-added products such as vegetable oils for food use and rapeseed cakes as feed raw material. The production plant is in a prime location in the middle of the oilseed cultivation and consumption area. A nearby port also makes it easier to utilize imported raw materials.

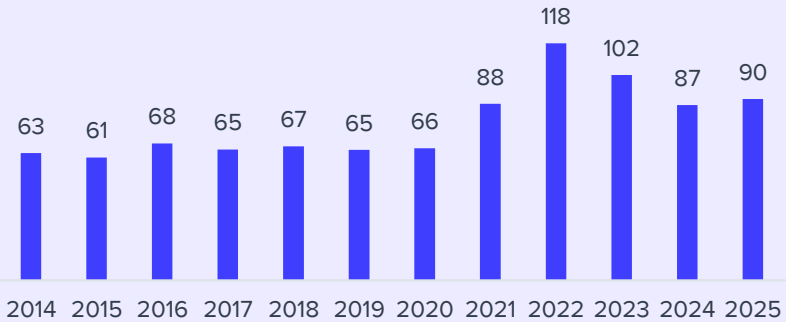
Planned additional investments in manufacturing capacity

The capacity of the mill is ~130,000 tons of rapeseed and turnip rape seed per year. The mill has been operating near the upper limits of its capacity in recent years, and *Apetit* has stated that it is considering investments to increase capacity. Growth investments can be directed, e.g., at refining capacity, which would mean that all produced oil could be processed for food use in the future, thereby increasing the value-added of sales. The company is also exploring the possibility of increasing its total crushing capacity, which would offer significant additional potential for the overall growth of the business. The implementation of these investments would be relatively straightforward, but also capital-intensive. The company also has more capital-light ways to increase value added, such as developing consumer-branded products and creating new applications for side streams.

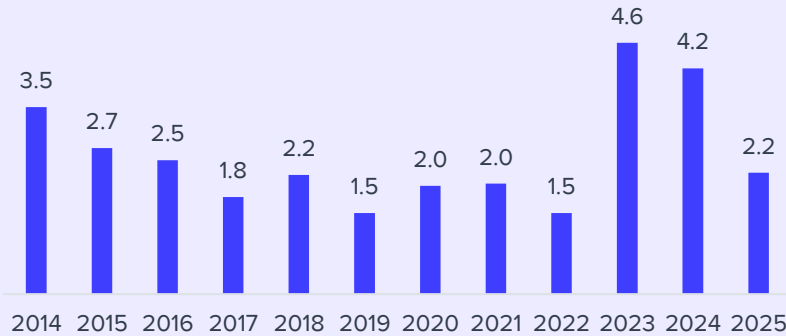
The production process is highly automated

The oil mill is modern, efficient, and highly automated, which is why the number of people working in production has been kept low. The import of raw materials and the loading of products are handled by third parties. Production operators, receiving operators, the packaging department, and maintenance operate with an average of fewer than 10 people per shift. In addition, the segment employs personnel related to sales, marketing, product development, quality control, and oilseed procurement. The average number of people working in the segment has grown by 37% in 2020-2025, driven by factors such as the commissioning of the in-house bottling line, investments in branded products, and the development of the *BlackGrain* ingredient.

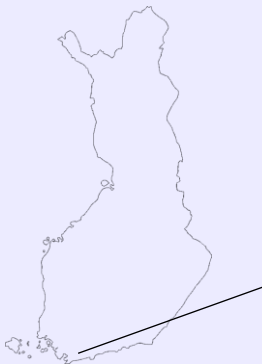
Oilseed Products revenue (MEUR)



Oilseed Products EBIT (MEUR)



The production plant of the Oilseed Products segment



Kirkkonummi
Vegetable oils, protein feed
Capacity: 130,000 t/year

Oilseed Products business 2/2

The business has been actively invested in

Over the past decade, Apetit's investments in Oilseed Products have clearly exceeded the level of depreciation (average investments 2016-25: 2.2 MEUR, depreciation 1.3 MEUR). The years 2020-21 stand out, when a bioenergy plant worth around 4 MEUR was built at the Kirkkonummi facility, which significantly reduced the entire group's energy costs and carbon dioxide emissions. Another significant investment in recent history is the bottling line in 2024, through which Apetit brought the supply chain and product development of small-package production more tightly into its own hands.

Domestic raw materials account for around a quarter of the demand

The Oilseed Products business has historically had a strong position in Finland, as it has purchased the majority of domestic rapeseed. This has strengthened the bargaining position toward both raw material brokers and customers.

The annual seed requirement of the Kirkkonummi oil mill is significantly larger than the turnip rape and rapeseed harvest produced in Finland. Thus, the company also has to buy foreign raw material. In recent years, only about a quarter of the raw material used in the oil mill has been domestic. The cultivated area of oilseed crops has been on a downward trend in the long term, and production volumes fluctuate annually, depending, e.g., on the ratio between the producer prices of rapeseed and grain, the prices of production inputs, and weather conditions. The domestic rapeseed and turnip rape harvest peaked in 2010 (179 million kg), after which harvests have decreased, and the harvests for 2022-2024 were only 41-61 million kg. In recent years, Apetit has sought to reverse the trend and increase the production of domestic turnip rape and rapeseed in

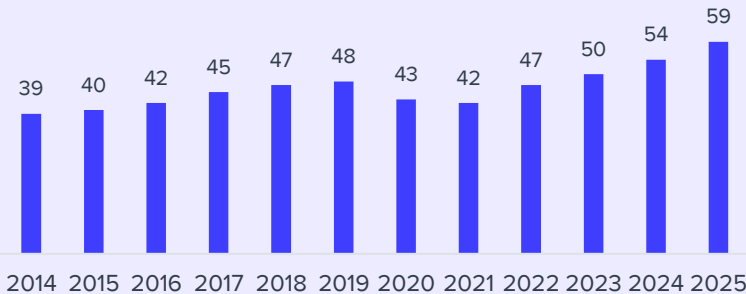
cooperation with farmers and industry operators. In recent years, harvests have experienced significant growth compared to the lowest years, although they remain clearly below the levels of the early 2000s.

Developing an ingredient for the food industry from rapeseed cakes

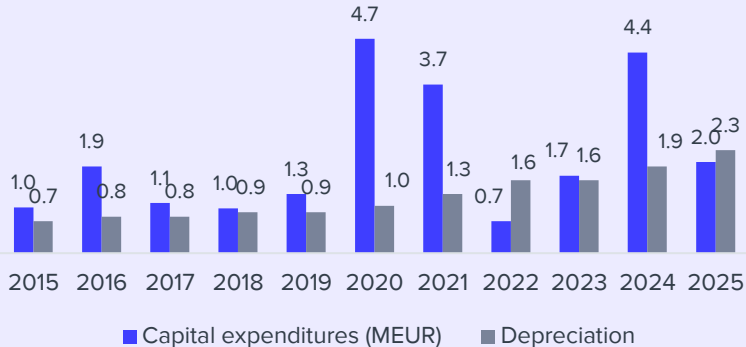
In 2017, Apetit initiated a development project for a rapeseed ingredient, the purpose of which was to find new high value-added uses for rapeseed cakes. The company received novel food authorization for the BlackGrain from Yellow Fields product in early 2021. The ingredient contains protein, fiber, and healthy fats, and could be utilized in various products such as breads, bars, plant-based protein products, mueslis and patties. In recent years, the ingredient has been tested in various products and sold in relatively small volumes, mainly to professional kitchens as part of meat and vegetable products. In early 2026, meatballs containing BlackGrain were also introduced to grocery retail by an industrial customer of Apetit.

The company invested 2 MEUR in 2025 to increase the production capacity of the BlackGrain ingredient's raw material and is working with its subcontractor to boost the capacity of the final product. Investments in the operation will depress profitability in the short term, and the company estimates that BlackGrain will support the company's earnings no earlier than 2028. The demand for plant-based meat substitutes is growing in the long term, supported by megatrends, but in the short term, demand volumes are limited and competition is fierce. The company is also exploring opportunities for pea protein production within the Food Solutions segment, which could offer product development synergies with BlackGrain.

Oilseed Products personnel, on average



Oilseed Products investments (MEUR)



Rapeseed futures price (EUR/t)



Associated company Sucros

Apetit owns 20% of Sucros Ltd

Apetit owns 20% of Sucros Oy, located in Säkylä, which historically has produced the entire sugar quota granted to Finland by the EU. The remaining 80% of Sucros is owned by Nordic Sugar A/S, which is part of the German Nordzucker Group. Sucros' subsidiary Finnsugar processes sugar products in Kirkkonummi and sells them to the food industry and retail trade under the Dansukker brand.

The share of earnings has varied and has occasionally been significant

Since 2016, Apetit has reported Sucros's 20% earnings contribution below EBIT (share in associated companies). In recent years, Sucros' revenue has been around 100 MEUR. The earnings level was clearly positive in 2008-14, but decreased close to zero for the years 2015-22. In 2023, the earnings level rose sharply due to the increase in sugar prices, but decreased to negative in 2025 as oversupply weighed on profitability across the entire market. In 2020-25, Sucros's earnings contribution has averaged 0.7 MEUR, or around 11% of the group's annual profit.

Market price of sugar has driven earnings development

Sucros's earnings depend on the market price of refined sugar and energy prices, as the refining process is highly energy-intensive. The entire industry has suffered from low sugar prices since the abolition of the EU quota system (2017). The price level was high in 2023, driven by factors like the rise in energy prices caused by the war in Ukraine and regionally weak harvests. For example, Europe's largest sugar producer, Südzucker, like Sucros, succeeded in significantly strengthening its profitability in the 2022-23

and 2023-24 financial years, but the EBIT of the sugar business has once again slumped into the red in the 2024-25 financial year. The global market price of sugar has decreased significantly compared to the peaks of 2023. However, in mid-2026, a significant increase in the market price of sugar was visible, driven by factors such as a poor sugar beet harvest in Europe and rising energy prices. Sucros may be a relative beneficiary in this situation, thanks to, e.g., a better sugar beet harvest in Finland.

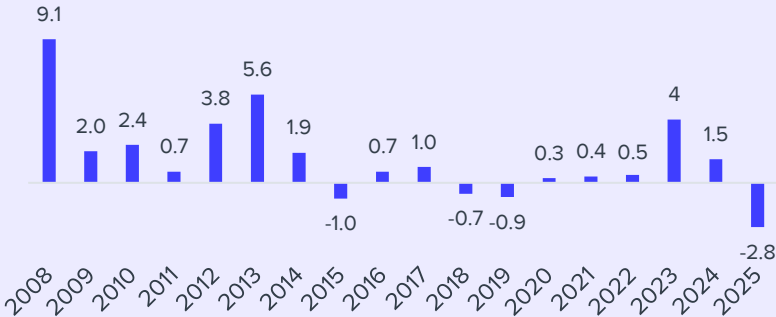
Significant efficiency measures were decided in 2026

Sucros decided on significant adjustment measures at the beginning of 2026 to improve its earnings. The subsidiary Finnsugar is discontinuing the production of specialty sugar products and the refining of raw sugar, as a result of which the company laid off 26 employees. We estimate that the measures will have a substantial impact on the unit's profitability, but the full realization of these effects will likely stretch into 2028.

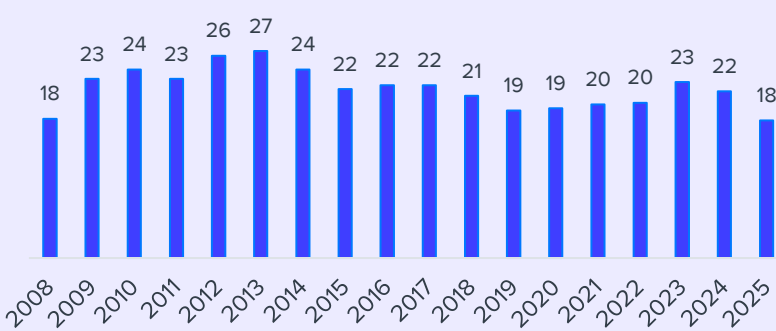
Sucros' balance sheet is strong, but its return is relatively low

Sucros Oy's net assets at the end of 2025 were 89 MEUR, of which the value based on Apetit's holding (20%) was 17.8 MEUR (EUR 2.8 per Apetit share). Realizing the net assets would require the company to exit its Sucros holding at its book value (P/B 1.0x), which we do not expect to happen, at least in the coming years. Sucros typically pays its entire annual profit to Apetit as a dividend. Sucros' earnings and dividends are low relative to the net assets on the balance sheet, which is why capital can be seen as being partially "trapped" in Sucros from the perspective of an Apetit shareholder.

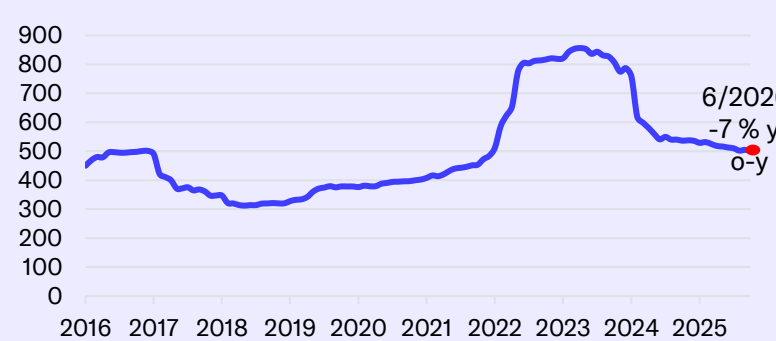
Sucros's 20% earnings share to Apetit (MEUR)



Sucros' net assets (20%)



Sugar price in Europe (EUR/t)



Strategy and financial targets 1/2

A more growth-oriented strategy

Apetit published a new strategy for 2026-2028 at the end of 2025. In our view, the strategy is more growth-oriented than before, whereas previously the company's focus was more clearly on strengthening profitability. However, the company's financial targets for 2028 are tied to EBIT (EBIT >10 MEUR) and return on capital employed (ROCE > 7%), so it is clear that the objective of the strategy remains improving earnings.

The company's growth strategy centers around four themes:

1. Strong growth in Sweden

Consisting of both exports, which were already invested in during the previous strategy period, and local production following the company's acquisition of the pea processor Foodhills AB at the end of 2025. In our view, Sweden is an interesting market for a Finnish company because Sweden's self-sufficiency in food is lower than Finland's. A short distance from Finland can serve as a source of competitiveness through both logistical costs and brand image. The Apetit brand has already achieved a moderate position in Swedish retail within the frozen vegetable category.

2. Commercial breakthrough for BlackGrain

Efforts to commercialize the rapeseed-based BlackGrain ingredient, which has been in development since 2017, are being stepped up even further. Products containing the ingredient are already sold through both the retail and foodservice channels. We also see significant growth potential in ingredient sales to the food industry. The production of BlackGrain's raw material has been

increased through a relatively small investment in 2025-2026. Although the ingredient has good and distinctive properties, we consider the market for plant-based meat substitutes to be quite competitive relative to the market size, which makes achieving profitable growth challenging.

3. Growth from pulses (legumes)

The acquisition of the pea business in Sweden made Apetit a significant producer of frozen peas, even on a European scale Apetit is also considering starting its own pea protein production and exploring opportunities in the broad bean sector. We see long-term growth potential in legumes as well as in plant proteins. However, assessing the profitability of the presented growth initiatives is challenging. The company already has a lot of work to do with the acquired business in Sweden to turn its profitability into black.

4. Increasing volumes of rapeseed oils

In vegetable oils, the company aims primarily to grow higher value-added production, which can be achieved, e.g., by utilizing the bottling line commissioned in 2024 and potentially investing in refining capacity. However, in our view, the benefits of increasing total pressing capacity would be less clear, as operations have historically been of low profitability and subject to international competition.

Estimated strategic priorities ¹

Immediately in focus

- Growth and earnings turnaround in Sweden
- Increasing BlackGrain sales and raw material production
- Streamlining core operations

Potential, partly uncertain next steps

- Expanding Swedish production into new products
- Expanding vegetable oil refining capacity

- Investing in increasing the total pressing capacity of vegetable oils
- Investing in the production of pea protein
- Investing in BlackGrain texturing

Increasing investment needs

Strengths and weaknesses of the strategy

- Experience of key industrial processes
- Growth outlook for plant protein consumption
- The Swedish market is a major growth opportunity

- Uncertainty regarding the earnings turnaround in Sweden
- International competition
- Capital intensity and moderate return profile of the industry

1) Based on Inderes' estimate.

Strategy and financial targets 2/2

We don't expect M&A transactions in the short term

Apetit's strategy does not particularly highlight acquisitions in the pursuit of growth, but we interpret the company as being open to them in principle. In practice, however, the integration and earnings turnaround of the recent, sizeable acquisition in Sweden will tie up attention for the next few years, so we do not particularly expect M&A activity during the strategy period. Balance sheet flexibility has also decreased. Net debt is at a moderate level (<1x EBITDA), but in our view, the leeway is also affected by uncertainty regarding the timing of the earnings turnaround in Sweden. We remain cautious about value creation through acquisitions, as competition in the food sector is fierce and returns on invested capital are weak.

We do not believe Apetit is preparing business divestments. The sale of the 20% stake in Sucros Ltd could unlock value from the balance sheet, but the holding has been long-term, and we see no indications of the sale taking place.

Financial targets are challenging but possible

Apetit set financial targets for the 2026-2028 strategy period, which are:

- **Operating profit (EBIT) over 10 MEUR in 2028**
- **Return on capital employed, % (ROCE) over 7%**

The EBIT target of over 10 MEUR is quite challenging, particularly in light of the recently completed acquisition in Sweden. The previous peak operating earnings were achieved in 2024 (EBIT: 9 MEUR), but in 2025 EBIT dropped to 6 MEUR. In addition, the negative operational EBIT impact of the Swedish operations was estimated at 3-4 MEUR/year at the time of the acquisition, so the EBIT would need to improve by an estimated 7-8 MEUR from the 2025 pro forma figures for the company to reach its target.

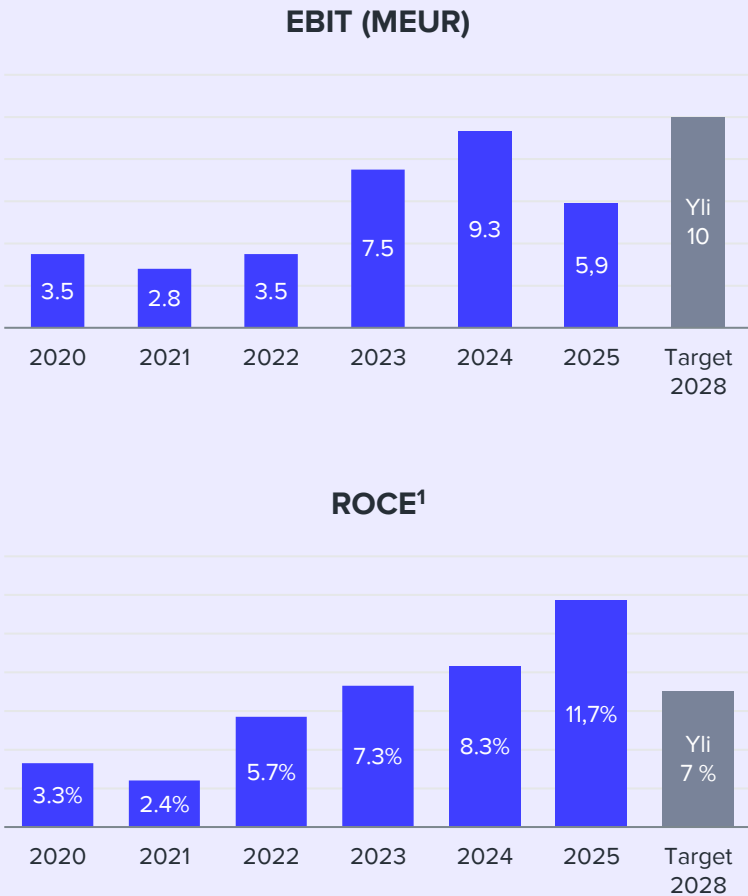
A ROCE target of over 7% is not very ambitious in a general context, but we estimate it reflects the weak starting point in profitability for the acquired Swedish business, as well as significant tangible assets (a modern factory acquired below book value) that limit ROCE development at the group level.

We estimate that achieving the EBIT target will simultaneously require increasing the earnings of traditional core operations and a complete profitability turnaround in the newly acquired pea business in Sweden compared to its weak history. We believe that the earnings growth of core operations is achievable through, e.g., improving operational efficiency and increasing the sales of higher value-added products (such as consumer-packaged vegetable oils and more processed frozen foods). However, this also requires favorable market and crop conditions, which vary from time to time. Visibility into the success of the earnings turnaround in Sweden is weaker, although we consider the planned growth and efficiency measures to be logical. The company is also exploring significant investments in, e.g., pea protein production and the expansion of vegetable oil pressing capacity, which, if implemented, would likely weigh on profitability in the medium term.

Dividend policy

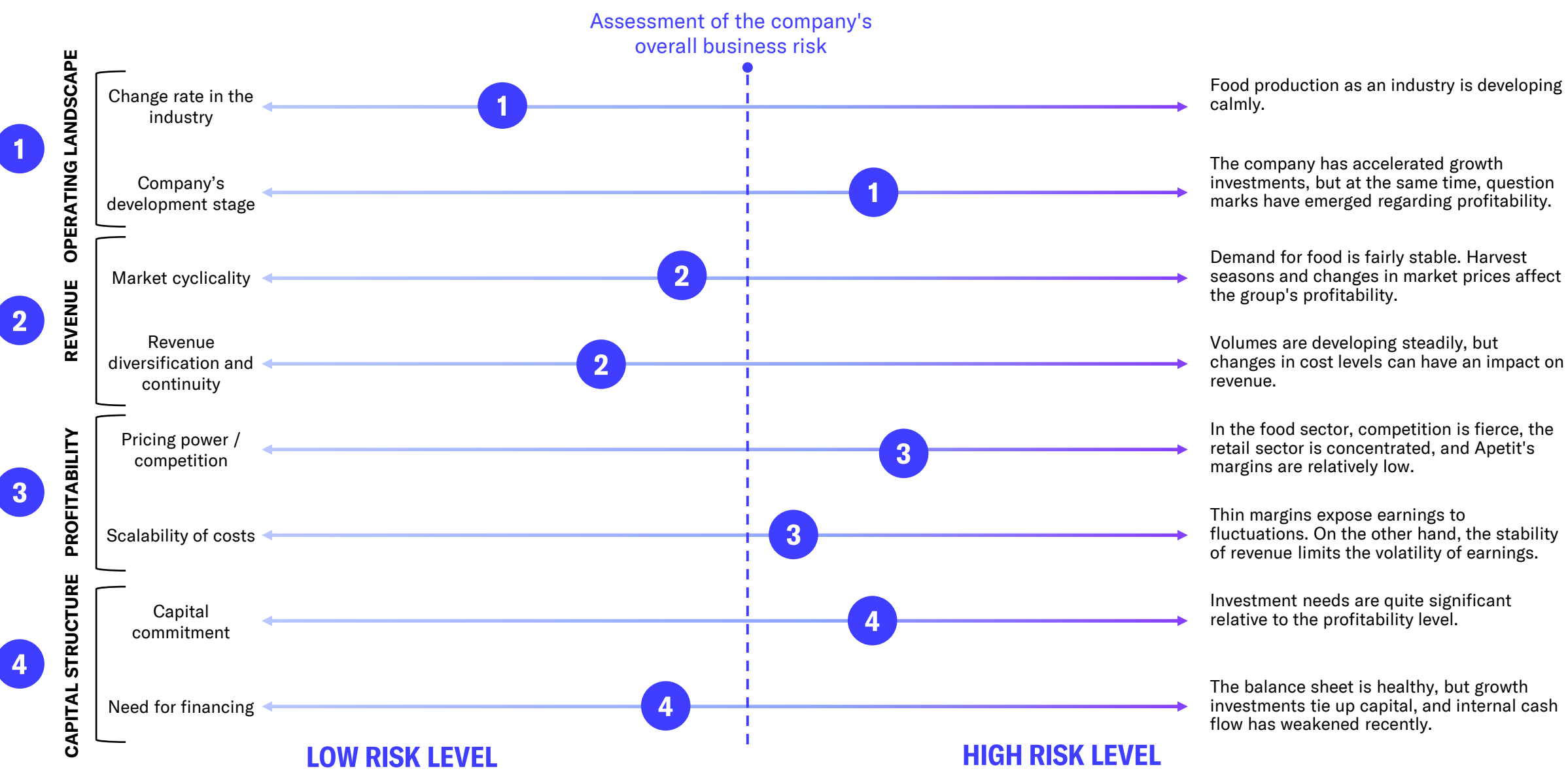
Apetit's Board of Directors aims to ensure that the company's share is a high-yielding and value-preserving investment for its owners. In accordance with its dividend policy, the company aims to distribute at least 40-60% of its profit for the financial year to its shareholders annually. In recent years (2023-25), the company has distributed around 50% of its earnings as dividends, but earlier in its history, when earnings were weak, dividend distributions have even exceeded 100%.

Starting points for Apetit's financial targets



1) The 2025 figure does not reflect operational profitability, as it has not been adjusted for the positive entry related to the bargain purchase in Sweden. ROCE describes EBIT relative to invested capital. This metric does not include the share of the result of the associate company Sucros.

Risk profile of the business



Financial development and position 1/2

Volumes have grown in Food Solutions, while volumes in Oilseed Products have remained stable

Apetit's revenue in 2025 was 168 MEUR. Revenue has been largely on a downward trend over the past ten years due to the divestment of unprofitable businesses in 2017-2022. In 2023-25, revenue has further been weighed down by falling market prices for oilseed products, which peaked during 2022.

Based on volume, the sales development of continuing operations has, in our view, been moderately positive in recent history, driven mainly by Food Solutions. Food Solutions' revenue has grown by an average of 5% p.a. in 2020-2025, although a significant part of this was driven by inflation and price increases in 2022-2023. In Oilseed Products, pressing volumes have been close to capacity maximum levels year after year, so revenue development has depended largely on changes in the price level. Revenue development is thus a somewhat misleading indicator for Oilseed Products, and Apetit focuses on EBIT rather than revenue in its guidance and financial targets.

Acquisitions have helped make the business healthier

Apetit generated steadily rising earnings in 2006-2013. Adjusted for items affecting comparability, EBIT peaked in 2013 at 12.2 MEUR (3.1% of revenue). Profitability then deteriorated rapidly and turned negative or close to zero during 2014-2019, driven by, e.g., the challenging market environment in the food sector and poor harvest years in grain trading. The company also carried out write-downs, operational changes, and divestments in poorly profitable business segments, which have repeatedly caused non-

recurring costs. Grain Trade in particular was a challenging segment for the company before its divestment in 2022.

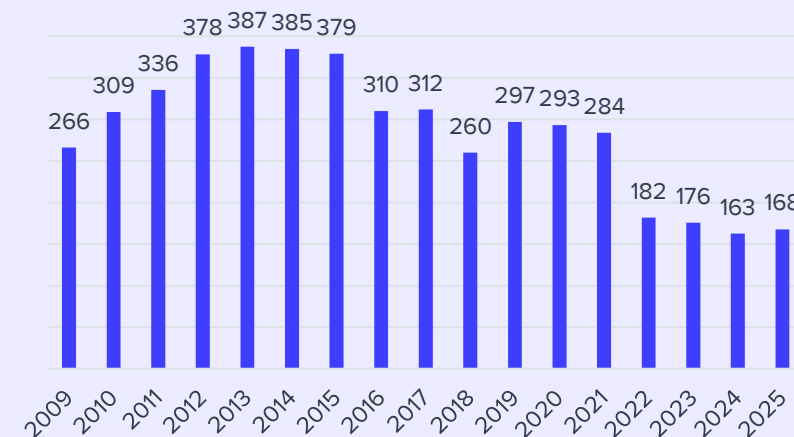
Profitability developed favorably in 2020-24

The restructuring and efficiency measures in Food Solutions were completed during 2020, at which point profitability turned clearly for the better as other segments also improved their profitability. The earnings level for 2022 suffered from severe cost inflation, which weighed on profitability in both segments, particularly in Oilseed Products. Price increases and the stabilization of cost development gradually restored profitability toward the end of 2022. Profitability for 2023 was already at a fairly normal level for Food Solutions and even clearly higher than the long-term level for Oilseed Products and Sucros, supported by a favorable market environment. Food Solutions' strong earnings trend continued in 2024, driven by a favorable harvest, as well as the company's improved industrial efficiency and sales mix. The 2025 operational earnings remained weak due to seasonal production challenges in Food Solutions and lower pressing margins in Oilseed Products. Reported EBIT for 2025 was impacted by one-off items of around 8 MEUR related to an acquisition in Sweden with a purchase price below book value.

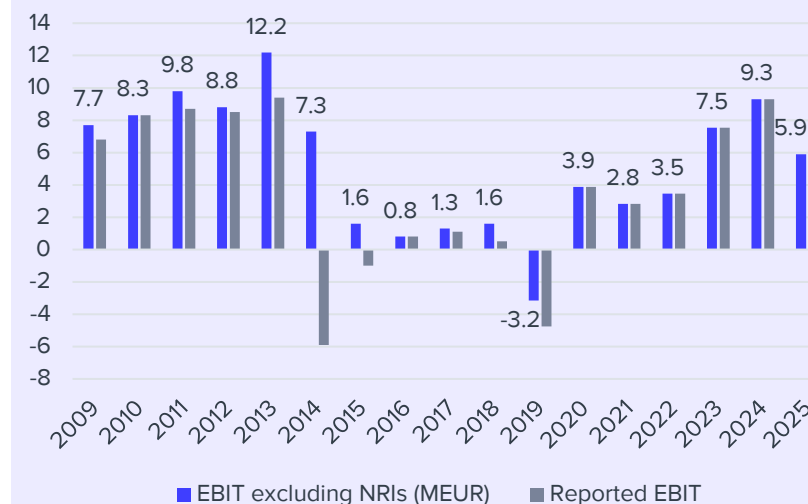
Strong balance sheet lightened with hefty dividends

Apetit has paid dividends exceeding its earnings level during its weak earnings period in 2014-2021. In 2016-2022, the company distributed a total of 23 MEUR in dividends, which is a large sum considering that the company's total earnings during the same period were only 9 MEUR.

Revenue development



EBIT development



Financial development and position 2/2

Thanks to the strengthened result, the dividends for 2023-24 have been just 48-55% of the net income, which is at the minimum level (40-60%) of the company's dividend policy. The 2025 dividend was once again higher than the operational earnings level due to the weakened earnings.

In our view, distributing a dividend that exceeded earnings was in the interest of shareholders in the past, when the balance sheet was too liquid. However, the recent increase in net debt, together with the deterioration in earnings, may limit the dividend-paying capacity without substantially changing the risk level related to the company's financial position.

Investments a significant part of EBITDA

Apetit's business model, which is based on food production, is fairly capital-intensive. The company's three plants (Säkylä frozen foods plant, Bjuv pea factory, and Kirkkonummi oil mill) require annual maintenance and replacement investments, which keeps the investment level high relative to the earnings generated from the business. Over the past 5 years, Apetit's depreciation has averaged 7.2 MEUR/year, which has corresponded to 53% of the company's EBITDA (averaging 13.7 MEUR). Therefore, an investor should look at Apetit's EBIT rather than EBITDA to get a good idea of the company's ability to generate cash flow in the long term.

The rather high investments in recent years have been driven by both maintenance and growth investments, such as the renovation of the ball line in 2019, the modernization of the pizza factory in 2021-2022, the construction of the oilseed products bottling line in 2023-2024, and the BlackGrain production investment in 2025. In addition, efficiency and environmental friendliness have been

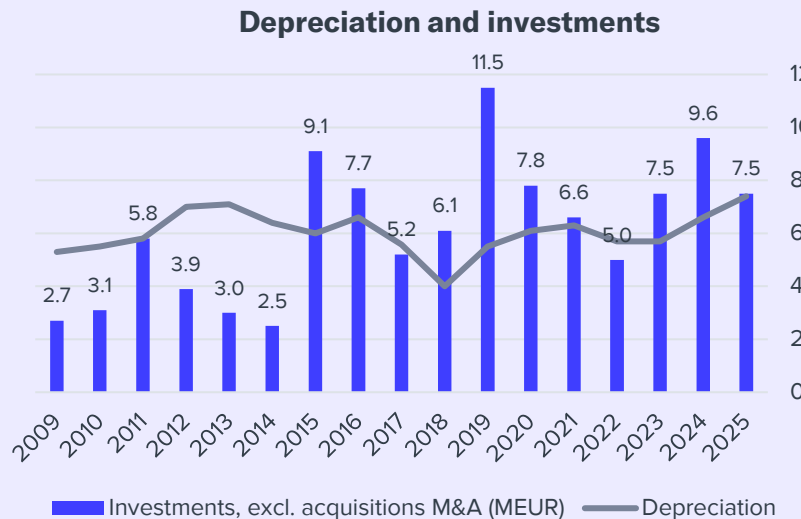
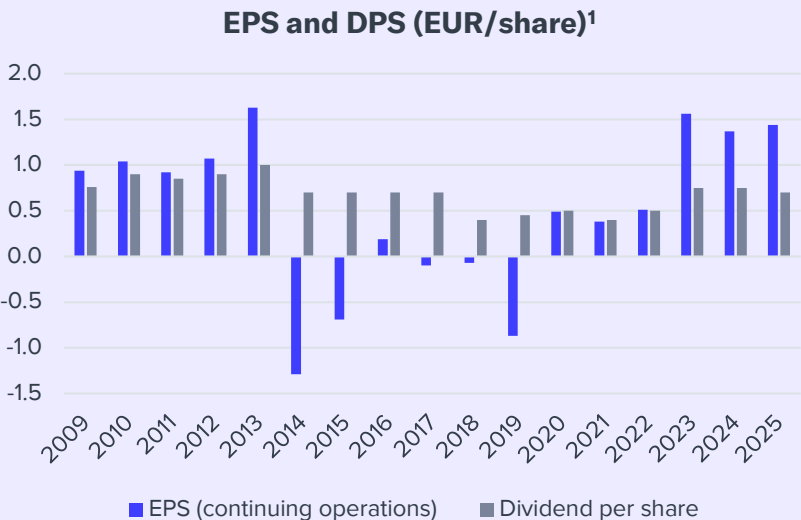
enhanced by significant energy investments. The renewal of the ERP system in 2023-25 is also included in investments and enables the strengthening of productivity in the long term.

Sucros's earnings also have a temporary impact on the overall cash flow, as it pays out its entire earnings as dividends. Earnings have been small or unprofitable in many years, meaning it generates no cash flow impact for Apetit. However, in its best years, its earnings have accounted for several tens of percentages of Apetit's net profit (up to 40% in 2023).

The balance sheet is strongly capitalized, but headroom also depends on earnings performance

Apetit's net debt on the balance sheet was 14 MEUR in June 2026, which roughly corresponds to the company's normalized annual EBITDA of recent years. Net gearing is only 14%, and the amount of equity on the balance sheet is as high as EUR 16 per share, which exceeds the market value of the shares. Therefore, the balance sheet still has room for additional debt, although the company's weakened earnings performance in 2026 has raised uncertainty regarding its debt-servicing capacity. In our view, debt capacity depends on the materialization of the expected earnings turnaround and its trajectory.

The amount of working capital fluctuates during the year through seasonal production and, on the other hand, the depletion of inventory. Raw materials are processed and stored in H2, which ties up working capital, and correspondingly, inventories are released during H1.



1) The 2025 earnings do not reflect operational profitability, because the figure is not adjusted for the positive entry related to the bargain purchase in Sweden.

Estimates 1/4

Estimate model

For Apetit, we forecast both the revenue and earnings lines (EBITDA and EBIT) for the separately reported segments, Food Solutions and Oilseed Products. In addition, in our estimates, we break down the Food Solutions' Finnish operations and the pea business acquired from Sweden, on whose development the company comments in its reports at least verbally. We also estimate the expenses of Group functions and the net income impact of the associated company Sucros. Group-level revenue can occasionally fluctuate significantly, especially alongside the market prices of oilseed products, which is why the main focus in forecasting is primarily on the bottom line.

The estimates are mainly based on high-level assessments, as more detailed information on, for example, the margin structure, is not reported by segment. Estimating Food Solutions is facilitated by the typically quite stable development, whereas in Oilseed Products and Sucros, one must try to account for factors such as changes in raw material market prices and refining margins, which is not entirely straightforward. This, in part, makes forecasting more difficult.

Our estimates do not include significant growth investments that have not been announced yet.

2026 will remain weak, even though we expect normalizing development toward the end of the year

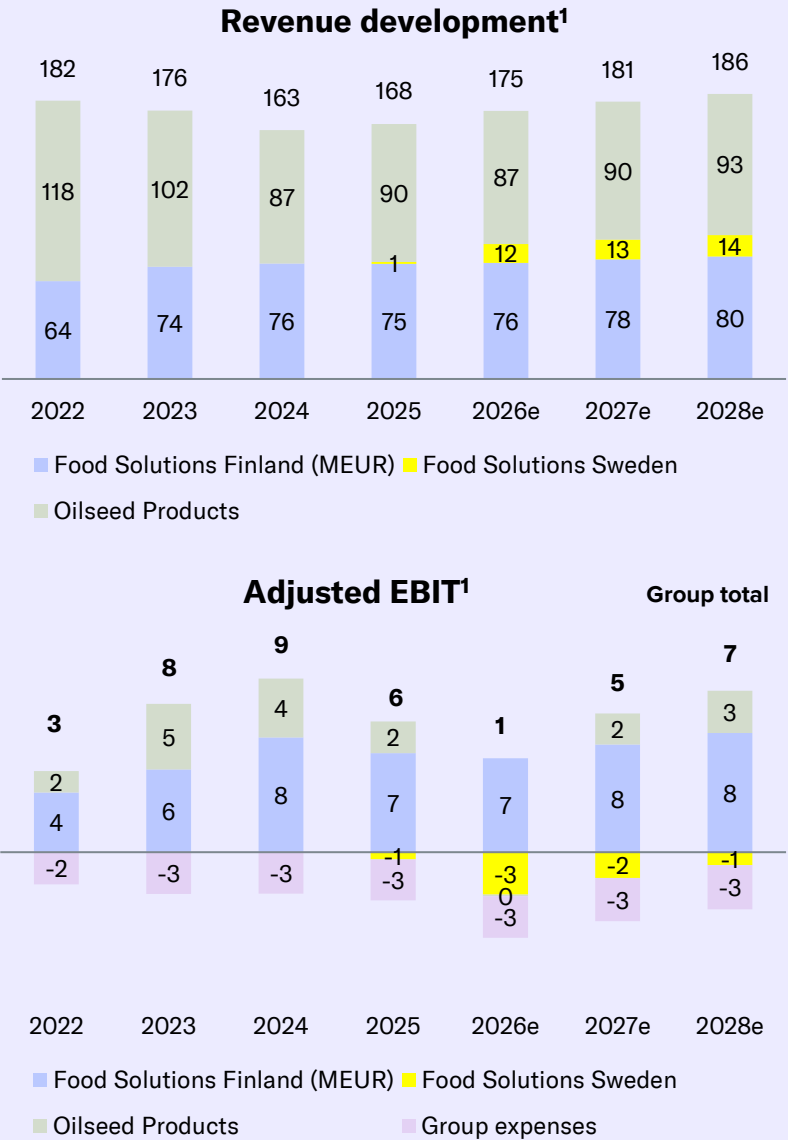
On August 12, 2026, Apetit issued guidance for 2026, according to which the group's EBIT is estimated to be -2 to +1 MEUR (in 2025: 5.9 MEUR, excluding the one-off impact of the Foodhills acquisition). In the seasonally weaker H1, the EBIT was unprofitable at -5.8 MEUR, on the back of

which the H2 result must be quite good and closer to the level accustomed from the company in previous years in order to reach the guidance. We estimate the company's EBIT to be 5.4 MEUR positive in H2, bringing the full-year 2026 EBIT to -1.5 MEUR. The adjusted EBIT estimate for 2026 is 0.8 MEUR, as the one-off costs caused by the closure of the Pudasjärvi pizza factory are estimated at around 2.3 MEUR (of which an estimated 1 MEUR in H2).

The earnings we expect for the rest of the year reflect strong performance in Food Solutions' operations in Finland, driven by a good harvest (H2 adj. EBIT: ~6 MEUR, equivalent to H2'24 top level). We expect a loss of -0.7 MEUR from Sweden, which is clearly better than the beginning of the year for seasonal reasons (H1: -2.3 MEUR), even though Sweden's pea harvest remained weak due to drought. For Oilseed Products, in turn, we expect the earnings level to recover to clearly positive territory and to around the average level of recent years, although there is uncertainty about this on the back of the weak H1.

The earnings growth estimates for 2027-28 are largely based on the earnings turnaround of underperformers

We expect EBIT to improve to 5-7 MEUR in 2027-28, which is a significant improvement from 2026, yet remaining below the peak earnings of 2024 (9 MEUR). Part of the earnings improvement will come from moderate earnings growth in Food Solutions' operations in Finland, but a larger share is related to the earnings turnaround in Oilseed Products and the weakly profitable operations in Sweden. We consider the earnings turnarounds of both to be difficult to predict, which increases the uncertainty associated with the forecasts.



1) The graph presents revenue and EBIT for continuing operations only.
Source: Inderes' estimate

Estimates 2/4

Good outlook for earnings in Finland in Food Solutions

The earnings of the Food Solutions business in Finland have been on a broadly favorable trend for several years, and we expect this trend to continue. We expect revenue to remain stable in 2026 (backed by the challenging harvest season in 2025) and growth to improve closer to the medium-term average of 2.5-3.0% in 2027-28. The long-term earnings growth trend is influenced by, e.g., investments that have improved production efficiency, export growth, the long-term volume growth of the patty and ball line built in 2019, and the volume growth of other highly processed products with higher added value. As a new efficiency-enhancing element, the closure of the Pudasjärvi pizza factory is included, which, according to the company, will have an estimated impact of 0.7 MEUR in cost savings from 2027 onwards. However, pizza sales will continue normally, even though production is transitioning to contract manufacturing.

In the short term, earnings have occasionally fluctuated due to, e.g., the success of seasonal production. The 2024 harvest was good, and the 2025 harvest was weak, which has also partially carried over into the following years. The 2026 harvest is good, and export prices for peas are high, which should support Food Solutions' earnings in Finland and drive earnings close to the peak level of 2024 (EBIT 2027e: 7.6 MEUR vs 2024: 8.2 MEUR). Earnings could grow slightly more than forecast when taking into account, e.g., the savings related to the closure of Pudasjärvi, but at the same time, we estimate that cost inflation will moderately burden earnings (particularly the prices of energy, logistics, and packaging materials). We expect earnings growth to continue until 2028 (EBIT: 8.4 MEUR).

Sweden's earnings are likely to improve, but the magnitude of the turnaround is difficult to predict

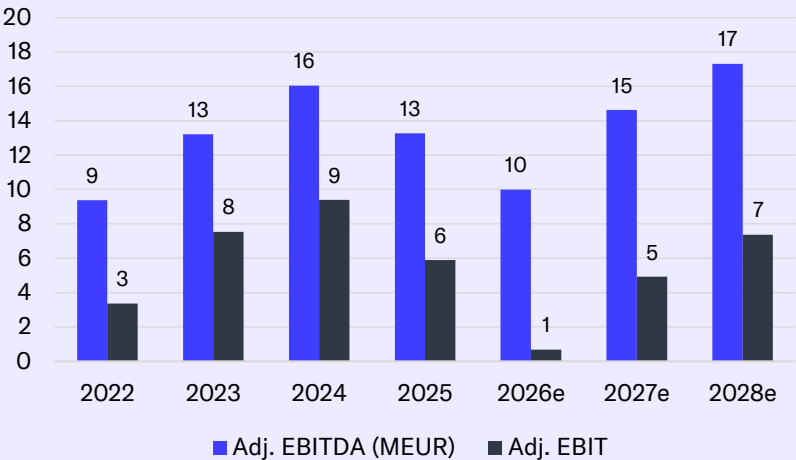
Sweden's EBIT averaged -3 MEUR in 2020-2024, and we forecast a similar EBIT for 2026 as well. For 2027-2028, we expect EBIT to improve to -1.8 MEUR and -0.9 MEUR. At the EBITDA level, the 2027 estimate is only slightly negative (-0.2 MEUR), and the 2028 estimate is already clearly positive at 0.7 MEUR. The success of the acquisition should be assessed through EBITDA, as Apetit bought the business at well below its book value, meaning that depreciation can be considered in part merely as theoretical items.

We estimate that the earnings turnaround will be driven in the early stages particularly by operational cost-savings measures and the commercialization of products into new, higher-margin channels (retail and foodservice). The pea harvest in the summer of 2026 was poor, so the planned increase in the factory's capacity utilization rates will likely be delayed at least until the second half of 2027. Naturally, utilization rates have a significant impact on the profitability of industrial operations. We expect Swedish revenue to contract by 10% in 2026 due to a poor harvest and to grow again by 6-7% p.a. in 2027-28 as pea harvests potentially normalize.

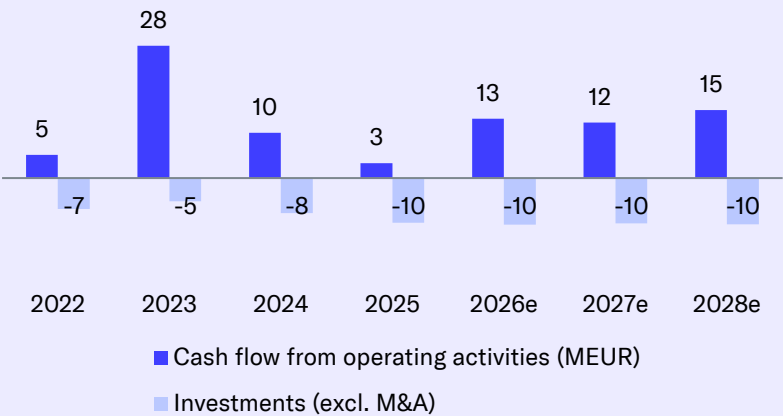
Oilseed Products seeks momentum from a lower earnings level

We expect the total volumes of Oilseed Products will develop stably. Changes in revenue are particularly affected by the development of market prices and, on the other hand, the sales mix (food-grade oil, feed cakes, and the new BlackGrain ingredient). Revenue decreased in H1 2026 (-9%) due to, e.g., the weak price level of feed and a weakened sales mix

Adjusted EBITDA and EBIT



Cash flow from operations and investments



Estimates 3/4

We estimate that the distribution will normalize in H2 and, on the other hand, the increase in the market price of rapeseed will also drive up the price of the final product, which would result in revenue growing by 2% in H2. We anticipate growth to improve to an average of 3% in 2027-28, driven by market prices and the growth of BlackGrain volumes. We expect the EBITDA margin to be at a moderate level of 2.7% in 2026 (2023-25: 5-7%), which still requires a clear improvement in H2 compared to the beginning of the year. We estimate the margin to settle at 5-6% in the coming years 2027-28, which, however, requires an increase in feed prices relative to recent challenging levels. This would correspond to an improvement in EBIT to around 2-3 MEUR, which still remains below the peak years (2023-24: 4-5 MEUR).

The impact of BlackGrain on EBIT is currently negative (estimated at just under 1 MEUR/year), and we assume the impact will remain negative in 2027-28 (around -0.5 MEUR/year in 2028). The company has mentioned that operations could become profitable at the earliest in 2028, but there have been challenges in the commissioning of the new production unit, which may delay the earnings turnaround. Assessing the commercial success of the ingredient is challenging, but we estimate that there is inherently significant demand for products made from it in, e.g., the foodservice channel, such as lunch restaurants and public catering services.

We expect slight growth in operating expenses

We anticipate that EBIT-level costs allocated to group functions will remain stable in 2026 and grow by around 3-4% per year in 2027-28. This is driven by, e.g., wage inflation and the moderate resourcing needs of ongoing growth initiatives.

Sucros could turn positive in 2027

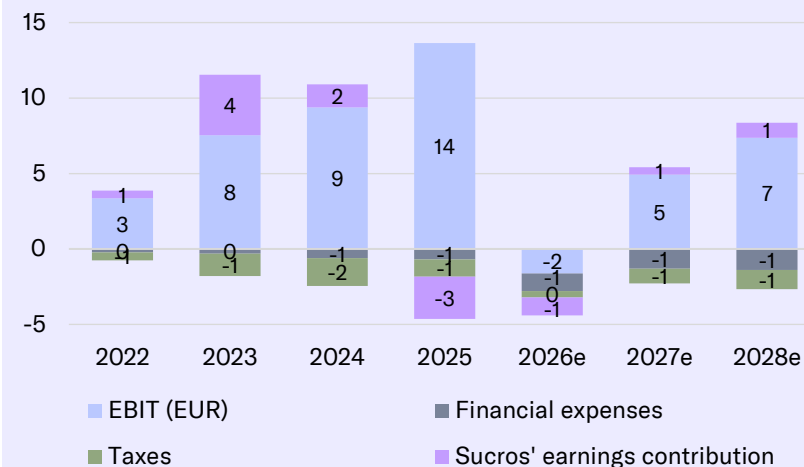
The earnings contribution of associate company Sucros (Apetit's holding 20%) to Apetit turned negative in 2025, and we also expect 2026 to remain unprofitable, albeit more moderately than the comparison period (earnings contribution 2026e: -1.2 MEUR, 2025: -2.8 MEUR). For 2027, we expect a turn in earnings (0.5 MEUR) and for 2028, a profit share of 1.0 MEUR as a result of cost-saving measures (slightly above the 2020s average). The efficiency of Sucros' operations is improved by streamlining production by the end of 2026, which means significant savings for future years. The 2026 sugar beet harvest has also been relatively good in Finland (and weak elsewhere in Europe), which can support the earnings development.

Financing costs are rising

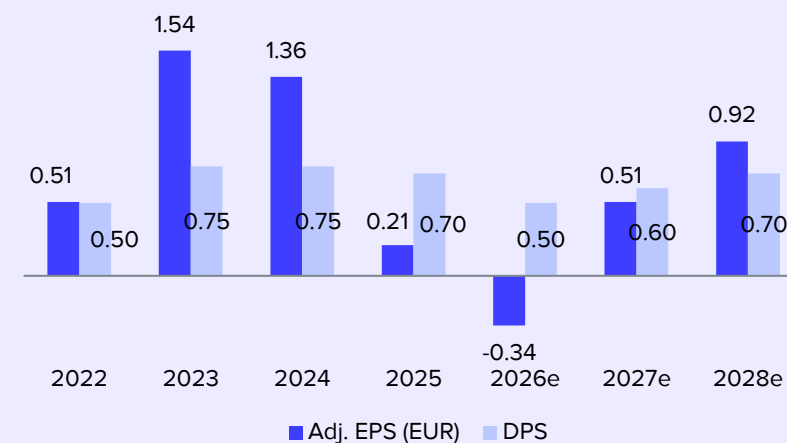
We estimate that Apetit's net financial expenses will rise to around 1.2 MEUR in 2026 (2025: 0.7 MEUR). We expect that expenses will continue to rise slightly in 2027, as net debt is increasing due to the weak earnings of the current year. Interest expenses may also rise due to both turbulence in the company's earnings and, on the other hand, rising market interest rates. We assume net financial expenses of around 5% of interest-bearing debt in our forecasts (2027-28: 1.3-1.4 MEUR).

We have estimated an effective tax rate of 27% and 21% for 2027-2028, which is due to the fact that losses in Sweden cannot be deducted in Finnish taxation. We expect the long-term tax rate to be 19%, reflecting the decrease in the Finnish corporate tax rate starting in 2027. We estimate EPS for 2026 to be EUR -0.71 (adj. EPS EUR -0.34). In the coming years, we expect net income to rise clearly back into positive territory (2027-28e: EUR 0.51-0.92).

Income items affecting the net result



EPS and dividend



Estimates 4/4

Dividends can temporarily be paid with debt

Our 2026 dividend estimate is EUR 0.50 (2025: EUR 0.70), as we suspect the company's owners want to maintain a fairly stable dividend level despite earnings fluctuations. For 2027, we expect a dividend of EUR 0.60 (119% of earnings) and EUR 0.75 for 2028 (76% of earnings). Our estimates clearly exceed the minimum level of the company's dividend policy (40-60% of the profit for the period), within which the company has remained for only a relatively short period (2023-25) Historically, the company has paid a dividend higher than its earnings, and we believe this will be repeated in the near future for 1-2 years. Following the Swedish acquisition, the company's net income no longer reflects business cash flows in the same way as before, because part of the losses caused by Sweden stem from non-cash depreciation and amortization. On the other hand, the company's increased net debt weakens its ability to pay a dividend that exceeds its earnings.

Debt is low relative to equity, but elevated relative to the short-term earnings level

We estimate net debt to grow to 21 MEUR at the end of 2026 (2025: 15.6 MEUR), particularly impacted by dividend payments (4.3 MEUR) and weak operating cash flow driven by losses in Sweden and the earnings disappointment in Oilseed Products. We estimate that net debt will develop fairly stably in 2027-28 and turn into a clearer decline from 2029 onwards, as the earnings level improves.

Apetit's equity ratio is still strong (2026e: 69%) and net gearing is only moderate at 21% (2026e). The situation starts to look more challenging when the amount of debt is compared to the company's current earnings level. The net/adj. EBITDA for 2026 is 2.1x, which we believe approaches the upper limit of the comfort zone. On the

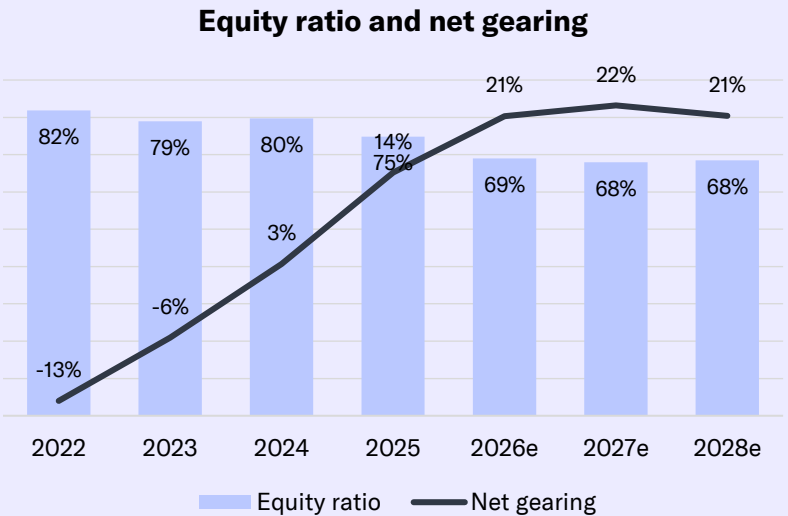
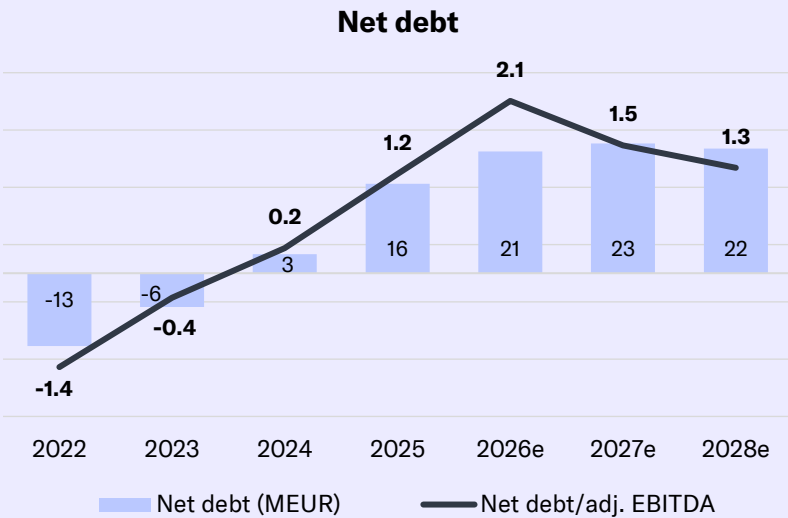
other hand, the weak earnings for 2026 will likely remain temporary if Oilseed Products and the Swedish business can gradually improve their earnings level In our estimates, net debt/EBITDA clearly decreases in 2027-28 as earnings recover. A significant delay in the earnings turnaround could limit Apetit's financial flexibility, for example, regarding dividends and growth investments.

Significant growth investments require an earnings turnaround

We estimate investments in 2026 to be 10.0 MEUR, slightly above the normalized depreciation level and includes both small expansion and replacement investments. Apetit is planning and considering significant investments related to, e.g., increasing the processing capacity of oilseed products and initiating the processing of pea protein. We consider these investments uncertain. The company could have the financial capacity for, say, a 10 MEUR growth investment in 2027-28 (on top of replacement investments), provided that the earnings turnaround progresses in line with our forecasts. As there is uncertainty surrounding the turnaround, we estimate that the company will first aim to stabilize its operational earnings development before making decisions on large-scale growth investments.

Moderate estimate changes

In connection with the extensive report, we have made some estimate changes that have had a primarily downward impact on net profit. We raised our assumptions regarding financing costs and taxes, and slightly lowered our estimates concerning the earnings turnarounds in Sweden and Oilseed Products. Our revenue estimates for 2026-28 decreased by 12-27%. EBIT estimates remained unchanged for 2027, but decreased by 6% for 2028. We also cut short-term dividend expectations.



Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	163	43.8	39.2	41.4	43.2	168	46.1	38.7	45.0	45.4	175	181	186	190
Food Solutions	75.8	20.4	17.3	19.0	21.0	77.7	24.6	18.8	22.2	22.9	88.5	91.5	94.4	96.2
Oilseed Products	87.4	23.6	22.1	22.5	22.2	90.4	21.6	20.0	23.0	22.7	87.2	90.3	92.5	94.4
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	5.1	5.1	10.2	14.6	17.3	19.2
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	2.6	2.6	0.7	4.9	7.4	9.3
EBIT	9.4	2.3	-0.8	3.2	9.0	13.6	-1.4	-4.5	2.6	1.6	-1.6	4.9	7.4	9.3
Food Solutions	8.2	2.4	-0.4	2.7	9.5	14.3	0.0	-3.0	2.6	1.7	1.3	5.8	7.5	4.7
Oilseed Products	4.2	0.4	0.2	1.2	0.4	2.2	-0.7	-0.9	0.7	0.9	0.0	2.2	3.0	4.6
Group functions	-2.9	-0.6	-0.7	-0.7	-0.9	-2.9	-0.6	-0.7	-0.7	-0.9	-2.9	-3.1	-3.1	0.0
Share of associated companies' profits or losses	1.5	-1.5	-0.5	-0.2	-0.6	-2.8	-1.1	-0.2	0.0	0.1	-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	-1.3	-1.4	-1.2
PTP	10.3	0.7	-1.5	2.8	8.2	10.1	-2.8	-5.1	2.4	1.5	-4.0	4.1	7.0	9.1
Taxes	-1.9	-0.3	0.1	-0.6	-0.3	-1.1	-0.1	0.6	-0.6	-0.4	-0.4	-1.0	-1.3	-1.5
Net earnings	8.5	0.4	-1.4	2.2	7.9	9.0	-2.9	-4.5	1.8	1.1	-4.4	3.1	5.7	7.6
EPS (adj.)	1.36	0.06	-0.23	0.43	-0.05	0.21	-0.46	-0.51	0.29	0.34	-0.34	0.51	0.92	1.22
EPS (rep.)	1.36	0.06	-0.23	0.35	1.27	1.45	-0.46	-0.72	0.29	0.18	-0.71	0.51	0.92	1.22

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	-7.3 %	3.8 %	5.9 %	2.2 %	0.6 %	3.0 %	5.3 %	-1.4 %	8.7 %	5.2 %	4.5 %	3.5 %	2.8 %	2.0 %
Adjusted EBIT growth-%	25%	-33%	-740%	-1%	-66%	-37%	-161%	-282%	-29%	226%	-88%	618%	50%	26%
EBITDA-%	9.9 %	9.4 %	2.6 %	12.1 %	25.2 %	12.5 %	2.0 %	-2.2 %	11.2 %	11.2 %	5.8 %	8.1 %	9.3 %	10.1 %
Adjusted EBIT-%	5.8 %	5.2 %	-2.1 %	8.9 %	1.9 %	3.5 %	-3.0 %	-8.3 %	5.8 %	5.8 %	0.4 %	2.7 %	4.0 %	4.9 %
Net earnings-%	5.2 %	0.8 %	-3.7 %	5.3 %	18.2 %	5.4 %	-6.2 %	-11.6 %	4.1 %	2.5 %	-2.5 %	1.7 %	3.1 %	4.0 %

Source: Inderes

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	63.9	66.2	68.0
Inventories	46.6	49.5	49.1	50.8	52.3
Other current assets	0.0	0.2	0.2	0.2	0.2
Receivables	8.1	10.3	10.8	11.1	11.5
Cash and equivalents	4.1	3.7	3.9	4.0	4.1
Balance sheet total	135	149	149	151	153

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	108	112	103	103	105
Share capital	12.6	12.3	12.3	12.3	12.3
Retained earnings	65.6	70.0	61.2	61.3	63.3
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	12.8	9.3	9.8	9.6
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	7.9	8.4	8.2
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	37.0	38.7	38.8
Interest bearing debt	1.5	7.9	17.2	18.2	17.7
Payables	19.4	16.9	19.8	20.5	21.1
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	135	149	149	151	153

Investment profile

- 1 A defensive market that grows only moderately
- 2 Significant position in its own categories in Finnish retail
- 3 Growth investments have raised the risk level and, on the other hand, also the potential
- 4 The market is competitive, and the company is dependent on the success of harvest seasons
- 5 Aim to turn earnings around after the challenges of 2026

Potential

- Profitability has developed on an upward trend in the medium term
- Apetit has a significant position in retail as Finland's only major producer of frozen vegetables and processor of vegetable oils
- Plant-based foods and ready meals have moderately good growth potential, also in export markets
- A healthy balance sheet enables business development and dividend payment

Risks

- Profitability fluctuates occasionally due to thin margins, and the business is capital-intensive
- The concentration of the retail sector and the tight competition in the sector limit profitability
- The company's profitability is dependent on the price development of raw materials and the success of harvest seasons
- Potential failure in Sweden's earnings turnaround

Valuation 1/3

Growth efforts have raised the risk level for the coming years

Apetit is traditionally a defensive share 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. It 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 to be 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. 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. The value of Sucros must also be considered when using the DCF method.

We consider the valuation expensive on the back of the earnings outlook

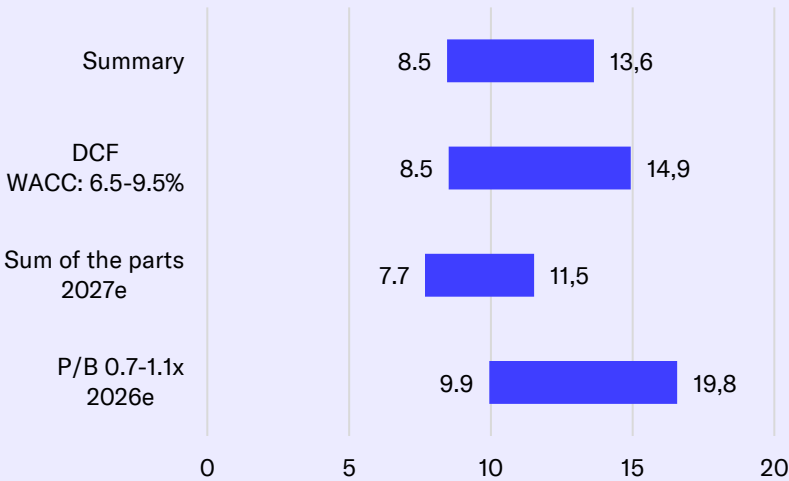
In our view, the EV/EBIT-based sum-of-the-parts method is the best tool for valuing Apetit, and the DCF model is also quite viable. In our sum-of-the-parts valuation model, we separately determine the values for Apetit's business segments and the associated company Sucros, as well as separating the unprofitable business in Sweden from the profitable business in Finland. Based on the sum of the parts, the value per share would be around EUR 10, which is clearly below the current share price level. Our DCF model in turn indicates a share value of approximately EUR 11.

Apetit's collapse into a negative earnings level during 2026 means that earnings-based valuation must be examined on the basis of the outlook for the coming years. Based on the 2027 estimates, the group's EV/EBIT would be 18x and P/E 25x - both generally rather expensive multiples in the industry context. In the sum-of-the-parts model, we have separated Sweden's losses and valued the Swedish operations at zero (rather than negative). Thus, a more lenient view of the stock's valuation is achieved compared to the crude valuation multiple applied to the entire group. However, even with the sum of the parts, the stock appears expensive. In our view, the company needs to succeed in improving its earnings significantly and broadly for the current valuation level to be justified.

Valuation	2026e	2027e	2028e
Share price	12.9	12.9	12.9
Number of shares, millions	6.21	6.21	6.21
Market cap	80	80	80
EV	91	91	90
P/E (adj.)	neg.	25.5	14.0
P/E	neg.	25.5	14.0
P/B	0.8	0.8	0.8
P/S	0.5	0.4	0.4
EV/Sales	0.5	0.5	0.5
EV/EBITDA	8.9	6.2	5.2
EV/EBIT (adj.)	>100	18.5	12.2
Payout ratio (%)	neg.	118.6 %	76.0 %
Dividend yield-%	3.9 %	4.7 %	5.4 %

Source: Inderes

Summary of valuation methods,



Source: Inderes' estimate

Valuation 2/3

Sum of parts valuation method

We have prepared a sum-of-the-parts valuation method, as we believe it provides an illustrative tool for evaluating different elements. Using the sum-of-the-parts method, we arrive at a total value of around EUR 10 per share, of which EUR 11 consists of the company's operational businesses, EUR 2 of the associated company Sucros, and EUR -3 of the 2026 dividend and net debt at the end of 2027.

We have reviewed the assumptions regarding each segment underlying the sum-of-the-parts calculation:

We consider Apetit's **Food Solutions business in Finland** to be the highest quality part of the company, supported by a high share of consumer sales and a strong position in domestic frozen vegetables. The segment's profitability is reasonably good, and earnings have been on an upward trajectory over the long term, although the fluctuation caused by harvest seasons has caused some volatility in earnings between years. The business is, of course, also capital-intensive, and production investments consume a significant share of the operational cash flow. Due to the moderate return on capital, we estimate that the fair valuation level is around EV/EBIT 10-11x (10.5x in our calculation), which is close to the median of domestic, consumer-driven food companies.

The **Swedish** pea business within **Food Solutions** is unprofitable, and therefore it will partly eat away at Apetit's cash flows, probably at least for the next few years. The long-term earnings turnaround is uncertain because the business has never been profitable in its history. However, if the turnaround is not achieved, Apetit would still have the option to discontinue the business. Partly for the sake of simplicity, we have valued the Swedish pea business at zero in the sum-of-the-parts calculation, allowing the

investor to see what the company's value would look like without this uncertain element.

Oilseed Products is stable in terms of volumes, but volatile in terms of earnings and dependent on changes in global refining margins. The profitability level of the business has slipped to a low level in 2025-2026, e.g., due to the low price of feed, but we expect profitability to improve closer to a typical level in 2027. In recent years, the business has sought to focus on added value by, e.g., investing in its own bottling line and the production of the BlackGrain raw material. Due to volatile profitability and a low growth outlook, we estimate the segment's fair valuation level to be EV/EBIT 9x. Investments in the protein-containing BlackGrain ingredient weigh on profitability, and visibility into the project's earnings turnaround is hazy, but in a positive scenario, the success of the ingredient would improve the segment's growth and value-creation profile.

Group function expenses must be considered in the valuation as a calculated negative item. We apply a weighted average of the valuation multiples of the two operational segments (10.1x) as the valuation multiple for expenses.

The associated company Sucros, (Apetit holds 20%) is valued at around 11 MEUR in our sum-of-the-parts calculation, which corresponds to a P/B multiple of 0.6x. We justify Sucros' fair value, which is clearly lower than its book value, particularly by the low earnings level of the business. We assume that by 2028, the earnings level will recover to slightly above the long-term average, driven, e.g., by the recovery of processing margins and cost-saving measures, in which case the estimated fair value would correspond to a P/E ratio of 11x. Sucros pays out its entire profit as a dividend to Apetit every year.

Sum of the parts				
MEUR 2027e	EBIT	EV/EBIT multiple	Value (EV)	Value per share
Food Solution Finland	7.6	10.5	79.8	12.9
Food Solutions Sweden	-1.8	0.0	0.0	0.0
Oilseed Products	2.2	9.0	19.8	3.2
Group functions	-3.1	10.2	-31.1	-5.0
Total for operations	4.9		68.5	11.0
Sucros (P/B H1'26: 0.6x)			10.7	1.7
Operations and Sucros combined			79.2	12.7
Net cash assets 2027e and dividend 2026e			-19.0	-3.1
Value of the Apetit share			60.1	9.7
Expected return at current share price				-23%
Required return				8%

Valuation of associated company Sucros			
MEUR	Fair value as part of Apetit	Full balance sheet value	Differenc e
Value of the holding (MEUR)	10.7	17.8	7.1
Value per share of the holding (EUR)	1.7	2.9	1.1
P/B	0.6x	1.0x	
P/E (2020-24)	8x	14x	
P/E 2025-26e	neg.	neg.	
P/E 2027e	21x	36x	
P/E 2028e	11x	18x	

Valuation 3/3

DCF valuation also clearly below the current share price

Our valuation model based on cash flow forecasts (DCF) yields a slightly higher fair value for the share than the sum of the parts. Our DCF model yields an equity value of 68 MEUR, or EUR 10.9 per share. The realization of the DCF value requires a broad-based increase in Apetit's earnings level, as the medium-term profitability estimate (EBIT 4.9%) is set clearly above the 2026-27e level (adj. EBIT 0.4-2.7 %). The value of Sucros in the DCF has not been determined based on cash flows, but has been taken into account in the same way as in the sum of the parts (P/B 0.6x and 2028e P/E 11x).

We have used a 8.3% cost of equity and a 8.0% weighted average cost of capital (WACC) in the model. Apetit's business risk level has traditionally been moderate, but it has increased after the company acquired an unprofitable pea business in Sweden, which has added uncertainty to the earnings outlook and, on the other hand, increased net debt. The DCF valuation is highly sensitive to changes in the CoE and WACC and changes in the long-term EBIT margin (4.0% in the terminal).

The balance sheet-based valuation is moderate

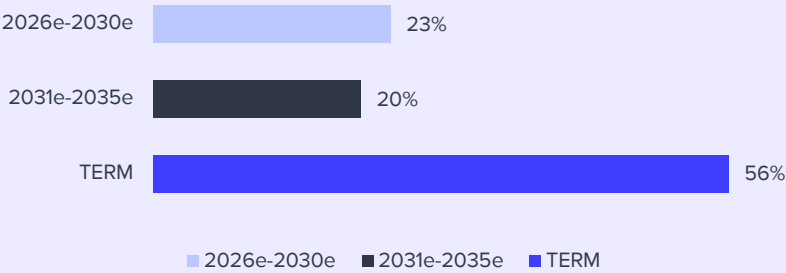
The balance-sheet-based valuation, meaning market value relative to the book value of equity (P/B), is currently 0.8x. In our estimates for the coming years, the return on capital is below the required return (ROE 2027-28e: 3.1-5.5%), which, in our view, justifies a market value below the book value of the stock. Sustainably raising the return on capital to the WACC level (~8%) or higher requires an increase in the balance sheet valuation. The Finnish operations have demonstrated moderately good returns on capital in

previous years (ROE 2023-24: 10% and 8%), but the acquisition of the Swedish pea business has bloated the balance sheet and weakened earnings, making it significantly more difficult to achieve good return on capital figures.

Dividend yield in line with the peer group

We believe that Apetit will continue to pay dividends, even though the 2026e earnings are turning out to be negative. We estimate that the dividend for 2026e will decrease to EUR 0.50 per share (2025: 0.70), which corresponds to a dividend yield of just under 4%. Based on the 2027-2028 estimates, the dividend paid by the company will already be based mostly on earnings capacity rather than debt financing. However, the estimated dividend yield of 4-5% is not sufficient to turn the expected return attractive, especially since we simultaneously see downside in the earnings-based valuation multiples.

DCF: Cash flow breakdown

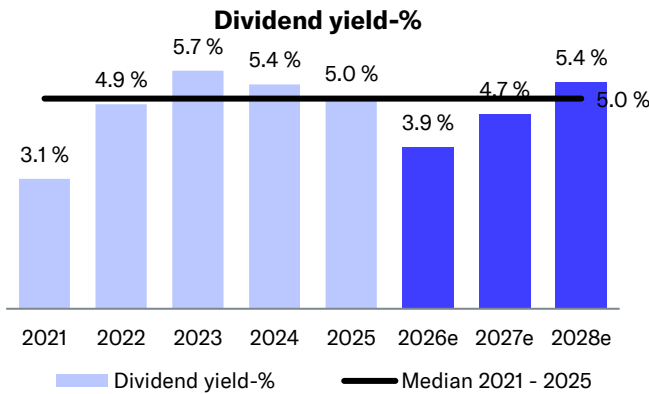
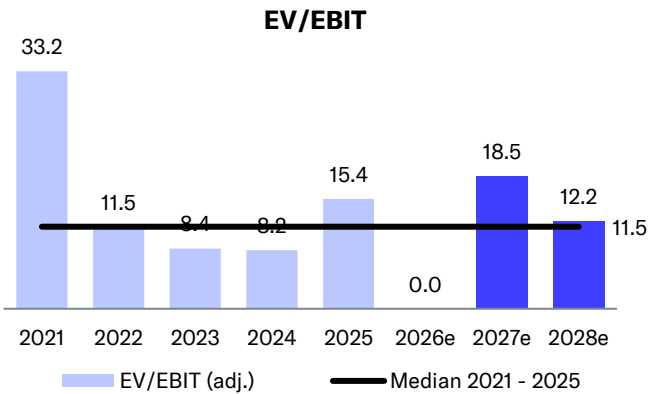
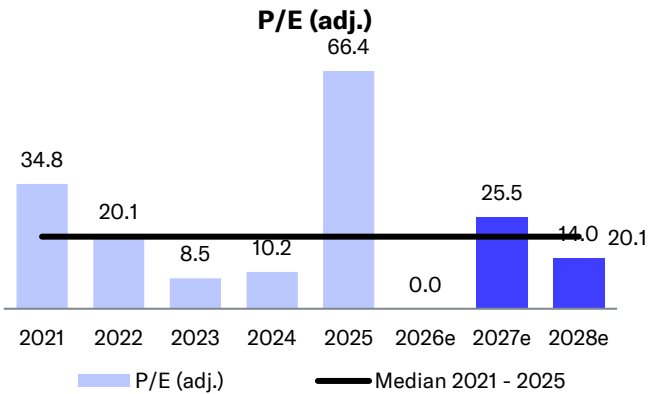


2026e-2030e 2031e-2035e TERM

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	12.9	10.2	13.2	14.0	13.9	12.9	12.9	12.9	12.9
Number of shares, millions	6.32	6.32	6.32	6.21	6.21	6.21	6.21	6.21	6.21
Market cap	81	64	83	87	86	80	80	80	80
EV	94	40	63	77	91	91	91	90	88
P/E (adj.)	34.8	20.1	8.5	10.2	66.4	neg.	25.5	14.0	10.6
P/E	34.8	20.1	8.5	10.2	9.6	neg.	25.5	14.0	10.6
P/B	0.9	0.7	0.8	0.8	0.77	0.8	0.8	0.8	0.7
P/S	0.3	0.4	0.5	0.5	0.5	0.5	0.4	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	8.9	6.2	5.2	4.6
EV/EBIT (adj.)	33.2	11.5	8.4	8.2	15.4	>100	18.5	12.2	9.5
Payout ratio (%)	108.5 %	98.7 %	48.6 %	55.1 %	48.3 %	neg.	118.6 %	76.0 %	61.5 %
Dividend yield-%	3.1 %	4.9 %	5.7 %	5.4 %	5.0 %	3.9 %	4.7 %	5.4 %	5.8 %

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.

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
			2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	
Atria	460	763	10.2	10.1	5.4	5.3	0.4	0.4	9.2	9.0	5.1	5.5	1.0
Raisio	363	305	11.2	9.6	8.1	7.2	1.3	1.3	15.7	14.0	6.7	7.2	1.4
HKFoods	148	357	10.2	9.8	5.5	5.3	0.3	0.3	11.0	8.7	7.3	7.6	1.0
Fodelia	36	40	13.5	10.1	7.9	6.5	0.7	0.6	14.9	11.5	2.2	3.1	2.8
Nomad Foods	1271	3316	8.9	8.6	7.0	6.8	1.1	1.1	6.4	6.1	7.4	7.7	0.5
Savencia	763	1990	8.9	7.9	3.9	3.6	0.3	0.3	5.0	4.5	3.2	3.7	0.4
Agrana Beteiligungs	740	1275	18.6	14.8	7.0	6.4	0.4	0.4		18.0	5.9	4.9	0.7
Bonduelle	261	1027	13.9	13.0	6.3	6.2	0.5	0.5	7.7	6.1	3.4	3.8	0.4
Austevoll Seafood	1556	3533	10.8	7.9	6.2	5.3	1.0	0.9	9.7	7.7	8.0	8.4	1.0
Origin Enterprises	431	577	6.5	6.5	4.8	4.7	0.3	0.3	7.4	7.3	4.5	4.7	0.9
Cranswick	3239	3523	13.0	12.0	9.2	8.4	1.0	1.0	17.4	16.1	2.1	2.3	2.5
Apetit (Inderes)	80	91	132.3	18.5	8.9	6.2	0.5	0.5	-38.0	25.5	3.9	4.7	0.8
Average			11.2	9.9	6.6	6.0	0.7	0.6	10.8	10.2	5.1	5.3	1.1
Median			10.5	9.7	6.6	6.3	0.5	0.5	9.7	8.8	5.1	4.9	1.0
Diff-% to median			1159%	91%	34%	-1%	0%	2%	-493%	189%	-24%	-5%	-18%

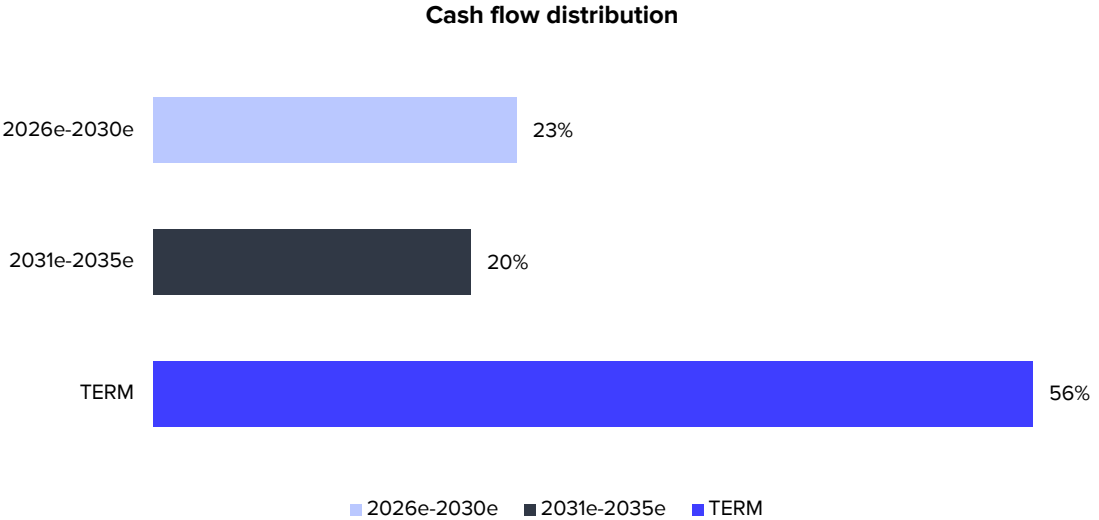
Source: Refinitiv / Inderes

DCF-calculation

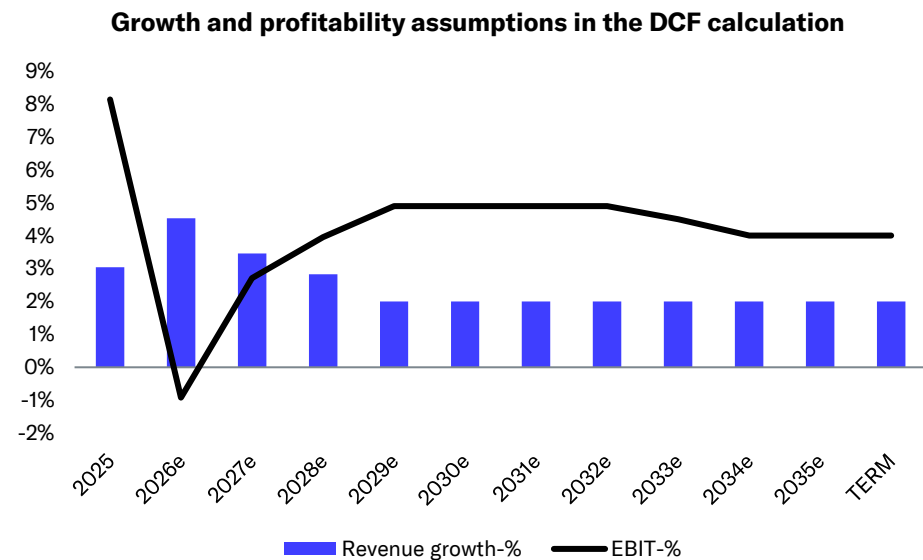
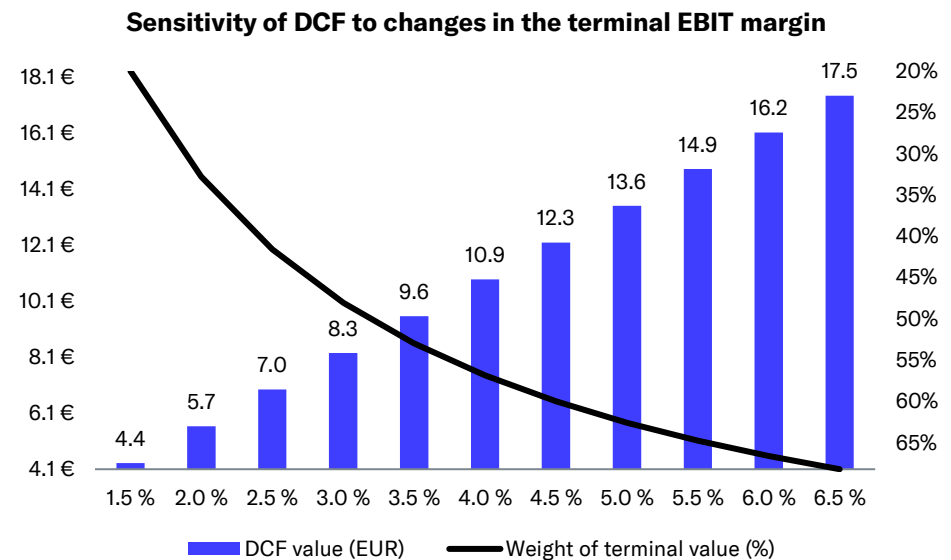
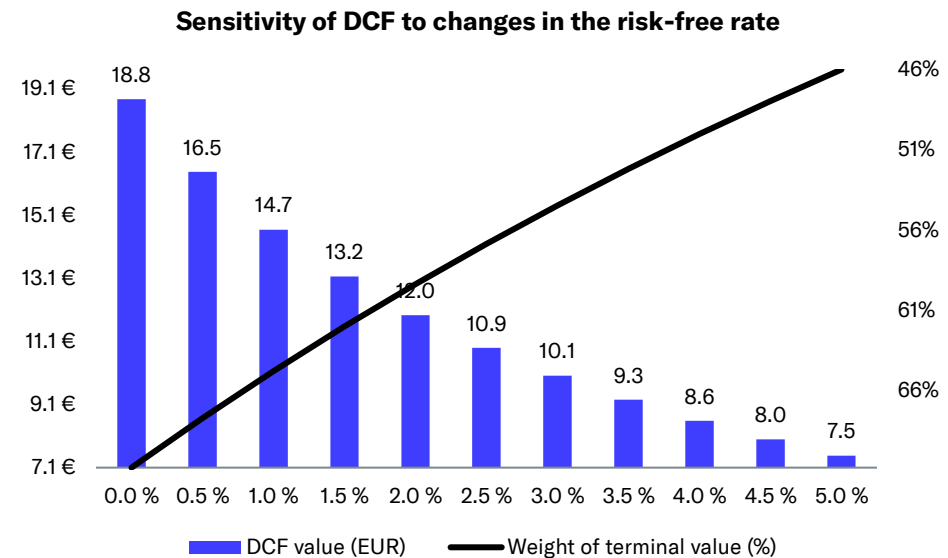
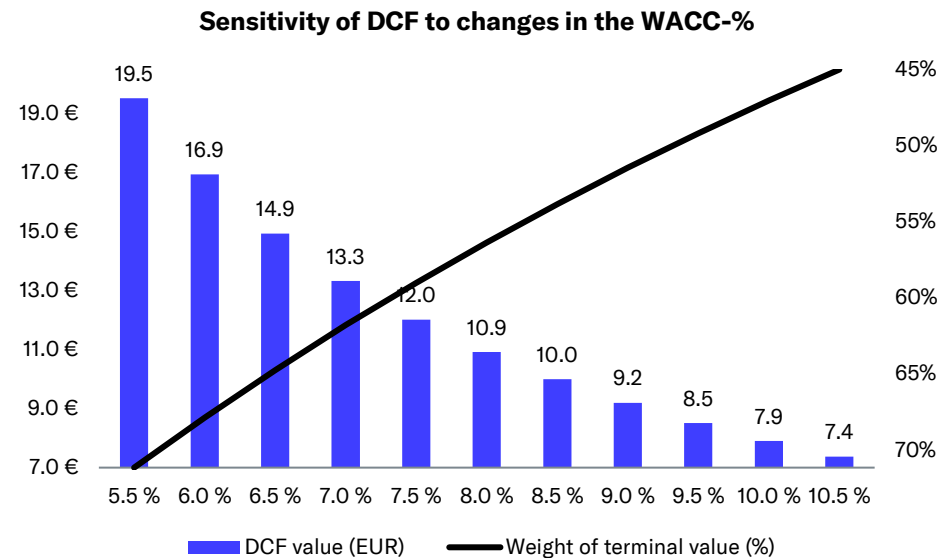
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	3.0 %	4.5 %	3.5 %	2.8 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT-%	8.1 %	-0.9 %	2.7 %	4.0 %	4.9 %	4.9 %	4.9 %	4.9 %	4.5 %	4.0 %	4.0 %	4.0 %
EBIT (operating profit)	13.6	-1.6	4.9	7.4	9.3	9.5	9.7	9.9	9.3	8.4	8.6	
+ 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	-0.4	-1.0	-1.3	-1.5	-1.6	-1.6	-1.7	-1.7	-1.5	-1.6	
- 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	2.8	-1.4	-1.2	-0.9	-0.9	-0.9	-0.9	-0.9	-0.9	-1.0	
Operating cash flow	10.0	12.8	11.9	14.6	16.6	16.7	16.9	17.2	16.8	16.3	16.6	
+ 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	-11.4	
Free operating cash flow	-7.6	2.8	2.2	4.7	6.5	5.9	5.9	6.0	5.4	4.6	5.2	
+/- 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	2.8	2.2	4.7	6.5	5.9	5.9	6.0	5.4	4.6	5.2	88.4
Discounted FCFF		2.7	2.0	4.0	5.0	4.3	4.0	3.7	3.1	2.4	2.5	43.5
Sum of FCFF present value		77.1	74.4	72.4	68.5	63.4	59.2	55.2	51.5	48.5	46.0	43.5
Enterprise value DCF		77.1										
- Interest bearing debt		-19.3										
+ Cash and cash equivalents		3.7										
+ Associated companies		10.7										
+ Estimated fair value of associated company Sucros		13.0										
-Dividend/capital return		-4.3										
Equity value DCF		67.9										
Equity value DCF per share		10.9										

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	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



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

Summary

Income statement	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e
Revenue	175.5	162.7	167.6	175.2	181.3	EPS (reported)	1.54	1.36	1.45	-0.71	0.51
EBITDA	13.2	16.1	21.0	10.2	14.6	EPS (adj.)	1.54	1.36	0.21	-0.34	0.51
EBIT	7.5	9.4	13.6	-1.6	4.9	OCF / share	1.44	0.58	1.61	2.06	1.92
PTP	11.2	10.3	10.1	-4.0	4.1	OFCF / share	-0.89	-1.16	-1.22	0.44	0.35
Net Income	9.8	8.5	9.0	-4.4	3.1	Book value / share	16.38	17.33	17.99	16.58	16.58
Extraordinary items	0.0	0.0	7.7	-2.3	0.0	Dividend / share	0.75	0.75	0.70	0.50	0.60
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	131.1	135.0	149.2	149.2	151.5	Revenue growth-%	-3%	-7%	3%	5%	3%
Equity capital	103.5	107.6	111.7	102.9	102.9	EBITDA growth-%	41%	21%	31%	-51%	44%
Goodwill	0.4	0.4	0.4	0.4	0.4	EBIT (adj.) growth-%	118%	25%	-37%	-88%	618%
Net debt	-5.9	3.3	15.6	21.3	22.6	EPS (adj.) growth-%	205%	-12%	-85%	-262%	249%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	7.5 %	9.9 %	12.5 %	5.8 %	8.1 %
EBITDA	13.2	16.1	21.0	10.2	14.6	EBIT (adj.)-%	4.3 %	5.8 %	3.5 %	0.4 %	2.7 %
Change in working capital	-4.2	-12.4	-7.8	2.8	-1.4	EBIT-%	4.3 %	5.8 %	8.1 %	-0.9 %	2.7 %
Operating cash flow	9.1	3.6	10.0	12.8	11.9	ROE-%	9.8 %	8.0 %	8.2 %	-4.1 %	3.1 %
CAPEX	-14.7	-10.7	-17.6	-10.0	-9.7	ROI-%	11.0 %	9.6 %	8.8 %	-2.2 %	4.2 %
Free cash flow	-5.6	-7.2	-7.6	2.8	2.2	Equity ratio	78.9 %	79.7 %	74.8 %	69.0 %	68.0 %
Valuation multiples	2023	2024	2025	2026e	2027e	Gearing	-5.7 %	3.1 %	14.0 %	20.7 %	22.0 %
EV/S	0.4	0.5	0.5	0.5	0.5	Net debt/EBITDA	-0.4	0.2	0.7	2.1	1.5
EV/EBITDA	4.8	4.8	4.3	8.9	6.2	EBITDA/net financials	44.1	26.8	30.0	8.6	11.2
EV/EBIT (adj.)	8.4	8.2	15.4	>100	18.5						
P/E (adj.)	8.5	10.2	66.4	neg.	25.5						
P/B	0.8	0.8	0.8	0.8	0.8						
Dividend-%	5.7 %	5.4 %	5.0 %	3.9 %	4.7 %						

Source: Inderes

Disclaimer and recommendation history

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

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

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

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

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

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

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

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

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

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

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

Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2/13/2023	Reduce	10.00 €	10.90 €
2/17/2023	Accumulate	12.00 €	10.80 €
3/27/2023	Reduce	12.50 €	12.95 €
4/25/2023	Accumulate	13.50 €	12.65 €
8/17/2023	Accumulate	14.00 €	12.50 €
10/18/2023	Accumulate	14.00 €	12.60 €
10/26/2023	Accumulate	14.00 €	12.65 €
2/16/2024	Reduce	13.50 €	13.25 €
3/28/2024	Reduce	13.50 €	13.70 €
4/29/2024	Lisää	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 €



CONNECTING INVESTORS AND COMPANIES.

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

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

Inderes Ab

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

inderes.se

Inderes Oyj

Porkkalankatu 5
00180 Helsinki
+358 10 219 4690

inderes.fi

**inde
res.**