

15 January 2025

**Commissioned research: Atria –Peer HKFoods out with a positive profit warning**

Peer and competitor in Finland, HKFoods is out with a positive profit warning stating its 2024 comparable EBIT was EUR 27-28m (was previously expecting EUR 22-25m, i.e. mid-point up 17%). HKFoods states that operative and commercial performance has improved while Christmas sales were particularly strong. New guidance implies around EUR 10m comparable EBIT in Q4 (LSEG consensus at EUR 6.3m after EUR 3m in Q4 2023). For Atria, we have modelled EUR 16.4m adjusted EBIT in Q4E (consensus EUR 16.3m, up from EUR 9.3m in Q4 2023, which was burdened by new poultry unit ramp-up). We view HKFoods positive profit warning as positive when considering Atria Q4 performance, especially owing to reasoning around Christmas sales. Atria will report its Q4 on 13 February.

**OUR ESTIMATES VERSUS CONSENSUS**

EURm	Nordea estimates					Consensus estimates					Difference %			
	2023	Q4 2024E	2024E	2025E	2026E	Q4 2024E	2024E	2025E	2026E	Q4 2024E	2024E	2025E	2026E	
Sales	1,753	453	1,764	1,806	1,842	449	1759	1802	1841	1%	0%	0%	0%	
Adj. EBIT	49.5	16.4	69.7	71.0	73.9	16.3	59.3	69.0	71.0	1%	17%	3%	4%	
Adj. EBIT margin	2.8%	3.6%	3.9%	3.9%	4.0%	3.6%	3.4%	3.8%	3.9%	0.0pp	0.6pp	0.1pp	0.2pp	
Adj. EPS	1.04	0.32	1.45	1.51	1.65	0.30	1.45	1.46	1.56	5%	0%	3%	6%	
DPS	0.60		0.72	0.80	0.85		0.72	0.78	0.82		0%	3%	4%	

Source: Company data and Nordea estimates

**SUMMARY TABLE - KEY FIGURES**

EURm	2021	2022	2023	2024E	2025E	2026E
Total revenue	1,540	1,697	1,753	1,764	1,806	1,842
EBITDA (adj)	106.3	101.8	109.4	130.0	133.3	137.1
EBIT (adj)	49.2	49.0	49.5	69.7	71.0	73.9
EBIT (adj) margin	3.19%	2.89%	2.82%	3.95%	3.93%	4.01%
EPS (adj. EUR)	0.97	1.54	1.04	1.45	1.51	1.65
EPS (adj) growth	6.36%	58.7%	-32.5%	39.9%	3.76%	9.16%
DPS (ord. EUR)	0.63	0.70	0.60	0.72	0.80	0.85
EV/Sales	0.32	0.30	0.34	0.33	0.31	0.29
EV/EBIT (adj)	9.97	10.4	12.0	8.39	7.84	7.26
P/E (adj)	11.9	6.02	10.1	7.67	7.39	6.77
P/BV	0.72	0.58	0.76	0.76	0.72	0.69
Divident yield (ord)	5.47%	7.55%	5.70%	6.46%	7.17%	7.62%
FCF Yield bef A&D, lease adj	7.25%	-31.1%	-8.44%	17.5%	16.8%	15.1%
Net debt	151.8	233.8	273.3	242.8	210.4	185.3
Net debt/EBITDA	2.39	2.25	2.73	1.87	1.58	1.35
ROIC after tax	6.44%	6.32%	5.70%	7.82%	8.17%	8.51%

Source: Company data and Nordea estimates

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