

A lot to do for earnings recovery

Suominen had published some details of its Q3 earnings before the actual release in connection with the negative profit warning; the Q3 report surprised positively in the sense that EBITDA would have almost doubled to more than EUR 6m without the US plant incidents, but a negative was the still rather cautious outlook on Q4 earnings development.

The Q3 report contained both positives and negatives

Suominen Q3 revenue fell 11% y/y to EUR 100m while comparable EBITDA was EUR 3.4m, as was known ahead of the report. The lower top line was due to volumes, and EBITDA would have been EUR 2.8m higher without the incidents at two plants in the US. Sales margins continued to increase, but there's still competition and Suominen needs to do more in terms of operational efficiency so that it can achieve meaningful earnings recovery. Suominen's guidance and comments imply Q4 EBITDA will see only modest improvement from the current low levels.

Suominen needs to pull all the earnings growth levers now

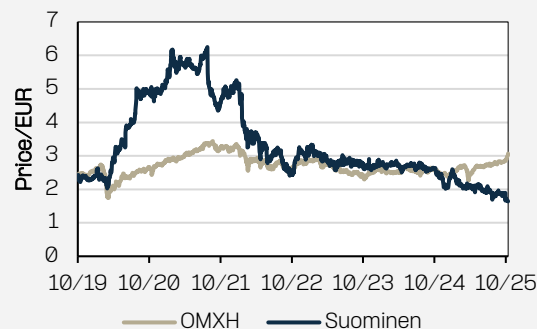
Q4 demand is expected to be lower than that of Q3, and the US production line restart will still incur some ramp-up costs so that Q4 EBITDA is likely to remain below EUR 6m. Suominen has already taken many cost measures over recent years, but in our view the new CEO's initial comments seem to suggest operational efficiency is still not quite where it needs to be; in our view volume growth remains perhaps the single most important lever for earnings recovery, and hence the role of the US market is more important than Europe as it has better demand outlook and some attractive market niches like moist toilet tissue, but cost competitiveness is something Suominen can itself control more than customer volume demand.

A clear earnings recovery is already priced in

We make some further downward estimate revisions following the report as a more significant volume recovery still does not appear imminent. We estimate FY'25 EBITDA at about EUR 16m; Suominen is valued a bit above 10x EV/EBIT on our FY'26 estimates, when we expect earnings to improve roughly EUR 20m. Suominen should be able to achieve sustained earnings recovery from now on, but the multiples remain on the high side in the short and medium term considering the uncertainty around the improvement gradient. Our new TP is EUR 1.6 (1.8) as we retain REDUCE rating.

Rating

Reduce



Share price, EUR (Last trading day's closing price)	1.68
Target price, EUR	1.6
Latest change in recommendation	25-Feb-25
Latest report on company	15-Oct-25
Research paid by issuer:	YES
No. of shares outstanding, '000's	58 259
No. of shares fully diluted, '000's	58 259
Market cap, EURm	98
Free float, %	62.7 %
Exchange rate	1.15
Reuters code	SUY1V.HE
Bloomberg code	SUY1V FH
Average daily volume, EURm	0.1
Next interim report	29-Jan-26
Web site	www.suominen.fi/en/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	450.9	-2.8	-0.6%	25.5	-0.14	-20.4	0.5	-73.1	15.5%	0.10
2024	462.3	-1.4	-0.3%	-6.9	-0.09	-24.4	0.4	-136.0	-5.2%	
2025E	426.1	-1.3	-0.3%	-22.4	-0.16	-10.6	0.4	-141.1	-22.9%	
2026E	441.0	16.3	3.7%	9.2	0.14	12.0	0.4	10.3	9.4%	0.07
2027E	449.8	23.4	5.2%	18.9	0.26	6.4	0.3	6.6	19.3%	0.12
Market cap, EURm	98		Gearing 2025E, %		73.8 %		CAGR EPS 2024-27, %		0.0 %	
Net debt 2025E, EURm	80		Price/book 2025E		0.9		CAGR Sales 2024-27, %		-0.9 %	
Enterprise value, EURm	178		Dividend yield 2025E, %		0.0 %		ROE 2025E, %		-8.2 %	
Total assets 2025E, EURm	303		Tax rate 2025E, %		1.3 %		ROCE 2025E, %		-0.6 %	
Goodwill 2025E, EURm	15		Equity ratio 2025E, %		35.8 %		PEG, P/E 25/CAGR		0.0	

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

Estimates and peer valuation

Suominen EURm	2015 FY	2016 FY	2017 FY	2018 FY	2019 FY	2020 FY	2021 FY	2022 FY	2023 FY	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2024 FY	2025 Q1	2025 Q2	2025 Q3	2025E Q4E	2025E FY
Revenue	444	417	426	431	411	459	443	493	451	114	119	112	119	462	118	100	100	109	426
growth, %	11%	-6%	2%	1%	-5%	12%	-3%	11%	-9%	-3%	5%	5%	3%	3%	3%	-16%	-11%	-8%	-8%
Geography																			
EMEA	172	171	174	171	150	170	178	205	163	44	43	42	46	174	44	40	40	43	166
Americas	272	246	252	260	262	289	265	288	288	70	76	70	73	288	74	60	60	66	260
COGS	-386	-365	-384	-400	-377	-389	-392	-475	-428	-105	-110	-106	-111	-433	-109	-93	-94	-100	-396
Gross Profit	58	52	42	31	37	70	51	19	23	8.1	8.9	5.1	7.5	30	8.3	7.0	6.1	8.7	30
Gross-%	13.1%	12.5%	9.9%	7.3%	9.0%	15.2%	11.5%	3.8%	5.1%	7.2%	7.5%	4.6%	6.4%	6.4%	7.1%	7.0%	6.1%	8.0%	7.1%
SGA & R&D	-28.0	-27.9	-28.9	-29.2	-30.6	-30.7	-28.9	-32.4	-32.3	-8.7	-10.2	-8.3	-8.8	-36.1	-9.2	-9.2	-7.3	-8.0	-33.7
Other	1.8	1.3	1.7	2.5	1.8	0.4	5.0	4.9	2.1	0.7	0.5	1.8	2.2	5.1	0.5	0.6	0.5	0.0	1.6
EBIT ex IAO	31.2	25.6	15.0	4.6	8.1	39.5	26.9	-4.2	-2.8	-0.1	0.4	-1.5	-0.3	-1.4	-0.3	-1.0	-0.7	0.7	-1.3
EBIT-% ex IAO	7.0%	6.1%	3.5%	1.1%	2.0%	8.6%	6.1%	-0.8%	-0.6%	-0.1%	0.3%	-1.3%	-0.3%	-0.3%	-0.3%	-1.0%	-0.7%	0.7%	-0.3%
Depreciation	-17.7	-18.5	-19.4	-21.0	-25.5	-21.4	-20.1	-19.5	-18.7	-4.6	-4.6	-4.8	-4.5	-18.4	-4.4	-4.2	-4.1	-4.5	-17.1
EBITDA ex IAO	48.9	44.2	34.3	25.6	33.6	60.9	47.0	15.3	15.8	4.5	5.0	3.3	4.2	17.0	4.1	3.2	3.4	5.2	15.8
EBITDA-% ex IAO	11.0%	10.6%	8.1%	5.9%	8.2%	13.3%	10.6%	3.1%	3.5%	3.9%	4.2%	3.0%	3.5%	3.7%	3.5%	3.2%	3.4%	4.8%	3.7%

Source: Suominen, Evli Research

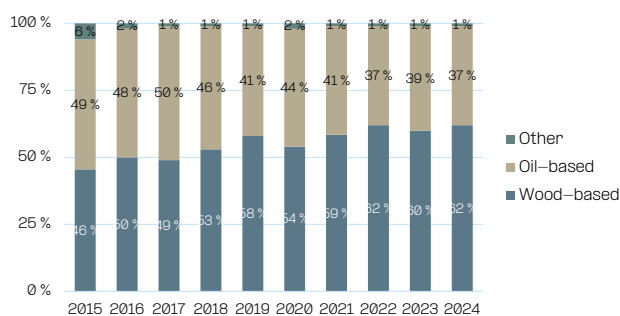
SUOMINEN PEER GROUP	MOAP MEUR	EV/EBITDA			EV/EBIT			EBIT-%		
		24	25	26	24	25	26	24	25	26
Amcor	16533	9.9x	9.2x	7.0x	12.5x	12.3x	9.6x	11.5%	11.8%	12.4%
Sealed Air	4342	8.2x	8.2x	7.9x	10.6x	10.8x	10.3x	15.9%	16.0%	16.4%
Kimberly-Clark	34338	12.7x	13.3x	12.9x	15.7x	17.4x	16.3x	16.1%	16.4%	17.0%
N.R. Spuntech Industries	55									
Mativ Holdings	517	7.5x	7.4x	6.7x	12.8x	12.8x	10.8x	6.5%	6.4%	7.4%
Magnera	278	6.9x	6.1x	5.6x	15.4x	15.9x	14.2x	4.7%	4.1%	4.5%
Peer Group Average	9344	9.0x	8.8x	8.0x	13.4x	13.8x	12.2x	11.0%	11.0%	11.5%
Peer Group Median	2429	8.2x	8.2x	7.0x	12.8x	12.8x	10.8x	11.5%	11.8%	12.4%
Suominen (Evli est.)	98	11.2x	11.2x	4.4x	-136.0x	-141.1x	10.3x	-0.3%	-0.3%	3.7%

Suominen prem./disc. to peer median

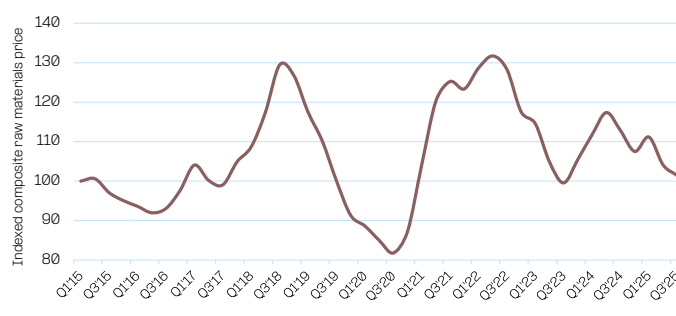
37% 37% -37% -1161% -1198% -4% -103% -103% -70%

Source FactSet, Evli Research

Suominen raw materials mix and composite price development



Source: Suominen



Source: Bloomberg, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	1.68 PV of Free Cash Flow	148 Long-term growth, %	2.0 % Risk-free interest rate, %	2.25 %
DCF share value	4.08 PV of Horizon value	147 WACC, %	7.9 % Market risk premium, %	5.8 %
Share price potential, %	143.1 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %	2.8 %
Maximum value	4.5 Marketable securities	41 Minimum WACC, %	7.4 % Equity beta coefficient	1.00
Minimum value	3.7 Debt – dividend	–99 Maximum WACC, %	8.4 % Target debt ratio, %	20 %
Horizon value, %	49.8 % Value of stock	238 No. of shares, Mn	58.3 Effective tax rate, %	28 %

DCF valuation, EURm	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	TERMINAL
Net sales	462	426	441	450	459	468	477	487	497	507	517	527
Sales growth (%)	2.5%	–7.8%	3.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Operating income (EBIT)	–1	–1	16	23	30	35	36	37	37	38	39	40
Operating income margin %	–0.3%	–0.3%	3.7%	5.2%	6.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
+ Depreciation+amort.	18	17	22	25	25	24	23	22	22	22	21	
EBITDA	17	16	38	48	55	59	59	59	59	59	60	
– Paid taxes	–2	0	–3	–5	–6	–7	–8	–8	–8	–8	–8	
– Change in NWC	–4	–4	–6	–1	1	4	–1	–1	–1	–1	–1	
NWC / Sales, %	6.8%	8.4%	9.4%	9.4%	8.9%	7.9%	7.9%	7.9%	8.0%	8.0%	8.0%	
+ Change in other liabs	0											
– Operative CAPEX	–14	–27	–15	–20	–20	–20	–20	–20	–20	–20	–34	
opCAPEX / Sales, %	3.1%	6.1%	3.5%	4.5%	4.4%	4.3%	4.2%	4.2%	4.1%	4.0%	6.6%	
– Acquisitions												
+ Divestments												
– Other items												
= FCFF	–3	–15	14	22	30	35	31	30	30	31	17	296
= Discounted FCFF		–15	13	19	23	26	21	19	18	16	9	147
= DFCF min WACC		–15	13	19	24	26	21	20	18	17	9	168
= DFCF max WACC		–15	13	19	23	25	20	18	17	16	8	130

Sensitivity analysis, EUR

		Terminal WACC				
		5.92 %	6.92 %	7.92 %	8.92 %	9.92 %
Terminal EBIT–%	5.50 %	3.64	3.01	2.57	2.23	1.96
	6.50 %	5.00	4.01	3.32	2.82	2.44
	7.50 %	6.36	5.00	4.08	3.42	2.92
	8.50 %	7.72	6.00	4.84	4.02	3.39
	9.50 %	9.08	6.99	5.60	4.61	3.87

INTERIM FIGURES

EVLI ESTIMATES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Net sales	113.6	118.7	111.5	118.5	462.3	117.5	99.8	99.8	109.0	426.1	441.0	449.8
EBITDA	4.5	5.0	3.3	4.3	17.0	4.1	3.2	3.4	5.2	15.9	38.5	48.0
EBITDA margin (%)	3.9%	4.2%	2.9%	3.6%	3.7%	3.5%	3.2%	3.5%	4.8%	3.7%	8.7%	10.7%
EBIT	-0.1	0.4	-1.5	-0.2	-1.4	-0.3	-1.0	-0.7	0.7	-1.3	16.3	23.4
EBIT margin (%)	-0.1%	0.3%	-1.4%	-0.2%	-0.3%	-0.3%	-1.0%	-0.7%	0.6%	-0.3%	3.7%	5.2%
Net financial items	-0.8	-1.1	-1.9	-0.3	-4.1	-1.9	-2.9	-1.3	-2.0	-8.1	-6.0	-4.0
Pre-tax profit	-0.9	-0.7	-3.4	-0.5	-5.5	-2.2	-3.9	-2.0	-1.3	-9.4	10.3	19.4
Tax	-0.3	0.0	0.1	0.3	0.1	0.0	0.5	0.1	-0.5	0.1	-2.2	-4.1
Tax rate (%)	-35.2%	-4.0%	4.2%	52.8%	1.0%	-0.3%	12.7%	6.6%	-38.5%	1.3%	21.0%	21.0%
Net profit	-1.2	-0.7	-3.3	-0.2	-5.4	-2.2	-3.4	-1.9	-1.8	-9.2	8.2	15.4
EPS	-0.02	-0.01	-0.06	0.00	-0.09	-0.04	-0.06	-0.03	-0.03	-0.16	0.14	0.26
EPS adj. (diluted)	-0.02	-0.01	-0.06	0.00	-0.09	-0.04	-0.06	-0.03	-0.03	-0.16	0.14	0.26
Dividend per share											0.07	0.12
SALES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Group	113.6	118.7	111.5	118.5	462.3	117.5	99.8	99.8	109.0	426.1	441.0	449.8
Total	113.6	118.7	111.5	118.5	462.3	117.5	99.8	99.8	109.0	426.1	441.0	449.8
SALES GROWTH, Y/Y%	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Group	-2.7%	5.3%	4.8%	3.0%	2.5%	3.4%	-15.9%	-10.5%	-8.0%	-7.8%	3.5%	2.0%
Total	-2.7%	5.3%	4.8%	3.0%	2.5%	3.4%	-15.9%	-10.5%	-8.0%	-7.8%	3.5%	2.0%
EBIT, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Group	-0.1	0.4	-1.5	-0.2	-1.4	-0.3	-1.0	-0.7	0.7	-1.3	16.3	23.4
Total	-0.1	0.4	-1.5	-0.2	-1.4	-0.3	-1.0	-0.7	0.7	-1.3	16.3	23.4
EBIT margin %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3	2025Q4E	2025E	2026E	2027E
Group	-0.1%	0.3%	-1.4%	-0.2%	-0.3%	-0.3%	-1.0%	-0.7%	0.6%	-0.3%	3.7%	5.2%
Total	-0.1%	0.3%	-1.4%	-0.2%	-0.3%	-0.3%	-1.0%	-0.7%	0.6%	-0.3%	3.7%	5.2%

INCOME STATEMENT, EURm	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sales	458.9	443.2	493.3	450.9	462.3	426.1	441.0	449.8
<i>Sales growth (%)</i>	11.5%	-3.4%	11.3%	-8.6%	2.5%	-7.8%	3.5%	2.0%
EBITDA	60.9	47.0	15.2	15.9	17.0	15.9	38.5	48.0
<i>EBITDA margin (%)</i>	13.3%	10.6%	3.1%	3.5%	3.7%	3.7%	8.7%	10.7%
Depreciation	-21.4	-20.1	-23.2	-18.7	-18.4	-17.1	-22.1	-24.6
EBITA	39.5	26.9	-8.0	-2.8	-1.4	-1.3	16.3	23.4
Goodwill amortization / writedown			3.8					
EBIT	39.5	26.9	-4.2	-2.8	-1.4	-1.3	16.3	23.4
<i>EBIT margin (%)</i>	8.6%	6.1%	-0.9%	-0.6%	-0.3%	-0.3%	3.7%	5.2%
Reported EBIT	39.5	26.9	-4.2	-2.8	-1.4	-1.3	16.3	23.4
<i>EBIT margin (reported) (%)</i>	8.6%	6.1%	-0.9%	-0.6%	-0.3%	-0.3%	3.7%	5.2%
Net financials	-5.6	-0.4	-2.9	-6.0	-4.1	-8.1	-6.0	-4.0
Pre-tax profit	33.9	26.5	-7.1	-8.8	-5.5	-9.4	10.3	19.4
Taxes	-3.8	-5.8	-2.0	0.7	0.1	0.1	-2.2	-4.1
Minority shares								
Net profit	30.1	20.7	-9.1	-8.1	-5.4	-9.2	8.2	15.4
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	126	129	126	119	124	134	126	122
Goodwill	15	15	15	15	15	15	15	15
Right of use assets	18	16	12	11	11	10	10	11
Inventory	35	50	63	38	47	51	55	56
Receivables	61	73	76	72	69	56	60	61
Liquid funds	58	101	50	59	41	34	35	36
Total assets	317	387	343	316	310	303	305	304
Liabilities								
Shareholders' equity	146	163	146	125	118	108	117	128
Minority interest								
Convertibles								
Lease liabilities	15	13	11	10	9	10	10	11
Deferred taxes	13	14	12	9	8	8	8	8
Interest bearing debt	83	133	89	89	90	104	96	81
Non-interest bearing current liabilities	55	57	80	75	82	68	71	72
Other interest-free debt	3	3	3	7	3	3	3	3
Total liabilities	317	387	343	316	310	303	305	304
CASH FLOW, EURm								
+ EBITDA	61	47	15	16	17	16	38	48
- Net financial items	-6	0	-3	-6	-4	-8	-6	-4
- Taxes	-4	-3	-3	-3	-2	0	-2	-4
- Increase in Net Working Capital	-1	-25	6	29	-4	-4	-6	-1
+/- Other								
= Cash flow from operations	50	19	15	36	7	4	25	39
- Capex	-12	-16	-6	-10	-14	-26	-15	-20
- Acquisitions								
+ Divestments								
= Free cash flow	38	4	9	26	-7	-22	9	19
+/- New issues/buybacks	-12	8	3	-7	4			
- Paid dividend	12	12	6	6			4	7
+/- Other	2	43	-53	-3	-9	15	-8	-14
Change in cash	25	43	-52	9	-17	-7	1	1

KEY FIGURES	2021	2022	2023	2024	2025E	2026E	2027E
M-cap	302	181	164	133	98	98	98
Net debt (excl. convertibles)	45	51	40	58	80	71	56
Enterprise value	347	232	205	190	178	169	154
Sales	443	493	451	462	426	441	450
EBITDA	47	15	16	17	16	38	48
EBIT	27	-4	-3	-1	-1	16	23
Pre-tax	27	-7	-9	-5	-9	10	19
Earnings	21	-9	-8	-5	-9	8	15
Equity book value (excl. minorities)	163	146	125	118	108	117	128

Valuation multiple	2021	2022	2023	2024	2025E	2026E	2027E
EV/Sales	0.8	0.5	0.5	0.4	0.4	0.4	0.3
EV/EBITDA	7.4	15.2	12.9	11.2	11.2	4.4	3.2
EV/EBITA	12.9	-29.0	-73.1	-136.0	-141.1	10.3	6.6
EV/EBIT	12.9	-55.1	-73.1	-136.0	-141.1	10.3	6.6
EV/OCF	18.0	15.2	5.7	25.7	47.3	6.9	3.9
EV/FCF	195.7	26.3	7.2	-65.1	-11.7	11.8	6.9
P/FCFR	86.1	19.2	6.4	-19.3	-4.4	10.7	5.2
P/E	14.6	-19.8	-20.4	-24.4	-10.6	12.0	6.4
P/BV	1.8	1.2	1.3	1.1	0.9	0.8	0.8
Target EV/EBITDA					10.9	4.3	3.1
Target EV/EBIT					-137.4	10.0	6.4
Target EV/FCFF					-7.7	17.9	7.9
Target P/BV					0.9	0.8	0.7
Target P/E, diluted	14.8	-77880.4	-31.4	-33.7	-10.1	11.4	6.1

Per share measures	2021	2022	2023	2024	2025E	2026E	2027E
Number of shares (million)	58.26	58.26	58.26	58.26	58.26	58.26	58.26
Number of shares (diluted, million)	58.26	58.26	58.26	58.26	58.26	58.26	58.26
EPS	0.36	-0.16	-0.14	-0.09	-0.16	0.14	0.26
Operating cash flow per share	0.33	0.26	0.62	0.13	0.06	0.42	0.67
Free cash flow per share	0.06	0.16	0.44	-0.12	-0.38	0.16	0.32
Book value per share	2.80	2.50	2.14	2.02	1.86	2.00	2.19
Dividend per share	0.20	0.10	0.10			0.07	0.12
Dividend payout ratio, %	56.3%	-64.0%	-72.2%			50.0%	45.5%
Dividend yield, %	3.9%	3.2%	3.6%			4.2%	7.1%
FCF yield, %	1.2%	5.2%	15.5%	-5.2%	-22.9%	9.4%	19.3%

Efficiency measures	2021	2022	2023	2024	2025E	2026E	2027E
ROE	13.4%	-5.9%	-6.0%	-4.5%	-8.2%	7.2%	12.6%
ROCE	9.7%	-1.5%	-1.2%	-0.6%	-0.6%	7.3%	10.6%

Financial ratios	2021	2022	2023	2024	2025E	2026E	2027E
Inventories as % of sales	11.2%	12.8%	8.4%	10.3%	12.0%	12.5%	12.5%
Receivables as % of sales	16.6%	15.4%	15.9%	15.0%	13.1%	13.6%	13.6%
Non-int. bearing liabilities as % of sales	12.9%	16.2%	16.7%	17.7%	16.0%	16.0%	16.0%
NWC/sales, %	14.1%	11.5%	6.1%	6.8%	8.4%	9.4%	9.4%
Operative CAPEX/Sales, %	3.6%	1.2%	2.3%	3.1%	6.1%	3.5%	4.5%
CAPEX/sales (incl. acquisitions), %	3.6%	1.2%	2.3%	3.1%	6.1%	3.5%	4.5%
FCFF/EBITDA	0.0	0.6	1.8	-0.2	-1.0	0.4	0.5
Net Debt/EBITDA, book-weighted	1.0	3.3	2.5	3.4	5.0	1.8	1.2
Debt/equity, market-weighted	0.4	0.5	0.5	0.7	1.1	1.0	0.8
Equity ratio, book-weighted	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Gearing, %	27.6%	35.0%	32.4%	48.9%	73.8%	60.7%	43.8%

COMPANY DESCRIPTION: Suominen manufactures nonwovens for global consumer brands on seven production plants located on three continents. The company sources the raw materials from fiber producers and sells the output as roll goods to global consumer brand manufacturers. Suominen's nonwovens are mainly used in wiping products such as wet wipes for baby care, personal hygiene, and household and workplace wiping. Other end-uses include hygiene and medical applications such as sanitary pads, diapers, and surgical drapes and swabs.

INVESTMENT CASE: Suominen's recent challenges with nonwovens' gross margins and delivery volumes are no longer present. In our view the demand outlook for household wiping products is especially strong. Suominen also seems to be making good progress with sustainable wiping products, meaning the company is increasingly able to replace synthetic raw materials with wood-based fibers. Although supply will no doubt grow in the long-term, the surge in wiping demand has nevertheless turned the current supply-demand balance much more favorable also from a nonwovens manufacturer's point of view. We view Suominen's long-term financial targets realistic.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Ahlstrom Capital Bv	14 113 633	23.711	24.2 %
Etola Group Oy	7 414 000	12.456	12.7 %
Oy Etra Invest Ab	7 000 000	11.760	12.0 %
OP Life Assurance Company Ltd	4 217 221	7.085	7.2 %
Nordea Nordic Small Cap Fund	3 435 147	5.771	5.9 %
Mandatum Life Insurance Company Limited	2 882 540	4.843	4.9 %
Ilmarinen Mutual Pension Insurance Company	1 912 000	3.212	3.3 %
Varma Mutual Pension Insurance Company	1 689 751	2.839	2.9 %
Nordea Life Assurance Finland Ltd.	1 462 000	2.456	2.5 %
Oy H. Kuningas & Co Ab	1 400 000	2.352	2.4 %
Ten largest	45 526 292	76.484	78.1 %
Residual	12 732 927	21.391	21.9 %
Total	58 259 219	97.875	100%

EARNINGS CALENDAR

January 29, 2026	FY 2025 Results
May 07, 2026	Q1 report
August 07, 2026	Q2 report
November 05, 2026	Q3 report

OTHER EVENTS

COMPANY MISCELLANEOUS

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OFO: Janne Silonsaari	Tel: +358 (0)10 214 300
IR: Anu Ilvonen	

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) EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
EV (Enterprise value) Market cap + net debt + minority interest at market value – share of associated companies at market value	FCF (Free cash flow) Operating cash flow – Operative CAPEX – acquisitions + 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

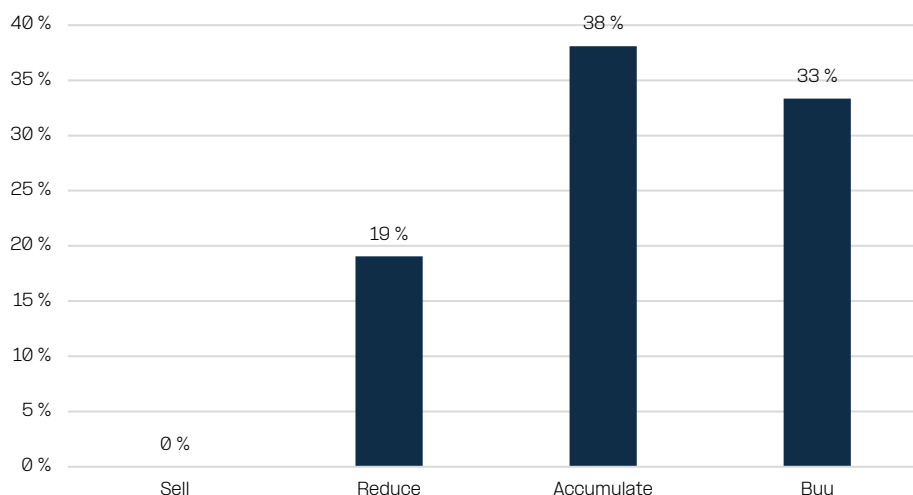
< -10 %
 -10 - 0 %
 0 - (+10) %
 > 10 %

Recommendation

SELL
 RECUDE
 ACCUMULATE
 BUY

ERP may temporarily suspend the rating and, if applicable, the target price to comply with regulations and/or firm policies, in which case a NOT RATED classification is used.

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The graph above shows the distribution of ERP's recommendations of companies under coverage on the 16th of May, 2025. If recommendation is not given, it is not mentioned here.

Name(s) of the analyst(s): Joonas Ilvonen

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