

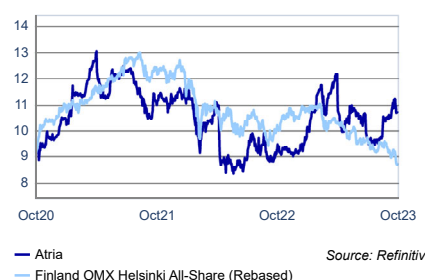
Atria

Consumer Goods
Finland

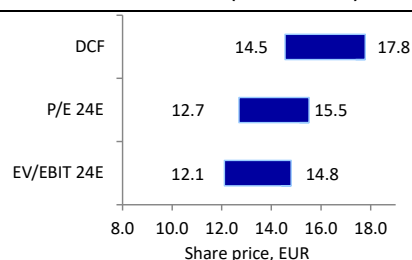
KEY DATA

Stock country	Finland
Bloomberg	ATRAV.FH
Reuters	ATRAV.HE
Share price (close)	EUR 10.80
Free float	42%
Market cap. (bn)	EUR 0.31/EUR 0.31
Website	www.atria.fi
Next report date	22 Feb 2024

PERFORMANCE



VALUATION APPROACH (EUR/SHARE)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2023E	2024E	2025E
Sales	-3%	-3%	-3%
EBIT (adj)	8%	3%	4%

Source: Nordea estimates

Nordea IB & Equity - Analysts

Joni Sandvall
Analyst

Strong sales mix secured in Q3

Atria's Q3 EBIT of EUR 19.3m easily beat Refinitiv consensus, despite a weaker top-line development. Retail and foodservice channels performed solidly, while lower-margin sales to feed, industrial and export customers declined y/y. The ramp-up of Swedish and Finnish production and processing plant investments are proceeding as planned and should offer stable ground for profit improvements in 2024E. We derive a slightly higher DCF- and multiples-based fair value range of EUR 13.1-16.0 (12.9-15.8).

Finland keeps on delivering

Atria's Q3 EBIT of EUR 19.3m beat Refinitiv consensus by 28%. Sales declined by 2% y/y and fell 7% short of consensus expectations. The top line was burdened by weak SEK and lower y/y sales to feed, industrial and export customers, whereas higher-margin retail and foodservice sales performed solidly. Atria Finland was yet again the main profit driver, with EUR 19m EBIT, beating our estimate by 44%. Commissioning of the new poultry facility has continued in line with expectations, and we expect it to be fully operational by the end of H1 2024. Atria continues to witness strong performance in Estonia, while it lost some market share in Denmark. In Sweden, the ramp-up of the Sköllersta plant's expansion created additional costs, which we believe could continue in Q4. Overall, we view Atria as well positioned for profit improvements in 2024, with investments coming online and demand for food holding up well.

Positive EBIT revisions for 2023E-25E

Given lower grain prices and weaker demand in Sweden, we lower 2023E-25E top line by 3%. We raise adjusted EBIT by 8% for 2023E and 3-4% for 2024E-25E. Our main uncertainty for 2024 relates to retail prices and how successful the ramp-up of the Finnish poultry investment will be. We expect the company to arrange a traditional CMD event at the end of November, which could offer more insights into pricing levels for 2024.

Fair value range of EUR 13.1-16.0

Using our DCF- and multiples-based valuation methods, we derive a slightly higher fair value range of EUR 13.1-16.0 (12.9-15.8) per share. In addition, we believe there is an increased risk of goodwill impairments, especially related to Denmark, owing to elevated interest rates and soft performance in the country. We note, however, that these possible impairments only have a limited impact on Atria's balance sheet ratios.

SUMMARY TABLE - KEY FIGURES

EURm	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	1,451	1,504	1,540	1,697	1,755	1,764	1,819
EBITDA (adj)	87	96	106	153	114	127	131
EBIT (adj)	33	40	49	49	57	60	64
EBIT (adj) margin	2.3%	2.6%	3.2%	2.9%	3.2%	3.4%	3.5%
EPS (adj, EUR)	0.60	0.91	0.97	1.54	1.14	1.23	1.37
EPS (adj) growth	2.6%	51.8%	6.4%	58.7%	-26.3%	8.0%	11.5%
DPS (ord, EUR)	0.42	0.50	0.63	0.70	0.70	0.75	0.82
EV/Sales	0.4	0.3	0.3	0.3	0.3	0.3	0.3
EV/EBIT (adj)	15.7	12.3	10.0	10.4	10.3	9.7	8.7
P/E (adj)	16.7	10.8	11.9	6.0	9.5	8.8	7.9
P/BV	0.7	0.7	0.7	0.6	0.7	0.6	0.6
Dividend yield (ord)	4.2%	5.1%	5.5%	7.6%	6.5%	6.9%	7.6%
FCF Yield bef A&D, lease	14.0%	18.9%	7.2%	-33.8%	-1.0%	10.4%	15.0%
Net debt	223	190	152	234	257	245	220
Net debt/EBITDA	2.6	2.0	2.4	2.2	2.3	1.9	1.7
ROIC after tax	3.8%	4.8%	6.5%	6.3%	6.4%	6.4%	6.8%

Source: Company data and Nordea estimates

Q3 deviation and estimate revisions

Q3 EBIT beat consensus by 28%...

Strong top-line development continued in Q3

Atria reported Q3 EBIT of EUR 19.3m, 28% (EUR 4.2m) above Refinitiv consensus.

Q3 net sales of EUR 430m were down 2% y/y and came in 7% below consensus. However, the mix was positive and the decline was driven by lower sales to feed, industrial and export customers.

The Q3 EBIT beat was due to Finland and Denmark & Estonia, while Sweden came in below our expectations. Atria's market position has steadily improved in Finland and Estonia. Producer prices remained above last year's levels in Finland.

Operating cash flow was EUR 10.1m (EUR -7.6m a year ago), supported by lower working capital and higher EBIT.

Atria kept its outlook intact (raised on 11 September), expecting 2023 adjusted EBIT to increase (after EUR 49m in 2022). Prior to the Q3 report, Refinitiv modelled EUR 52.3m, i.e. a 7% increase. YTD, adjusted EBIT of EUR 40.2m is EUR 7.9m above last year's level.

...supported by strong performance in Finland

Atria Finland net sales were EUR 324m, down 1% y/y and 7% below our estimate. EBIT was EUR 19m, 44% above our estimate of EUR 14.2m. Net sales declined owing to lower sales to feed, industrial and export customers. Sales to retail and foodservice customers continued to grow. Hence, the sales structure improved y/y. Meat producer prices paid by Atria were higher y/y. Raw materials, external services and payroll costs also increased y/y. Atria's supplier share in retail was 26% (26% in Q2). Its poultry investment is progressing and the company is slated to start commissioning and testing the slaughterhouse towards the end of the year.

Atria Sweden net sales were EUR 81m, down 4% in local currencies (-13% on reported basis) and 6% below our estimate. EBIT of EUR ~0m came in below our estimate of EUR 0.9m, burdened by changes in consumer behaviour (favouring lower-priced products), higher raw material prices, a weaker SEK and elevated costs related to the rearrangement of production. There have been operational efficiency challenges related to the new production lines at the Sköllersta plant. We believe this is normal, given the scale of the expansion, and we expect normal utilisation rates for 2024.

Atria Denmark & Estonia net sales were EUR 32m, up 10% y/y and 2% above our expectations. Sales increased in Estonia, but declined in Denmark. In Estonia, sale prices were higher while costs were at the same level as last year. Danish EBIT improved due to efficiency measure launched during the spring. Adjusted EBIT was EUR 1.5m, 33% above our estimate of EUR 1.1m.

DEVIATION TABLE

	Actual	NDA est.	Deviation		Consensus	Deviation		Actual	Actual		
EURm	Q3 2023	Q3 2023E	vs. actual		Q3 2023E	vs. actual		Q2 2023	q/q	Q3 2022	y/y
Sales	430	454	-24	-5%	462	(33)	-7%	457	-6%	439	-2%
Adj. EBIT	19.3	14.2	5.1	36%	15.1	4.2	28%	9.9	95%	16.2	19%
Adj. EBIT margin	4.5%	3.1%	1.4pp	1.4pp	3.3%	1.2pp		2.2%	2.3pp	3.7%	0.8pp
EPS, EUR	0.46	0.27	0.19	68%	0.32	0.14	42%	0.13	242%	0.58	-21%
Divisional sales, EURm											
Finland	323.6	347.6	-24	-7%				345	-6%	327	-1%
Sweden	80.5	85.3	-5	-6%				88	-8%	93	-13%
Denmark & Estonia	32.0	31.4	1	2%				31	2%	29	10%
Unallocated	0.0	0.0	0	n.m.				0	n.m.	0	n.m.
Group eliminations	-6.6	-10.4	4	-37%				-7	-11%	-10	-35%
Group	429.5	453.8	-24.3	-5%				457	-6%	439	-2%
Divisional adj. EBIT, EURm											
Finland	19.0	13.2	5.8	44%				12.7	50%	12.7	50%
Sweden	0.0	0.9	-0.9	-100%				-2.1	-100%	3.4	-100%
Denmark & Estonia	1.5	1.1	0.4	33%				0.6	150%	0.7	n.m.
Group eliminations	-1.1	-1.0	-0.1	10%				-1.3	-15%	-0.6	83%
Group	19.3	14.2	5.1	36%				9.9	95%	16.2	19%

Source: Company data, Refinitiv and Nordea estimates

Estimate revisions

Lingering uncertainties related to ramp-up costs

Following the Q3 report, we trim 2023E-25E sales by 3%, driven by lower sales to feed and industrial customers. We hike 2023E adjusted EBIT by 8%, while nudging up 2024E-25E by 3-4%. We note there are still uncertainties related to costs for ramping up the Swedish expansion investment, and even more so related to the Finnish poultry investment, which will likely hamper profitability in Q4 2023 and H1 2024.

We also see a goodwill impairment risk in Denmark due to rising interest rates and lagging operational performance in the country. We do not include any writedowns in our estimates, but remind readers about the goodwill impairment of EUR 36m in Denmark at the end of 2022.

ESTIMATE REVISIONS AFTER THE Q3 REPORT (EPS IN EUR)

EURm	New estimates				Old estimates				Difference %			
	Q4 2023E	2023E	2024E	2025E	Q4 2023E	2023E	2024E	2025E	Q4 2023E	2023E	2024E	2025E
Sales	441	1,755	1,764	1,819	462	1,801	1,824	1,867	-5%	-3%	-3%	-3%
Adj. EBIT	16.4	56.6	59.5	64.2	17.3	52.3	57.7	61.8	-5%	8%	3%	4%
Adj. EBIT margin	3.7%	3.2%	3.4%	3.5%	3.7%	2.9%	3.2%	3.3%	0.0pp	0.3pp	0.2pp	0.2pp
Adj. EPS, EUR	0.31	1.14	1.23	1.37	0.36	0.99	1.18	1.31	-13%	15%	4%	5%
DPS		0.70	0.75	0.82		0.70	0.75	0.82		0%	0%	0%
Divisional sales EURm	Q4 2023E	2023E	2024E	2025E	Q4 2023E	2023E	2024E	2025E	Q4 2023E	2023E	2024E	2025E
Finland	341	1,333	1,333	1,380	359	1,375	1,389	1,424	-5%	-3%	-4%	-3%
Sweden	75	325	332	338	81	336	343	350	-7%	-3%	-3%	-3%
Denmark & Estonia	32	123	126	128	32	123	125	128	0%	1%	1%	1%
Unallocated	0	0	0	0	0	0	0	0	nm.	nm.	nm.	nm.
Group eliminations	-7	-27	-27	-27	-9	-32	-33	-34	-23%	-18%	-19%	-18%
Group	441	1,755	1,764	1,819	462	1,801	1,824	1,867	-5%	-3%	-3%	-3%
Divisional adj. EBIT	Q4 2023E	2023E	2024E	2025E	Q4 2023E	2023E	2024E	2025E	Q4 2023E	2023E	2024E	2025E
Finland	15.9	62.5	54.9	57.8	16.2	57.0	52.7	55.2	-2%	10%	4%	5%
Sweden	0.6	-4.8	3.7	5.4	1.2	-3.3	4.1	5.6	-47%	45%	-9%	-3%
Denmark & Estonia	1.1	2.7	4.8	4.9	1.1	2.3	4.7	4.8	0%	16%	2%	2%
Unallocated	-1.2	-3.8	-3.8	-3.9	-1.2	-3.7	-3.7	-3.8	0%	3%	2%	3%
Group	16.4	56.6	59.5	64.2	17.3	52.3	57.7	61.8	-5%	8%	3%	4%
Divisional sales growth	Q4 2023E	2023E	2024E	2025E	Q4 2023E	2023E	2024E	2025E	Q4 2023E	2023E	2024E	2025E
Finland	-1%	5%	0%	3%	4%	9%	1%	2%	-5.2pp	-3.3pp	-1.0pp	1.0pp
Sweden	-13%	-9%	2%	2%	-6%	-6%	2%	2%	-7.0pp	-3.0pp	0.0pp	0.0pp
Denmark & Estonia	8%	9%	2%	2%	8%	9%	2%	2%	0.0pp	0.6pp	0.0pp	0.0pp
Unallocated	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Group eliminations	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Group	-2%	3%	1%	3%	2%	6%	1%	2%	-4.8pp	-2.7pp	-0.7pp	0.7pp
EBIT margin	Q4 2023E	2023E	2024E	2025E	Q4 2023E	2023E	2024E	2025E	Q4 2023E	2023E	2024E	2025E
Finland	4.7%	4.7%	4.1%	4.2%	4.5%	4.1%	3.8%	3.9%	0.1pp	0.5pp	0.3pp	0.3pp
Sweden	0.8%	-1.5%	1.1%	1.6%	1.4%	-1.0%	1.2%	1.6%	-0.6pp	-0.5pp	-0.1pp	0.0pp
Denmark & Estonia	3.4%	2.2%	3.8%	3.8%	3.4%	1.9%	3.8%	3.8%	0.0pp	0.3pp	0.1pp	0.1pp
Unallocated	nm.	nm.	nm.	nm.	nm.	nm.	nm.	nm.	nm.	nm.	nm.	nm.
Group	3.7%	3.2%	3.4%	3.5%	3.7%	2.9%	3.2%	3.3%	0.0pp	0.3pp	0.2pp	0.2pp

Source: Nordea estimates

Valuation

We derive a fair value range based on the combination of a DCF model and relative multiples. In our relative valuation, we compare Atria to companies that we consider its most relevant European peers using various metrics. Based on these methods, we derive a fair value range of EUR 13.1-16.0 (12.9-15.8) per share for Atria.

DCF valuation yields EUR 14.5-17.8 per share

The outcome of our DCF valuation is EUR 14.5-17.8 (14.7-18.0) per share. We use a WACC of 7.4-8.3%, assuming a terminal growth rate of 1.5% and an EBIT margin of 3%.

WACC COMPONENTS	
WACC components	
Risk-free interest rate	3.5%
Market risk premium	4.0%
Equity beta	1.3-1.6
Cost of equity	8.8-10.0%
Cost of debt	4.0%
Tax-rate used in WACC	20%
Equity weight	75%
WACC	7.4-8.3%

Source: Nordea estimates

DCF VALUE (EURm AND EUR)		
DCF value	Value	Per share
NPV FCFF	627-719	22.2-25.4
(Net debt)	-234	-8.3
Market value of associates	0	0.0
(Market value of minorities)	-15	-0.5
Surplus values	0	0.0
(Market value preference shares)	0	0.0
Share based adjustments	0	0.0
Other adjustments	0	0.0
Time value	33	1.2
DCF Value	411-503	14.5-17.8

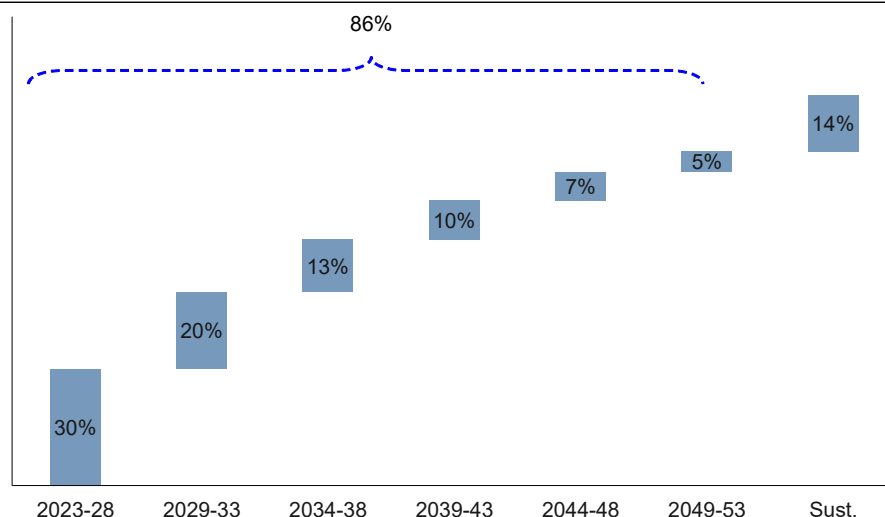
Source: Nordea estimates

DCF ASSUMPTIONS

Averages and assumptions	2023-28	2029-33	2034-38	2039-43	2044-48	2049-53	Sust.
Sales growth, CAGR	2.1%	1.5%	1.5%	1.5%	1.5%	1.5%	
EBIT-margin, excluding associate	3.5%	3.0%	3.0%	3.0%	3.0%	3.0%	2.8%
Capex/depreciation, x	1.2	1.0	1.0	1.0	1.0	1.0	1.0
Capex/sales	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	
NWC/sales	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	
FCFF, CAGR	46.8%	-1.0%	1.5%	1.5%	1.5%	0.0%	1.5%

Source: Nordea estimates

DCF VALUATION COMPOSITION



Source: Nordea estimates

DCF valuation sensitivity

To highlight the sensitivity of our DCF valuation, we also provide sensitivity matrices that model variations in revenue growth, margin assumptions and the cost of capital. The sensitivities in our WACC are outlined in the following tables.

When we use sensitivities to changes of ± 0.5 pp for WACC, ± 0.5 pp for sales growth,

and ± 0.5 for the EBIT margin, our DCF model gives us a value range of EUR 12.5-20.2 per share.

SENSITIVITY OF OUR DCF MODEL (EUR)

Sensitivity analysis: WACC vs EBIT margin

		WACC				
		7.3%	7.5%	7.8%	8.0%	8.3%
EBIT marg. change	1.0pp	24.8	23.3	21.9	20.7	19.5
	0.5pp	21.5	20.2	19.0	18.0	16.9
	0.0pp	18.3	17.2	16.2	15.2	14.4
	-0.5pp	15.0	14.1	13.3	12.5	11.8
	-1.0pp	11.8	11.1	10.4	9.8	9.2

- A +/-0.5 pp sales growth change translates to a change of +/-6% in the fair value

Sensitivity analysis: WACC vs Sales growth

		WACC				
		7.3%	7.5%	7.8%	8.0%	8.3%
Sales gr. change	1.0pp	20.7	19.5	18.3	17.2	16.2
	0.5pp	19.5	18.3	17.2	16.2	15.2
	0.0pp	18.3	17.2	16.2	15.2	14.4
	-0.5pp	17.2	16.2	15.2	14.4	13.6
	-1.0pp	16.2	15.2	14.4	13.6	12.8

- A +/-0.5 pp EBIT margin change translates into a change of +/-18% in the fair value

Sensitivity analysis: Sales growth vs EBIT margin

		Sales growth change				
		-1.0pp	-0.5pp	+0.0pp	+0.5pp	+1.0pp
EBIT margin change	1.0pp	19.5	20.6	21.9	23.3	24.8
	0.5pp	16.9	17.9	19.0	20.2	21.6
	0.0pp	14.4	15.2	16.2	17.2	18.3
	-0.5pp	11.8	12.5	13.3	14.1	15.0
	-1.0pp	9.3	9.8	10.4	11.0	11.7

Source: Nordea estimates

Relative valuation versus European peers

We compare Atria to European food processing peers that we find relevant for the company. We derive an EV/EBIT valuation range of EUR 12.1-14.8 by taking 2024E adjusted EBIT of EUR 59.5m, multiplying it by the accepted multiple range of 10.1-11.3x and deducting our 2023 net debt assumption of EUR 257m (including IFRS 16 lease liabilities). We also derive a P/E valuation range of EUR 12.7-15.5 taking 2024E adjusted EPS of EUR 1.23 and multiplying it by an accepted multiple range of 10.4-12.7x.

PEER GROUP VALUATION MULTIPLES

		Price	Mcap	EV	EV/EBIT				P/E				Div yield %		
European peers	Country	Local	EURm	EURm	2022	2023E	2024E	2025E	2022	2023E	2024E	2025E	2023E	2024E	
Apetit Oyj	Finland	12.6	79	64	17.4	9.2	10.7	10.7	24.2	11.8	14.7	15.4	5.6%	4.8%	
Bell Food Group Ag	Switzerland	267.0	1,764	2,634	16.0	15.6	15.2	15.0	11.4	12.0	12.0	11.9	2.6%	2.6%	
Cranswick Plc	UK	3,496.0	2,148	2,266	14.0	12.3	11.4	11.0	17.3	16.5	15.9	15.0	2.4%	2.5%	
Hkscan Oyj	Finland	0.8	71	453		19.7	15.6	12.9			76.0	8.4	0.0%	0.0%	
Raisio Oyj	Finland	2.0	313	277	16.6	12.6	10.9	9.9	31.5	16.6	15.3	13.7	7.0%	7.0%	
Scandi Standard Ab (Publ)	Sweden	48.0	271	441	16.5	12.2	11.8	10.5	21.9	13.1	12.6	10.5	3.3%	5.0%	
Societe Ldc Sa	France	120.0	2,101	1,727	5.6	5.4	5.2	5.0	9.1	8.6	8.3	8.0	2.4%	2.4%	
What'S Cooking Group Nv	Belgium	66.0	122	196	20.7		8.9	6.7	21.4	13.2	7.9	5.8	6.1%	7.0%	
Average				859	1,007	15.3	12.4	11.2	10.2	19.6	13.1	20.3	11.1	3.7%	3.9%
Median				292	447	16.5	12.3	11.1	10.6	21.4	13.1	13.6	11.2	3.0%	3.7%
Atria (NDA)		10.8	304	538	11.0	9.9	9.2	8.2	6.0	9.5	8.8	7.9	6.5%	7.0%	

Source: Refinitiv and Nordea estimates (as of market close on 15 September)

PEER GROUP KEY FIGURES

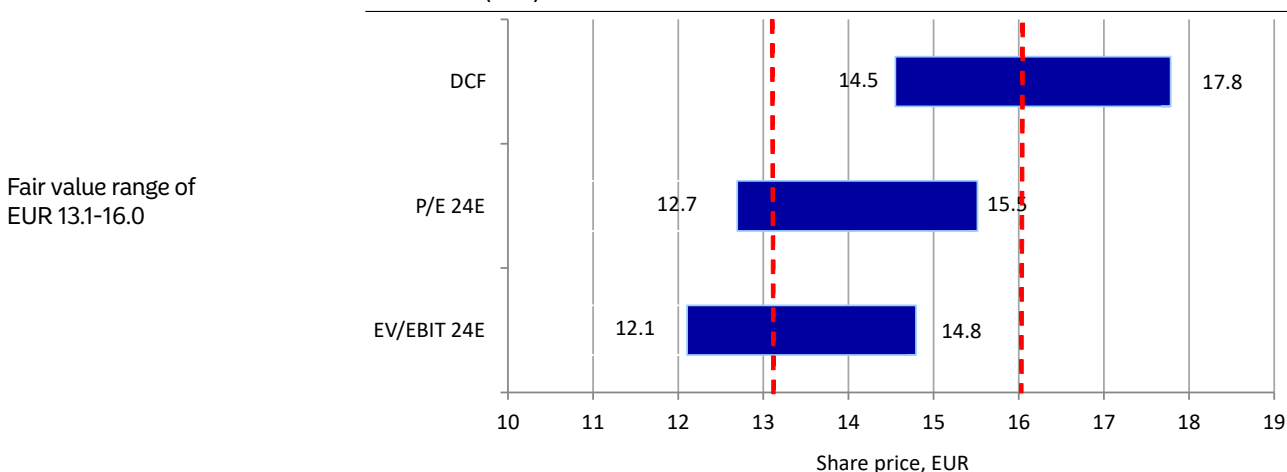
	Sales growth				EBIT margin				ROE			
	2022	2023E	2024E	2025E	2022	2023E	2024E	2025E	2022	2023E	2024E	2025E
European peers												
Apetit Oyj	-36.0%	0.1%	-2.2%	2.8%	2.0%	3.8%	3.4%	3.3%	3.3%	6.9%	5.4%	5.1%
Bell Food Group Ag	13.2%	6.6%	2.2%	2.0%	3.7%	3.6%	3.6%	3.6%	8.9%	8.6%	8.3%	7.8%
Cranswick Plc	10.3%	10.8%	5.8%	4.1%	6.3%	6.4%	6.6%	6.6%	13.9%	12.7%	12.2%	11.9%
Hkscan Oyj	8.9%	-1.8%	2.0%		0.0%	1.2%	1.5%	1.7%	-3.1%	-3.8%	-0.2%	1.5%
Raisio Oyj	-9.7%	-2.6%	5.8%	5.7%	7.5%	10.1%	11.1%	11.5%	4.6%	6.8%	8.0%	9.0%
Scandi Standard Ab (Put	14.3%	-1.9%	2.7%	4.0%	2.4%	3.3%	3.3%	3.5%	6.2%	10.8%	11.0%	11.5%
Societe Ldc Sa	14.6%	8.6%	3.3%	3.4%	5.4%	5.2%	5.2%	5.3%	12.1%	12.0%	11.6%	11.0%
What'S Cooking Group N	12.1%	7.5%	3.3%		1.2%	1.6%	2.6%	3.3%	3.5%	5.7%	10.7%	13.6%
Average	3.5%	3.4%	2.9%	3.7%	3.6%	4.4%	4.6%	4.9%	6.2%	7.5%	8.4%	8.9%
Median	11.2%	3.3%	3.0%	3.7%	3.1%	3.7%	3.5%	3.6%	5.4%	7.8%	9.5%	10.0%
Atria (NDA)	10.2%	3.4%	0.5%	3.1%	2.9%	3.2%	3.4%	3.5%	-1.2%	7.0%	7.4%	8.0%

Source: Refinitiv and Nordea estimates (as of market close on 15 September)

Valuation conclusion

From our DCF-based valuation and a relative multiples-based valuation, we derive a fair value range of EUR 13.1-16.0 (12.9-15.8) per Atria share, as shown by the red dotted lines in the chart below.

VALUATION (EUR)



Source: Nordea estimates

Detailed estimates

ANNUAL ESTIMATES (EURm)

Income statement (EURm)	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Sales	1,340	1,352	1,436	1,439	1,451	1,504	1,540	1,697	1,755	1,764	1,819
- sales growth	-6.0%	0.9%	6.2%	0.2%	0.9%	3.6%	2.4%	10.2%	3.4%	0.5%	3.1%
Gross profit	163	164	173	153	163	166	177	169	176	178	186
- margin	12.2%	12.2%	12.1%	10.6%	11.2%	11.1%	11.5%	9.9%	10.0%	10.1%	10.2%
EBITDA	76	79	87	74	85	96	64	104	114	127	131
- margin	5.6%	5.8%	6.1%	5.1%	5.9%	6.4%	4.1%	6.1%	6.5%	7.2%	7.2%
D&A	-47	-47	-46	-45	-54	-57	-57	-104	-57	-67	-66
EBIT reported	28.9	31.8	40.9	28.2	31.1	39.5	6.4	0.2	56.6	59.5	64.2
Adj. EBIT	36.1	31.2	39.6	28.2	33.0	40.3	49.2	49.0	56.6	59.5	64.2
- margin	2.7%	2.3%	2.8%	2.0%	2.3%	2.7%	3.2%	2.9%	3.2%	3.4%	3.5%
Net finance	-9	-6	-7	-6	-6	-5	-5	-3	-14	-12	-11
Associated companies	0	1	2	0	1	1	3	5	3	2	2
Adj. PTP	27.3	25.7	34.1	22.3	28.2	36.1	47.6	50.6	45.8	49.5	55.2
Taxes	-5.5	-6.6	-7.1	-4.5	-9.2	-12.6	-10.2	-5.5	-9.2	-9.9	-11.0
Profit before minorities	14.6	19.6	28.4	17.8	17.0	23.5	-5.4	-3.7	36.7	39.6	44.2
Minorities	-0.8	-1.4	-2.5	-1.4	-1.9	-1.8	-1.5	-1.5	-4.6	-5.0	-5.5
Adj. Net Profit	21.0	17.8	24.5	16.5	17.0	25.8	27.4	43.6	32.1	34.7	38.7
EPS, excluding NRI (EUR)	0.74	0.63	0.87	0.59	0.60	0.91	0.97	1.54	1.14	1.23	1.37
Divisional sales EURm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Finland	929	932	986	1,019	1,034	1,066	1,106	1,265	1,333	1,333	1,380
Sweden			307	288	289	332	352	356	325	332	338
Denmark & Estonia			99	98	97	107	105	113	123	126	128
Unallocated	75	72	86	75	74	52	15	0	0	0	0
Group eliminations	-27	-30	-42	-41	-42	-53	-37	-38	-27	-27	-27
Group	1,340	1,352	1,436	1,439	1,451	1,504	1,540	1,697	1,755	1,764	1,819
Divisional operative EBIT	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Finland	29.8	24.2	36.3	36.7	40.0	43.1	48.1	49.4	62.5	54.9	57.8
Sweden			1.0	-7.1	-4.6	0.8	2.7	2.3	-4.8	3.7	5.4
Denmark & Estonia			5.2	5.3	4.3	5.2	5.1	1.3	2.7	4.8	4.9
Unallocated	-4.5	-0.9	-3.8	-2.7	-3.1	-8.8	-6.9	-4.0	-3.8	-3.8	-3.9
Group	36.1	31.4	39.5	28.2	33.1	39.5	49.2	49.0	56.6	59.5	64.2
Divisional sales growth	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Finland	-2%	0%	6%	3%	1%	3%	4%	14%	5%	0%	3%
Sweden			n.a.	-6%	0%	15%	6%	1%	-9%	2%	2%
Denmark & Estonia			n.a.	-1%	-1%	11%	-2%	8%	9%	2%	2%
Unallocated	-24%	-4%	19%	-12%	-2%	-30%	-72%	n.m.	n.m.	n.m.	n.m.
Group eliminations	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Group	-6%	1%	6%	0%	1%	4%	2%	10%	3%	1%	3%
EBIT margin	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Finland	3.2%	2.6%	3.7%	3.6%	3.9%	4.0%	4.4%	3.9%	4.7%	4.1%	4.2%
Sweden			0.3%	-2.5%	-1.6%	0.2%	0.8%	0.6%	-1.5%	1.1%	1.6%
Denmark & Estonia			5.3%	5.4%	4.5%	4.9%	4.9%	1.2%	2.2%	3.8%	3.8%
Group eliminations	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Group	2.7%	2.3%	2.8%	2.0%	2.3%	2.6%	3.2%	2.9%	3.2%	3.4%	3.5%

Source: Company data and Nordea estimates

QUARTERLY ESTIMATES (EURm)

Income statement (EURm)	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23E
Sales	361	387	388	403	375	432	439	451	428	457	430	441
- sales growth	1.3%	5.7%	1.4%	1.2%	3.7%	11.5%	13.1%	11.8%	14.2%	5.9%	-2.1%	-2.4%
Gross profit	38.1	45.4	48.7	43.9	31.6	46.5	41.9	48.7	42.0	41.6	45.0	46.9
- margin	10.5%	11.7%	12.6%	10.9%	8.4%	10.8%	9.5%	10.8%	9.8%	9.1%	10.5%	10.7%
EBITDA	21.9	-18.7	33.5	26.6	15.8	28.9	29.4	30.0	23.8	23.1	34.4	32.3
- margin	6.1%	-4.8%	8.6%	6.6%	4.2%	6.7%	6.7%	6.6%	5.6%	5.1%	8.0%	7.3%
D&A	-15	-14	-14	-14	-14	-13	-13	-65	-13	-13	-15	-16
EBIT reported	6.5	-32.6	19.7	12.6	2.3	15.9	16.5	-34.5	10.9	9.9	19.4	16.4
Adj. EBIT	6.5	12.5	19.7	10.3	2.3	13.8	16.2	16.7	10.9	9.9	19.4	16.4
- margin	1.8%	3.2%	5.1%	2.6%	0.6%	3.2%	3.7%	3.7%	2.5%	2.2%	4.5%	3.7%
Net finance	-2.3	-0.4	-1.4	-0.9	-0.9	-0.7	-0.3	-1.5	-3.2	-3.7	-3.2	-3.7
Associated companies	0.8	1.1	1.0	0.6	1.4	2.1	2.2	-0.8	1.1	0.5	0.8	0.6
Adj. PTP	5.0	13.2	19.3	10.0	2.9	15.2	18.1	14.4	8.9	6.7	17.0	13.2
Taxes	-0.9	-2.9	-4.2	-2.2	-0.2	-3.1	-2.4	0.2	-2.0	-1.6	-2.4	-3.2
Profit before minorities	4.1	-34.8	15.1	10.2	2.7	14.2	16.0	-36.6	6.9	5.1	14.6	10.1
Minorities	-0.4	-0.3	-0.4	-0.5	-0.2	-0.6	0.5	-1.2	-0.5	-1.3	-1.4	-1.4
Adj. Net Profit	3.7	10.0	14.7	7.3	2.5	11.5	16.2	13.4	6.4	3.8	13.2	8.7
EPS, excluding NRI (EUR)	0.13	0.35	0.52	0.26	0.09	0.41	0.57	0.47	0.23	0.13	0.47	0.31
Divisional sales EURm	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23E
Finland	260	278	275	293	274	320	327	344	324	345	324	341
Sweden	77	88	94	93	82	95	93	86	82	88	81	75
Denmark & Estonia	25	27	27	26	26	28	29	29	28	31	32	32
Unallocated	10	5	0	0	0	0	0	0	0	0	0	0
Group eliminations	-10	-10	-8	-9	-8	-11	-10	-9	-6	-7	-7	-7
Group	361	387	388	403	375	432	439	451	428	457	430	441
Divisional operative EBIT	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23E
Finland	9.8	11.3	16.4	10.6	3.0	13.4	12.7	20.3	14.9	12.7	19.0	15.9
Sweden	-1.2	0.3	3.0	0.6	-0.9	0.7	3.4	-0.9	-3.3	-2.1	0.0	0.6
Denmark & Estonia	1.9	2.0	1.2	0.0	0.8	0.7	0.7	-0.9	-0.5	0.6	1.5	1.1
Unallocated	-4.0	-1.1	-0.9	-0.9	-0.6	-1.0	-0.6	-1.8	-0.2	-1.3	-1.1	-1.2
Group	6.5	12.5	19.7	10.3	2.3	13.8	16.2	16.7	10.9	9.9	19.4	16.4
Divisional sales growth	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23E
Finland	3%	6%	3%	3%	5%	15%	19%	17%	18%	8%	-1%	-1%
Sweden	-2%	12%	4%	9%	7%	8%	-2%	-7%	0%	-8%	-13%	-13%
Denmark & Estonia	-8%	-1%	1%	-1%	6%	6%	7%	11%	8%	11%	10%	8%
Unallocated	-27%	-55%	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Group eliminations	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Group	1%	6%	1%	1%	4%	12%	13%	12%	14%	6%	-2%	-2%
EBIT margin	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23	Q4/23E
Finland	3.8%	4.1%	6.0%	3.6%	1.1%	4.2%	3.9%	5.9%	4.6%	3.7%	5.9%	4.7%
Sweden	-1.6%	0.3%	3.2%	0.6%	-1.1%	0.7%	3.7%	-1.0%	-4.0%	-2.4%	0.0%	0.8%
Denmark & Estonia	7.8%	7.5%	4.4%	0.0%	3.1%	2.5%	2.4%	-3.1%	-1.8%	1.9%	4.7%	3.4%
Group eliminations	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Group	1.8%	3.2%	5.1%	2.6%	0.6%	3.2%	3.7%	3.7%	2.5%	2.2%	4.5%	3.7%

Source: Company data and Nordea estimates

Risk factors

In this section, we highlight the main risks that we find relevant for Atria. We list risks according to their relevance, with the most relevant on top. The following is not an exhaustive list but rather our view of some key risks for the company.

Increasing raw material prices

Atria's profitability depends on changes in global market prices for meat raw materials, which affect Atria on a lag. Because Atria and other meat processing companies are in the middle of the value chain, it might be difficult to fully implement the product price hikes needed to protect EBIT margins in the event of elevated meat raw material prices. The annual harvest might have indirect impacts on meat raw material prices. Current geopolitical tensions could also have a negative impact on availability of materials such as fertilisers, which could increase grain prices, and hence meat raw material prices even further.

Changes in customer demand

Atria's key market areas of retail trade are highly centralised, making it dependent on individual customers. Shifts in consumer demand could thus affect Atria's margins.

Outbreak of animal diseases

Animal disease discovered at a critical point in Atria's production chain could interrupt production in the unit concerned and disrupt operations throughout the chain. The development of African swine fever (ASF) could cause similar restrictions and government guidance pressure, much as avian influenza did in Sweden in H2 2017. Diseases may even lead to import and export restrictions on meat products. The latest outbreak of ASF in Sweden causes additional uncertainty, although it does not have a direct impact on Atria as the company does not have significant export business in the country. An outbreak of animal diseases in Atria's operating countries, especially in Finland, could have a substantial effect on its short-term sales and profits.

Changes in consumer demand

In the long term, consumer behaviour may change the pattern of demand for Atria's products across different categories. As a result, shifts in consumer demand could affect Atria's net sales and eventually its margins.

Operational disturbances

Atria has production plants in Finland, Sweden, Denmark and Estonia. Its operations are process-centric and disturbances in a critical part of the process could result in the suspension of plant operations.

Product safety issues

As a food manufacturing company, Atria is exposed to internal and external quality and safety issues throughout the production chain. Product safety issues may hamper Atria's reputation as a quality producer.

Financial risks

The key financial risks are translation, transaction and refinancing risks. Atria's main transaction and translation risks are in its Swedish operations. In addition, given the sharp increase in interest rates, we note risks related to possible writedowns of accounts receivable, e.g. if foodservice customers were to face liquidity issues.

Goodwill

Atria has EUR 125m of goodwill on its balance sheet. If there were operational challenges, the company could have to make an impairment to its assets. We see risks, especially within Denmark and partly in Sweden, related to higher interest rates. This should have only limited impact on Atria's balance sheet, however, and an impairment would not have any cash flow impact.

Increasing competition from foreign products

Atria primarily uses domestic meat raw materials, and domestic customers demand mostly domestic meat products. In a scenario with changes in demand and foreign competitors entering the market, increased competition could affect profitability.

Reported numbers and forecasts

INCOME STATEMENT

EURm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	1,340	1,352	1,436	1,439	1,451	1,504	1,540	1,697	1,755	1,764	1,819
Revenue growth	-6.0%	0.9%	6.2%	0.2%	0.9%	3.6%	2.4%	10.2%	3.4%	0.5%	3.1%
of which organic	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
of which FX	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA	68	79	87	74	85	96	64	104	114	127	131
Depreciation and impairments PPE	-47	-47	-46	-45	-54	-57	-57	-104	-57	-67	-66
of which leased assets	0	0	0	0	-9	-9	-9	-16	-9	-10	-10
EBITA	22	32	41	28	31	40	6	0	57	60	64
Amortisation and impairments	7	0	0	0	0	0	0	0	0	0	0
EBIT	29	32	41	28	31	40	6	0	57	60	64
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	1	2	0	1	1	3	5	3	2	2
Net financials	-9	-6	-7	-6	-6	-5	-5	-3	-14	-12	-11
of which lease interest	0	0	0	0	0	0	0	0	0	0	0
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	20	26	36	22	26	36	5	2	46	50	55
Reported taxes	-5	-7	-7	-5	-9	-13	-10	-6	-9	-10	-11
Net profit from continued operations	15	20	28	18	17	24	-5	-4	37	40	44
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	-1	-1	-3	-1	-2	-2	-2	-2	-5	-5	-6
Net profit to equity	14	18	26	17	15	22	-7	-5	32	35	39
EPS, EUR	0.49	0.65	0.92	0.59	0.53	0.77	-0.24	-0.19	1.14	1.23	1.37
DPS, EUR	0.40	0.46	0.50	0.40	0.42	0.50	0.63	0.70	0.70	0.75	0.82
of which ordinary	0.40	0.46	0.50	0.40	0.42	0.50	0.63	0.70	0.70	0.75	0.82
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	5.1%	5.8%	6.1%	5.1%	5.9%	6.4%	4.1%	6.1%	6.5%	7.2%	7.2%
EBITA	1.6%	2.3%	2.8%	2.0%	2.1%	2.6%	0.4%	0.0%	3.2%	3.4%	3.5%
EBIT	2.2%	2.3%	2.8%	2.0%	2.1%	2.6%	0.4%	0.0%	3.2%	3.4%	3.5%

Adjusted earnings

EBITDA (adj)	76	78	86	74	87	96	106	153	114	127	131
EBITA (adj)	29	31	40	28	33	40	49	49	57	60	64
EBIT (adj)	36	31	40	28	33	40	49	49	57	60	64
EPS (adj, EUR)	0.74	0.63	0.87	0.59	0.60	0.91	0.97	1.54	1.14	1.23	1.37

Adjusted profit margins in percent

EBITDA (adj)	5.6%	5.8%	6.0%	5.1%	6.0%	6.4%	6.9%	9.0%	6.5%	7.2%	7.2%
EBITA (adj)	2.2%	2.3%	2.8%	2.0%	2.3%	2.6%	3.2%	2.9%	3.2%	3.4%	3.5%
EBIT (adj)	2.7%	2.3%	2.8%	2.0%	2.3%	2.6%	3.2%	2.9%	3.2%	3.4%	3.5%

Performance metrics

CAGR last 5 years											
Net revenue	0.6%	0.8%	1.3%	0.4%	0.4%	2.3%	2.6%	3.4%	4.1%	4.0%	3.9%
EBITDA	2.5%	7.2%	1.8%	-6.2%	-1.0%	7.1%	-4.2%	3.7%	9.1%	8.2%	6.3%
EBIT	24.3%	31.9%	6.2%	7.4%	-5.2%	6.4%	-27.4%	-65.5%	14.9%	13.9%	10.2%
EPS	n.m.	n.m.	21.3%	n.m.	-10.6%	9.4%	n.m.	n.m.	14.1%	18.2%	12.2%
DPS	9.9%	18.1%	17.8%	12.7%	1.0%	4.6%	6.5%	7.0%	11.8%	12.3%	10.4%
Average last 5 years											
Average EBIT margin	1.9%	2.2%	2.3%	2.4%	2.3%	2.4%	2.0%	1.4%	1.7%	2.0%	2.2%
Average EBITDA margin	5.8%	6.1%	6.1%	5.7%	5.6%	5.9%	5.5%	5.5%	5.8%	6.1%	6.3%

VALUATION RATIOS - ADJUSTED EARNINGS

EURm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
P/E (adj)	12.2	18.2	13.9	11.2	16.7	10.8	11.9	6.0	9.5	8.8	7.9
EV/EBITDA (adj)	5.8	7.0	6.6	5.7	6.0	5.0	4.6	3.3	5.1	4.5	4.3
EV/EBITA (adj)	15.2	17.5	14.3	14.9	15.7	12.3	10.0	10.4	10.3	9.7	8.7
EV/EBIT (adj)	12.2	17.5	14.3	14.9	15.7	12.3	10.0	10.4	10.3	9.7	8.7

VALUATION RATIOS - REPORTED EARNINGS

EURm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
P/E	18.5	17.8	13.2	11.2	18.9	12.8	n.m.	n.m.	9.5	8.8	7.9
EV/Sales	0.33	0.41	0.39	0.29	0.36	0.32	0.32	0.30	0.33	0.33	0.31
EV/EBITDA	6.4	7.0	6.5	5.7	6.1	5.0	7.7	4.9	5.1	4.5	4.3
EV/EBITA	20.3	17.3	13.8	14.9	16.8	12.3	76.6	2,554.2	10.3	9.7	8.7
EV/EBIT	15.2	17.3	13.8	14.9	16.8	12.3	76.6	2,554.2	10.3	9.7	8.7
Dividend yield (ord.)	4.4%	4.0%	4.1%	6.1%	4.2%	5.1%	5.5%	7.6%	6.5%	6.9%	7.6%
FCF yield	26.8%	-0.8%	5.6%	1.0%	17.1%	20.8%	19.2%	-18.6%	1.9%	13.8%	18.4%
FCF Yield bef A&D, lease adj	15.9%	6.9%	3.3%	1.5%	14.0%	18.9%	7.2%	-33.8%	-1.0%	10.4%	15.0%
Payout ratio	53.7%	72.8%	57.6%	68.3%	69.8%	54.8%	64.9%	45.4%	61.7%	61.2%	60.0%

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Intangible assets	237	263	256	249	246	249	240	179	179	179	179
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	79	94	89	87	85	84	78	54	54	54	54
of which goodwill	158	170	167	163	161	165	163	125	125	125	125
Tangible assets	395	405	409	401	423	421	400	489	540	555	560
of which leased assets	0	0	0	0	30	25	14	21	20	20	20
Shares associates	13	14	15	15	15	15	17	20	23	25	27
Interest bearing assets	1	1	1	1	1	1	1	1	1	1	1
Deferred tax assets	7	7	6	5	4	2	2	1	1	1	1
Other non-IB non-current assets	11	11	9	10	5	5	6	18	18	18	18
Other non-current assets	0	0	0	0	0	0	0	0	0	0	0
Total non-current assets	665	701	696	681	694	692	667	708	762	779	787
Inventory	81	90	93	106	110	103	110	153	140	132	127
Accounts receivable	101	109	114	105	107	106	108	135	140	141	145
Short-term leased assets	0	0	0	0	9	9	16	9	10	10	10
Other current assets	4	5	4	3	4	4	4	4	4	4	5
Cash and bank	4	5	3	4	4	27	57	31	38	60	54
Total current assets	190	208	214	219	235	248	295	332	333	348	342
Assets held for sale	0	0	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	855	909	910	900	929	940	961	1,040	1,096	1,127	1,128
Shareholders equity	400	410	419	415	420	423	455	449	462	477	494
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	5	12	12	13	14	16	13	15	20	25	30
Total Equity	405	422	431	428	434	439	468	464	481	501	524
Deferred tax	45	49	47	43	41	39	37	36	36	36	36
Long term interest bearing debt	156	178	122	153	141	139	176	232	262	272	242
Pension provisions	7	7	6	6	7	7	7	5	5	5	5
Other long-term provisions	0	0	0	0	1	0	0	1	1	1	1
Other long-term liabilities	6	11	8	7	7	2	3	7	7	7	7
Non-current lease debt	0	0	0	0	25	25	21	21	20	20	20
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	214	245	184	209	221	212	245	302	331	341	311
Short-term provisions	0	0	0	0	0	0	0	0	0	0	0
Accounts payable	192	200	202	188	211	234	237	261	270	271	280
Current lease debt	0	0	0	0	9	10	10	10	10	10	10
Other current liabilities	0	3	1	0	0	0	0	0	0	0	0
Short term interest bearing debt	44	40	92	75	54	45	3	3	3	3	3
Total current liabilities	236	242	295	262	274	289	249	274	283	284	293
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	855	909	910	900	929	940	961	1,040	1,096	1,127	1,128
Balance sheet and debt metrics											
Net debt	194	212	210	222	223	190	152	234	257	245	220
of which lease debt	0	0	0	0	34	34	31	31	31	31	31
Working capital	-6	1	7	27	10	-21	-15	31	15	6	-3
Invested capital	659	703	703	708	705	670	651	739	777	785	784
Capital employed	604	640	645	656	663	657	678	730	777	807	800
ROE	3.4%	4.5%	6.2%	4.0%	3.6%	5.2%	-1.6%	-1.2%	7.0%	7.4%	8.0%
ROIC	4.4%	3.8%	4.8%	3.3%	3.8%	4.8%	6.5%	6.3%	6.4%	6.4%	6.8%
ROCE	5.8%	5.1%	6.4%	4.4%	5.1%	6.2%	7.9%	7.7%	7.9%	7.8%	8.2%
Net debt/EBITDA	2.8	2.7	2.4	3.0	2.6	2.0	2.4	2.2	2.3	1.9	1.7
Interest coverage	3.1	5.0	5.6	4.5	5.6	8.8	1.3	0.1	4.1	5.0	5.8
Equity ratio	46.8%	45.1%	46.0%	46.2%	45.2%	45.0%	47.3%	43.2%	42.1%	42.3%	43.8%
Net gearing	48.0%	50.3%	48.7%	51.9%	51.3%	43.4%	32.5%	50.3%	53.3%	48.9%	42.0%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
EBITDA (adj) for associates	68	79	87	74	85	96	64	104	114	127	131
Paid taxes	-4	-6	-10	-1	-9	-9	-15	-7	-9	-10	-11
Net financials	-9	-4	-8	-6	-6	-5	-2	-3	-14	-12	-11
Change in provisions	-1	0	-1	0	1	0	-1	-1	0	0	0
Change in other LT non-IB	-1	5	1	0	5	-2	-1	-7	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	61	-16	-10	-6	-6	-10	50	15	0	0	0
Funds from operations (FFO)	115	58	59	60	71	71	94	100	91	105	109
Change in NWC	-24	7	6	-13	17	31	-6	-46	17	9	9
Cash flow from operations (CFO)	91	65	65	47	89	102	88	54	107	113	117
Capital expenditure	-50	-43	-53	-45	-40	-41	-56	-126	-101	-71	-61
Free cash flow before A&D	40	22	11	3	48	61	32	-73	6	42	56
Proceeds from sale of assets	33	6	8	-1	0	0	30	28	0	0	0
Acquisitions	-5	-30	0	0	0	-3	0	-4	0	0	0
Free cash flow	68	-2	19	2	48	58	63	-49	6	42	56
Free cash flow bef A&D, lease adj	40	22	11	3	40	53	24	-89	-3	32	46
Dividends paid	-11	-11	-13	-15	-12	-12	-15	-19	-20	-20	-21
Equity issues / buybacks	0	0	0	0	0	0	0	0	0	0	0
Net change in debt	-55	15	-3	13	-40	-13	-5	48	30	10	-30
Other financing adjustments	0	0	0	0	0	-9	-10	-9	-9	-10	-10
Other non-cash adjustments	-2	-1	-4	1	4	-2	-3	2	0	0	0
Change in cash	1	0	-1	1	0	22	31	-26	7	22	-5
Cash flow metrics											
Capex/D&A	n.m.	90.9%	n.m.	98.0%	73.8%	72.0%	97.7%	n.m.	n.m.	n.m.	n.m.
Capex/Sales	3.7%	3.2%	3.7%	3.1%	2.8%	2.7%	3.6%	7.4%	5.8%	4.0%	3.4%
Key information											
Share price year end (/current)	9	11	12	7	10	10	12	9	11	11	11
Market cap.	255	324	341	185	284	278	326	262	305	305	305
Enterprise value	441	548	563	420	521	485	490	511	582	575	556
Diluted no. of shares, year-end (m)	28.2	28.2	28.2	28.2	28.3	28.3	28.3	28.3	28.3	28.3	28.3

Source: Company data and Nordea estimates

Disclaimer and legal disclosures

Origin of the report

This publication or report originates from: Nordea Bank Abp, including its branches Nordea Danmark, Filial af Nordea Bank Abp, Finland, Nordea Bank Abp, filial i Norge and Nordea Bank Abp, filial i Sverige (together "Nordea") acting through their units Nordea Markets and Equity Sales & Research.

Nordea Bank Abp is supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the branches are supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the Financial Supervisory Authorities in their respective countries.

Content of report

This report has been prepared solely by Nordea Markets or Equity Sales & Research.

Opinions or suggestions from Nordea Markets credit and equity research may deviate from one another or from opinions presented by other departments in Nordea. This may typically be the result of differing time horizons, methodologies, contexts or other factors.

The information provided herein is not intended to constitute and does not constitute investment advice nor is the information intended as an offer or solicitation for the purchase or sale of any financial instrument. The information contained herein has no regard to the specific investment objectives, the financial situation or particular needs of any particular recipient. Relevant and specific professional advice should always be obtained before making any investment or credit decision.

Opinions or ratings are based on one or more methods of valuation, for instance cash flow analysis, use of multiples, behavioural technical analyses of underlying market movements in combination with considerations of the market situation and the time horizon. Key assumptions of forecasts or ratings in research cited or reproduced appear in the research material from the named sources. The date of publication appears from the research material cited or reproduced. Opinions and estimates may be updated in subsequent versions of the report, provided that the relevant company/issuer is treated anew in such later versions of the report.

Validity of the report

All opinions and estimates in this report are, regardless of source, given in good faith, and may only be valid as of the stated date of this report and are subject to change without notice.

No individual investment or tax advice

The report is intended only to provide general and preliminary information to investors and shall not be construed as the basis for any investment decision. This report has been prepared by Nordea Markets or Equity Sales & Research as general information for private use of investors to whom the report has been distributed, but it is not intended as a personal recommendation of particular financial instruments or strategies and thus it does not provide individually tailored investment advice, and does not take into account the individual investor's particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. The investor must particularly ensure the suitability of an investment as regards his/her financial and fiscal situation and investment objectives. The investor bears the risk of losses in connection with an investment.

Before acting on any information in this report, it is recommendable to consult (without being limited to) one's financial, legal, tax, accounting, or regulatory advisor in any relevant jurisdiction.

The information contained in this report does not constitute advice on the tax consequences of making any particular investment decision. Each investor shall make his/her own appraisal of the tax and other financial merits of his/her investment.

Sources

This report may be based on or contain information, such as opinions, estimates and valuations which emanate from: Nordea Markets' or Equity Sales & Research analysts or representatives, publicly available information, information from other units of Nordea, or other named sources.

To the extent this publication or report is based on or contain information emanating from other sources ("Other Sources") than Nordea Markets or Equity Sales & Research ("External Information"), Nordea Markets or Equity Sales & Research has deemed the Other Sources to be reliable but neither Nordea, others associated or affiliated with Nordea nor any other person, do guarantee the accuracy, adequacy or completeness of the External Information.

Limitation of liability

Nordea or other associated and affiliated companies assume no liability as regards to any investment, divestment or retention decision taken by the investor on the basis of this report. In no event will Nordea or other associated and affiliated companies be liable for direct, indirect or incidental, special or consequential damages (regardless of whether being considered as foreseeable or not) resulting from the information in this report.

Risk information

The risk of investing in certain financial instruments, including those mentioned in this report, is generally high, as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant company, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. When investing in individual shares, the investor may lose all or part of the investments.

Conflicts of interest

Readers of this document should note that Nordea Markets or Equity Sales & Research has received remuneration from the company mentioned in this document for the production of the report. The remuneration is not dependent on the content of the report.

Nordea, affiliates or staff in Nordea, may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the report.

To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysts of Nordea Markets and Equity Sales & Research are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of Nordea and personal account dealing. The internal rules have been prepared in accordance with applicable legislation and relevant industry standards. The object of the internal rules is for example to ensure that no analyst will abuse or cause others to abuse confidential information. It is the policy of Nordea that no link exists between revenues from capital markets activities and individual analyst remuneration. Nordea and the branches are members of national stockbrokers' associations in each of the countries in which Nordea has head offices. Internal rules have been developed in accordance with recommendations issued by the stockbrokers associations. This material has been prepared following the Nordea Conflict of Interest Policy, which may be viewed at www.nordea.com/mifid.

Please find a list of all recommendations disseminated by Nordea Equities during the preceding 12-month period here: <https://research.nordea.com/compliance>

Distribution restrictions

The securities referred to in this report may not be eligible for sale in some jurisdictions. This report is not intended for, and must not be distributed to private customers in the UK or the US or to customers in any other jurisdiction where restrictions may apply.

This research report has not been prepared for distribution outside the EU, the UK or the US. The content of this research report is not a product disclosure statement or other regulated document for the purposes of the Australian Corporations Act 2001 (CTH). The distribution of this research report in Australia has not been authorised by any regulatory authority in Australia, and Nordea bank Abp is not licensed by the Australian Securities and Investment Commission to provide financial services in Australia.

This publication or report may be distributed in the UK to institutional investors by Nordea Bank Abp London Branch of 6th Floor, 5 Aldermanbury Square, London, EC2V 7AZ, which is under supervision of the European Central Bank, Finanstilsyn (Financial Supervisory Authority) in Finland and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority in the United Kingdom. Details about the extent of our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available upon request.

Nordea Bank Abp ("Nordea") research is not "globally branded" research. Nordea research reports are intended for distribution in the United States solely to "major U.S. institutional investors," as defined in the Securities Exchange Act of 1934. Any transactions in securities discussed within the research reports will be chaperoned by Nordea Securities LLC ("Nordea Securities"), an affiliate of Nordea and a SEC registered broker dealer and member of FINRA. Nordea Securities does not employ research analysts and has no contractual relationship with Nordea that is reasonably likely to inform the content of Nordea research reports. Nordea makes all research content determinations without any input from Nordea Securities.

The research analyst(s) named on this report are not registered/qualified as research analysts with FINRA. Such research analyst(s) are also not registered with Nordea Securities and therefore may not be subject to FINRA Rule 2241 or FINRA Rule 2242 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

This report may not be mechanically duplicated, photocopied or otherwise reproduced, in full or in part, under applicable copyright laws.

Analyst Shareholding

Nordea analysts do not hold shares in the companies that they cover.
No holdings or other affiliations by analysts or associates.

Fair value and sensitivity

We calculate our fair values by weighting DCF, DDM, SOTP, asset-based and other standard valuation methods. Our fair values are sensitive to changes in valuation assumptions, of which growth, margins, tax rates, working capital ratios, investment-to-sales ratios and cost of capital are typically the most sensitive. It should be noted that our fair values would change by a disproportionate factor if changes are made to any or all valuation assumptions, owing to the non-linear nature of the standard valuation models applied (mentioned above). As a consequence of the standard valuation models we apply, changes of 1-2 percentage points in any single valuation assumption can change the derived fair value by as much as 30% or more. All research is produced on an ad hoc basis and will be updated when the circumstances require it.

Marketing Material

This research report should be considered marketing material, as it has been commissioned and paid for by the subject company, and has not been prepared in accordance with the regulations designed to promote the independence of investment research and it is not subject to any legal prohibition on dealing ahead of the dissemination of the report. However, Nordea Markets analysts are according to internal policies not allowed to hold shares in the companies/sectors that they cover.

Market-making obligations and other significant financial interest

Nordea has no market-making obligations in Atria shares.

As of 24/10/2023, Nordea Abp holds no positions of 0.5% or more of shares issued by Atria.

As of the publication of this report, the issuer does not hold a position exceeding 5% of the total shares issued in Nordea Abp.

Investment banking transactions and/or services

In view of Nordea's position in its markets, readers should assume that the bank may currently or may in the coming three months and beyond be providing or seeking to provide confidential investment banking and/or ancillary services to the company/ companies.

Issuer Review

This report has not been reviewed by the Issuer prior to publication.

Completion Date

25 Oct 2023, 00:30 CET

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 Visiting address: Aleksis Kiven katu 7, Helsinki FI-00020 Nordea Finland	Nordea IB & Equity Division, Equity Research Visiting address: Smålandsgatan 17 SE-105 71 Stockholm Sweden	Nordea IB & Equity Division, Equity Research Visiting address: Grønlandsvej 10 DK-2300 Copenhagen S Denmark	Nordea IB & Equity Division, Equity Research 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			