

Growth in place, profitability next

Oriola saw solid growth in Q2, and we anticipate a continued good growth pace in Q3. We expect the weaker profitability in the Wholesale-segment to improve gradually during the second half of the year, enabling y/y group level improvement.

Two-fold but mostly solid development in Q2

Oriola reports its Q3 results on October 30th. In Q2, Oriola posted solid growth figures both on net sales and invoicing, but up around 12% y/y. Profitability development on group level was more modest, with the adj. EBITDA-margin slightly below previous year levels. Segment level profitability development was two-fold. The Distribution-segment saw the adj. EBITDA improve by 35% y/y through both volumes and margins. The Wholesale-segment on the other hand saw profitability decline clearly, despite solid growth, due to growth related costs and an unfavourable product mix. The profitability of Kronans Apotek was weak and back in the red.

Expecting solid growth and profitability improvement

We expect the double-digit growth seen in Q2 to continue in Q3, with our net sales estimate at EUR 474.9m (+11.9% y/y). We anticipate improvements in profitability through the continued volume growth and stabilization of OPEX. The profitability in the Wholesale-segment should start to gradually improve from the weak levels in Q2, but the sales mix could still keep margins fairly low while the growth kicks in. The Distribution-segment is aided by the impact of the on-boarding of new customers during the year, with volume growth expected to drive continued absolute profitability improvements. We remain cautious in terms of relative profitability improvements in the segment, although upside potential is still in place through the underlying efficiency of operations should customer retention and growth remain good. Oriola expects the adjusted EBITDA in 2025 to increase from the previous year, with H1/25 figures on par with the previous year level. We expect Distribution to improve clearly y/y in H2, while expecting Wholesale profitability to improve gradually towards the end of the year but remain below previous year levels.

ACCUMULATE rating with TP or EUR 1.2

We have not made adjustments to our estimates ahead of Q3 and retain our target price of EUR 1.2. From a valuation upside perspective, development of Kronans Apotek and the pace of margin recovery in the Wholesale-business are of interest.

Rating + Accumulate



Share price, EUR (Last trading day's closing price)	1.08
Target price, EUR	1.2
Latest change in recommendation	07-Aug-19
Latest report on company	21-Jul-25
Research paid by issuer:	YES
No. of shares outstanding, '000's	185 323
No. of shares fully diluted, '000's	185 323
Market cap, EURm	200
Free float, %	65.4 %
Exchange rate	0.0
Reuters code	ORIOLA.HE
Bloomberg code	ORIOLA FH
Average daily volume, EURm	0.0
Next interim report	30-Oct-25
Web site	oriola.com/investors
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+ BUY + ACCUMULATE - REDUCE - SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2023	1493.8	-5.3	-0.4%	7.9	-0.11	-9.6	0.2	-52.0	4.0%	0.07
2024	1679.7	13.6	0.8%	29.8	-0.11	-8.1	0.1	16.0	18.5%	0.07
2025E	1907.7	3.4	0.2%	16.2	-0.05	-20.6	0.1	48.1	8.1%	0.08
2026E	2020.7	24.8	1.2%	29.0	0.10	10.7	0.1	6.0	14.5%	0.09
2027E	2114.2	34.1	1.6%	38.2	0.17	6.5	0.1	3.7	19.1%	0.10
Market cap, EURm	200		Gearing 2025E, %		45.5 %		CAGR EPS 2024-27, %		0.0 %	
Net debt 2025E, EURm	53		Price/book 2025E		1.7		CAGR Sales 2024-27, %		8.0 %	
Enterprise value, EURm	163		Dividend yield 2025E, %		7.4 %		ROE 2025E, %		-7.8 %	
Total assets 2025E, EURm	947		Tax rate 2025E, %		-46.2 %		ROCE 2025E, %		-1.1 %	
Goodwill 2025E, EURm	35		Equity ratio 2025E, %		12.3 %		PEG, P/E 25/CAGR		0.0	

All the important disclosures can be found on the last pages of this report.

Figure 1: Estimates summary

Oriola	2022	2023	Q1/'24	Q2/'24	Q3/'24	Q4/'24	2024	Q1/'25	Q2/'25	Q3/'25E	Q4/'25E	2025E	2026E	2027E
Net sales	1539	1494	375.1	439.4	424.4	440.7	1680	447.1	493.9	474.9	491.9	1908	2021	2114
<i>sales growth</i>		-2.9%	4.1%	13.0%	18.6%	14.0%	12.4%	19.2%	12.4%	11.9%	11.6%	13.6%	5.9%	4.6%
EBITDA	34.7	30.0	6.7	8.6	4.9	7.0	27.2	6.0	1.6	6.1	7.3	21.0	36.6	45.9
Adj. EBITDA			7.7	8.0	8.4	9.4	33.4	7.5	8.1	9.1	10.3	35.0	44.6	53.9
D&A and impairments	-25.2	-35.4	-3.0	-2.9	-4.7	-3.0	-13.6	-8.7	-3.0	-3.0	-3.0	-17.6	-11.8	-11.8
EBIT	9.5	-5.4	3.7	5.7	0.2	4.0	13.6	-2.8	-1.5	3.2	4.4	3.2	24.8	34.1
<i>EBIT-margin</i>	0.6%	-0.4%	1.0%	1.3%	0.0%	0.9%	0.8%	-0.6%	-0.3%	0.7%	0.9%	0.2%	1.2%	1.6%
Adj. EBIT	19.7	16.7	4.7	5.1	5.5	6.4	21.7	4.5	5.0	6.2	7.4	23.0	32.8	42.1
<i>adj. EBIT-margin</i>	1.3%	1.1%	1.3%	1.2%	1.3%	1.5%	1.3%	1.0%	1.0%	1.3%	1.5%	1.2%	1.6%	2.0%
Net financials	-0.7	-7.6	-2.2	-1.6	-1.8	-1.8	-7.4	-1.6	-1.3	-1.3	-1.3	-5.5	-5.2	-5.0
Share of result in JV	-2.0	-4.8	-3.5	-1.3	-0.6	-19.5	-24.9	-1.0	-2.9	-1.7	-1.2	-6.7	3.0	7.3
Profit before taxes	6.9	-17.6	-2.0	2.8	-2.2	-17.3	-18.6	-5.4	-5.7	0.2	1.9	-9.0	22.6	36.4
Income taxes	-2.1	-3.1	-0.4	-0.9	0.3	-0.5	-1.5	0.0	0.0	-0.4	-0.6	-1.0	-3.9	-5.8
Net earnings	4.8	-20.7	-2.4	1.9	-1.9	-17.8	-20.1	-5.4	-5.7	-0.2	1.3	-10.0	18.6	30.6
Distribution	2022	2023	Q1/'24	Q2/'24	Q3/'24	Q4/'24	2024	Q1/'25	Q2/'25	Q3/'25E	Q4/'25E	2025E	2026E	2027E
Invoicing	3220	3283	827.2	870.6	854.1	904.6	3457	912.4	976.5	945.0	1001	3835	4046	4220
<i>invoicing growth %</i>		1.9%	5.9%	5.5%	8.4%	1.8%	5.3%	10.3%	12.2%	10.6%	10.7%	10.9%	5.5%	4.3%
Net sales	1192	1189	294.1	358.0	350.8	361.8	1365	359.2	397.8	389.0	400.0	1546	1631	1701
<i>sales growth %</i>		-0.3%	3.8%	15.5%	23.4%	16.1%	14.8%	22.1%	11.1%	10.9%	10.6%	13.3%	5.5%	4.3%
Adj. EBITDA			6.3	6.1	7.1	8.1	27.6	7.1	8.3	8.5	9.3	33.2	37.5	44.2
<i>Adj. EBITDA-%</i>			2.1%	1.7%	2.0%	2.2%	2.0%	2.0%	2.1%	2.2%	2.3%	2.1%	2.3%	2.6%
Wholesale	2022	2023	Q1/'24	Q2/'24	Q3/'24	Q4/'24	2024	Q1/'25	Q2/'25	Q3/'25E	Q4/'25E	2025E	2026E	2027E
Invoicing	352.7	306.2	81.2	81.8	73.8	79.1	315.9	88.1	96.1	86.0	92.0	362.2	391.2	414.6
<i>invoicing growth %</i>		-13.2%	4.6%	3.0%	0.0%	5.1%	3.2%	8.5%	17.5%	16.5%	16.3%	14.7%	8.0%	6.0%
Net sales	351.4	305.7	81.1	81.6	73.8	79.1	315.6	88.1	96.1	86.0	92.0	362.2	390.0	413.4
<i>sales growth %</i>		-13.0%	4.6%	2.9%	0.0%	5.3%	3.2%	8.6%	17.8%	16.5%	16.3%	14.8%	7.7%	6.0%
Adj. EBITDA			3.6	3.1	3.1	2.7	12.5	2.4	2.1	2.6	3.1	10.2	15.6	18.6
<i>Adj. EBITDA-%</i>			4.4%	3.8%	4.2%	3.4%	4.0%	2.7%	2.2%	3.0%	3.4%	2.8%	4.0%	4.5%
Group admin	2022	2023	Q1/'24	Q2/'24	Q3/'24	Q4/'24	2024	Q1/'25	Q2/'25	Q3/'25E	Q4/'25E	2025E	2026E	2027E
Adj. EBITDA			-2.2	-1.1	-1.8	-1.4	-6.7	-2.0	-2.3	-2.0	-2.1	-8.4	-8.5	-8.9

Source: Oriola, Evli Research estimates

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	1.08 PV of Free Cash Flow	278 Long-term growth, %	1.5 % Risk-free interest rate, %	2.50 %
DCF share value	3.34 PV of Horizon value	319 WACC, %	7.8 % Market risk premium, %	5.8 %
Share price potential, %	209.1 % Unconsolidated equity	91 Spread, %	0.5 % Debt risk premium %	2.5 %
Maximum value	3.6 Marketable securities	114 Minimum WACC, %	7.3 % Equity beta coefficient	0.95
Minimum value	3.1 Debt – dividend	–183 Maximum WACC, %	8.3 % Target debt ratio, %	20 %
Horizon value, %	53.5 % Value of stock	619 No. of shares, Mn	185.3 Effective tax rate, %	20 %

DCF valuation, EURm	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	TERMINAL
Net sales	1 680	1 908	2 021	2 114	2 199	2 287	2 378	2 450	2 523	2 599	2 638	2 677
Sales growth (%)	12.4%	13.6%	5.9%	4.6%	4.0%	4.0%	4.0%	3.0%	3.0%	3.0%	1.5%	1.5%
Operating income (EBIT)	14	3	25	34	40	41	43	37	38	39	40	40
Operating income margin %	0.8%	0.2%	1.2%	1.6%	1.8%	1.8%	1.8%	1.5%	1.5%	1.5%	1.5%	1.5%
+ Depreciation+amort.	13	18	12	12	9	10	11	12	13	13	14	
EBITDA	27	21	37	46	48	51	54	49	50	52	53	
– Paid taxes	–5	–2	–5	–7	–8	–8	–9	–7	–8	–8	–8	
– Change in NWC	21	17	8	7	6	6	7	5	5	5	3	
NWC / Sales, %	–6.5%	–6.6%	–6.6%	–6.6%	–6.7%	–6.7%	–6.7%	–6.7%	–6.7%	–6.8%	–6.8%	
+ Change in other liabs												
– Operative CAPEX	–3	–15	–4	–5	–8	–8	–8	–9	–9	–9	–9	
opCAPEX / Sales, %	0.5%	0.4%	0.5%	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	
– Acquisitions												
+ Divestments												
– Other items	0	6										
= FCFF	42	32	36	41	39	41	44	38	39	41	39	635
= Discounted FCFF		32	33	34	31	30	30	24	23	22	20	319
= DFCF min WACC		32	33	35	31	31	30	25	24	23	21	362
= DFCF max WACC		32	32	34	30	30	29	23	22	21	19	284

Sensitivity analysis, EUR

		Terminal WACC				
		5.77 %	6.77 %	7.77 %	8.77 %	9.77 %
Terminal EBIT–%	–0.50 %	0.70	0.90	1.02	1.09	1.12
	0.50 %	2.72	2.41	2.18	2.01	1.87
	1.50 %	4.75	3.91	3.34	2.92	2.61
	2.50 %	6.77	5.41	4.50	3.84	3.35
	3.50 %	8.79	6.91	5.66	4.76	4.09

INTERIM FIGURES

EVLI ESTIMATES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Net sales	375.1	439.5	424.4	440.7	1 679.7	447.2	493.8	474.9	491.9	1 907.7	2 020.7	2 114.2
EBITDA	6.7	8.5	5.0	7.0	27.1	6.0	1.6	6.1	7.3	21.0	36.6	45.9
<i>EBITDA margin (%)</i>	<i>1.8%</i>	<i>1.9%</i>	<i>1.2%</i>	<i>1.6%</i>	<i>1.6%</i>	<i>1.3%</i>	<i>0.3%</i>	<i>1.3%</i>	<i>1.5%</i>	<i>1.1%</i>	<i>1.8%</i>	<i>2.2%</i>
EBIT	3.7	5.6	0.3	4.0	13.6	-2.8	-1.4	3.2	4.4	3.4	24.8	34.1
<i>EBIT margin (%)</i>	<i>1.0%</i>	<i>1.3%</i>	<i>0.1%</i>	<i>0.9%</i>	<i>0.8%</i>	<i>-0.6%</i>	<i>-0.3%</i>	<i>0.7%</i>	<i>0.9%</i>	<i>0.2%</i>	<i>1.2%</i>	<i>1.6%</i>
Net financial items	-5.7	-2.8	-2.5	-21.2	-32.1	-2.6	-4.1	-3.0	-2.5	-12.1	-2.2	2.3
Pre-tax profit	-2.0	2.9	-2.2	-17.2	-18.5	-5.4	-5.5	0.2	1.9	-8.7	22.6	36.4
Tax	-0.4	-0.9	0.2	-0.5	-1.5			-0.4	-0.6	-1.0	-3.9	-5.8
<i>Tax rate (%)</i>	<i>22.6%</i>	<i>21.0%</i>	<i>12.5%</i>	<i>21.7%</i>	<i>23.8%</i>			<i>20.0%</i>	<i>20.0%</i>	<i>-46.2%</i>	<i>20.0%</i>	<i>20.0%</i>
Net profit	-2.3	2.0	-2.0	-17.7	-20.0	-5.4	-5.5	-0.2	1.3	-9.7	18.6	30.6
EPS	-0.01	0.01	-0.01	-0.10	-0.11	-0.03	-0.03	0.00	0.01	-0.05	0.10	0.17
EPS adj. (diluted)	-0.01	0.01	-0.01	-0.10	-0.11	-0.03	-0.03	0.00	0.01	-0.05	0.10	0.17
Dividend per share					0.07					0.08	0.09	0.10
SALES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Distribution	294.1	358.0	350.8	361.8	1 364.7	359.2	397.8	389.0	400.0	1 546.0	1 631.0	1 701.2
Wholesale	81.1	81.7	73.7	79.1	315.6	88.1	96.1	86.0	92.0	362.2	390.0	413.4
Other	-0.1	-0.2	-0.1	-0.2	-0.6	-0.2	-0.2	-0.1	-0.1	-0.5	-0.4	-0.4
Total	375.1	439.5	424.4	440.7	1 679.7	447.2	493.8	474.9	491.9	1 907.7	2 020.7	2 114.2
SALES GROWTH, Y/Y%	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Distribution	3.8%	15.5%	23.4%	16.1%	14.8%	22.1%	11.1%	10.9%	10.6%	13.3%	5.5%	4.3%
Wholesale	4.6%	3.0%	-0.1%	5.3%	3.2%	8.6%	17.6%	16.7%	16.3%	14.8%	7.7%	6.0%
Other	-67.4%	-3.2%	-39.8%	-2.6%	-32.2%	50.0%	-25.0%		-50.0%	-16.7%	-30.0%	
Total	4.1%	13.0%	18.6%	14.0%	12.4%	19.2%	12.3%	11.9%	11.6%	13.6%	5.9%	4.6%
EBIT, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Distribution	4.1	5.4	5.1	5.8	20.4	4.6	3.1	6.3	7.1	21.1	28.7	35.4
Wholesale	2.7	2.3	1.5	2.0	8.5	1.8	1.6	2.1	2.6	8.0	13.4	16.4
Other	-3.1	-2.1	-6.3	-3.8	-15.3	-9.2	-6.0	-5.2	-5.3	-25.7	-17.3	-17.7
Total	3.7	5.6	0.3	4.0	13.6	-2.8	-1.4	3.2	4.4	3.4	24.8	34.1
EBIT margin %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Distribution	1.4%	1.5%	1.5%	1.6%	1.5%	1.3%	0.8%	1.6%	1.8%	1.4%	1.8%	2.1%
Wholesale	3.3%	2.8%	2.0%	2.5%	2.7%	2.0%	1.6%	2.4%	2.8%	2.2%	3.4%	4.0%
Other	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total	1.0%	1.3%	0.1%	0.9%	0.8%	-0.6%	-0.3%	0.7%	0.9%	0.2%	1.2%	1.6%

INCOME STATEMENT, EURm	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sales			1 539.1	1 493.8	1 679.7	1 907.7	2 020.7	2 114.2
<i>Sales growth (%)</i>				-2.9%	12.4%	13.6%	5.9%	4.6%
EBITDA			25.0	29.9	27.1	21.0	36.6	45.9
<i>EBITDA margin (%)</i>			1.6%	2.0%	1.6%	1.1%	1.8%	2.2%
Depreciation			-15.4	-13.8	-13.5	-17.6	-11.8	-11.8
EBITA			9.5	16.1	13.6	3.4	24.8	34.1
Goodwill amortization / writedown				-21.4				
EBIT			9.5	-5.3	13.6	3.4	24.8	34.1
<i>EBIT margin (%)</i>			0.6%	-0.4%	0.8%	0.2%	1.2%	1.6%
Reported EBIT			9.5	-5.3	13.6	9.1	24.8	34.1
<i>EBIT margin (reported) (%)</i>			0.6%	-0.4%	0.8%	0.5%	1.2%	1.6%
Net financials			-2.7	-12.4	-32.1	-12.1	-2.2	2.3
Pre-tax profit			6.9	-17.6	-18.5	-8.7	22.6	36.4
Taxes			-2.1	-3.1	-1.5	-1.0	-3.9	-5.8
Minority shares								
Net profit			4.8	-20.7	-20.0	-4.0	18.6	30.6
Cash NRIs								
Non-cash NRIs						5.8		
BALANCE SHEET, EURm								
Assets								
Fixed assets			343	303	266	261	256	253
Goodwill			61	35	35	35	35	35
Right of use assets			14	9	12	14	16	19
Inventory			149	163	176	200	212	222
Receivables			232	285	272	307	324	339
Liquid funds			161	138	114	129	137	143
Total assets			961	935	876	947	981	1 011
Liabilities								
Shareholders' equity			226	171	133	117	121	134
Minority interest								
Convertibles								
Lease liabilities						14	16	19
Deferred taxes			5	3	1	1	1	1
Interest bearing debt			137	214	170	168	159	141
Non-interest bearing current liabilities			581	532	557	633	670	701
Other interest-free debt			13	14	14	14	14	14
Total liabilities			961	935	876	947	981	1 011
CASH FLOW, EURm								
+ EBITDA			25	30	27	21	37	46
- Net financial items			-3	-12	-32	-12	-2	2
- Taxes			-4	-4	-3	-1	-4	-6
- Increase in Net Working Capital			28	-13	21	17	8	7
+/- Other			32	10	25			
= Cash flow from operations			78	10	39	24	39	49
- Capex			234	-2	-9	-8	-10	-11
- Acquisitions								
+ Divestments								
= Free cash flow			312	8	30	16	29	38
+/- New issues/buybacks			221	-23	-5			
- Paid dividend			11	13	13	15	17	19
+/- Other			-372	3	-37	12	-7	-15
Change in cash			161	-22	-25	15	8	6

KEY FIGURES	2021	2022	2023	2024	2025E	2026E	2027E
M-cap		316	198	162	200	200	200
Net debt (excl. convertibles)		-24	76	57	53	39	17
Enterprise value		292	274	218	163	149	127
Sales		1 539	1 494	1 680	1 908	2 021	2 114
EBITDA		25	30	27	21	37	46
EBIT		10	-5	14	3	25	34
Pre-tax		7	-18	-19	-9	23	36
Earnings		5	-21	-20	-10	19	31
Equity book value (excl. minorities)		226	171	133	117	121	134

Valuation multiple	2021	2022	2023	2024	2025E	2026E	2027E
EV/Sales		0.2	0.2	0.1	0.1	0.1	0.1
EV/EBITDA		11.7	9.1	8.1	7.8	4.1	2.8
EV/EBITA		30.6	17.0	16.0	48.1	6.0	3.7
EV/EBIT		30.6	-52.0	16.0	48.1	6.0	3.7
EV/OCF		3.7	28.5	5.6	6.7	3.8	2.6
EV/FCF		0.9	22.9	5.2	5.1	4.2	3.1
P/FCFR		1.0	25.0	5.4	12.4	6.9	5.2
P/E		66.0	-9.6	-8.1	-20.6	10.7	6.5
P/BV		1.4	1.2	1.2	1.7	1.7	1.5
Target EV/EBITDA					13.1	7.1	5.2
Target EV/EBIT					81.5	10.5	7.0
Target EV/FCFF					17.1	9.0	6.3
Target P/BV					1.9	1.8	1.7
Target P/E, diluted					-22.9	11.9	7.3

Per share measures	2021	2022	2023	2024	2025E	2026E	2027E
Number of shares (million)		181.49	181.49	181.49	185.32	185.32	185.32
Number of shares (diluted, million)		181.49	181.49	181.49	185.32	185.32	185.32
EPS		0.03	-0.11	-0.11	-0.05	0.10	0.17
Operating cash flow per share		0.43	0.05	0.21	0.13	0.21	0.27
Free cash flow per share		1.72	0.04	0.16	0.09	0.16	0.21
Book value per share		1.24	0.94	0.74	0.63	0.65	0.73
Dividend per share		0.06	0.07	0.07	0.08	0.09	0.10
Dividend payout ratio, %		227.4%	-61.3%	-63.5%	-152.8%	89.4%	60.6%
Dividend yield, %		3.5%	6.4%	7.9%	7.4%	8.3%	9.3%
FCF yield, %		98.7%	4.0%	18.5%	8.1%	14.5%	19.1%

Efficiency measures	2021	2022	2023	2024	2025E	2026E	2027E
ROE			-10.4%	-13.1%	-7.8%	15.7%	24.0%
ROCE		4.2%	-2.7%	-3.3%	-1.1%	9.3%	14.0%

Financial ratios	2021	2022	2023	2024	2025E	2026E	2027E
Inventories as % of sales		9.7%	10.9%	10.5%	10.5%	10.5%	10.5%
Receivables as % of sales		15.0%	19.1%	16.2%	16.1%	16.1%	16.0%
Non-int. bearing liabilities as % of sales		37.8%	35.6%	33.2%	33.2%	33.2%	33.2%
NWC/sales, %		-13.1%	-5.6%	-6.5%	-6.6%	-6.6%	-6.6%
Operative CAPEX/Sales, %		-15.2%	0.1%	0.5%	0.4%	0.5%	0.5%
CAPEX/sales (incl. acquisitions), %		-15.2%	0.1%	0.5%	0.4%	0.5%	0.5%
FCFF/EBITDA		13.0	0.4	1.5	1.5	1.0	0.9
Net Debt/EBITDA, book-weighted		-0.9	2.5	2.1	2.5	1.1	0.4
Debt/equity, market-weighted		0.4	1.1	1.1	0.8	0.8	0.7
Equity ratio, book-weighted		0.2	0.2	0.2	0.1	0.1	0.1
Gearing, %		-10.5%	44.3%	42.5%	45.5%	32.3%	12.9%

COMPANY DESCRIPTION: Oriola is a pharmaceutical distribution and services company, maintaining a leading position within its operating markets Finland and Sweden. Oriola operates through two segments: Distribution and Wholesale. Oriola also owns 50% of Swedens third-largest pharmacy chain Kronans Apotek. Headquartered in Espoo, Finland, Oriola employs around 800 employees (FTE).

INVESTMENT CASE: Oriola's profitability has been low throughout the 2020's, with the adj. EBIT margin at around 1.0–1.5%. Through focus on higher-margin wholesale business and enhanced efficiency, the company ambitiously targets a 3% EBIT margin in the long term. The underlying market through its defensive nature provides steady, volume driven growth, further supported by trends driving value growth. Valuation upside is considerable, should the company reach its targeted levels of profitability.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Mariatorp Oy	27 132 142	29.303	14.6 %
Wipunen Varainhallinta Oy	9 185 714	9.921	5.0 %
Varma Mutual Pension Insurance Company	7 902 214	8.534	4.3 %
Ilmarinen Mutual Pension Insurance Company	6 153 033	6.645	3.3 %
Fennia Life Insurance Company Ltd	4 447 342	4.803	2.4 %
Maa- ja Vesitekniiikan Tuki ry.	4 312 883	4.658	2.3 %
Greenzap Oy	3 214 285	3.471	1.7 %
The Social Insurance Institution of Finland, KELA	1 991 481	2.151	1.1 %
Ylppö Jukka Arvo	1 890 450	2.042	1.0 %
Phoebus	1 615 571	1.745	0.9 %
Ten largest	67 845 115	73.273	36.6 %
Residual	117 478 263	126.877	63.4 %
Total	185 323 378	200.149	100%

EARNINGS CALENDAR

October 30, 2025

Q3 report

OTHER EVENTS

COMPANY MISCELLANEOUS

CEO: Katarina Gabrielson
CFO: Mats Danielsson
IR: Tua Stenius-Örnholm

Orionintie 5, FI-02200 Espoo
Tel: +358 10 429 99

DEFINITIONS

P/E $\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS $\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/BV $\frac{\text{Price per share}}{\text{Shareholder's equity} + \text{taxed provisions per share}}$	DPS Dividend for the financial period per share
Market cap Price per share * Number of shares	OCF (Operating cash flow) $\text{EBITDA} - \text{Net financial items} - \text{Taxes} - \text{Increase in working capital} - \text{Cash NRIs} \pm \text{Other adjustments}$
EV (Enterprise value) $\text{Market cap} + \text{net debt} + \text{minority interest at market value} - \text{share of associated companies at market value}$	FCF (Free cash flow) $\text{Operating cash flow} - \text{Operative CAPEX} - \text{acquisitions} + \text{divestments}$
EV/Sales $\frac{\text{Enterprise value}}{\text{Sales}}$	FCF yield, % $\frac{\text{Free cash flow}}{\text{Market cap}}$
EV/EBITDA $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	Operative CAPEX / Sales $\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
EV/EBIT $\frac{\text{Enterprise value}}{\text{Operating profit}}$	Net working capital Current assets – current liabilities
Net debt Interest bearing debt – financial assets	Capital employed / Share $\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets Balance sheet total	Gearing $\frac{\text{Net debt}}{\text{Equity}}$
Div yield, % $\frac{\text{Dividend per share}}{\text{Price per share}}$	Debt/Equity, % $\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
Payout ratio, % $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Equity ratio, % $\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROCE, % $\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	CAGR, % Cumulative annual growth rate = Average growth rate per year
ROE, % $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$	

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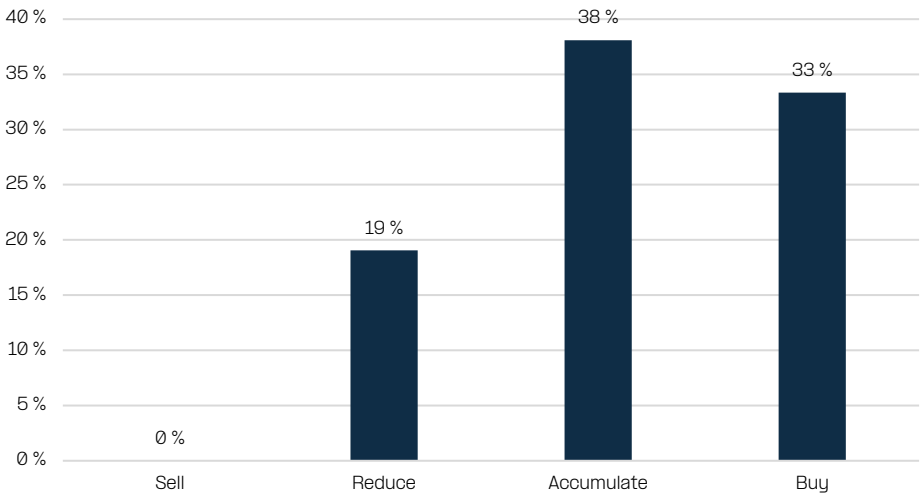
Investment recommendations are defined as follows:

Target price compared to share price
< -10 %
-10 - 0 %
0 - (+10) %
> 10 %

Recommendation
SELL
REDUCE
ACCUMULATE
BUY

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Name(s) of the analyst(s): Jerker Salokivi

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