EBITDA 80-100 New Normal

Q4-25/26 Net profit beat handsomely, forming yet another solid fiscal year, and setting a "new normal" EBITDA level, in our view. The company is still in investment mode, i.e., the true dividend potential has yet to be revealed. We reiterate our Fair value.

Nice profit beat

Q4-25/26 Net profit was 52% above est., the EBITDA was 27% above. The 2025/26 EBITDA of EUR 96m was EUR 6m above the raised (June) midpoint guidance of EUR 80-100m. We believe EUR 80-100m in annual EBITDA is the "new normal" that will replace the current EUR 70-90m guidance.

In investment mode

We believe the company will undertake all the investment projects mentioned in the webinar presentation and include them in our forecast. This means EUR 62m in investments this and next year followed by EUR 46m in 2028/29. Our estimated Free Cash Flow yield excluding expansion/ modernization investments is +20%, which reveals a substantial dividend yield upside to the forecast period 4% once the investment period is over (after 2028/29).

Fair value unchanged

Despite beating our forecast, we lower our EBITDA by 10-11% in the coming two years to account for a slower recovery for the PFF (Partners for Farmers) segment. Our Base case FV is unchanged at EUR 2.00 as higher CF beyond the forecast period partly from new investments offset lower CF within the forecast period.

Key figures (MEUR)

	2025	2026	2027E	2028E	2029E
Net sales	1,580.7	1,511.3	1,556.4	1,601.4	1,651.6
Net sales growth	4.9%	-4.4%	3.0%	2.9%	3.1%
EBITDA	110.2	96.4	90.7	94.1	95.6
EBITDA margin	7.0%	6.4%	5.8%	5.9%	5.8%
EBIT	78.9	61.9	57.0	60.3	61.6
EBIT margin	5.0%	4.1%	3.7%	3.8%	3.7%
EV/Sales	0.4	0.5	0.4	0.4	0.4
EV/EBITDA	5.8	7.1	7.5	7.3	7.0
EV/EBIT	8.2	11.0	11.9	11.3	10.8
P/E adj.	4.6	8.0	8.8	8.5	8.3
P/BV	0.7	0.8	0.8	0.7	0.7
EPS	0.32	0.23	0.20	0.21	0.21
EPS growth	147.42%	-30.53%	-10.65%	3.43%	2.26%
Div. per share	0.09	0.06	0.07	0.07	0.07
Dividend yield	6.04%	3.39%	3.95%	3.95%	3.95%

Source: Company data, Enlight Research estimates

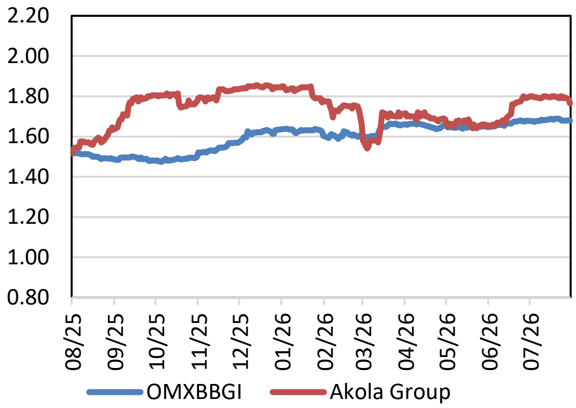
Fair value range (EUR)

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)	1.77
Ticker	AKO1L
Country	Lithuania
Listed	Vilnius (Lithuania)
Market Cap (EURm)	296
Net debt (EURm)*	359
Shares (m)	167.2
Free float	20%

*End of current forecast year estimate



Price range

52-week high	1.86
52-week low	1.52

Analyst

ResearchTeam@enlightresearch.net

Coverage frequency

4x per year

Key takeaways

50% beat on Net profit

Q4-25/26 Sales of EUR 400m were 2.3%, or EUR 9m, below forecast, while the Net profit of EUR 15.9m was 51.5% or EUR 5.4m above the estimated EUR 10.5m. The Q4-25/26 EBIT of EUR 22.1m was 29.1% or EUR 5.0m above estimate as lower-than-forecast Operating expenses (EUR 3.4m below) and Other expenses (EUR 6.2m below) more than offset a EUR 7.0m lower-than-estimated Gross profit. Other income was also EUR 2.4m above forecast. The Q4-25/26 EBITDA of EUR 30.5m was 26.5% or EUR 6.4m above estimate (see Estimate deviations section for segment deviations). We lower our Group Sales by around 6% in 2026/27E-2027/28E mainly due to lower PFF segment Sales. Our Group EBIT is lowered by 15% this year to EUR 58m (prev. 69m) and 14% next year to EUR 60m (prev. 70m), while we introduce a 2028/29E EBIT estimate of EUR 62m. Our EPS is lowered by 11% this year to EUR 0.20 (prev. 0.23) and 11% next year to EUR 0.21 (prev. 0.23), with a 2028/29E EPS of EUR 0.21. Our DPS estimate is unchanged at EUR 6c for 2025/26 (yet to be announced) and EUR 7c for this year, lowered by EUR 1c to EUR 7c for next year, and we forecast EUR 7c for 2028/29. Although not as good as last fiscal year 2024/25, which was the second-best in the company's history, 2025/26 was a solid year with a full-year EBITDA of EUR 96m (see the next key takeaway for EBITDA thoughts).

Group deviations	Q4-25/26	Q4-25/26	Difference	
P&L	Estimate	Actual	EURm	%
Total Sales	409.1	399.9	-9.2	-2.3%
Cost of sales	-351.6	-349.4	2.2	-0.6%
Gross profit	**57.5**	**50.5**	**-7.0**	**-12.2%**
Operating expenses	-36.2	-32.8	3.4	-9.4%
Other income	2.1	4.5	2.4	111.3%
Other expenses	-6.4	-0.2	6.2	-96.9%
Operating profit	**17.1**	**22.1**	**5.0**	**29.1%**
Financial net	*-3.2*	*-3.2*	*0.0*	*-1.5%*
Pre-tax profit	**13.9**	**18.9**	**5.0**	**36.1%**
Tax	-1.4	-1.7	-0.3	23.2%
Minority	-2.0	-1.3	0.7	-35.4%
Net profit to shareholders	**10.5**	**15.9**	**5.4**	**51.5%**
Depreciation	7.0	8.4	1.4	20.2%
EBITDA	**24.1**	**30.5**	**6.4**	**26.5%**

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

Estimate changes				
Sales (EURm)	2025/26	2026/27E	2027/28E	2028/29E
Old estimate	na	1,654	1,714	na
New estimate	na	1,556	1,601	1,652
Change	na	-98	-112	na
Change (pct)	na	-5.9%	-6.5%	na

EPS (EUR)	2025/26	2026/27E	2027/28E	2028/29E
Old estimate	na	0.23	0.23	na
New estimate	na	0.20	0.21	0.21
Change	na	-0.02	-0.03	na
Change (pct)	na	-10.6%	-11.0%	na

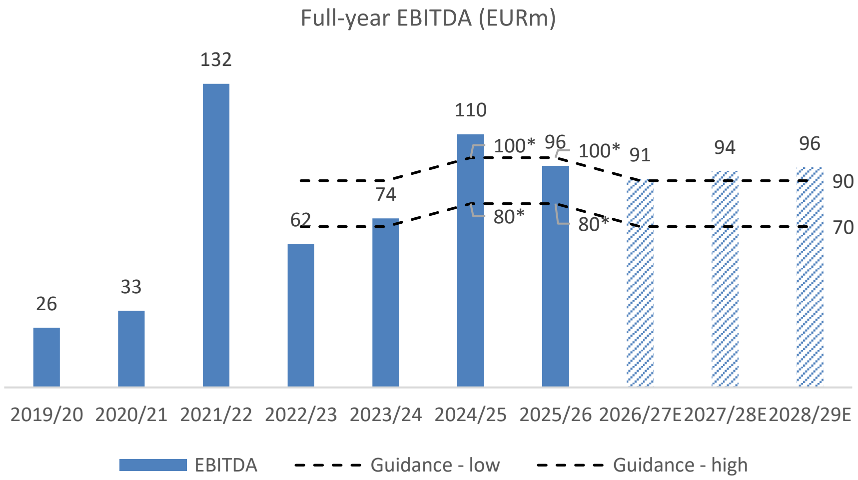
Dividend (EUR)	2025/26E	2026/27E	2027/28E	2028/29E
Old estimate*	0.06	0.07	0.08	na
New Estimate*	0.06	0.07	0.07	0.08
Change	0.00	0.00	-0.01	na
Change (pct)	0.0%	0.0%	-12.5%	na

Source: Company reports

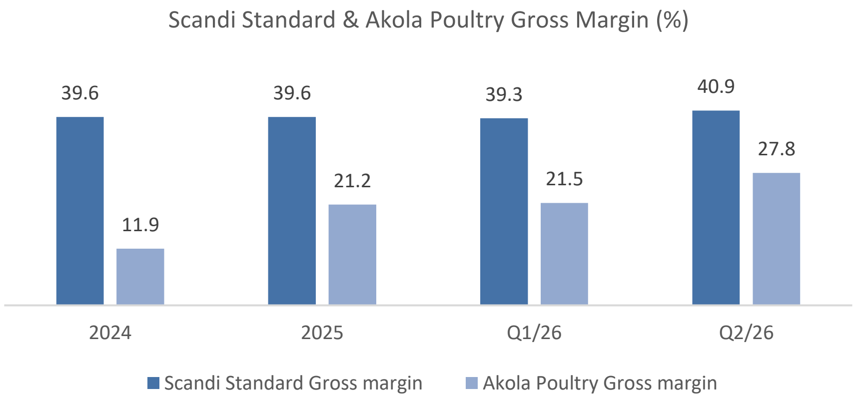
*2025/26 dividend has yet to be proposed.

EUR 80-100m EBITDA New Normal

The last 5-year average EBITDA is EUR 95m. The 5-year range is wide at EUR 62-132m, but the last two years have been tighter at EUR 96-110m. Consequently, we believe the "new normal" annual EBITDA is EUR 80-100m, which can be compared to the long-term guidance/target of EUR 70-90m. In our view, it is likely that management will raise the long-term EBITDA guidance to EUR 80-100m, which is in line with the raised guidance for the last two fiscal years. One reason for not raising the long-term EBITDA guidance could be a concern about lower margins from the poultry sub-segment. However, we believe the margins seen in recent years could be sustainable. Compared to the Swedish poultry peer, Scandi Standard, there could even be potential for further margin improvement. Scandi Standard's Gross margin has been around 40% since 2024, and the consensus for the coming three years is for stable to improving margins. Furthermore, we see potential upside from the weaker-performing segments (Partners for Farmers, Farming), although the recovery might take longer than we originally expected. The 2025/26 Partners for Farmers (PFF) segment EBIT of EUR 9.4m was 59% below the 4-year average of EUR 22.8m, while the Farming segment EBIT loss of EUR 1.4m was well below the 4-year average profit of EUR 5.2m. To summarize, we believe the potential upside from the PFF and Farming segments is greater than the potential downside from the poultry segment.



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



Source: Company reports

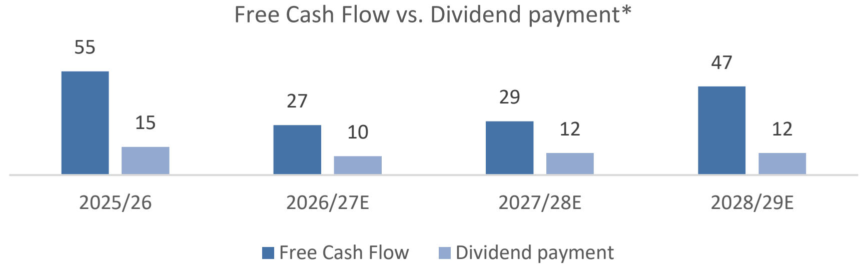
In investment mode

In addition to around EUR 16m in maintenance investments, the following potential investment projects were listed in the Q4-25/26 webinar presentation: (a) EUR 34m Animal by-product plant in Kaisiadorys where EUR 15m EU grant has been approved, (b) EUR 20m Pet food production plant and (c) EUR 70m Feed production expansion. We believe all these investments will be undertaken and forecast EUR 62m in total investments for 2026/27 and 2027/28 (includes additional EUR 13m in Other expansion investments as a margin for error), followed by EUR 46m in 2028/29.

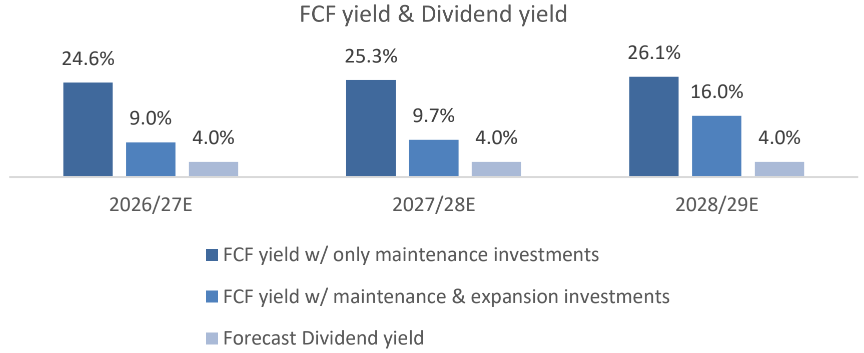
Investment Forecast (EURm)	2024/25	2025/26	2026/27E	2027/28E	2028/29E	Status
Maintenance (est.)	16.0	16.1	16.2	16.3	16.4	Recurring
Animal by-product plant, Kaisiadorys*			9.5	9.5		Final decision not made
Pet food production			6.7	6.7	6.7	Final decision not made
Feed production expansion			23.3	23.3	23.3	Final decision not made
Other	54.4	14.5	6.5	6.5		Estimate years are Other expansion investments
Total	**70.4**	**30.6**	**62.2**	**62.3**	**46.4**	

Source: Enlight Research estimates based on 2025/26 webinar presentation
*Net investment after EUR 15m EU grant

Despite the heightened expansion/modernization investments during the forecast period 2026/27-28/29, there is ample room to meet our dividend forecast of EUR 7c per year (up from our estimated EUR 6c per share – yet to be proposed – for the just reported 2025/26). This FY 2026/27, we forecast EUR 27m in Free Cash Flow which comfortably covers the dividend payout. The FCF yield excluding expansion/modernization investments is 25-28% in the forecast period and 9-18% including expansion/modernization investments – both significantly higher than the estimated dividend yield of 4.0% (net 3.4%). This reveals a substantial dividend upside once the investment period is completed.



Source: Enlight Research (estimate), Company report (2025/26 Free Cash Flow)



Source: Enlight Research (estimate)
Yield based on share price of EUR 1.77

Valuation

DCF valuation

Our Base case DCF Fair value per share is unchanged at EUR 2.00 as lower estimates in the explicit forecast period (coming 3 years) are offset by higher estimates beyond the forecast period (post 2028/29). This implies an upside of around 13%. Our Bear and Bull case Fair values per share are EUR 1.56 (prev. 1.52) and EUR 2.44 (prev. 2.48), respectively. The only difference between our 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. It is worth noting that the reported FY 2024/25 and 2025/26 EBIT margins were 5.0% and 4.1%, respectively. See the table below for DCF value sensitivity to different parameters.

DCF Valuation Scenarios	Bear	Base	Bull
WACC	8.7%	8.7%	8.7%
Terminal sales growth	3.0%	3.0%	3.0%
Terminal EBIT margin	3.5%	4.0%	4.5%
Fair Value per share (EUR)	1.56	2.00	2.44
Upside/Downside	-12%	13%	38%
Last price (EUR)	1.77	1.77	1.77

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*		*3.05*	*2.80*	*2.57*	*2.37*	*2.18*	***2.00***	*1.84*	*1.69*	*1.56*	*1.43*	*1.31*
Target debt ratio*	50.2 %	3.0 %	35%	38%	41%	44%	47%	**50%**	53%	56%	59%	62%	65%
Fair value (DCF)	*2.00*		*1.22*	*1.35*	*1.49*	*1.65*	*1.82*	***2.00***	*2.21*	*2.43*	*2.68*	*2.95*	*3.26*
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*		*3.12*	*2.85*	*2.61*	*2.39*	*2.19*	***2.00***	*1.83*	*1.68*	*1.54*	*1.40*	*1.28*

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

Peer valuation

Based on 2026E EV/EBITDA, EV/EBIT and Dividend yield (this is Akola's last reported fiscal year 2025/26), Akola is trading roughly in line with peers. Based on 2026E P/E, the discount to peers is 49%.

Company	Ccy	Price (last)	Market cap (m) (last)	EV (m)	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	SEK	143.00	9,359	11,397	8.1	9.7	8.7	7.9	14.1	16.2	13.3	12.0
Orior AG	CHF	13.94	92	241	5.6	6.3	5.8	5.3	17.1	18.5	16.4	13.7
Fodelia	EUR	4.53	34	37	10.4	7.4	6.3	5.3	20.2	12.8	10.2	8.3
Raisio Oyj K	EUR	2.49	411	330	9.0	8.2	7.8	7.2	11.9	10.8	10.2	9.4
Bonduelle	EUR	8.97	266	745	5.0	4.6	4.1	3.8	10.1	9.4	8.1	7.1
Average					**7.6**	**7.2**	**6.5**	**5.9**	**14.7**	**13.5**	**11.6**	**10.1**
Akola	EUR	1.77	296	680	7.1	7.5	7.3	7.0	11.0	11.9	11.3	10.8

Company	Ccy	Price (last)	Market cap (m) (last)	EV (m)	P/E 2025	P/E 2026E	P/E 2027E	P/E 2028E	Div. yield 2025	Div. yield 2026E	Div. yield 2027E	Div. yield 2028E
Scandi Standard	SEK	143.00	9,359	11,397	17.7	21.0	16.8	15.0	3.3%	2.8%	3.3%	3.7%
Orior AG	CHF	13.94	92	241	9.5	12.7	11.6	8.8				1.2%
Fodelia	EUR	4.53	34	37	nm	30.1	13.2	11.1	1.3%	2.4%	3.1%	3.6%
Raisio Oyj K	EUR	2.49	411	330	17.6	16.2	15.6	15.0	5.7%	6.0%	6.4%	6.8%
Bonduelle	EUR	8.97	266	745	nm	6.3	6.1	5.2	2.9%	3.4%	3.9%	4.3%
Average					**14.9**	**17.3**	**12.7**	**11.0**	**3.3%**	**3.7%**	**4.2%**	**3.9%**
Akola Group	EUR	1.77	296	680	8.0	8.8	8.5	8.3	3.3%	4.0%	4.0%	4.0%

Source: MarketScreener, Enlight Research (Akola Group), share prices on August 27, 2026

Estimate deviations

Segment deviations

Revenue	Q4-25/26 Estimate	Q4-25/26 Actual	Difference EURm	%
Partners for farmers	270.5	267.6	-2.9	-1.1%
Farming	7.0	7.2	0.2	2.3%
Food products	128.0	121.0	-7.0	-5.5%
Other products	3.6	4.1	0.5	15.0%
Total	**409.1**	**399.9**	**-9.2**	**-2.3%**

Revenue growth	Q4-25/26 Estimate	Q4-25/26 Actual	Difference EURm	%-pts
Partners for farmers	-4.1%	-5.1%	na	-1.0
Farming	-19.6%	-17.8%	na	1.8
Food products	6.3%	6.3%	na	0.0
Other products	-10.8%	2.6%	na	13.4
Total	**-1.4%**	**-3.6%**		**-2.2**

Operating profit (bef. elim.)	Q4-25/26 Estimate	Q4-25/26 Actual	Difference EURm	%
Partners for farmers	1.9	5.4	3.5	190.1%
Farming	4.5	-0.9	-5.5	-120.5%
Food products	11.0	19.7	8.7	78.8%
Other products	-0.3	-2.1	-1.8	566.9%
Total	**17.1**	**22.1**	**5.0**	**29.1%**

Operating margin (bef. elim.)	Q4-25/26 Estimate	Q4-25/26 Actual	Difference EURm	%-pts
Partners for farmers	0.7%	2.0%	na	1.3
Farming	64.4%	-12.9%	na	-77.3
Food products	8.6%	16.3%	na	7.7
Other products	-8.8%	-51.0%	na	-42.2
Total	**4.2%**	**5.5%**	**na**	**1.3**

Group deviations P&L	Q4-25/26 Estimate	Q4-25/26 Actual	Difference EURm	%
Total Sales	409.1	399.9	-9.2	-2.3%
Cost of sales	-351.6	-349.4	2.2	-0.6%
Gross profit	**57.5**	**50.5**	**-7.0**	**-12.2%**
Operating expenses	-36.2	-32.8	3.4	-9.4%
Other income	2.1	4.5	2.4	111.3%
Other expenses	-6.4	-0.2	6.2	-96.9%
Operating profit	**17.1**	**22.1**	**5.0**	**29.1%**
Financial net	*-3.2*	*-3.2*	*0.0*	*-1.5%*
Pre-tax profit	**13.9**	**18.9**	**5.0**	**36.1%**
Tax	-1.4	-1.7	-0.3	23.2%
Minority	-2.0	-1.3	0.7	-35.4%
Net profit to shr holders	**10.5**	**15.9**	**5.4**	**51.5%**
Depreciation	7.0	8.4	1.4	20.2%
EBITDA	**24.1**	**30.5**	**6.4**	**26.5%**

Revenue growth	Q4-25/26 Estimate	Q4-25/26 Actual	Difference EURm	%-pts
Total sales y-on-y	-1.4%	-3.6%	na	-2.2

Margins	Q4-25/26 Estimate	Q4-25/26 Actual	Difference EURm	%-pts
Gross margin	14.1%	12.6%	na	-1.4
EBITDA margin	5.9%	7.6%	na	1.7
Operating margin	4.2%	5.5%	na	1.3
Pre-tax margin	3.4%	4.7%	na	1.3
Net margin	2.6%	4.0%	na	1.4

Source: Company reports, Enlight Research

Estimate changes

Estimate changes

Sales (EURm)	2025/26	2026/27E	2027/28E	2028/29E
Old estimate	na	1,654	1,714	na
New estimate	na	1,556	1,601	1,652
Change	na	-98	-112	na
Change (pct)	na	-5.9%	-6.5%	na

EBITDA (EURm)	2025/26	2026/27E	2027/28E	2028/29E
Old estimate	na	102.3	104.6	na
New estimate	na	90.7	94.1	95.6
Change	na	-11.6	-10.5	na
Change (pct)	na	-11.3%	-10.1%	na

EBIT (EURm)	2025/26	2026/27E	2027/28E	2028/29E
Old estimate	na	68.5	69.8	na
New estimate	na	58.3	60.3	61.6
Change	na	-10.2	-9.5	na
Change (pct)	na	-14.9%	-13.5%	na

EPS (EUR)	2025/26	2026/27E	2027/28E	2028/29E
Old estimate	na	0.23	0.23	na
New estimate	na	0.20	0.21	0.21
Change	na	-0.02	-0.03	na
Change (pct)	na	-10.6%	-11.0%	na

Dividend (EUR)	2025/26E	2026/27E	2027/28E	2028/29E
Old estimate*	0.06	0.07	0.08	na
New Estimate*	0.06	0.07	0.07	0.08
Change	0.00	0.00	-0.01	na
Change (pct)	0.0%	0.0%	-12.5%	na

Source: Enlight Research
*Not yet proposed

Detailed Forecast

PFF (EURm)	Q1-26/27E	Q2-26/27E	Q3-26/27E	Q4-26/27E	2025/26	2026/27E	2027/28E	2028/29E
Revenue (external)	265	235	233	272	976	1,005	1,035	1,069
Revenue growth y-on-y	3.4%	4.0%	3.2%	1.7%	-9.3%	3.0%	2.9%	3.3%
Operating profit	8.0	-2.4	1.4	4.1	9.4	11.1	12.4	12.8
Operating margin	3.0%	-1.0%	0.6%	1.5%	1.0%	1.1%	1.2%	1.2%

FARMING (EURm)	Q1-26/27E	Q2-26/27E	Q3-26/27E	Q4-26/27E	2025/26	2026/27E	2027/28E	2028/29E
Revenue (external)	11	12	8	8	37	38	38	39
Revenue growth y-on-y	2.4%	1.8%	1.6%	6.6%	-8.8%	2.9%	1.4%	1.4%
Operating profit	0.9	1.1	0.7	0.7	-1.4	3.4	3.8	3.9
Operating margin	9.0%	9.0%	9.0%	9.0%	-3.9%	9.0%	10.0%	10.0%

FOOD PRODUCTION (EURm)	Q1-26/27E	Q2-26/27E	Q3-26/27E	Q4-26/27E	2025/26	2026/27E	2027/28E	2028/29E
Revenue (external)	127	121	124	125	482	496	511	526
Revenue growth y-on-y	2.9%	2.9%	2.9%	2.9%	7.4%	2.9%	3.0%	3.0%
Operating profit	12.7	10.9	7.4	13.7	58.1	44.7	45.0	45.8
Operating margin	10.0%	9.0%	6.0%	11.0%	12.0%	9.0%	8.8%	8.7%

OTHER (EURm)	Q1-26/27E	Q2-26/27E	Q3-26/27E	Q4-26/27E	2025/26	2026/27E	2027/28E	2028/29E
Revenue (external)	4	4	4	4	16	17	17	18
Revenue growth y-on-y	4.0%	4.0%	4.0%	4.0%	5.4%	4.0%	3.0%	3.0%
Operating profit	-0.2	-0.2	-0.2	-0.2	-4.1	-0.8	-0.9	-0.9
Operating margin	-5.0%	-5.0%	-5.0%	-5.0%	-25.4%	-5.0%	-5.0%	-5.0%

INCOME STATEMENT (EURm)	Q1-26/27E	Q2-26/27E	Q3-26/27E	Q4-26/27E	2025/26	2026/27E	2027/28E	2028/29E
Revenues	407	372	369	409	1,511	1,556	1,601	1,652
Cost of sales	-354	-331	-328	-356	-1,328	-1,370	-1,409	-1,455
Gross profit	**53**	**41**	**41**	**52**	**183**	**187**	**192**	**197**
Operating expenses	-31	-32	-32	-35	-127	-131	-131	-137
Other income	1	1	1	6	8	9	6	7
Other expenses	-1	-1	-1	-5	-2	-7	-7	-4
Operating profit	**21**	**9**	**9**	**18**	**62**	**58**	**60**	**62**
Financial net	*-4*	*-4*	*-4*	*-4*	*-14*	*-14*	*-16*	*-17*
Pre-tax profit	**18**	**6**	**6**	**15**	**48**	**44**	**44**	**45**
Tax	-1	0	-1	-2	-5	-4	-4	-5
Minority	-1	-2	-1	-1	-6	-5	-5	-5
Net profit	**15**	**4**	**4**	**12**	**38**	**35**	**35**	**36**
Depreciation	8	8	8	7	34	32	34	34
EBITDA	**30**	**18**	**18**	**25**	**96**	**91**	**94**	**96**

Growth	Q1-26/27E	Q2-26/27E	Q3-26/27E	Q4-26/27E	2025/26	2026/27E	2027/28E	2028/29E
Revenues y-on-y	3.2%	3.6%	3.1%	2.2%	-4.4%	3.0%	2.9%	3.1%

Margins	Q1-26/27E	Q2-26/27E	Q3-26/27E	Q4-26/27E	2025/26	2026/27E	2027/28E	2028/29E
Gross profit margin	13.0%	11.0%	11.0%	12.8%	12.1%	12.0%	12.0%	11.9%
EBITDA margin	7.3%	4.8%	4.8%	6.2%	6.4%	5.8%	5.9%	5.8%
Operating profit margin	5.2%	2.5%	2.5%	4.5%	4.1%	3.7%	3.8%	3.7%
Pre-tax profit margin	4.4%	1.6%	1.6%	3.6%	3.2%	2.8%	2.8%	2.7%
Net profit margin	3.8%	1.1%	1.1%	2.8%	2.5%	2.2%	2.2%	2.2%

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

Risk factors

The risk factors below 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 similarly sized companies. We would welcome a distribution from the main shareholders to 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, thereby 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 (favorable weather) is positive for the Partners for Farmers and Farming segments and vice versa. The grain trading operations (part of the Partners for Farmers segment) are also dependent on the weather, but it is not always the case that a good harvest is favorable.

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 essential to allocate capital correctly between investments and dividends. Allocating capital to below-par projects could hurt profitability.

Income Statement	2025	2026	2027E	2028E	2029E
Net sales	1580.7	1511.3	1556.4	1601.4	1651.6
Total operating costs	-1470.5	-1414.9	-1465.7	-1507.4	-1556.0
EBITDA	**110.2**	**96.4**	**90.7**	**94.1**	**95.6**
Depreciation & Amort.	-31.3	-34.5	-33.7	-33.7	-34.1
One-off EBIT items	0.0	0.0	0.0	0.0	0.0
EBIT	**78.9**	**61.9**	**57.0**	**60.3**	**61.6**
Financial net	-16.8	-13.9	-14.0	-16.3	-16.5
Pre-tax profit	**62.1**	**48.0**	**43.0**	**44.1**	**45.1**
Taxes	-1.4	-4.7	-4.3	-4.5	-4.6
Minority interest	-6.4	-5.6	-5.0	-4.8	-4.9
Other items	0.0	0.0	0.0	0.0	0.0
Net profit	**54.3**	**37.7**	**33.7**	**34.8**	**35.6**

Balance Sheet	2025	2026	2027E	2028E	2029E
Cash and cash equivalent	14	43	40	42	43
Receivables	355	342	349	352	347
Inventories	227	250	233	224	223
Other current assets	80	85	85	85	85
Current assets	**676**	**720**	**707**	**703**	**698**
Tangible assets	241	253	281	310	322
Goodwill & intangible assets	11	11	11	11	11
Lease & Investment properties	44	43	47	48	50
Investments	4	3	3	3	3
Associated companies	0	0	0	0	0
Other non-current assets	26	21	21	21	21
Total fixed assets	**326**	**330**	**363**	**393**	**407**
Total Assets	**1002**	**1050**	**1070**	**1096**	**1104**
Non-interest bearing current liabilities	172	193	187	184	182
Short-term debt	250	262	266	269	258
Other current liabilities	61	58	58	58	58
Total current liabilities	**483**	**514**	**511**	**512**	**498**
Long-term debt	89	85	87	87	84
Convertibles & Lease liab.	53	50	47	48	50
Deferred tax liabilities	2	5	5	5	5
Provisions	0	0	0	0	0
Other long-term liabilities	14	18	18	18	18
Total long-term liab.	**163**	**163**	**161**	**163**	**161**
Total Liabilities	**646**	**677**	**672**	**675**	**660**
Minority interest (BS)	24	27	27	27	27
Shareholders' equity	345	365	389	412	436
Total liabilities and equity	**1014**	**1068**	**1088**	**1113**	**1122**

DCF valuation		Cash flow, mEUR	
WACC (%)	8.65 %	NPV FCF (2026-2028)	83
Assumptions 2024-2032 (%)		NPV FCF (2029-2035)	255
Sales CAGR	3.00 %	NPV FCF (2036+)	376
Avg. EBIT margin	3.75 %	Non-operating assets	18
Fair value per share (EUR)	2.00	Interest-bearing debt	-397
Share price (EUR)	1.77	Fair value estimate	334

Free Cash Flow	2025	2026	2027E	2028E	2029E
Operating profit	78.9	61.9	57.0	60.3	61.6
Depreciation & Amort.	31.3	34.5	33.7	33.7	34.1
Working capital chg.	-81.1	3.6	3.9	3.0	4.2
Other Operating CF items	-5.4	-8.0	-5.6	-6.0	-6.2
Operating Cash Flow	**23.7**	**92.0**	**89.0**	**91.0**	**93.7**
Net investments	-77.1	-40.2	-62.3	-62.4	-46.5
Other items	4.9	3.3	0.0	0.0	0.0
Free Cash Flow	**-48.5**	**55.2**	**26.6**	**28.6**	**47.2**

Capital structure	2025	2026	2027E	2028E	2029E
Equity ratio	36.3%	36.7%	38.2%	39.4%	41.2%
Debt / Equity ratio	113.7%	108.9%	102.8%	98.3%	89.9%
Gearing %	102.7%	90.5%	86.5%	82.8%	75.5%
Net debt/EBITDA	3.4	3.7	4.0	3.9	3.6
Interest coverage ratio	4.7	4.6	4.3	3.8	3.9

Profitability	2025	2026	2027E	2028E	2029E
ROE	17.0%	10.6%	8.9%	8.7%	8.4%
FCF yield	-19.5%	18.3%	9.0%	9.7%	15.9%
EBITDA margin	7.0%	6.4%	5.8%	5.9%	5.8%
EBIT margin	5.0%	4.1%	3.7%	3.8%	3.7%
PTP margin	3.9%	3.2%	2.8%	2.8%	2.7%
Net margin	3.4%	2.5%	2.2%	2.2%	2.2%

Valuation	2025	2026	2027E	2028E	2029E
P/E	4.6	8.0	8.8	8.5	8.3
P/E, adjusted	4.6	8.0	8.8	8.5	8.3
P/Sales	0.2	0.2	0.2	0.2	0.2
EV/Sales	0.4	0.5	0.4	0.4	0.4
EV/EBITDA	5.8	7.1	7.5	7.3	7.0
EV/EBIT	8.2	11.0	11.9	11.3	10.8
P/BV	0.7	0.8	0.8	0.7	0.7
P/BV tangible	0.7	0.9	0.8	0.7	0.7

Per share ratios	2025	2026	2027E	2028E	2029E
EPS	0.32	0.23	0.20	0.21	0.21
EPS, adjusted	0.32	0.23	0.20	0.21	0.21
Operating CF/share	0.14	0.55	0.53	0.54	0.56
Free Cash Flow/share	-0.29	0.33	0.16	0.17	0.28
BV/share	2.06	2.18	2.32	2.46	2.61
Tangible BV/share	2.02	2.14	2.28	2.42	2.57
Div. per share	0.09	0.06	0.07	0.07	0.07
Div. payout ratio	27.7%	26.6%	34.7%	33.6%	32.9%
Dividend yield	6.0%	3.4%	4.0%	4.0%	4.0%

Shareholders	Capital	Votes
Akola ApS (Denmark)	194.549	65.75 %
Darius Zubas	30.181	10.20 %
UAB SB Asset Management	15.179	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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ResearchTeam@enlightresearch.net

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Contact information

ResearchTeam@EnlightResearch.net