Shaping up to be a solid year

Q3 net profit beat estimate while sales were below. We lower our EBITDA forecast but are still at the guided top-end. We expect continued tailwind for the Food segment and headwind for PFF segment. The FCF yield implies dividend upside, but expansion investments could also be done.

Top end of guidance

Q3 Sales was 10.0% below estimate mainly due to lower commodity prices (volumes roughly unchanged). The Q3 EBITDA of 18.5m was 8.7% or EUR 1.8m below estimate. The 9M EBITDA of EUR 66m leaves only EUR 4m to reach the lower-end guidance of EUR 70-90m. We forecast top-end EBITDA of EUR 90m i.e. looks like a solid year.

Tailwind and Headwind

The Food segment Q3 EBIT increased 90% or EUR 5m y/y to EUR 11m driven by the Poultry segment. The Products for Farmers (PFF) segment Q3 EBIT declined 90% or EUR 12m to EUR 1m, mainly due to Feed operations and partly due to lower trading result. In Q4, we expect the Food segment to deliver additional EUR 11m in EBIT while we forecast EUR 2m from the PFF segment i.e., no major change in trends.

Dividend upside but depends on investments

The FCF yield of 12-15% in the forecast period implies upside to the dividend yield of 3-4%. However, this depends on whether larger investment projects are started (3 projects await decision). Overall, this FY 2025/26 looks to be a solid year albeit not as good as last year.

Key figures (MEUR)

	2024	2025	2026E	2027E	2028E
Net sales	1,506.2	1,580.7	1,520.5	1,587.1	1,631.1
Net sales growth	-24.7%	4.9%	-3.8%	4.4%	2.8%
EBITDA	73.5	110.2	90.0	91.7	94.3
EBITDA margin	4.9%	7.0%	5.9%	5.8%	5.8%
EBIT	46.1	78.9	56.9	57.8	59.4
EBIT margin	3.1%	5.0%	3.8%	3.6%	3.6%
EV/Sales	0.3	0.4	0.4	0.4	0.4
EV/EBITDA	6.9	5.8	7.2	7.0	6.6
EV/EBIT	11.1	8.2	11.5	11.1	10.4
P/E adj.	9.0	4.6	8.5	8.6	8.2
P/BV	0.7	0.7	0.8	0.7	0.7
EPS	0.13	0.32	0.19	0.19	0.20
EPS growth	82.96%	147.42%	-40.49%	-0.94%	4.61%
Div. per share	0.03	0.09	0.06	0.07	0.07
Dividend yield	2.54%	6.04%	3.64%	4.24%	4.24%

Source: Company data, Enlight Research estimates

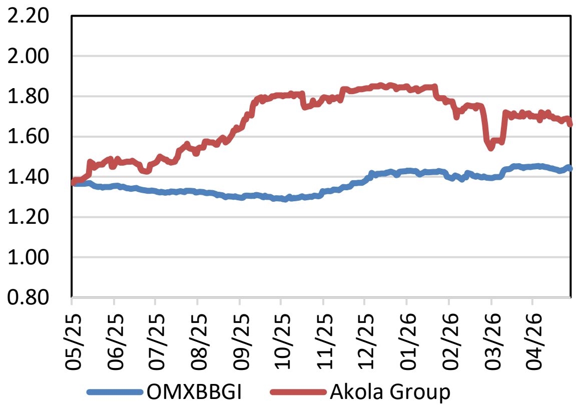
Fair value range (EUR)

Bull (term. EBIT marg. 4.5%)	2.48
Base (term. EBIT marg. 4.0%)	2.00
Bear (term. EBIT marg. 3.5%)	1.52

Key Data

Price (EUR)	1.65
Ticker	AKO1L
Country	Lithuania
Listed	Vilnius (Lithuania)
Market Cap (EURm)	276
Net debt (EURm)*	353
Shares (m)	167.2
Free float	20%

*End of current forecast year estimate



Price range

52-week high	1.86
52-week low	1.37

Analyst

ResearchTeam@enlightresearch.net

Coverage frequency

4x per year

Key takeaways

Q3 Sales below, but Net profit above

Q3-25/26 Sales of EUR 358m was 10.0% or EUR 40m below forecast while the Net profit of EUR 5.7m was 11.2% or EUR 0.6m above estimated EUR 5.1m. The Q3-25/26 EBIT was 13.9% or EUR 1.6m below estimate as the Partners for Farmers (PFF) segment was EUR 3.2m below estimate, Farming (EUR 1.1m below) and Other products (EUR 0.8m below). This was partly offset by EUR 3.5m better than forecast EBIT for the Food products segment (see Estimate deviation section for details). We lower our Group Sales by 3-5% in the forecast period 2025/26E-2027/28E mainly due to lower PFF Sales. Our Group EBIT is lowered by 15% this year to EUR 57m (prev. 67m), 16% next year to EUR 58m (prev. 69m), and 15% in 2027/28 to EUR 59m (prev. 70m). Our EBITDA is lowered by EUR 10m this year to EUR 90m, which means we are now within the guided range of EUR 70-90m. At the webinar, management confirmed that the EUR 70-90m guidance for this year remains. Our Dividend per share estimates is unchanged for this and next year and lowered by EUR 1c to EUR 7c for 2027/28.

Group deviations	Q3-25/26	Q3-25/26	Difference	
P&L	Estimate	Actual	EURm	%
Total Sales	397.6	357.8	-39.8	-10.0%
Cost of sales	-353.9	-317.4	36.4	-10.3%
Gross profit	**43.7**	**40.3**	**-3.4**	**-7.8%**
Operating expenses	-31.8	-30.9	0.9	-2.8%
Other income	1.6	1.4	-0.2	-10.0%
Other expenses	-1.5	-0.6	0.9	-58.1%
Operating profit	**11.9**	**10.2**	**-1.6**	**-13.9%**
Financial net	*-4.0*	*-2.9*	*1.1*	*-26.9%*
Pre-tax profit	**8.0**	**7.3**	**-0.7**	**-9.0%**
Tax	-1.2	-0.7	0.5	-40.1%
Minority	-1.7	-0.9	0.8	-47.9%
Net profit to shr holders	**5.1**	**5.7**	**0.6**	**11.2%**
Depreciation	8.2	8.2	0.0	0.5%
EBITDA	**20.2**	**18.5**	**-1.8**	**-8.7%**

Source: Enlight Research (Estimate), Company reports (Actual)

Estimate changes

Sales (EURm)	2025/26E	2026/27E	2027/28E
Old estimate	1,561	1,654	1,714
New estimate	1,521	1,587	1,631
Change	-40	-67	-82
Change (pct)	-2.6%	-4.1%	-4.8%

EBIT (EURm)	2025/26E	2026/27E	2027/28E
Old estimate	66.6	68.5	69.8
New estimate	56.9	57.8	59.4
Change	-9.7	-10.7	-10.4
Change (pct)	-14.5%	-15.7%	-14.9%

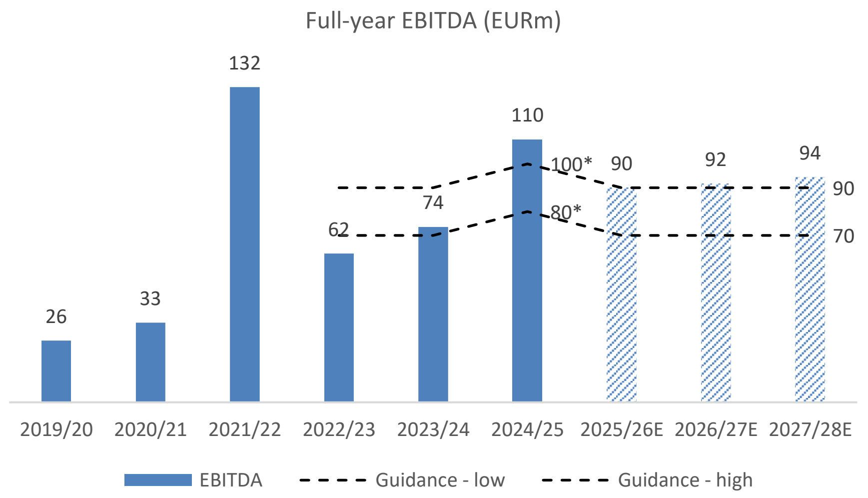
EPS (EUR)	2025/26E	2026/27E	2027/28E
Old estimate	0.22	0.23	0.23
New estimate	0.19	0.19	0.20
Change	-0.03	-0.03	-0.03
Change (pct)	-13.4%	-15.1%	-14.5%

Dividend (EUR)	2025/26E	2026/27E	2027/28E
Old estimate	0.06	0.07	0.08
New estimate	0.06	0.07	0.07
Change	0.00	0.00	-0.01
Change (pct)	0.0%	0.0%	-12.5%

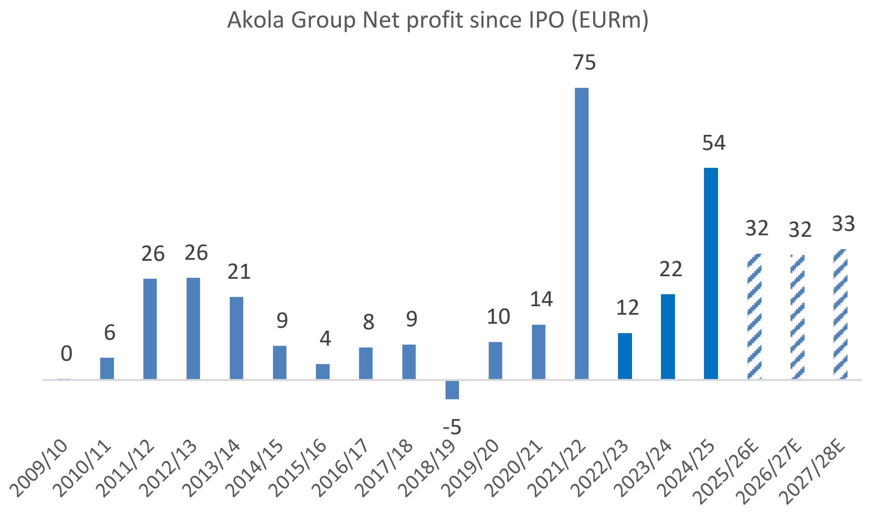
Source: Company reports

Not a record year but still very solid

The 9M-25/26 EBITDA of EUR 66m leaves EUR 4m to reach the lower-end EUR 70m guidance and EUR 24m to reach the high-end EUR 90m guidance. We forecast Q4-25/26 EBITDA of EUR 24m i.e., we believe the high-end of guidance will be reached. To put this into perspective, our forecast EUR 32m in Net profit this FY 2025/26 is the third best since the IPO in FY 2009/10. We forecast the Net profit to be stable next year and increase EUR 33m in 2027/28. To Summarize, this fiscal year looks to be a solid year despite challenges in the Partners for Farmers (PFF) segment.



Source: Company (guidance, historical), Enlight Research (estimate)
*Temporarily raised guidance



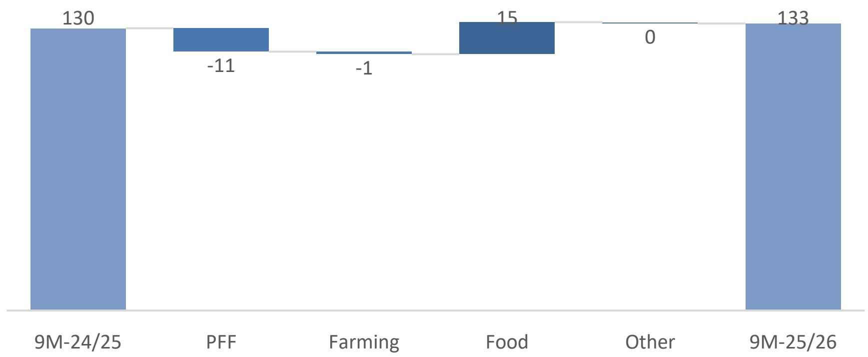
Source: Company (guidance, historical), Enlight Research (estimate)

Food segment tailwind and PFF segment headwind expected to continue

The 9M-25/26 Gross profit increased 2% y/y to EUR 133m driven by a EUR 15m increase from the Food segment which more than offset the EUR 11m decline from the Partners for Farming (PFF) segment. At the EBIT level, the Food segment's 9M-25/26 increase of EUR 13m y/y could not fully offset the PFF segment decline of EUR 17m and hence, the 9M-25/26 Group EBIT decreased to EUR 40m from EUR 47m in the same period last year. The Food segment strong performance is driven by the

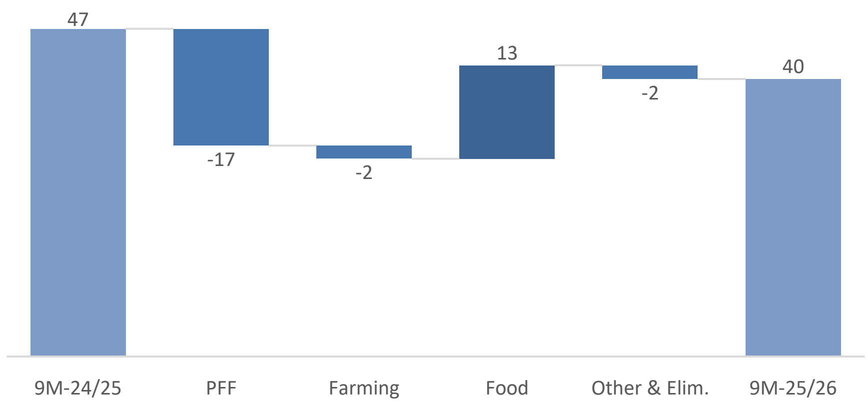
Poultry operations that increased 9M-25/26 Gross profit by 39% or EUR 17m y/y to EUR 62m (Q3-25/26 Gross profit increase was 34% y/y). The PFF segment's performance is pressured by the Feed operations that posted a 9M-25/26 Gross profit y/y decline of 61% or EUR 9m to EUR 6m (Q3-25/26 Gross profit decline was 73% y/y). The weak margin is due to geopolitical and supply chain tensions as well as an inventory write-down in Q2-25/26 of amino acids held (amount was not specified but we estimate it at EUR 3-4m). We do not forecast a major trend shift in Q4-25/26 i.e., we expect the tailwind to continue for the Food segment and the headwind to continue for the PFF segment.

Gross profit development by Segment Q1-23/24 to Q1-24/25 (EURm)



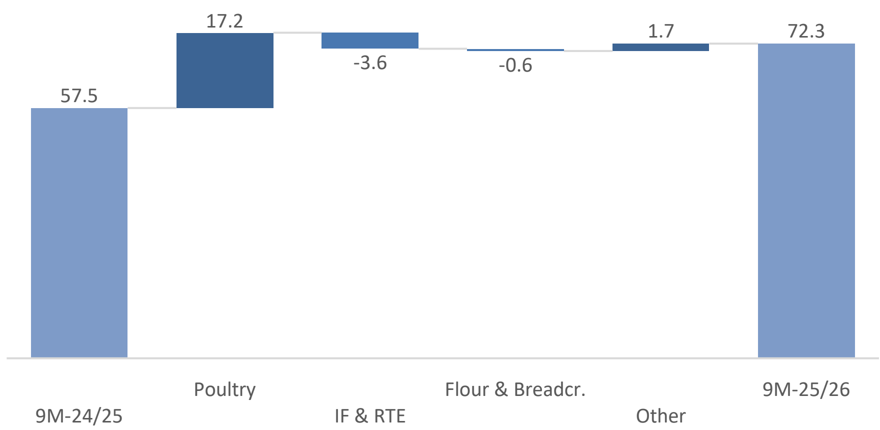
Source: Company reports

EBIT development by Segment Q1-24/25 to Q1-25/26 (EURm)



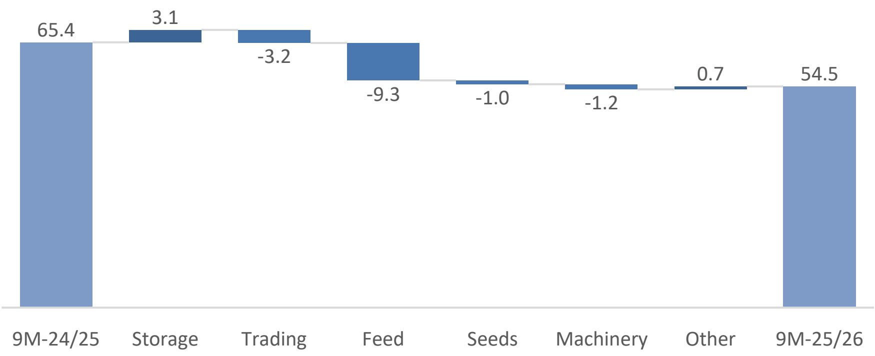
Source: Company reports

Food segment Gross profit per segment



Source: Company reports

Partners for farmers Gross profit by Segment (EURm)

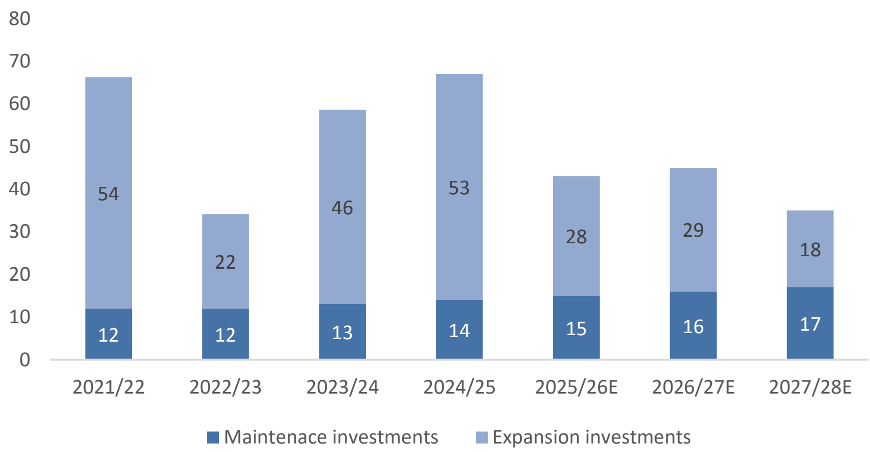


Source: Company reports

Dividend upside depends on investment projects

The estimated forecast period 2025/26-2027/28 Free Cash Flow (FCF) yield of 12-15% is far above the estimated dividend yield around 3.6-4.2%, which implies dividends could be substantially higher. However, this depends on whether new expansion projects will be started. There are currently three major investment projects totalling EUR 124m under evaluation (final investment decision not taken yet). Assuming annual maintenance investments of EUR 15-17m this and coming two years, our investment forecast of EUR 35-43m this and coming two years implies EUR 75m in expansion investments. This should be enough to cover all three projects assuming they last over several years and bank financing can be used. Worth noting is that we do not expect our dividend forecast to be affected negatively by new investment projects as there is a large margin for error to the estimated FCF yield.

Akola estimated maintencance & expansion investments (EURm)



Source: Company (guidance, historical), Enlight Research (estimate)

Investments under evaluation	(EURm)
New plant in Kaisiadorys	34
Pet Food Production	20
Feed production expansion	70
Total	124

Source: Company presentation

Valuation

DCF valuation

Our Base case DCF Fair value per share is lowered to EUR 2.00 (prev. 2.10) mainly due to lower estimates. This implies an upside of around 22%. Our Bear and Bull case Fair value per share is EUR 1.52 (prev. 1.64), and EUR 2.48 (prev. 2.56), respectively. The only difference between our different scenarios is the assumed terminal EBIT margin (4.0% in Base case), which is 3.5% for our Bear case and 4.5% for our Bull case. Worth noting is that last FY's 2024/25 EBIT was 5.0% and we forecast 3.7% this FY. See below table for DCF value sensitivity to different parameters.

DCF Valuation Scenarios	Bear	Base	Bull
WACC	8.5%	8.5%	8.5%
Terminal sales growth	3.0%	3.0%	3.0%
Terminal EBIT margin	3.5%	4.0%	4.5%
Fair Value per share (EUR)	1.52	2.00	2.48
Upside/Downside	-8%	22%	50%
Last price (EUR)	1.65	1.65	1.65

Source: Enlight Research

Sensitivity parameters	Base case	Step	Test values & Results										
Equity beta	1.10	0.10	0.60	0.70	0.80	0.90	1.00	**1.10**	1.20	1.30	1.40	1.50	1.60
Fair value (DCF)	*2.00*		*3.04*	*2.79*	*2.57*	*2.36*	*2.18*	***2.00***	*1.84*	*1.70*	*1.56*	*1.43*	*1.32*
Target debt ratio*	51.8 %	3.0 %	37%	40%	43%	46%	49%	**52%**	55%	58%	61%	64%	67%
Fair value (DCF)	*2.00*		*1.21*	*1.34*	*1.48*	*1.64*	*1.81*	***2.00***	*2.21*	*2.44*	*2.70*	*2.98*	*3.31*
Risk-free IR	3.5 %	0.5 %	1.0 %	1.5 %	2.0 %	2.5 %	3.0 %	**3.5 %**	4.0 %	4.5 %	5.0 %	5.5 %	6.0 %
Fair value (DCF)	*2.00*		*3.11*	*2.84*	*2.60*	*2.38*	*2.19*	***2.00***	*1.84*	*1.68*	*1.54*	*1.41*	*1.29*

Source: Enlight Research, *Debt/(Debt + Equity)

Peer valuation

Based on the EV/EBITDA 2026 estimates (this is Akola's current forecast fiscal year 2025/26), Akola is trading in line with peers (7.2x vs. peer avg. 7.2x). Based on the EV/EBIT 2026 estimates, there is a significant 14% discount to the peer group (11.5x vs. peer avg. of 13.4x), which highlights Akola Group's strong EBIT margins.

Akola Group peer valuation

Company	Ticker	Ccy	Price (last)	Mcap (m) (last)	EV/EBITDA 2025	EV/EBITDA 2026E	EV/EBITDA 2027E	EV/EBITDA 2028E	EV/EBIT 2025	EV/EBIT 2026E	EV/EBIT 2027E	EV/EBIT 2028E
Scandi Standard	SCST	SEK	142.00	9,268	10.8	9.7	8.7	8.0	18.7	15.8	13.4	12.3
Orior AG	ORON	CHF	13.70	89	5.6	6.2	6.2	5.9	16.9	18.3	17.4	15.4
Fodelia	FODELIA	EUR	4.60	37	8.7	7.6	6.7	na	16.8	12.8	10.7	na
Raisio Oyj K	RAIVV	EUR	2.57	406	8.6	8.1	7.7	7.4	11.4	10.7	10.2	9.7
Bonduelle	BON	EUR	8.13	261	4.4	4.5	4.3	4.2	8.8	9.3	8.4	8.2
Average					**7.6**	**7.2**	**6.7**	**6.4**	**14.5**	**13.4**	**12.0**	**11.4**
Akola Group	AKO1L	EUR	1.65	276	5.8	7.2	7.0	6.6	8.2	11.5	11.1	10.4

Source: MarketScreener, Enlight Research (Akola Group), share prices on May 28, 2026

Estimate deviations

Segment deviations

Revenue	Q3-25/26 Estimate	Q3-25/26 Actual	Difference EURm	%
Partners for farmers	264.2	225.7	-38.5	-14.6%
Farming	9.8	7.8	-2.0	-20.4%
Food products	118.9	120.5	1.6	1.4%
Other products	4.8	3.8	-1.0	-20.4%
Total	**397.6**	**357.8**	**-39.8**	**-10.0%**

Revenue growth	Q3-25/26 Estimate	Q3-25/26 Actual	Difference EURm	%-pts
Partners for farmers	-4.3%	-18.3%	na	-13.9
Farming	-5.1%	-24.5%	na	-19.4
Food products	4.9%	6.3%	na	1.4
Other products	10.0%	-12.4%	na	-22.4
Total	**-1.6%**	**-11.5%**		**-9.9**

Operating profit (bef. elim.)	Q3-25/26 Estimate	Q3-25/26 Actual	Difference EURm	%
Partners for farmers	4.5	1.3	-3.2	-71.9%
Farming	0.1	-1.0	-1.1	-1122.6%
Food products	7.1	10.6	3.5	49.0%
Other products	0.1	-0.7	-0.8	-567.2%
Total	**11.9**	**10.2**	**-1.6**	**-13.9%**

Operating margin (bef. elim.)	Q3-25/26 Estimate	Q3-25/26 Actual	Difference EURm	%-pts
Partners for farmers	1.7%	0.6%	na	-1.1
Farming	1.0%	-12.9%	na	-13.9
Food products	6.0%	8.8%	na	2.8
Other products	3.0%	-17.6%	na	-20.6
Total	**3.0%**	**2.9%**	**na**	**-0.1**

Group deviations P&L	Q3-25/26 Estimate	Q3-25/26 Actual	Difference EURm	%
Total Sales	397.6	357.8	-39.8	-10.0%
Cost of sales	-353.9	-317.4	36.4	-10.3%
Gross profit	**43.7**	**40.3**	**-3.4**	**-7.8%**
Operating expenses	-31.8	-30.9	0.9	-2.8%
Other income	1.6	1.4	-0.2	-10.0%
Other expenses	-1.5	-0.6	0.9	-58.1%
Operating profit	**11.9**	**10.2**	**-1.6**	**-13.9%**
Financial net	*-4.0*	*-2.9*	*1.1*	*-26.9%*
Pre-tax profit	**8.0**	**7.3**	**-0.7**	**-9.0%**
Tax	-1.2	-0.7	0.5	-40.1%
Minority	-1.7	-0.9	0.8	-47.9%
Net profit to shr holders	**5.1**	**5.7**	**0.6**	**11.2%**
Depreciation	8.2	8.2	0.0	0.5%
EBITDA	**20.2**	**18.5**	**-1.8**	**-8.7%**

Revenue growth	Q3-25/26 Estimate	Q3-25/26 Actual	Difference EURm	%-pts
Total sales y-on-y	-1.6%	-11.5%	na	-9.9

Margins	Q3-25/26 Estimate	Q3-25/26 Actual	Difference EURm	%-pts
Gross margin	11.0%	11.3%	na	0.3
EBITDA margin	5.1%	5.2%	na	0.1
Operating margin	3.0%	2.9%	na	-0.2
Pre-tax margin	2.0%	2.0%	na	0.0
Net margin	1.3%	1.6%	na	0.3

Source: Company reports, Enlight Research

Estimate changes

Estimate changes

Sales (EURm)	2025/26E	2026/27E	2027/28E
Old estimate	1,561	1,654	1,714
New estimate	1,521	1,587	1,631
Change	-40	-67	-82
Change (pct)	-2.6%	-4.1%	-4.8%

EBITDA (EURm)	2025/26E	2026/27E	2027/28E
Old estimate	100.4	102.3	104.6
New estimate	90.0	91.7	94.3
Change	-10.4	-10.6	-10.3
Change (pct)	-10.3%	-10.4%	-9.8%

EBIT (EURm)	2025/26E	2026/27E	2027/28E
Old estimate	66.6	68.5	69.8
New estimate	56.9	57.8	59.4
Change	-9.7	-10.7	-10.4
Change (pct)	-14.5%	-15.7%	-14.9%

EPS (EUR)	2025/26E	2026/27E	2027/28E
Old estimate	0.22	0.23	0.23
New estimate	0.19	0.19	0.20
Change	-0.03	-0.03	-0.03
Change (pct)	-13.4%	-15.1%	-14.5%

Dividend (EUR)	2025/26E	2026/27E	2027/28E
Old estimate	0.06	0.07	0.08
New estimate	0.06	0.07	0.07
Change	0.00	0.00	-0.01
Change (pct)	0.0%	0.0%	-12.5%

Source: Enlight Research

Detailed Forecast

PARTNERS FOR FARMERS (EURm)	Q1-25/26	Q2-25/26	Q3-25/26	Q4-25/26E	2024/25	2025/26E	2026/27E	2027/28E
Revenue (external)	257	226	226	270	1,076	979	1,028	1,054
Revenue growth y-on-y	-2.4%	-11.3%	-18.3%	-4.1%	3.1%	-18.0%	2.7%	2.4%
Opertaing profit	13.3	-10.5	1.3	1.9	28.9	5.9	9.8	10.5
Operating margin	5.2%	-4.6%	0.6%	0.7%	2.7%	0.6%	1.0%	1.0%

FARMING (EURm)	Q1-25/26	Q2-25/26	Q3-25/26	Q4-25/26E	2024/25	2025/26E	2026/27E	2027/28E
Revenue (external)	10	12	8	7	40	37	37	38
Revenue growth y-on-y	-3.8%	8.7%	-24.5%	-19.6%	16.8%	-9.2%	1.4%	1.4%
Opertaing profit	0.0	0.5	-1.0	4.5	11.3	4.0	3.3	3.8
Operating margin	-0.3%	4.6%	-12.9%	64.4%	27.9%	11.0%	9.0%	10.0%

FOOD PRODUCTION (EURm)	Q1-25/26	Q2-25/26	Q3-25/26	Q4-25/26E	2024/25	2025/26E	2026/27E	2027/28E
Revenue (external)	123	118	120	128	449	489	505	523
Revenue growth y-on-y	15.0%	8.6%	6.3%	6.6%	12.7%	9.0%	3.3%	3.4%
Opertaing profit	13.4	14.3	10.6	11.0	39.2	49.4	45.5	46.0
Operating margin	10.9%	12.2%	8.8%	8.6%	8.7%	10.1%	9.0%	8.8%

OTHER PRODUCTS & SERVICES (EURm)	Q1-25/26	Q2-25/26	Q3-25/26	Q4-25/26E	2024/25	2025/26E	2026/27E	2027/28E
Revenue (external)	4	4	4	4	15	16	17	17
Revenue growth y-on-y	15.2%	20.5%	-12.4%	-10.8%	6.9%	2.0%	6.0%	3.0%
Opertaing profit	0.2	-1.6	-0.7	-0.3	-0.4	-2.4	-0.8	-0.9
Operating margin	4.5%	-36.8%	-17.6%	-8.8%	-2.9%	-15.0%	-5.0%	-5.0%

INCOME STATEMENT (EURm)	Q1-25/26	Q2-25/26	Q3-25/26	Q4-25/26E	2024/25	2025/26E	2026/27E	2027/28E
Revenues	394	360	358	409	1,581	1,521	1,587	1,631
Cost of sales	-338	-323	-317	-352	-1,387	-1,330	-1,393	-1,435
Gross profit	**56**	**36**	**40**	**58**	**194**	**190**	**194**	**196**
Operating expenses	-29	-34	-31	-36	-115	-131	-129	-130
Other income	1	2	1	2	8	6	6	7
Other expenses	-1	-1	-1	-6	-8	-8	-14	-12
Operating profit	**27**	**3**	**10**	**17**	**79**	**57**	**58**	**59**
Financial net	*-4*	*-4*	*-3*	*-3*	*-17*	*-14*	*-14*	*-14*
Pre-tax profit	**23**	**-1**	**7**	**14**	**62**	**43**	**43**	**45**
Tax	-4	1	-1	-1	-1	-4	-4	-5
Minority	-1	-2	-1	-2	-6	-6	-7	-7
Net profit	**18**	**-2**	**6**	**10**	**54**	**32**	**32**	**33**
Depreciation	9	9	8	7	31	33	34	35
EBITDA	**36**	**11**	**18**	**24**	**110**	**90**	**92**	**94**

Growth	Q1-25/26	Q2-25/26	Q3-25/26	Q4-25/26E	2024/25	2025/26E	2026/27E	2027/28E
Revenues y-on-y	3.6%	-5.7%	-11.5%	-1.4%	4.9%	-3.8%	4.4%	2.8%

Margins	Q1-25/26	Q2-25/26	Q3-25/26	Q4-25/26E	2024/25	2025/26E	2026/27E	2027/28E
Gross profit margin	14.2%	10.1%	11.3%	14.1%	12.3%	12.5%	12.2%	12.0%
EBITDA margin	9.2%	3.1%	5.2%	5.9%	7.0%	5.9%	5.8%	5.8%
Operating profit margin	6.8%	0.8%	2.9%	4.2%	5.0%	3.7%	3.6%	3.6%
Pre-tax profit margin	5.9%	-0.4%	2.0%	3.4%	3.9%	2.8%	2.7%	2.8%
Net profit margin	4.6%	-0.6%	1.6%	2.6%	3.4%	2.1%	2.0%	2.1%
Tax rate	15%	98%	10%	10%	2%	10%	10%	10%

Source: Company reports (historic), Enlight Research (estimates)

Risk factors

Below risk factors are not a complete list of risks related to Akola Group, but rather a list of risks that we view as the most important to highlight given the current environment. For examples of additional risks, we recommend reading the Company's Annual Reports.

Livestock

The risk of a severe animal disease is not factored into our estimates. If one of Akola Group's poultry or dairy farms is hit by a severe animal disease, our estimates will most likely have to be adjusted downwards.

Share liquidity

The low free float of 20% means the liquidity in the share is lower relative to most similar sized companies. We would welcome a distribution from the main shareholders in order increase the share liquidity and thereby lower the risk in the share.

Russia – Ukraine risk

The company managed to sell 3 out of 4 companies in Russia and Belarus, therefore limiting the geopolitical risk. The main challenge is to replace goods previously supplied from Russia and Belarus.

Weather dependent

Most of Akola Group's segments are dependent on the weather, which is inherently hard to predict. A good harvest (favourable weather) is positive for the Partners for Farmers and Farming segments and vice versa. The grain trading operations (part of Partners for Farmers segment) is also dependent on the weather, but it is not always the case that a good harvest is favourable.

Grain trading volumes

Our forecast assumes a pick-up in the Grain trading volume in the second half of the fiscal year. If this does not materialize, our forecast is most likely too high.

Capital allocation

With strong free cash flow it is of essence to allocate the capital correctly among investments and dividends. Allocating capital to below par projects could hurt profitability.

Income Statement	2024	2025	2026E	2027E	2028E
Net sales	1506.2	1580.7	1520.5	1587.1	1631.1
Total operating costs	-1432.7	-1470.5	-1430.5	-1495.4	-1536.8
EBITDA	**73.5**	**110.2**	**90.0**	**91.7**	**94.3**
Depreciation & Amort.	-27.5	-31.3	-33.1	-33.9	-34.9
One-off EBIT items	0.0	0.0	0.0	0.0	0.0
EBIT	**46.1**	**78.9**	**56.9**	**57.8**	**59.4**
Financial net	-19.1	-16.8	-14.0	-14.4	-14.2
Pre-tax profit	**27.0**	**62.1**	**43.0**	**43.4**	**45.3**
Taxes	-2.1	-1.4	-4.4	-4.4	-4.6
Minority interest	-3.0	-6.4	-6.3	-7.0	-7.2
Other items	0.0	0.0	0.0	0.0	0.0
Net profit	**21.9**	**54.3**	**32.3**	**32.0**	**33.5**

Balance Sheet	2024	2025	2026E	2027E	2028E
Cash and cash equivalent	16	14	13	14	14
Receivables	303	355	342	344	326
Inventories	223	227	213	214	220
Other current assets	63	80	80	80	80
Current assets	**605**	**676**	**647**	**652**	**640**
Tangible assets	206	241	251	262	262
Goodwill & intangible assets	9	11	11	11	11
Lease & Investment properties	37	44	46	51	54
Investments	2	4	4	4	4
Associated companies	0	0	0	0	0
Other non-current assets	19	26	26	26	26
Total fixed assets	**273**	**326**	**337**	**354**	**357**
Total Assets	**878**	**1002**	**984**	**1006**	**997**
Non-interest bearing current liabilities	185	172	166	173	163
Short-term debt	207	250	230	227	210
Other current liabilities	55	61	58	58	58
Total current liabilities	**447**	**483**	**454**	**458**	**431**
Long-term debt	60	89	82	81	74
Convertibles & Lease liab.	51	53	55	51	54
Deferred tax liabilities	1	2	2	2	2
Provisions	0	0	0	0	0
Other long-term liabilities	10	14	14	14	14
Total long-term liab.	**127**	**163**	**158**	**153**	**150**
Total Liabilities	**574**	**646**	**612**	**611**	**580**
Minority interest (BS)	17	24	24	24	24
Shareholders' equity	296	345	362	384	406
Total liabilities and equity	**886**	**1014**	**997**	**1018**	**1010**

DCF valuation		Cash flow, mEUR	
WACC (%)	8.54 %	NPV FCF (2026-2028)	141
Assumptions 2024-2032 (%)		NPV FCF (2029-2035)	211
Sales CAGR	3.14 %	NPV FCF (2036+)	400
Avg. EBIT margin	3.66 %	Non-operating assets	-25
Fair value per share (EUR)	2.00	Interest-bearing debt	-392
Share price (EUR)	1.65	Fair value estimate	335

Free Cash Flow	2024	2025	2026E	2027E	2028E
Operating profit	46.1	78.9	57.0	57.8	59.4
Depreciation & Amort.	27.5	31.3	33.1	33.9	34.9
Working capital chg.	42.2	-81.1	19.0	3.1	2.5
Other Operating CF items	-2.5	-5.4	-5.7	-5.8	-5.9
Operating Cash Flow	**113.2**	**23.7**	**103.3**	**89.0**	**90.9**
Net investments	-71.3	-77.1	-42.8	-45.2	-35.1
Other items	0.7	4.9	0.0	0.0	0.0
Free Cash Flow	**42.5**	**-48.5**	**60.5**	**43.8**	**55.8**

Capital structure	2024	2025	2026E	2027E	2028E
Equity ratio	35.3%	36.3%	38.7%	40.0%	42.5%
Debt / Equity ratio	107.4%	113.7%	101.2%	93.4%	83.3%
Gearing %	96.6%	102.7%	91.6%	84.6%	75.4%
Net debt/EBITDA	4.1	3.4	3.9	3.8	3.4
Interest coverage ratio	2.4	4.7	4.3	4.2	4.4

Profitability	2024	2025	2026E	2027E	2028E
ROE	7.7%	17.0%	9.1%	8.6%	8.5%
FCF yield	21.6%	-19.5%	21.9%	15.9%	20.2%
EBITDA margin	4.9%	7.0%	5.9%	5.8%	5.8%
EBIT margin	3.1%	5.0%	3.8%	3.6%	3.6%
PTP margin	1.8%	3.9%	2.8%	2.7%	2.8%
Net margin	1.5%	3.4%	2.1%	2.0%	2.1%

Valuation	2024	2025	2026E	2027E	2028E
P/E	9.0	4.6	8.5	8.6	8.2
P/E, adjusted	9.0	4.6	8.5	8.6	8.2
P/Sales	0.1	0.2	0.2	0.2	0.2
EV/Sales	0.3	0.4	0.4	0.4	0.4
EV/EBITDA	6.9	5.8	7.2	7.0	6.6
EV/EBIT	11.1	8.2	11.5	11.1	10.4
P/BV	0.7	0.7	0.8	0.7	0.7
P/BV tangible	0.7	0.7	0.8	0.7	0.7

Per share ratios	2024	2025	2026E	2027E	2028E
EPS	0.13	0.32	0.19	0.19	0.20
EPS, adjusted	0.13	0.32	0.19	0.19	0.20
Operating CF/share	0.68	0.14	0.62	0.53	0.54
Free Cash Flow/share	0.25	-0.29	0.36	0.26	0.33
BV/share	1.77	2.06	2.17	2.30	2.43
Tangible BV/share	1.74	2.02	2.13	2.26	2.39
Div. per share	0.03	0.09	0.06	0.07	0.07
Div. payout ratio	22.9%	27.7%	31.1%	36.6%	35.0%
Dividend yield	2.5%	6.0%	3.6%	4.2%	4.2%

Shareholders	Capital	Votes
Akola ApS (Denmark)	181.359	65.75 %
Darius Zubas	28.135	10.20 %
UAB SB Asset Management	14.150	5.13 %

Key people	
CEO	Darius Zubas
CFO	Mazvydas Sileika
IR	Dovile Revutaite
Chairman	Tomas Tumenas

P/E $\frac{\text{Price per share}}{\text{Earnings per share}}$	**EPS** $\frac{\text{Profit before extraordinary items and taxes – income taxes + minority interest}}{\text{Number of shares}}$
P/Sales $\frac{\text{Market cap}}{\text{Sales}}$	**DPS** Dividend for financial period per share
P/BV $\frac{\text{Price per share}}{\text{Shareholders’ equity + taxed provisions per share}}$	**CEPS** $\frac{\text{Gross cash flow from operations}}{\text{Number of shares}}$
P/CF $\frac{\text{Price per share}}{\text{Operating cash flow per share}}$	**EV/Share** $\frac{\text{Enterprise value}}{\text{Number of shares}}$
EV (Enterprise value) Market cap + Net debt + Minority interest at market value – share of associated companies at market value	**Sales/Share** $\frac{\text{Sales}}{\text{Number of shares}}$
Net debt Interest-bearing debt – financial assets	**EBITDA/Share** $\frac{\text{Earnings before interest, tax, depreciation and amortization}}{\text{Number of shares}}$
EV/Sales $\frac{\text{Enterprise value}}{\text{Sales}}$	**EBIT/Share** $\frac{\text{Operating profit}}{\text{Number of shares}}$
EV/EBITDA $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	**EAFI/Share** $\frac{\text{Pre-tax profit}}{\text{Number of shares}}$
EV/EBIT $\frac{\text{Enterprise value}}{\text{Operating profit}}$	**Capital employed/Share** $\frac{\text{Total assets – non-interest-bearing debt}}{\text{Number of shares}}$
Div yield, % $\frac{\text{Dividend per share}}{\text{Price per share}}$	**Total assets** Balance sheet total
Payout ratio, % $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes – income taxes + minority interest}}$	**Interest coverage (x)** $\frac{\text{Operating profit}}{\text{Financial items}}$
Net cash/Share $\frac{\text{Financial assets – interest-bearing debt}}{\text{Number of shares}}$	**Asset turnover (x)** $\frac{\text{Turnover}}{\text{Balance sheet total (average)}}$
ROA, % $\frac{\text{Operating profit + financial income + extraordinary items}}{\text{Balance sheet total – interest-free short-term debt – long-term advances received and accounts payable (average)}}$	**Debt/Equity, %** $\frac{\text{Interest-bearing debt}}{\text{Shareholders’ equity + minority interest + taxed provisions}}$
ROCE, % $\frac{\text{Profit before extraordinary items + interest expenses + other financial costs}}{\text{Balance sheet total – non-interest-bearing debt (average)}}$	**Equity ratio, %** $\frac{\text{Shareholders’ equity + minority interest + taxed provisions}}{\text{Total assets – interest-free loans}}$
ROE, % $\frac{\text{Profit before extraordinary items – income taxes}}{\text{Shareholders’ equity + minority interest + taxed provisions (average)}}$	**CAGR, %** Cumulative annual growth rate = Average growth rate per year

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