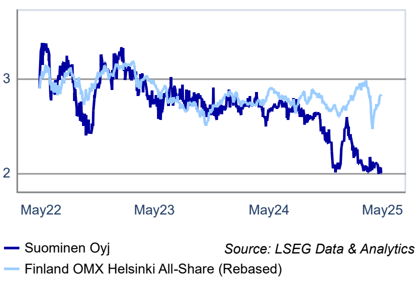
Suominen

Consumer Goods
Finland

KEY DATA

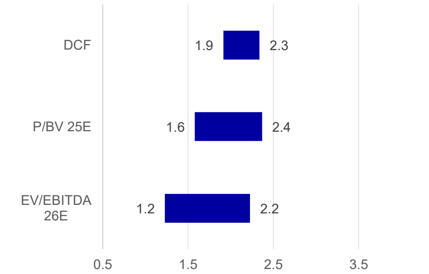
Stock country	Finland
Bloomberg	SUY1V FH
Reuters	SUY1V.HE
Share price (close)	EUR 2.01
Free float	76%
Market cap. (bn)	EUR 0.12/EUR 0.12
Website	www.suominen.fi
Next report date	07 Aug 2025

PERFORMANCE



Source: LSEG Data & Analytics

VALUATION APPROACH (EUR/SHARE)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2025E	2026E	2027E
Sales	-3%	-4%	-4%
EBIT (adj)	56%	28%	24%

Source: Nordea estimates

Nordea IB & Equity - Analysts
Joni Sandvall
Analyst

Jukka-Pekka Pesonen
Analyst

Market volatility to remain high in near term

Suominen's Q1 was fairly in line with Vara Research consensus, while the company also announced a large EUR 10m cost-savings programme. Sales volumes declined y/y, while pricing was supportive on the back of increased raw material prices and commercial execution. We still continue to expect tariff-induced uncertainties to become more visible from Q2 onwards, with higher Asia imported stock levels possibly burdening ASP development. We derive a slightly higher DCF- and multiples-based fair value range of EUR 1.6-2.3 (1.5-2.3) per Suominen share.

Further self-help measures to improve profitability

Suominen's Q1 net sales of EUR 118m were up 3% y/y and came in 2% above Vara Research consensus. Comparable EBITDA of EUR 4.1m was down 9% y/y and missed consensus by 2%. Operating expenses increased y/y. Q1 sales volumes were down ~4% y/y, while higher raw material prices, improved mix and commercial actions supported the top line. More importantly, the company announced a large (EUR 10m) cost-savings programme. In addition to up to 60 fewer employees, the company is seeking savings from overhead costs. According to the company, announced cost savings do not include any production line closures, which we find somewhat surprising, given the size of the programme and the current oversupply in the market. Suominen expects to see a positive impact from H2 2025, with a full impact within 24 months. We note that the company's strategy period ends in 2025, and we hence expect it to host a CMD event later in the autumn.

Slightly positive revisions due to cost savings

We raise our comparable EBITDA estimates by 1% for 2025 and by 5-7% for 2026-27, supported by announced cost savings. However, we continue to view the short-term market environment as challenging, with likely increasing pricing pressure from redirected trade flows. Suominen kept its growing comparable EBITDA guidance intact; we model EUR 20.7m for 2025 after EUR 17m in 2024.

Fair value range of EUR 1.6-2.3 (1.5-2.3)

We calculate a fair value range of EUR 1.6-2.3 (1.5-2.3), based on a combination of DCF, 2025E P/BV and 2026E EV/EBITDA.

SUMMARY TABLE - KEY FIGURES

EURm	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	443	493	451	462	465	482	499
EBITDA (adj)	47	15	16	17	21	29	36
EBIT (adj)	27	-4	-3	-1	3	10	16
EBIT (adj) margin	6.1%	-0.8%	-0.6%	-0.3%	0.5%	2.1%	3.3%
EPS (adj, EUR)	0.36	-0.16	-0.14	-0.09	-0.02	0.08	0.18
EPS (adj) growth	-31.6%	-143.7%	11.5%	31.9%	74.4%	437.7%	117.1%
DPS (ord, EUR)	0.20	0.10	0.10	0.00	0.00	0.05	0.06
EV/Sales	0.8	0.5	0.5	0.4	0.4	0.4	0.4
EV/EBIT (adj)	13.0	n.m.	n.m.	n.m.	76.1	19.3	11.1
P/E (adj)	14.6	n.m.	n.m.	n.m.	n.m.	24.8	11.4
P/BV	1.8	1.2	1.3	1.1	1.1	1.0	1.0
Dividend yield (ord)	3.9%	3.3%	3.5%	0.0%	0.0%	2.5%	3.0%
FCF Yield bef A&D, lease	-2.2%	2.4%	12.0%	-7.8%	-11.5%	-0.1%	9.8%
Net debt	50	55	44	60	74	74	66
Net debt/EBITDA	1.1	3.8	3.9	3.5	5.0	2.5	1.8
ROIC after tax	9.7%	-1.5%	-1.1%	-0.6%	1.0%	4.0%	6.6%

Source: Company data and Nordea estimates

Q1 result takeaways

Q1 comparable EBITDA of EUR 4.1m, fairly in line with consensus

- Suominen's Q1 comparable EBITDA of EUR 4.1m came in only 2% below Vara Research consensus of EUR 4.2m.
- Q1 sales of EUR 117.5m grew 3% y/y and were 2-3% above our and consensus estimates. According to Suominen, sales volumes decreased by ~4% y/y, while prices and mix improved. Americas sales of EUR 74m came in slightly above our estimate of EUR 70m, while EMEA sales of EUR 44m were in line with our estimate.
- Net debt increased to EUR 67.5m (EUR 60.8m in Q4 2024).
- The equity ratio declined to 37.2% (37.9% in Q4 2024).
- Gearing rose to 60.0% (51.7% in Q4 2024).

Q1 2025 DEVIATION TABLE (EPS IN EUR)

EURm	Actual Q1 25	NDA est. Q1 25E	Deviation vs. actual		Consensus Q1 25E	Deviation vs. actual		Actual Q4 24	q/q	Actual Q1 24	y/y
Sales	117.5	114.4	3.1	3%	115.3	2.2	2%	118.5	-1%	113.6	3%
Comparable EBITDA	4.1	3.5	0.6	18%	4.2	-0.1	-2%	4.2	-3%	4.5	-9%
EBITDA margin	3.5%	3.0%		0.5pp	3.6%		-0.2pp	3.6%	-0.1pp	3.9%	-0.5pp
Comparable operating profit	-0.3	-1.0	0.7	-71%	-0.3	0.0	0%	-0.3	13%	-0.1	241%
Operating margin	-0.3%	-0.9%		0.6pp	-0.3%		0.0pp	-0.2%	0.0pp	-0.1%	-0.2pp
EPS	-0.04	-0.03	-0.01	n.m.	-0.02	-0.02	100%	0.01	-376%	-0.02	132%

Source: Vara Research, company data and Nordea estimates

Guidance for 2025 reiterated – improving comparable EBITDA

- Suominen expects comparable EBITDA to increase in 2025, from EUR 17.0m in 2024. Pre-Q1 consensus expected 2025 comparable EBITDA of EUR 24.5m. We now forecast EUR 20.7m.

Estimate revisions

ESTIMATE REVISIONS (EPS AND DPS IN EUR)

	New estimates				Old estimates				Difference %			
EURm	**Q2 25E**	**2025E**	**2026E**	**2027E**	**Q2 25E**	**2025E**	**2026E**	**2027E**	**Q2 25E**	**2025E**	**2026E**	**2027E**
Sales	116	465	482	499	120	480	502	517	-4%	-3%	-4%	-4%
- growth	-3%	1%	4%	3%	1%	4%	5%	3%	-3.9pp	-3.2pp	-1.0pp	0.4pp
Comparable EBITDA	4.5	21	29	36	4.5	21	28	33	0%	1%	5%	7%
EBITDA margin	3.9%	4.5%	6.0%	7.2%	3.8%	4.3%	5.5%	6.4%	0.2pp	0.2pp	0.5pp	0.7pp
Comparable op profit	0.2	3	10	16	-0.2	2	8	13	-208%	56%	28%	24%
Operating margin	0.2%	0.5%	2.1%	3.3%	-0.1%	0.3%	1.5%	2.6%	0.3pp	0.2pp	0.5pp	0.7pp
Pre-tax profit	-3.3	-9	6	13	-1.2	-2	4	10	182%	n.m.	42%	27%
EPS	-0.04	-0.13	0.08	0.18	-0.02	-0.03	0.06	0.14	182%	n.m.	42%	27%
DPS		0.00	0.05	0.06		0.00	0.05	0.06		n.m.	0%	0%
Volume growth (est)	-3.0%	-0.1%	2.8%	2.0%	-1.1%	0.4%	2.7%	2.0%	-1.9pp	-0.5pp	0.0pp	0.0pp
ASP change (est)	4.0%	2.9%	2.3%	1.4%	2.0%	2.4%	2.3%	1.0%	2.0pp	0.4pp	0.0pp	0.4pp
Organic growth	1.0%	2.8%	5.1%	3.4%	1.0%	2.8%	5.1%	3.0%	0.0pp	-0.1pp	0.0pp	0.4pp
FX impact on topline	-3.6%	-2.2%	-1.3%	0.0%	0.4%	0.9%	-0.3%	0.0%	-4.0pp	-3.1pp	-1.0pp	0.0pp
Raw material price inflation		4.0 %	2.0 %	0.5 %		4.0 %	2.0 %	0.5 %		0.0pp	0.0pp	0.0pp

Source: Nordea estimates

Detailed estimates

QUARTERLY ESTIMATES

EURm	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25E	Q3 25E	Q4 25E
Net sales	**117**	**113**	**106**	**115**	**114**	**119**	**112**	**119**	**118**	**116**	**115**	**117**
growth y/y	6%	-5%	-19%	-14%	-3%	5%	5%	3%	3%	-3%	3%	-1%
on constant currencies	3%	-3%	-15%	-10%	-2%	5%	6%	3%	2%	1%	5%	3%
Gross profit	5	3	6	8	8	9	5	8	8	0	0	0
gross margin, %	4.2%	2.7%	6.0%	7.3%	7.2%	7.5%	4.6%	6.4%	7.1%	0.0%	0.0%	0.0%
EBITDA	3	-2	5	5	5	4	3	5	4	3	4	4
Adj. EBITDA	**3**	**3**	**5**	**5**	**4**	**5**	**3**	**4**	**4**	**5**	**6**	**6**
Adj. EBITDA margin, %	2.3%	2.4%	4.9%	4.6%	3.9%	4.2%	3.0%	3.6%	3.5%	3.9%	5.0%	5.4%
D&A	-4.7	-4.8	-4.5	-4.6	-4.6	-4.6	-4.8	-4.5	-4.4	-4.4	-4.7	-4.8
EBIT	-2.1	-6.7	0.6	0.7	0.1	-0.8	-1.4	0.9	-0.3	-1.8	-0.9	-0.5
Adj. EBIT	**-2.0**	**-2.1**	**0.7**	**0.7**	**-0.1**	**0.4**	**-1.5**	**-0.3**	**-0.3**	**0.2**	**1.1**	**1.5**
Adj. EBIT margin, %	-1.7%	-1.9%	0.6%	0.6%	-0.1%	0.3%	-1.3%	-0.2%	-0.2%	0.2%	0.9%	1.3%
Net financials	-1.5	-1.3	-1.2	-2.0	-0.8	-1.1	-1.9	-0.3	-1.9	-1.5	-1.0	-1.0
PTP	-3.6	-8.0	-0.5	-1.3	-0.7	-1.9	-3.3	0.6	-2.2	-3.3	-1.9	-1.5
Income taxes	-0.3	-0.2	1.3	-0.1	-0.3	0.0	0.1	0.3	0.0	0.7	0.4	0.3
Net profit	-3.9	-8.2	0.8	-1.4	-1.0	-1.9	-3.2	0.8	-2.2	-2.6	-1.5	-1.1
EPS, EUR	**-0.07**	**-0.14**	**0.01**	**-0.02**	**-0.02**	**-0.03**	**-0.05**	**0.01**	**-0.04**	**-0.04**	**-0.03**	**-0.02**
DPS, EUR												
Geographical split	**Q1 23**	**Q2 23**	**Q3 23**	**Q4 23**	**Q1 24**	**Q2 24**	**Q3 24**	**Q4 24**	**Q1 25**	**Q2 25E**	**Q3 25E**	**Q4 25E**
Net sales, EURm												
Americas	75.0	69.8	70.9	72.3	70.0	75.7	69.5	72.7	73.6	72.2	72.3	71.1
Europe	41.8	42.9	35.6	42.6	43.5	43.0	42.1	45.8	43.9	43.4	42.5	45.8
Sales growth, y/y												
Americas	22%	9%	-12%	-12%	-7%	8%	-2%	0%	5%	-5%	4%	-2%
Europe	-14%	-20%	-31%	-17%	4%	0%	18%	7%	1%	1%	1%	0%

Source: Company data and Nordea estimates

ANNUAL ESTIMATES

EURm	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Net sales	**431**	**411**	**459**	**443**	**493**	**451**	**462**	**465**	**482**	**499**
growth y/y	1%	-5%	12%	-3%	11%	-9%	3%	1%	4%	3%
on constant currencies	4%	-7%	14%	-1%	4%	-7%	3%	3%	5%	3%
Gross profit	31	34	70	51	19	23	30	37	43	50
gross margin, %	7.3%	8.3%	15.2%	11.5%	3.8%	5.0%	6.4%	8.0%	9.0%	10.0%
EBITDA	26	34	61	47	14	11	17	15	29	36
Adj. EBITDA	**26**	**34**	**61**	**47**	**15**	**16**	**17**	**21**	**29**	**36**
Adj. EBITDA margin, %	5.9%	8.2%	13.3%	10.6%	3.1%	3.5%	3.7%	4.5%	6.0%	7.2%
D&A	-21	-26	-21	-20	-23	-19	-18	-18	-19	-19
EBIT	5	8	39	27	-9	-8	-1	-3	10	16
Adj. EBIT	**5**	**8**	**39**	**27**	**-4**	**-3**	**-1**	**3**	**10**	**16**
Adj. EBIT margin, %	1.1%	2.0%	8.6%	6.1%	-0.8%	-0.6%	-0.3%	0.5%	2.1%	3.3%
Net financials	-6	-6	-6	0	-3	-6	-4	-5	-4	-3
PTP	-1	2	34	27	-12	-14	-5	-9	6	13
Income taxes	-1	-2	-4	-6	-2	1	0	1	-1	-3
Net profit	-2	0	30	21	-14	-13	-5	-7	5	10
EPS, EUR	**-0.03**	**0.00**	**0.52**	**0.36**	**-0.24**	**-0.22**	**-0.09**	**-0.13**	**0.08**	**0.18**
DPS, EUR	0.00	0.05	0.20	0.20	0.10	0.10	0.00	0.00	0.05	0.06

Geographical split	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
Net sales, EURm										
Americas		262	289	265	288	288	288	289	296	305
Europe		150	170	178	206	163	174	176	186	194
Sales growth, y/y										
Americas			10%	-8%	9%	0%	0%	0%	2%	3%
Europe			13%	5%	15%	-21%	7%	1%	6%	4%

Source: Company data and Nordea estimates

Valuation

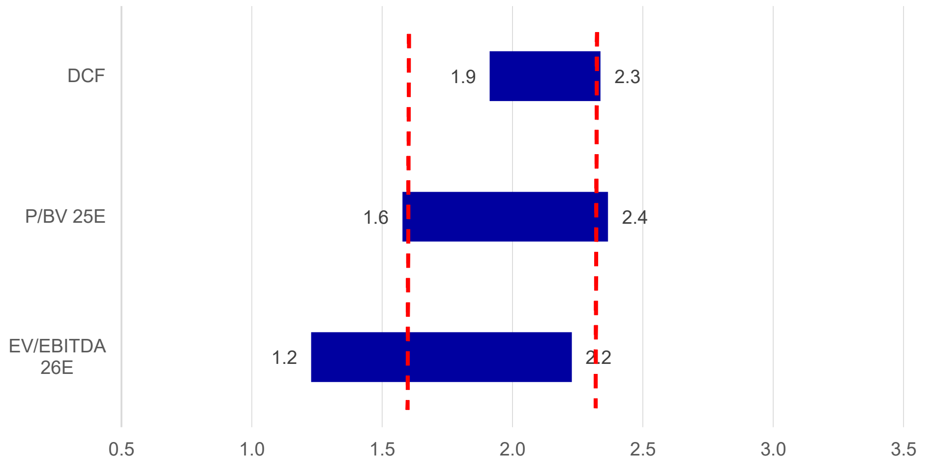
We estimate a fair value range of EUR 1.6-2.3 (1.5-2.3), based on a combination of three valuation approaches (DCF, 2025E P/BV and 2026E EV/EBITDA).

We derive a fair value range of EUR 1.6-2.3 per share

Fair value range of EUR 1.6-2.3

Our multiples-based valuation supports a valuation range of EUR 1.4-2.3, while our DCF-based valuation yields a range of EUR 1.9-2.3.

VALUATION APPROACH (EUR/SHARE)



Source: Nordea estimates

DCF yields a range of EUR 1.9-2.3 per share

The outcome of our DCF valuation is EUR 1.9-2.3. We use a WACC of 7.4-8.6%, assuming a terminal growth rate of 2.5% with an EBIT margin of 3.1%.

WACC COMPONENTS

WACC components	
Risk-free interest rate	4.0%
Market risk premium	3.0%
Equity beta	1.5-2
Cost of equity	8.5-10%
Cost of debt	4.0%
Tax-rate used in WACC	22%
Equity weight	80%
WACC	**7.4-8.6%**

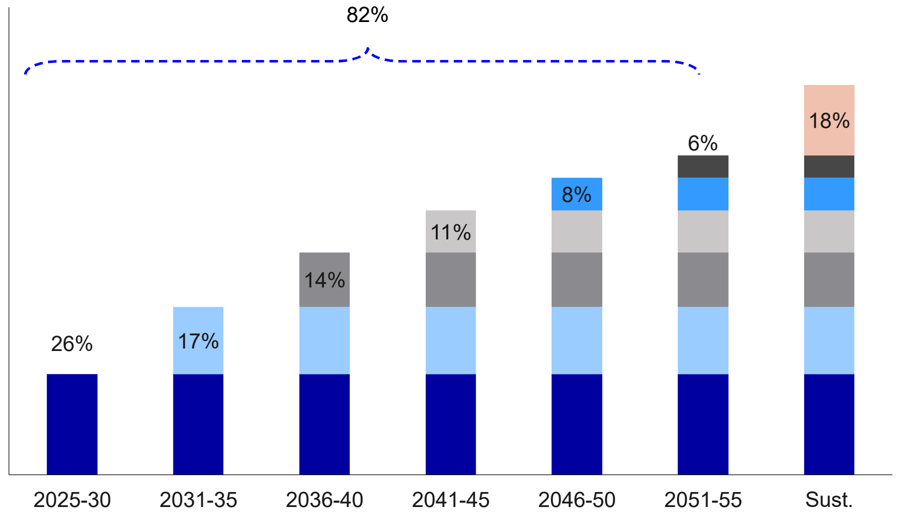
Source: Nordea estimates

DCF VALUE (EURm AND EUR)

DCF value	**Value**	**Per share**
NPV FCFF	168-193	2.9-3.3
(Net debt)	-60	-1.0
Market value of associate	0	0.0
(Market value of minoritie	0	0.0
Surplus values	0	0.0
(Mkt. value pref. shs)	0	0.0
Share based adjustments	0	0.0
Other adjustments	0	0.0
Time value	4	0.1
DCF Value	**111-136**	**1.9-2.3**

Source: Nordea estimates

DCF VALUATION COMPOSITION



Source: Nordea estimates

DCF ASSUMPTIONS

Averages and assumptions	2025-30	2031-35	2036-40	2041-45	2046-50	2051-55	Sust.
Sales growth, CAGR	2.99%	2.5%	2.5%	2.5%	2.5%	2.5%	
EBIT-margin, excluding associate:	3.1%	3.1%	3.1%	3.1%	3.1%	2.6%	
Capex/depreciation, x	1.1	1.0	1.0	1.0	1.0	1.0	
Capex/sales	4.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
NWC/sales	6.2%	9.5%	9.5%	9.5%	9.5%	9.5%	
FCFF, CAGR	-219.1%		2.5%	2.5%	2.5%	-1.7%	2.5%

Source: Nordea estimates

DCF valuation sensitivity

To highlight the sensitivity of our DCF valuation, we provide sensitivity matrices that model variations in revenue growth, margin assumptions and cost of capital. The sensitivities in our WACC are outlined in the following table. Using changes of ±1pp for WACC, ±1pp for sales growth and ±1pp for the EBIT margin, our DCF model yields a value range of EUR 1.0-3.9 per share.

- A +/-1pp sales growth change translates to a change of +11%/-9% in the fair value
- A +/-1pp EBIT margin change translates to a +/-40% change in the fair value

SENSITIVITY OF OUR DCF MODEL (EUR)

		WACC				
		5.9%	**6.9%**	**7.9%**	**8.9%**	**9.9%**
	+2.0pp	7.0	5.0	3.8	3.0	2.3
EBIT marg. change	**+1.0pp**	5.4	3.9	3.0	2.3	1.8
		3.9	2.8	**2.1**	1.6	1.3
	-1.0pp	2.3	1.7	1.3	1.0	0.7
	-2.0pp	0.8	0.6	0.4	0.3	0.2

		WACC				
		5.9%	**6.9%**	**7.9%**	**8.9%**	**9.9%**
	+2.0pp	5.1	3.6	2.6	2.0	1.5
Sales gr. change	**+1.0pp**	4.4	3.2	2.4	1.8	1.4
		3.9	2.8	**2.1**	1.6	1.3
	-1.0pp	3.4	2.5	1.9	1.5	1.2
	-2.0pp	3.1	2.3	1.8	1.4	1.1

		Sales growth change				
		-2.0pp	**-1.0pp**		**+1.0pp**	**+2.0pp**
	+2.0pp	3.1	3.4	3.8	4.3	4.9
EBIT margin change	**+1.0pp**	2.4	2.7	3.0	3.3	3.7
		1.8	1.9	**2.1**	2.4	2.6
	-1.0pp	1.1	1.2	1.3	1.4	1.5
	-2.0pp	0.5	0.5	0.4	0.4	0.4

Source: Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT											
EURm	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
Total revenue	**426**	**431**	**411**	**459**	**443**	**493**	**451**	**462**	**465**	**482**	**499**
Revenue growth	2.2%	1.2%	-4.6%	11.5%	-3.4%	11.3%	-8.6%	2.5%	0.6%	3.8%	3.4%
of which organic	n.a.	n.a.	n.a.	n.a.	n.a.	3.9%	-7.2%	2.5%	2.8%	5.1%	3.4%
of which FX	n.a.	n.a.	n.a.	n.a.	n.a.	7.4%	-1.4%	0.0%	-2.2%	-1.3%	0.0%
EBITDA	34	26	34	61	47	14	11	17	15	29	36
Depreciation and impairments PPE	-19	-21	-26	-21	-20	-23	-19	-18	-18	-19	-19
of which leased assets	0	0	0	0	0	0	-4	-3	-3	-3	-3
EBITA	15	5	8	39	27	-9	-8	-1	-3	10	16
Amortisation and impairments	0	0	0	0	0	0	0	0	0	0	0
EBIT	15	5	8	39	27	-9	-8	-1	-3	10	16
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	-3	-6	-6	-6	0	-3	-6	-4	-5	-4	-3
of which lease interest	0	0	0	0	0	0	-1	-1	-1	-1	-1
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	**12**	**-1**	**2**	**34**	**27**	**-12**	**-14**	**-5**	**-9**	**6**	**13**
Reported taxes	2	-1	-2	-4	-6	-2	1	0	1	-1	-3
Net profit from continued operations	14	-2	0	30	21	-14	-13	-5	-7	5	10
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0	0	0	0	0
Net profit to equity	14	-2	0	30	21	-14	-13	-5	-7	5	10
EPS, EUR	**0.25**	**-0.03**	**0.00**	**0.52**	**0.36**	**-0.24**	**-0.22**	**-0.09**	**-0.13**	**0.08**	**0.18**
DPS, EUR	0.11	0.00	0.05	0.20	0.20	0.10	0.10	0.00	0.00	0.05	0.06
of which ordinary	0.11	0.00	0.05	0.20	0.20	0.10	0.10	0.00	0.00	0.05	0.06
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit margin in percent											
EBITDA	8.1%	5.9%	8.2%	13.3%	10.6%	2.9%	2.5%	3.7%	3.2%	6.0%	7.2%
EBITA	3.5%	1.1%	2.0%	8.6%	6.1%	-1.8%	-1.7%	-0.3%	-0.8%	2.1%	3.3%
EBIT	3.5%	1.1%	2.0%	8.6%	6.1%	-1.8%	-1.7%	-0.3%	-0.8%	2.1%	3.3%
Adjusted earnings											
EBITDA (adj)	34	26	34	61	47	15	16	17	21	29	36
EBITA (adj)	15	5	8	39	27	-4	-3	-1	3	10	16
EBIT (adj)	15	5	8	39	27	-4	-3	-1	3	10	16
EPS (adj, EUR)	0.25	-0.03	0.00	0.52	0.36	-0.16	-0.14	-0.09	-0.02	0.08	0.18
Adjusted profit margins in percent											
EBITDA (adj)	8.1%	5.9%	8.2%	13.3%	10.6%	3.1%	3.5%	3.7%	4.5%	6.0%	7.2%
EBITA (adj)	3.5%	1.1%	2.0%	8.6%	6.1%	-0.8%	-0.6%	-0.3%	0.5%	2.1%	3.3%
EBIT (adj)	3.5%	1.1%	2.0%	8.6%	6.1%	-0.8%	-0.6%	-0.3%	0.5%	2.1%	3.3%
Performance metrics											
CAGR last 5 years											
Net revenue	-1.3%	-0.6%	0.5%	0.7%	1.2%	3.0%	0.9%	2.4%	0.3%	1.7%	0.2%
EBITDA	3.8%	-5.4%	-4.1%	4.3%	1.3%	-16.0%	-15.3%	-12.6%	-24.7%	-9.1%	20.0%
EBIT	6.3%	-23.3%	-20.7%	4.5%	1.0%	n.m.	n.m.	n.m.	n.m.	-18.1%	n.m.
EPS	n.m.	n.m.	-47.9%	9.0%	3.5%	n.m.	n.m.	n.m.	n.m.	-25.6%	n.m.
DPS	n.m.	n.m.	0.0%	14.9%	12.7%	-1.9%	n.m.	n.m.	n.m.	-24.2%	-9.7%
Average last 5 years											
Average EBIT margin	5.4%	4.9%	4.0%	4.3%	4.3%	3.1%	2.6%	2.1%	0.2%	-0.5%	0.6%
Average EBITDA margin	9.5%	9.2%	8.8%	9.3%	9.3%	8.1%	7.4%	6.5%	4.5%	3.7%	4.6%

VALUATION RATIOS - ADJUSTED EARNINGS											
EURm	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
P/E (adj)	17.5	n.m.	n.m.	9.8	14.6	n.m.	n.m.	n.m.	n.m.	24.8	11.4
EV/EBITDA (adj)	9.7	7.4	6.0	5.5	7.5	14.9	13.1	11.4	9.2	6.6	5.1
EV/EBITA (adj)	22.3	41.2	24.8	8.4	13.0	n.m.	n.m.	n.m.	76.1	19.3	11.1
EV/EBIT (adj)	22.3	41.2	24.8	8.4	13.0	n.m.	n.m.	n.m.	76.1	19.3	11.1

VALUATION RATIOS - REPORTED EARNINGS											
EURm	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
P/E	17.5	n.m.	n.m.	9.8	14.6	n.m.	n.m.	n.m.	n.m.	24.8	11.4
EV/Sales	0.79	0.44	0.49	0.73	0.79	0.46	0.46	0.42	0.41	0.40	0.37
EV/EBITDA	9.7	7.4	6.0	5.5	7.5	16.0	18.6	11.3	13.0	6.6	5.1
EV/EBITA	22.3	41.2	24.8	8.4	13.0	n.m.	n.m.	n.m.	n.m.	19.3	11.1
EV/EBIT	22.3	41.2	24.8	8.4	13.0	n.m.	n.m.	n.m.	n.m.	19.3	11.1
Dividend yield (ord.)	2.5%	0.0%	2.2%	3.9%	3.9%	3.3%	3.5%	0.0%	0.0%	2.5%	3.0%
FCF yield	-4.6%	14.7%	14.6%	15.6%	-1.4%	2.4%	12.0%	-7.8%	-9.0%	2.4%	12.3%
FCF Yield bef A&D, lease adj	-4.6%	14.7%	14.6%	15.6%	-2.2%	2.4%	12.0%	-7.8%	-11.5%	-0.1%	9.8%
Payout ratio	43.6%	0.0%	1,284.7%	38.4%	56.2%	n.m.	n.m.	0.0%	0.0%	61.8%	34.2%

Source: Company data and Nordea estimates

BALANCE SHEET											
EURm	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
Intangible assets	33	37	36	32	29	25	22	18	18	18	18
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	17	21	20	17	13	10	6	3	3	3	3
of which goodwill	16	16	15	15	15	15	15	15	15	15	15
Tangible assets	137	129	136	122	131	128	124	131	140	144	142
of which leased assets	0	0	14	18	16	12	11	11	8	8	8
Shares associates	0	0	0	0	0	0	0	0	0	0	0
Interest bearing assets	3	3	4	4	0	0	0	0	0	0	0
Deferred tax assets	5	3	2	4	2	1	2	2	2	2	2
Other non-IB non-current assets	1	1	1	1	0	0	0	0	0	0	0
Other non-current assets	2	1	0	0	0	0	0	0	0	0	0
Total non-current assets	180	174	178	164	162	155	148	152	161	165	163
Inventory	44	52	39	35	50	63	38	47	42	43	45
Accounts receivable	58	58	47	51	65	67	62	62	63	65	67
Short-term leased assets	0	0	0	0	0	0	0	0	3	3	3
Other current assets	16	9	8	9	8	9	9	7	7	7	7
Cash and bank	27	28	38	58	101	50	59	41	28	28	36
Total current assets	145	147	132	154	225	188	168	158	142	146	159
Assets held for sale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	**326**	**321**	**310**	**317**	**387**	**343**	**316**	**310**	**303**	**311**	**321**
Shareholders equity	136	131	132	146	163	146	125	118	110	115	122
Of which preferred stocks	0	0	0	0	0	0	0	0	0	0	0
Of which equity part of hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0	0	0	0
Total Equity	136	131	132	146	163	146	125	118	110	115	122
Deferred tax	15	12	13	13	14	12	9	8	8	8	8
Long term interest bearing debt	95	81	82	83	49	49	49	50	50	50	50
Pension provisions	1	1	1	1	1	0	0	0	0	0	0
Other long-term provisions	0	0	0	2	2	2	1	1	1	1	1
Other long-term liabilities	0	0	2	0	0	0	0	0	0	0	0
Non-current lease debt	0	0	10	15	13	11	10	9	9	9	9
Convertible debt	0	0	0	0	0	0	0	0	0	0	0
Shareholder debt	0	0	0	0	0	0	0	0	0	0	0
Hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Total non-current liabilities	111	94	107	114	79	75	69	68	68	68	68
Short-term provisions	0	0	0	0	0	0	0	0	0	0	0
Accounts payable	63	75	53	55	57	79	75	82	82	85	88
Current lease debt	0	0	3	3	3	3	3	3	3	3	3
Other current liabilities	0	0	0	0	0	0	4	0	0	0	0
Short term interest bearing debt	15	21	14	0	84	40	40	40	40	40	40
Total current liabilities	78	96	70	58	145	122	122	125	126	129	132
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	**326**	**321**	**310**	**317**	**387**	**343**	**316**	**310**	**303**	**311**	**321**
Balance sheet and debt metrics											
Net debt	81	71	69	37	50	55	44	60	74	74	66
of which lease debt	0	0	13	17	16	14	13	12	12	12	12
Working capital	55	43	41	41	66	59	31	34	29	30	31
Invested capital	235	217	219	204	228	214	179	187	190	195	194
Capital employed	247	232	242	246	312	249	227	219	212	217	224
ROE	10.4%	-1.3%	0.2%	21.6%	13.4%	-9.0%	-9.4%	-4.4%	-6.5%	4.2%	8.6%
ROIC	5.1%	1.6%	2.9%	14.5%	9.7%	-1.5%	-1.1%	-0.6%	1.0%	4.0%	6.6%
ROCE	6.2%	1.9%	3.4%	16.2%	9.6%	-1.5%	-1.2%	-0.6%	1.2%	4.6%	7.5%
Net debt/EBITDA	2.4	2.8	2.0	0.6	1.1	3.8	3.9	3.5	5.0	2.5	1.8
Interest coverage	5.8	0.8	1.4	7.1	69.1	-3.1	-1.5	-0.4	-0.8	3.5	6.9
Equity ratio	41.8%	40.7%	42.7%	46.0%	42.2%	42.6%	39.5%	37.9%	36.3%	36.9%	38.0%
Net gearing	59.6%	54.7%	51.9%	25.4%	30.4%	37.4%	34.8%	51.4%	67.1%	64.4%	53.6%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
EBITDA (adj) for associates	**34**	**26**	**34**	**61**	**47**	**14**	**11**	**17**	**15**	**29**	**36**
Paid taxes	2	6	-1	-2	-7	-3	-4	-1	1	-1	-3
Net financials	-3	-5	-5	-4	-5	-5	-5	-5	-5	-4	-3
Change in provisions	0	0	0	2	0	0	-2	0	0	0	0
Change in other LT non-IB	-1	3	3	-4	3	1	-1	0	0	0	0
Cash flow to/from associates	0	0	0	0	0	0	0	0	0	0	0
Dividends paid to minorities	0	0	0	0	0	0	0	0	0	0	0
Other adj to reconcile to cash flow	-3	-3	-2	5	-1	-1	6	-1	0	0	0
Funds from operations (FFO)	**30**	**27**	**28**	**58**	**36**	**6**	**5**	**10**	**11**	**24**	**29**
Change in NWC	-8	6	2	-1	-25	8	26	-6	6	-1	-1
Cash flow from operations (CFO)	**22**	**32**	**30**	**57**	**11**	**14**	**31**	**4**	**17**	**23**	**28**
Capital expenditure	-34	-15	-11	-11	-18	-10	-11	-14	-27	-20	-14
Free cash flow before A&D	**-12**	**17**	**19**	**46**	**-7**	**4**	**20**	**-10**	**-10**	**3**	**14**
Proceeds from sale of assets	0	0	0	0	2	0	0	0	0	0	0
Acquisitions	0	0	0	0	0	0	0	0	0	0	0
Free cash flow	-12	17	19	46	-4	4	20	-10	-10	3	14
Free cash flow bef A&D, lease adj	-12	17	19	46	-7	4	20	-10	-13	0	11
Dividends paid	-6	-6	0	-3	-12	-11	-6	-6	0	0	-3
Equity issues / buybacks	0	0	0	0	0	0	0	0	0	0	0
Net change in debt	0	-8	-10	-17	57	-48	-3	-3	0	0	0
Other financing adjustments	0	0	0	0	0	0	0	0	-3	-3	-3
Other non-cash adjustments	15	-3	0	-6	3	3	-1	2	0	0	0
Change in cash	-2	1	10	20	43	-52	9	-17	-13	0	9
Cash flow metrics											
Capex/D&A	n.m.	70.6%	41.2%	50.8%	87.9%	41.9%	59.0%	77.5%	n.m.	n.m.	72.9%
Capex/Sales	7.9%	3.4%	2.6%	2.4%	4.0%	2.0%	2.4%	3.1%	5.8%	4.1%	2.8%
Key information											
Share price year end (/current)	4	2	2	5	5	3	3	2	2	2	2
Market cap.	254	118	133	296	302	174	164	133	117	117	117
Enterprise value	335	189	202	333	351	229	208	193	191	191	183
Diluted no. of shares, year-end (m)	57.4	57.5	57.5	58.3	58.3	58.3	58.3	58.3	58.3	58.3	58.3

Source: Company data and Nordea estimates

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Nordea Bank Abp	Nordea Bank Abp, filial i Sverige	Nordea Danmark, Filial af Nordea Bank Abp, Finland	Nordea Bank Abp, filial i Norge
Nordea IB & Equity Division, Equity Research	**Nordea IB & Equity Division, Equity Research**	**Nordea IB & Equity Division, EquityResearch**	**Nordea IB & Equity Division, Equity Research**
Visiting address: Aleksis Kiven katu 7, Helsinki FI-00020 Nordea Finland	Visiting address: Smålandsgatan 17 SE-105 71 Stockholm Sweden	Visiting address: Grønjordsvej 10 DK-2300 Copenhagen S Denmark	Visiting address: Essendropsgate 7 N-0107 Oslo Norway
Tel: +358 9 1651 Fax: +358 9 165 59710	Tel: +46 8 614 7000 Fax: +46 8 534 911 60	Tel: +45 3333 3333 Fax: +45 3333 1520	Tel: +47 2248 5000 Fax: +47 2256 8650
Reg.no. 2858394-9 Satamaradankatu 5 Helsinki			