

Only missing some new orders

Raute's margins were again higher than we estimated, however orders were still soft relative to our expectations.

Strong margins but order intake remained on the low side

Raute's EUR 36m Q4 revenue was lower than our EUR 44m estimate mostly due to Wood Processing, yet the segment's record-high 16% EBITDA margin drove Raute's EUR 5.7m comparable EBITDA a bit above our EUR 5.5m estimate. Wood Processing is unlikely to repeat such a margin performance at least for a while as there were exceptional items due to the reversal of cost provisions. Meanwhile Services EBITDA was also higher than we estimated, but Analyzers was clearly softer. The EUR 25m order intake remained on the soft side as Raute's customers in Europe and North America are still mostly waiting to make their investment decisions. From this perspective LVL and birch plywood have strong outlooks, while softwood plywood is having more challenges.

We make some downward revisions to our estimates

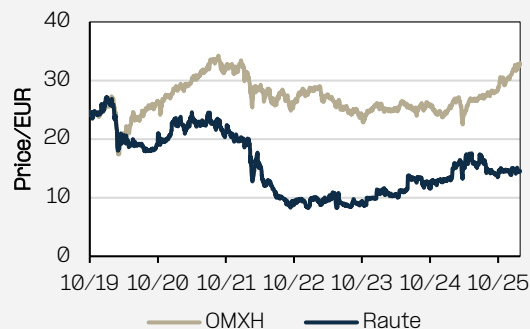
Raute should still be as competitive in smaller equipment orders as it is in larger mill-scale projects, but the prolonged spell of low equipment orders might be one reason why the FY'26 comparable EBITDA guidance has a lower end of EUR 10m as pricing may need some dynamism. We consequently lower our FY'26 comparable EBITDA estimate by some EUR 2m to EUR 17.8m, implying 11.5% EBITDA margin on our EUR 155m estimated revenue. We trim our FY'26 Wood Processing EBITDA margin estimate slightly to 10.5% due to a bit lower revenue outlook as Q4'25 orders were softer than we expected.

Improving new orders could still drive upside later this year

Raute's orders weren't yet as high as we estimated, but we believe EBITDA should soon be able to start trending higher than the EUR 14.5m guidance midpoint (or 9.5% margin on the EUR 152.5m revenue midpoint) suggests as construction activity in Europe seems to be past its lowest point; Raute is also starting to be statistically due another mill-scale order soon as the last mill expansion project was booked in Q1'24. Raute is valued slightly above 5x EV/EBIT on our FY'26 estimates; the multiple could rise to close to 6x if new orders remain lower than we expect, but there's also scope for the multiple to turn lower again next year. Our new TP is EUR 15.0 (17.0); our rating is now ACCUMULATE (BUY).

Rating

+ Accumulate



Share price, EUR (Last trading day's closing price) **14.15**
Target price, EUR 15.0

Latest change in recommendation 13-Feb-26

Latest report on company 04-Feb-26

Research paid by issuer: YES

No. of shares outstanding, '000's 6 040

No. of shares fully diluted, '000's 6 040

Market cap, EURm 85

Free float, % —

Exchange rate —

Reuters code RAUTE.HE

Bloomberg code RAUTE:FH

Average daily volume, EURm 0.1

Next interim report 07-May-26

Web site www.raute.com/investors

Analyst Joonas Ilvonen

E-mail joonas.ilvonen@evli.com

Telephone +358 44 430 9071

++ 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 |
|--------------------------|---------------|--------------|-------------------------|-------------|------------|------------|-----------------------|----------------|----------------|------------|
| 2024 | 204.6 | 13.7 | 6.7% | 11.4 | 1.98 | 6.6 | 0.1 | 2.1 | 14.2% | 0.55 |
| 2025 | 175.6 | 17.3 | 9.8% | -10.1 | 2.14 | 7.1 | 0.3 | 3.1 | -11.1% | 0.65 |
| 2026E | 154.9 | 12.0 | 7.8% | -10.3 | 1.59 | 8.9 | 0.4 | 5.2 | -12.1% | 0.70 |
| 2027E | 161.8 | 13.7 | 8.5% | 8.3 | 1.82 | 7.8 | 0.4 | 4.2 | 9.7% | 0.75 |
| 2028E | 167.1 | 14.2 | 8.5% | 9.1 | 1.84 | 7.7 | 0.3 | 3.7 | 10.6% | 0.56 |
| Market cap, EURm | 85 | | Gearing 2026E, % | | -37.2 % | | CAGR EPS 2025-28, % | | -4.8 % | |
| Net debt 2026E, EURm | -24 | | Price/book 2026E | | 1.3 | | CAGR Sales 2025-28, % | | -1.6 % | |
| Enterprise value, EURm | 62 | | Dividend yield 2026E, % | | 5.0 % | | ROE 2026E, % | | 15.8 % | |
| Total assets 2026E, EURm | 120 | | Tax rate 2026E, % | | 25.0 % | | ROCE 2026E, % | | 17.2 % | |
| Goodwill 2026E, EURm | 2 | | Equity ratio 2026E, % | | 35.7 % | | PEG, P/E 26/CAGR | | 1.1 | |

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

Estimates and peer valuation

| Raute EURm | 2021 | 2022 | 2023 | 2024 | Q1'25 | Q2'25 | Q3'25 | Q4'25 | 2025 | Q1'26e | Q2'26e | Q3'26e | Q4'26e | 2026e |
|--------------------------|------------|------------|------------|------------|------------|------------|------------|-----------|------------|-----------|-----------|-----------|-----------|------------|
| Order intake | 203 | 139 | 316 | 121 | 15 | 12 | 38 | 25 | 90 | 33 | 32 | 43 | 41 | 149 |
| Europe | 69 | 65 | 204 | 81 | 7 | 5 | 21 | 10 | 43 | 21 | 20 | 25 | 25 | 91 |
| Russia | 79 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| North America | 37 | 51 | 48 | 22 | 6 | 4 | 14 | 7 | 31 | 7 | 7 | 13 | 12 | 39 |
| Latin America | 8 | 8 | 58 | 11 | 2 | 2 | 2 | 1 | 6 | 2 | 3 | 3 | 2 | 10 |
| Asia-Pacific | 10 | 11 | 5 | 7 | 1 | 1 | 1 | 7 | 10 | 3 | 2 | 2 | 2 | 9 |
| Order book | 158 | 84 | 266 | 184 | 146 | 115 | 108 | 98 | 98 | 94 | 87 | 92 | 92 | 92 |
| Revenue | 142 | 158 | 145 | 205 | 52 | 44 | 44 | 36 | 176 | 37 | 38 | 38 | 41 | 155 |
| Wood Processing | 97 | 108 | 92 | 147 | 38 | 30 | 32 | 24 | 124 | 24 | 25 | 25 | 27 | 101 |
| Services | 30 | 36 | 33 | 42 | 10 | 10 | 9 | 10 | 38 | 10 | 10 | 10 | 10 | 40 |
| Analyzers | 15 | 15 | 20 | 15 | 4 | 4 | 4 | 2 | 13 | 3 | 3 | 4 | 4 | 14 |
| Europe | 35 | 68 | 56 | 114 | 39 | 33 | 32 | 26 | 129 | 25 | 26 | 26 | 28 | 105 |
| Russia | 70 | 33 | 15 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| North America | 20 | 38 | 44 | 46 | 10 | 7 | 6 | 6 | 28 | 7 | 7 | 7 | 8 | 29 |
| Latin America | 8 | 10 | 21 | 38 | 2 | 3 | 4 | 3 | 12 | 3 | 3 | 3 | 3 | 12 |
| Asia-Pacific | 10 | 9 | 9 | 6 | 2 | 1 | 2 | 1 | 7 | 2 | 2 | 2 | 2 | 8 |
| Comparable EBITDA | 3 | -2 | 9 | 20 | 7 | 7 | 6 | 6 | 26 | 4 | 4 | 5 | 5 | 18 |
| Wood Processing | -5 | -10 | 0 | 11 | 6 | 4 | 5 | 4 | 18 | 3 | 2 | 3 | 3 | 11 |
| Services | 5 | 6 | 5 | 7 | 2 | 2 | 1 | 2 | 7 | 1 | 2 | 2 | 1 | 6 |
| Analyzers | 4 | 2 | 5 | 2 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| EBIT | -2 | -15 | 2 | 14 | 6 | 2 | 5 | 4 | 17 | 3 | 3 | 3 | 3 | 12 |
| <i>EBIT margin</i> | -1.6 % | -9.3 % | 1.3 % | 6.7 % | 11 % | 4 % | 12 % | 12 % | 9.8 % | 7 % | 7 % | 8 % | 8 % | 7.7 % |

Source: Evli Research

| RAUTE PEER GROUP | MCAP MEUR | EV/EBITDA | | | EV/EBIT | | | P/E | | |
|---------------------|--------------|-----------|-------|-------|---------|-------|-------|--------|-------|-------|
| | | 25 | 26 | 27 | 25 | 26 | 27 | 25 | 26 | 27 |
| Biesse | 173 | 5.4x | 4.3x | 3.4x | | 30.5x | 12.8x | | 49.0x | 21.0x |
| Duerr | 1640 | 6.8x | 6.3x | 5.7x | 12.3x | 9.4x | 8.3x | 12.0x | 10.3x | 8.7x |
| Glaston | 50 | 4.7x | 4.6x | 3.9x | 10.3x | 9.9x | 7.2x | 7.5x | 10.9x | 7.2x |
| Kesla | 10 | | 22.1x | 7.1x | | | 13.3x | | | 11.9x |
| Konecranes | 7482 | 10.9x | 10.3x | 9.5x | 13.1x | 12.5x | 11.3x | 18.2x | 17.3x | 15.5x |
| Ponsse | 739 | 9.9x | 9.1x | 8.1x | 18.2x | 15.3x | 12.6x | 23.2x | 20.3x | 16.5x |
| Robit | 27 | 7.0x | 5.7x | 4.8x | 21.2x | 11.0x | 8.1x | 142.0x | 14.4x | 8.7x |
| Sandvik | 45489 | 14.4x | 16.3x | 14.9x | 19.9x | 21.2x | 19.1x | 32.7x | 27.1x | 24.0x |
| Valmet | 5219 | 8.5x | 7.9x | 7.2x | 11.7x | 10.4x | 9.3x | 15.6x | 12.1x | 10.8x |
| Wartsila | 20872 | 15.6x | 17.7x | 16.0x | 19.3x | 20.7x | 18.4x | 33.5x | 31.1x | 27.5x |
| Peer Group Average | 8170 | 9.2x | 10.4x | 8.1x | 15.7x | 15.7x | 12.0x | 35.6x | 21.4x | 15.2x |
| Peer Group Median | 1190 | 8.5x | 8.5x | 7.2x | 15.7x | 12.5x | 12.0x | 20.7x | 17.3x | 13.7x |
| Raute (Evli est.) | 85 | 2.3x | 3.5x | 2.9x | 3.1x | 5.2x | 4.2x | 7.1x | 8.9x | 7.8x |

Raute prem./disc. to peer median

-73 % -59 % -59 % -60 % -59 % -65 % -66 % -48 % -43 %

| RAUTE PEER GROUP | Sales 24 | Sales gr. | | | EBIT-% | | | Div. yield | | |
|---------------------|-------------|-----------|--------|-------|--------|--------|--------|------------|-------|-------|
| | | 25 | 26 | 27 | 25 | 26 | 27 | 25 | 26 | 27 |
| Biesse | 822 | -18.3% | 3.1% | 7.2% | -0.1 % | 0.9 % | 2.1 % | 0.3 % | 0.5 % | 0.6 % |
| Duerr | 4314 | -1.1% | 1.2% | 4.2% | 4.4 % | 5.9 % | 6.4 % | 3.6 % | 3.8 % | 4.6 % |
| Glaston | 213 | -2.1% | -8.1% | 8.2% | 3.5 % | 4.1 % | 5.2 % | 4.7 % | 5.5 % | 7.2 % |
| Kesla | 46 | -22.6% | 11.3% | 15.9% | -9.2 % | -1.4 % | 3.5 % | | | |
| Konecranes | 3365 | 24.5% | 4.5% | 5.7% | 13.3 % | 13.4 % | 14.0 % | 2.3 % | 2.5 % | 2.7 % |
| Ponsse | 755 | -4.7% | 2.0% | 7.2% | 5.8 % | 6.9 % | 7.8 % | 2.5 % | 2.8 % | 3.0 % |
| Robit | 112 | -28.2% | 6.5% | 6.5% | 2.4 % | 4.7 % | 6.0 % | | | |
| Sandvik | 10062 | 13.5% | 7.1% | 7.2% | 17.2 % | 18.8 % | 19.5 % | 1.6 % | 1.7 % | 1.9 % |
| Valmet | 5074 | 5.6% | 0.8% | 5.4% | 9.8 % | 10.9 % | 11.5 % | 4.8 % | 4.8 % | 5.4 % |
| Wartsila | 5842 | 18.3% | 2.0% | 8.4% | 12.0 % | 13.0 % | 13.5 % | 3.0 % | 1.8 % | 2.0 % |
| Peer Group Average | 3061 | -1.5% | 3.0% | 7.6% | 5.9 % | 7.7 % | 9.0 % | 2.8 % | 2.9 % | 3.4 % |
| Peer Group Median | 2094 | -1.6% | 2.6% | 7.2% | 5.1 % | 6.4 % | 7.1 % | 2.7 % | 2.6 % | 2.9 % |
| Raute (Evli est.) | 205 | -14.2% | -11.8% | 4.5% | 9.8 % | 7.7 % | 8.5 % | 4.3 % | 4.9 % | 5.3 % |

Source FactSet, Evli Research

| VALUATION RESULTS | BASE CASE DETAILS | VALUATION ASSUMPTIONS | ASSUMPTIONS FOR WACC | |
|--------------------------|------------------------------|------------------------|----------------------------------|--------|
| Current share price | 14.15 PV of Free Cash Flow | 51 Long-term growth, % | 2.0 % Risk-free interest rate, % | 2.25 % |
| DCF share value | 19.45 PV of Horizon value | 29 WACC, % | 9.2 % Market risk premium, % | 5.8 % |
| Share price potential, % | 37.4 % Unconsolidated equity | 0 Spread, % | 0.5 % Debt risk premium % | 2.8 % |
| Maximum value | 20.3 Marketable securities | 40 Minimum WACC, % | 8.7 % Equity beta coefficient | 1.25 |
| Minimum value | 18.7 Debt – dividend | –2 Maximum WACC, % | 9.7 % Target debt ratio, % | 20 % |
| Horizon value, % | 36.2 % Value of stock | 117 No. of shares, Mn | 6.0 Effective tax rate, % | 18 % |

| DCF valuation, EURm | 2025 | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E | 2032E | 2033E | 2034E | 2035E | TERMINAL |
|---------------------------|--------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|----------|
| Net sales | 176 | 155 | 162 | 167 | 171 | 175 | 179 | 183 | 187 | 191 | 195 | 199 |
| Sales growth (%) | –14.2% | –11.8% | 4.5% | 3.2% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | 2.0% | 2.0% |
| Operating income (EBIT) | 17 | 12 | 14 | 14 | 15 | 16 | 16 | 16 | 17 | 17 | 18 | 18 |
| Operating income margin % | 9.8% | 7.8% | 8.5% | 8.5% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% | 9.0% |
| + Depreciation+amort. | 6 | 6 | 6 | 6 | 6 | 7 | 5 | 4 | 3 | 3 | 3 | |
| EBITDA | 24 | 18 | 20 | 20 | 22 | 22 | 21 | 20 | 20 | 20 | 21 | |
| – Paid taxes | –2 | –3 | –2 | –3 | –3 | –3 | –3 | –3 | –3 | –3 | –4 | |
| – Change in NWC | –29 | –20 | –2 | –1 | –1 | –1 | –1 | –1 | –1 | –1 | –1 | |
| NWC / Sales, % | –1.6% | 10.9% | 11.5% | 11.9% | 12.2% | 12.5% | 12.8% | 13.1% | 13.3% | 13.6% | 13.8% | |
| + Change in other liabs | 1 | | | | | | | | | | | |
| – Operative CAPEX | –6 | –6 | –7 | –7 | –7 | –3 | –3 | –3 | –3 | –3 | –11 | |
| opCAPEX / Sales, % | 1.6% | 3.7% | 4.3% | 4.2% | 4.1% | 1.9% | 1.8% | 1.8% | 1.8% | 1.7% | 5.8% | |
| – Acquisitions | | | | | | | | | | | | |
| + Divestments | | | | | | | | | | | | |
| – Other items | | | | | | | | | | | | |
| = FCFF | –13 | –11 | 9 | 9 | 11 | 15 | 13 | 13 | 13 | 13 | 5 | 68 |
| = Discounted FCFF | | –10 | 7 | 7 | 8 | 10 | 8 | 7 | 6 | 6 | 2 | 29 |
| = DFCF min WACC | | –10 | 7 | 7 | 8 | 10 | 8 | 7 | 7 | 6 | 2 | 32 |
| = DFCF max WACC | | –10 | 7 | 7 | 8 | 10 | 8 | 7 | 6 | 6 | 2 | 26 |

Sensitivity analysis, EUR

| | | Terminal WACC | | | | |
|-----------------|---------|---------------|--------|--------|---------|---------|
| | | 7.17 % | 8.17 % | 9.17 % | 10.17 % | 11.17 % |
| Terminal EBIT–% | 7.00 % | 17.23 | 16.34 | 15.59 | 14.95 | 14.38 |
| | 8.00 % | 20.44 | 18.79 | 17.52 | 16.49 | 15.64 |
| | 9.00 % | 23.65 | 21.25 | 19.45 | 18.04 | 16.89 |
| | 10.00 % | 26.86 | 23.70 | 21.38 | 19.58 | 18.15 |
| | 11.00 % | 30.07 | 26.15 | 23.30 | 21.13 | 19.41 |

INTERIM FIGURES

| EVLI ESTIMATES, EURm | 2025Q1 | 2025Q2 | 2025Q3 | 2025Q4 | 2025 | 2026Q1E | 2026Q2E | 2026Q3E | 2026Q4E | 2026E | 2027E | 2028E |
|----------------------|--------|--------|--------|--------|--------|---------|---------|---------|---------|--------|--------|--------|
| Net sales | 51.9 | 43.8 | 43.6 | 36.3 | 175.6 | 37.4 | 38.2 | 38.3 | 41.0 | 154.9 | 161.8 | 167.1 |
| EBITDA | 7.3 | 4.5 | 6.3 | 5.5 | 23.6 | 4.1 | 4.2 | 4.6 | 4.7 | 17.6 | 19.7 | 20.4 |
| EBITDA margin (%) | 14.0% | 10.2% | 14.4% | 15.3% | 13.4% | 11.0% | 11.0% | 12.0% | 11.5% | 11.4% | 12.2% | 12.2% |
| EBIT | 5.9 | 1.9 | 5.1 | 4.4 | 17.3 | 2.7 | 2.8 | 3.2 | 3.3 | 12.0 | 13.7 | 14.2 |
| EBIT margin (%) | 11.3% | 4.4% | 11.7% | 12.0% | 9.8% | 7.2% | 7.3% | 8.4% | 8.1% | 7.8% | 8.5% | 8.5% |
| Net financial items | -0.1 | 0.4 | 0.0 | 0.0 | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 | 0.8 | -0.3 | -0.3 |
| Pre-tax profit | 5.8 | 2.3 | 5.1 | 4.4 | 17.6 | 2.9 | 3.0 | 3.4 | 3.5 | 12.8 | 13.4 | 13.9 |
| Tax | -1.5 | -1.1 | -1.2 | -0.8 | -4.7 | -0.8 | -0.8 | -0.8 | -0.8 | -3.2 | -2.4 | -2.8 |
| Tax rate (%) | 26.8% | 47.9% | 22.9% | 19.3% | 26.5% | 27.6% | 26.7% | 23.5% | 22.9% | 25.0% | 18.0% | 20.0% |
| Net profit | 4.2 | 1.2 | 3.9 | 3.5 | 12.9 | 2.1 | 2.2 | 2.6 | 2.7 | 9.6 | 11.0 | 11.1 |
| EPS | 0.70 | 0.20 | 0.65 | 0.59 | 2.14 | 0.35 | 0.36 | 0.43 | 0.45 | 1.59 | 1.82 | 1.84 |
| EPS adj. (diluted) | 0.70 | 0.20 | 0.65 | 0.59 | 2.14 | 0.35 | 0.36 | 0.43 | 0.45 | 1.59 | 1.82 | 1.84 |
| Dividend per share | | | | | 0.65 | | | | | 0.70 | 0.75 | 0.56 |
| | | | | | | | | | | | | |
| SALES, EURm | 2025Q1 | 2025Q2 | 2025Q3 | 2025Q4 | 2025 | 2026Q1E | 2026Q2E | 2026Q3E | 2026Q4E | 2026E | 2027E | 2028E |
| Wood Processing | 37.9 | 30.4 | 31.6 | 24.4 | 124.3 | 24.0 | 25.0 | 25.0 | 27.0 | 101.0 | 106.1 | 109.8 |
| Services | 10.3 | 9.9 | 8.5 | 9.6 | 38.3 | 10.2 | 9.9 | 9.8 | 10.3 | 40.2 | 41.4 | 42.4 |
| Analyzers | 3.7 | 3.5 | 3.5 | 2.3 | 13.0 | 3.2 | 3.3 | 3.5 | 3.7 | 13.7 | 14.4 | 14.9 |
| Total | 51.9 | 43.8 | 43.6 | 36.3 | 175.6 | 37.4 | 38.2 | 38.3 | 41.0 | 154.9 | 161.8 | 167.1 |
| | | | | | | | | | | | | |
| SALES GROWTH, Y/Y % | 2025Q1 | 2025Q2 | 2025Q3 | 2025Q4 | 2025 | 2026Q1E | 2026Q2E | 2026Q3E | 2026Q4E | 2026E | 2027E | 2028E |
| Wood Processing | 18.4% | -27.3% | -1.9% | -40.8% | -15.6% | -36.7% | -17.8% | -20.9% | 10.7% | -18.7% | 5.0% | 3.5% |
| Services | 5.1% | -8.3% | -14.1% | -17.2% | -9.0% | -1.0% | | 15.3% | 7.3% | 5.0% | 3.0% | 2.5% |
| Analyzers | 27.6% | -22.2% | -16.7% | -37.8% | -15.0% | -13.5% | -5.7% | | 60.9% | 5.4% | 5.0% | 3.5% |
| Total | 16.1% | -23.3% | -5.8% | -35.8% | -14.2% | -27.9% | -12.8% | -12.2% | 13.0% | -11.8% | 4.5% | 3.2% |
| | | | | | | | | | | | | |
| EBIT, EURm | 2025Q1 | 2025Q2 | 2025Q3 | 2025Q4 | 2025 | 2026Q1E | 2026Q2E | 2026Q3E | 2026Q4E | 2026E | 2027E | 2028E |
| Total | 5.9 | 1.9 | 5.1 | 4.4 | 17.3 | 2.7 | 2.8 | 3.2 | 3.3 | 12.0 | 13.7 | 14.2 |
| Total | 5.9 | 1.9 | 5.1 | 4.4 | 17.3 | 2.7 | 2.8 | 3.2 | 3.3 | 12.0 | 13.7 | 14.2 |
| | | | | | | | | | | | | |
| EBIT margin % | 2025Q1 | 2025Q2 | 2025Q3 | 2025Q4 | 2025 | 2026Q1E | 2026Q2E | 2026Q3E | 2026Q4E | 2026E | 2027E | 2028E |
| Total | 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 | 11.3% | 4.4% | 11.7% | 12.0% | 9.8% | 7.2% | 7.3% | 8.4% | 8.1% | 7.8% | 8.5% | 8.5% |

| INCOME STATEMENT, EURm | 2021 | 2022 | 2023 | 2024 | 2025 | 2026E | 2027E | 2028E |
|--|-------|-------|-------|-------|--------|--------|-------|-------|
| Sales | 142.2 | 158.3 | 145.4 | 204.6 | 175.6 | 154.9 | 161.8 | 167.1 |
| <i>Sales growth (%)</i> | 23.7% | 11.3% | -8.2% | 40.7% | -14.2% | -11.8% | 4.5% | 3.2% |
| EBITDA | 2.1 | -9.6 | 6.8 | 19.1 | 23.6 | 17.6 | 19.7 | 20.4 |
| <i>EBITDA margin (%)</i> | 1.5% | -6.1% | 4.7% | 9.4% | 13.4% | 11.4% | 12.2% | 12.2% |
| Depreciation | -4.3 | -5.0 | -4.9 | -5.4 | -6.3 | -5.6 | -6.0 | -6.2 |
| EBITA | -2.2 | -14.6 | 1.9 | 13.7 | 17.3 | 12.0 | 13.7 | 14.2 |
| Goodwill amortization / writedown | | | | | | | | |
| EBIT | -2.2 | -14.6 | 1.9 | 13.7 | 17.3 | 12.0 | 13.7 | 14.2 |
| <i>EBIT margin (%)</i> | -1.6% | -9.2% | 1.3% | 6.7% | 9.8% | 7.8% | 8.5% | 8.5% |
| Reported EBIT | -2.2 | -14.6 | 1.9 | 13.7 | 17.3 | 12.0 | 13.7 | 14.2 |
| <i>EBIT margin (reported) (%)</i> | -1.6% | -9.2% | 1.3% | 6.7% | 9.8% | 7.8% | 8.5% | 8.5% |
| Net financials | 0.5 | 0.8 | -0.1 | 1.4 | 0.3 | 0.8 | -0.3 | -0.3 |
| Pre-tax profit | -1.7 | -13.8 | 1.8 | 15.1 | 17.6 | 12.8 | 13.4 | 13.9 |
| Taxes | | 2.3 | -0.4 | -3.0 | -4.7 | -3.2 | -2.4 | -2.8 |
| Minority shares | | | | | | | | |
| Net profit | -1.7 | -11.5 | 1.4 | 12.1 | 12.9 | 9.6 | 11.0 | 11.1 |
| Cash NRIs | | | | | | | | |
| Non-cash NRIs | | | | | | | | |
| BALANCE SHEET, EURm | | | | | | | | |
| Assets | | | | | | | | |
| Fixed assets | 19 | 22 | 21 | 19 | 19 | 20 | 21 | 21 |
| Goodwill | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Right of use assets | 10 | 7 | 6 | 6 | 2 | 2 | 2 | 2 |
| Inventory | 22 | 17 | 26 | 24 | 15 | 36 | 37 | 38 |
| Receivables | 32 | 32 | 26 | 25 | 27 | 24 | 25 | 26 |
| Liquid funds | 24 | 8 | 48 | 58 | 40 | 36 | 37 | 38 |
| Total assets | 111 | 92 | 135 | 136 | 107 | 120 | 125 | 129 |
| Liabilities | | | | | | | | |
| Shareholders' equity | 34 | 23 | 38 | 50 | 58 | 64 | 70 | 77 |
| Minority interest | | | | | | | | |
| Convertibles | | | | | | | | |
| Lease liabilities | 8 | 6 | 7 | 6 | 2 | 2 | 2 | 2 |
| Deferred taxes | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest bearing debt | 2 | 7 | | | | 10 | 7 | 4 |
| Non-interest bearing current liabilities | 39 | 34 | 63 | 50 | 24 | 21 | 22 | 23 |
| Other interest-free debt | 27 | 22 | 27 | 30 | 22 | 22 | 22 | 22 |
| Total liabilities | 111 | 92 | 135 | 136 | 107 | 120 | 125 | 129 |
| CASH FLOW, EURm | | | | | | | | |
| + EBITDA | 2 | -10 | 7 | 19 | 24 | 18 | 20 | 20 |
| - Net financial items | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 |
| - Taxes | -1 | -1 | -1 | -1 | -2 | -3 | -2 | -3 |
| - Increase in Net Working Capital | 21 | -5 | 30 | -6 | -29 | -20 | -2 | -1 |
| +/- Other | | | | | | | | |
| = Cash flow from operations | 23 | -14 | 36 | 14 | -7 | -5 | 15 | 16 |
| - Capex | -10 | -4 | -4 | -3 | -3 | -6 | -7 | -7 |
| - Acquisitions | | | | | | | | |
| + Divestments | | | | | | | | |
| = Free cash flow | 13 | -18 | 32 | 11 | -10 | -10 | 8 | 9 |
| +/- New issues/buybacks | -1 | 0 | 14 | 0 | -1 | | | |
| - Paid dividend | | | 1 | 3 | 4 | 4 | 5 | 3 |
| +/- Other | 5 | 1 | -6 | -1 | -3 | 10 | -2 | -3 |
| Change in cash | 13 | -17 | 40 | 9 | -17 | -5 | 2 | 1 |

| KEY FIGURES | 2022 | 2023 | 2024 | 2025 | 2026E | 2027E | 2028E |
|--------------------------------------|------|------|------|------|-------|-------|-------|
| M-cap | 35 | 60 | 80 | 91 | 85 | 85 | 85 |
| Net debt (excl. convertibles) | 5 | -41 | -52 | -38 | -24 | -28 | -32 |
| Enterprise value | 40 | 19 | 28 | 53 | 62 | 58 | 53 |
| Sales | 158 | 145 | 205 | 176 | 155 | 162 | 167 |
| EBITDA | -10 | 7 | 19 | 24 | 18 | 20 | 20 |
| EBIT | -15 | 2 | 14 | 17 | 12 | 14 | 14 |
| Pre-tax | -14 | 2 | 15 | 18 | 13 | 13 | 14 |
| Earnings | -11 | 1 | 12 | 13 | 10 | 11 | 11 |
| Equity book value (excl. minorities) | 23 | 38 | 50 | 58 | 64 | 70 | 77 |

| Valuation multiple | 2022 | 2023 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---------------------|------|------|------|------|-------|-------|-------|
| EV/Sales | 0.3 | 0.1 | 0.1 | 0.3 | 0.4 | 0.4 | 0.3 |
| EV/EBITDA | -4.2 | 2.8 | 1.5 | 2.3 | 3.5 | 2.9 | 2.6 |
| EV/EBITA | -2.8 | 10.1 | 2.1 | 3.1 | 5.2 | 4.2 | 3.7 |
| EV/EBIT | -2.8 | 10.1 | 2.1 | 3.1 | 5.2 | 4.2 | 3.7 |
| EV/OCF | -2.9 | 0.5 | 2.0 | -7.3 | -13.5 | 3.8 | 3.3 |
| EV/FCF | -1.9 | 0.6 | 3.0 | -4.0 | -5.5 | 6.7 | 5.7 |
| P/FCFR | -1.9 | 1.9 | 7.0 | -9.0 | -8.3 | 10.3 | 9.4 |
| P/E | -3.1 | 44.7 | 6.6 | 7.1 | 8.9 | 7.8 | 7.7 |
| P/BV | 1.5 | 1.6 | 1.6 | 1.6 | 1.3 | 1.2 | 1.1 |
| Target EV/EBITDA | | | | | 3.8 | 3.2 | 2.9 |
| Target EV/EBIT | | | | | 5.6 | 4.6 | 4.1 |
| Target EV/FCFF | | | | | -6.5 | 7.6 | 6.4 |
| Target P/BV | | | | | 1.4 | 1.3 | 1.2 |
| Target P/E, diluted | -3.8 | 35.2 | 7.2 | 8.1 | 9.4 | 8.2 | 8.2 |

| Per share measures | 2022 | 2023 | 2024 | 2025 | 2026E | 2027E | 2028E |
|-------------------------------------|--------|-------|-------|--------|--------|-------|-------|
| Number of shares (million) | 4.25 | 6.12 | 6.12 | 6.04 | 6.04 | 6.04 | 6.04 |
| Number of shares (diluted, million) | 4.25 | 6.12 | 6.12 | 6.04 | 6.04 | 6.04 | 6.04 |
| EPS | -2.70 | 0.22 | 1.98 | 2.14 | 1.59 | 1.82 | 1.84 |
| Operating cash flow per share | -3.30 | 5.86 | 2.31 | -1.20 | -0.76 | 2.53 | 2.65 |
| Free cash flow per share | -4.24 | 5.28 | 1.87 | -1.68 | -1.71 | 1.38 | 1.51 |
| Book value per share | 5.39 | 6.27 | 8.12 | 9.60 | 10.54 | 11.66 | 12.75 |
| Dividend per share | | 0.10 | 0.55 | 0.65 | 0.70 | 0.75 | 0.56 |
| Dividend payout ratio, % | | 45.3% | 27.8% | 30.4% | 44.0% | 41.2% | 30.4% |
| Dividend yield, % | | 1.0% | 4.2% | 4.6% | 5.0% | 5.3% | 4.0% |
| FCF yield, % | -51.4% | 53.6% | 14.2% | -11.1% | -12.1% | 9.7% | 10.6% |

| Efficiency measures | 2022 | 2023 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---------------------|--------|------|-------|-------|-------|-------|-------|
| ROE | -40.3% | 4.4% | 27.5% | 24.0% | 15.8% | 16.4% | 15.1% |
| ROCE | -36.3% | 4.6% | 27.4% | 29.2% | 17.2% | 17.3% | 17.1% |

| Financial ratios | 2022 | 2023 | 2024 | 2025 | 2026E | 2027E | 2028E |
|--|-------|---------|---------|--------|--------|--------|--------|
| Inventories as % of sales | 10.6% | 18.1% | 11.5% | 8.8% | 23.0% | 23.0% | 23.0% |
| Receivables as % of sales | 20.2% | 17.8% | 12.2% | 15.6% | 15.7% | 15.7% | 15.7% |
| Non-int. bearing liabilities as % of sales | 21.4% | 43.1% | 24.4% | 13.6% | 13.6% | 13.6% | 13.6% |
| NWC/sales, % | -4.6% | -25.9% | -15.6% | -1.6% | 10.9% | 11.5% | 11.9% |
| Operative CAPEX/Sales, % | 2.5% | 2.4% | 1.3% | 1.6% | 3.7% | 4.3% | 4.2% |
| CAPEX/sales (incl. acquisitions), % | 2.5% | 2.4% | 1.3% | 1.6% | 3.7% | 4.3% | 4.2% |
| FCFF/EBITDA | 2.2 | 4.7 | 0.5 | -0.6 | -0.6 | 0.4 | 0.5 |
| Net Debt/EBITDA, book-weighted | -0.6 | -6.1 | -2.7 | -1.6 | -1.3 | -1.4 | -1.6 |
| Debt/equity, market-weighted | 0.2 | | | | 0.1 | 0.1 | 0.0 |
| Equity ratio, book-weighted | 0.4 | 0.5 | 0.6 | 1.2 | 1.0 | 1.1 | 1.1 |
| Gearing, % | 23.6% | -108.1% | -104.4% | -65.5% | -37.2% | -39.4% | -41.9% |

COMPANY DESCRIPTION: Raute offers production lines, machinery and services for the entire production process of veneer and veneer-based products, which include plywood and laminated veneer lumber (LVL). The company's strategy is premised on a complementary offering of veneer production technology and services. Raute has differentiated itself through technological leadership and the ability to supply complete plywood and LVL production processes. Raute delivers most of its equipment in a tailored project-driven fashion to a global customer base consisting of hundreds of plywood and LVL mills. Raute has its main production plant in Lahti, Finland, however the company also operates a global sales and services network. Raute is a global leader in its niche market.

INVESTMENT CASE: Raute is the most technologically sophisticated vendor and a market leader within its niche. In our view this set-up will not change as current competition lags quite far behind and larger capital goods companies are unlikely to enter the relatively small market. Predicting Raute's project delivery flow is not easy and a single large project can make up a significant portion of a given calendar year's activity. Services growth might help to smooth financial performance, however project deliveries will always remain crucially important for Raute's success.

| OWNERSHIP STRUCTURE | SHARES | EURm | % |
|--------------------------------------|-----------|--------|--------|
| Sundholm Göran Wilhelm | 756 250 | 10.701 | 12.5 % |
| Laakkonen Mikko Kalervo | 172 225 | 2.437 | 2.9 % |
| eQ Finland Investment Fund | 134 368 | 1.901 | 2.2 % |
| Mandatum Life Insurance Company Ltd. | 132 574 | 1.876 | 2.2 % |
| Stephen Industries Inc Oy | 129 687 | 1.835 | 2.1 % |
| Suominen Pekka Matias | 117 329 | 1.660 | 1.9 % |
| Siivonen Osku Pekka | 106 901 | 1.513 | 1.8 % |
| eQ Nordic Small Cap Mutual Fund | 106 000 | 1.500 | 1.8 % |
| Kirmo Kaisa Marketta | 105 421 | 1.492 | 1.7 % |
| Mustakallio Mika Tapani | 103 678 | 1.467 | 1.7 % |
| Ten largest | 1 864 433 | 26.382 | 30.9 % |
| Residual | 4 175 567 | 59.084 | 69.1 % |
| Total | 6 040 000 | 85.466 | 100% |

EARNINGS CALENDAR

| | |
|------------------|-----------|
| May 07, 2026 | Q1 report |
| August 12, 2026 | Q2 report |
| October 30, 2026 | Q3 report |

OTHER EVENTS

COMPANY MISCELLANEOUS

| | |
|----------------------|------------------------------|
| CEO: Mika Saariaho | Rautatie 2, FI-15550 Nastola |
| CFO: Ville Halttunen | Tel: +358 3 82911 |
| IR: | |

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, % $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$ | |

Important Disclosures

Evli Research Partners Plc ("ERP") uses 12-month target prices. Target prices are defined by utilizing analytical techniques based on financial theory including (but not limited to) discounted cash flow analysis and comparative valuation. The selection of valuation methods depends on different circumstances. Target prices may be altered on the basis of new information coming to light in the underlying company or changes in interest rates, changes in foreign exchange rates, other securities prices or market indices or outlook for the aforementioned factors or other factors that may change the conditions of financial markets. The valuation assumptions used are sensitive to changes and can significantly affect fair values. A change of a single percentage point in any used assumption could affect fair values by more than +/-20%. Recommendations and changes by analysts are available at [Analysts' recommendations and ratings revisions](#).

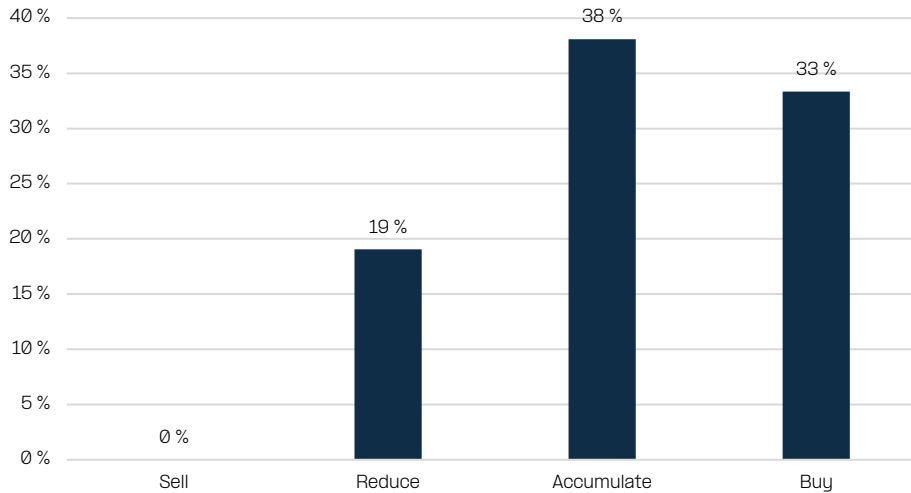
Investment recommendations are defined as follows:

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

Recommendation
 SELL
 REDUCE
 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.

ERP's investment recommendation of the analyzed company is updated at least 2 times per year.



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

This research report has been prepared by Evli Research Partners Plc ("ERP" or "Evli Research"). ERP is a subsidiary of Evli Plc. Production of the investment recommendation has been concluded on [13.2.2026, 8:35]. This report has been published on [13.2.2026, 9:00].

None of the analysts contributing to this report, persons under their guardianship or corporations under their control have a position in the shares of the company or related securities.

The date and time for any price of financial instruments mentioned in the recommendation refer to the previous trading day's closing price(s) unless otherwise stated in the report.

Each analyst responsible for the content of this report assures that the expressed views accurately reflect the personal views of each analyst on the covered companies and securities. Each analyst assures that (s)he has not been, nor are or will be, receiving direct or indirect compensation related to the specific recommendations or views contained in this report.

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

According to ERP's best knowledge, the issuer(s) of the securities does/(do) not hold in excess of 5% of the total issued share capital of the issuer(s).

Neither ERP nor any company within the Evli Group have managed or co-managed a public offering of the company's securities during the last 12 months prior to, received compensation for investment banking services from the company during the last 12 months prior to the publication of the research report.

ERP has signed an agreement with the issuer of the financial instruments mentioned in the recommendation, which includes production of research reports. This assignment has a limited economic and financial impact on ERP and/or Evli. Under the assignment ERP performs services including, but not limited to, arranging investor meetings or –events, investor relations communication advisory and production of research material.

ERP or another company within the Evli Group does not have an agreement with the company to perform market making or liquidity providing services.

For the prevention and avoidance of conflicts of interests with respect to this report, there is an information barrier (Chinese wall) between Investment Research and Corporate Finance units concerning unpublished investment banking services to the company. The remuneration of the analyst(s) is not tied directly or indirectly to investment banking transactions or other services performed by Evli Plc or any company within Evli Group.

This report has not been disclosed to the company prior to its dissemination.

This report is provided and intended for informational purposes only and may not be used or considered under any circumstances as an offer to sell or buy any securities or as advice to trade any securities.

This report is based on sources ERP considers to be correct and reliable. The sources include information providers FactSet and Bloomberg, stock-exchange releases from the companies and other company news, and publicly available online sources. However, ERP does not guarantee the materialization, correctness, accuracy or completeness of the information, opinions, estimates or forecasts expressed or implied in the report. In addition, circumstantial changes may have an influence on opinions and estimates presented in this report. The opinions and estimates presented are valid at the moment of their publication and they can be changed without a separate announcement. Neither ERP nor any company within the Evli Group are responsible for amending, correcting or updating any information, opinions or estimates contained in this report. Neither ERP nor any company within the Evli Group will compensate any direct or consequential loss caused by or derived from the use of the information represented in this publication.

All information published in this report is for the original recipient's private and internal use only. ERP reserves all rights to the report. No part of this publication may be reproduced or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, or stored in any retrieval system of any nature, without the written permission of ERP.

This report or its copy may not be published or distributed in Australia, Canada, Hong Kong, Japan, New Zealand, Singapore or South Africa. The publication or distribution of this report in certain other jurisdictions may also be restricted by law. Persons into whose possession this report comes are required to inform themselves about and to observe any such restrictions.

Evli Plc is not registered as a broker-dealer with the U. S. Securities and Exchange Commission ("SEC"), and it and its analysts are not subject to SEC rules on securities analysts' certification as to the currency of their views reflected in the research report. Evli Bank is not a member of the Financial Industry Regulatory Authority ("FINRA"). It and its securities analysts are not subject to FINRA's rules on Communications with the Public and Research Analysts and Research Reports and the attendant requirements for fairness, balance and disclosure of potential conflicts of interest. This research report is only being offered in U.S. by Auerbach Grayson & Company, LLC (Auerbach Grayson) to Major U.S. Institutional Investors and is not available to, and should not be used by, any U.S. person or entity that is not a Major U.S. Institutional Investor. Auerbach Grayson is a broker-dealer registered with the U.S. Securities and Exchange Commission and is a member of the FINRA. U.S. entities seeking more information about any of the issuers or securities discussed in this report should contact Auerbach Grayson. The securities of non-U.S. issuers may not be registered with or subject to SEC reporting and other requirements.

ERP is not a supervised entity but its parent company Evli Plc is supervised by the Finnish Financial Supervision Authority.

Contact information**SALES, TRADING AND RESEARCH****Equity Sales & Trading**

| | |
|-------------------------|------------------|
| Joachim Dannberg (head) | +358 9 4766 9123 |
| Aleksi Jalava | +358 9 4766 9123 |
| Pasi Väisänen | +358 9 4766 9123 |

Evli Investment Solutions

| | |
|----------------|------------------|
| Johannes Asuja | +358 9 4766 9205 |
|----------------|------------------|

Equity Research

| | |
|------------------------|------------------|
| Jerker Salokivi (head) | +358 9 4766 9149 |
| Joonas Ilvonen | +358 44 430 9071 |
| Atte Jortikka | +358 40 054 3725 |
| Atte Pitkälampi | +358 44 047 6597 |

EVLI

EVLI PLC
Aleksanterinkatu 19 A
P.O. Box 1081
FIN-00101 Helsinki, FINLAND
Phone +358 9 476 690
Internet www.evli.com
E-mail firstname.lastname@evli.com

**EVLI PLC,
STOCKHOLMSFILIAL**
Regeringsgatan 67 P.O. Box 16354
SE-103 26 Stockholm
Sverige
stockholm@evli.com
Tel +46 (0)8 407 8000