

Inission

Capital Goods
Sweden

KEY DATA

Stock country	Sweden
Bloomberg	INISSB.SS
Reuters	INISSB.ST
Share price (close)	SEK 126.0
Free Float	31%
Market cap. (bn)	EUR 0.06/SEK 0.62
Website	www.inission.com
Next report date	25 Feb 2021

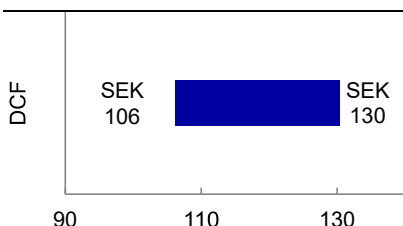
PERFORMANCE



— Inission
— Sweden OMX Stockholm All-Share (Rebased)

Source: Refinitiv

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2020E	2021E	2022E
Sales	2%	1%	1%
EBIT (adj)	1%	-9%	-9%

Source: Nordea estimates

Mixed feelings but ample potential in 2021E

Inission will report its Q4 2020 on 25 February. Going into 2021, we lower our EBIT margin assumptions as we believe the margin improvement story may take longer to realise than we had expected. We also lift our D&A assumptions. We still see potential upside from value accretive M&A and expanded participation in the value chain, eg by increasing activity in consulting, box-builds, and service. Based on our updated expectations, we reduce our DCF-based fair value range to SEK 106-130 (109-134).

Sales growth driven by HY-Tech acquisition

Inission is set to report its final quarter of 2020 on 25 February. We expect sales of SEK 267m, up 10% y/y, mainly driven by the acquisition of HY-Tech and a better-than-expected organic development of -7% y/y. We estimate an adjusted EBIT margin of 5.3% (up ~120 bp y/y), leading to adjusted EBIT of SEK 14m.

We forecast 4% organic growth for 2021

For 2021E, we believe a rebound in demand could drive organic growth, but the SEK ~90m ventilator order, which we believe supported sales in Q2 and Q3 2020, was likely a one-off event that will create tougher comparisons. Because of this, we estimate organic sales growth of 4% for 2021. In addition to the organic rebound, we argue that increased profitability (versus 2020) and potential M&A are potential earnings drivers for 2021 and beyond. We expect the company to continue working on improving its profitability by being more active across more of the value chain, for example by moving from PCBA to box-builds. The development of the consulting business in Västerås could also increase margins, as it enables Inission to become involved at the design phase of the customer's product.

Our DCF-derived fair value range is adjusted to SEK 106-130

We lower our EBITDA margin assumptions slightly and increase D&A going forward, leading to negative EBIT revisions of -1% for 2020E and -9% for 2021E-22E. We increase our 2020 sales estimates by 2%, and both 2021 and 2022 sales by 1%. We also make minor updates to our model. We adjust our DCF-derived fair value range to SEK 106-130 (109-134). Our current estimates imply a 2021E EV/EBIT (adjusted) multiple of 11.6x.

SUMMARY TABLE - KEY FIGURES

SEKm	2016	2017	2018	2019	2020E	2021E	2022E
Total revenue	526	713	740	980	1,047	1,110	1,155
EBITDA (adj)	31	37	49	73	67	79	88
EBIT (adj)	24	30	41	61	54	68	75
EBIT (adj) margin	4.6%	4.2%	5.5%	6.2%	5.1%	6.1%	6.5%
EPS (adj, SEK)	15.34	5.78	6.09	8.90	6.40	7.66	8.58
EPS (adj) growth	39.3%	-62.3%	5.5%	46.0%	-28.1%	19.7%	12.0%
DPS (ord, SEK)	3.00	0.00	1.51	0.00	2.00	2.50	3.00
EV/Sales	0.4	0.5	0.6	0.7	0.7	0.7	0.6
EV/EBIT (adj)	7.6	12.0	10.1	11.0	12.7	11.3	9.9
P/E (adj)	2.8	7.5	8.1	12.5	19.7	16.4	14.7
P/BV	0.9	2.2	2.1	3.8	2.5	2.5	2.3
Dividend yield (ord)	7.1%	0.0%	3.1%	0.0%	1.6%	2.0%	2.4%
FCF Yield bef A&D, lease	-40.9%	20.9%	-3.1%	17.4%	4.5%	2.6%	5.1%
Net debt	134	187	176	130	22	13	-10
Net debt/EBITDA	4.3	5.1	3.6	1.9	0.3	0.2	-0.1
ROIC after tax	11.8%	9.7%	10.9%	16.0%	14.1%	16.8%	17.4%

Source: Company data and Nordea estimates

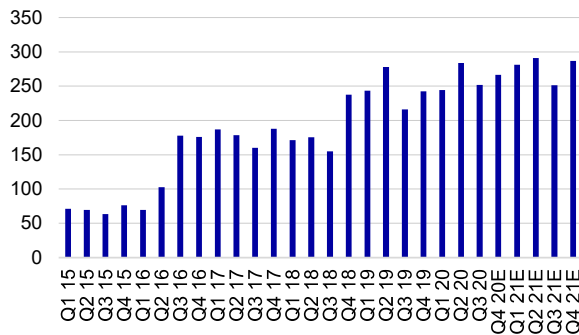
Nordea Markets - Analysts

Carl Ragnerstam
Analyst

Gustav Norrström
Assistant Analyst

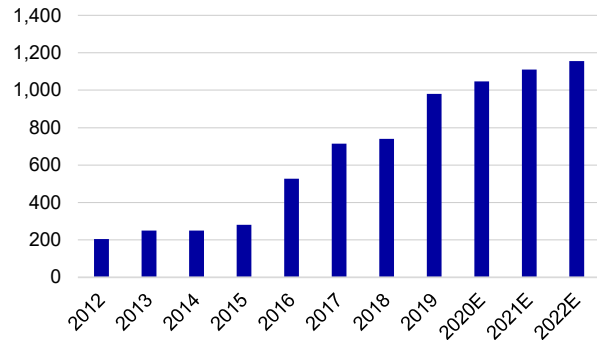
Quarterly charts

INISSION: QUARTERLY SALES (SEKm)



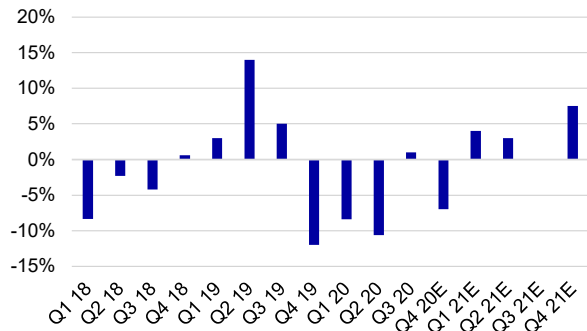
Source: Company data and Nordea estimates

INISSION: ANNUAL SALES (SEKm)



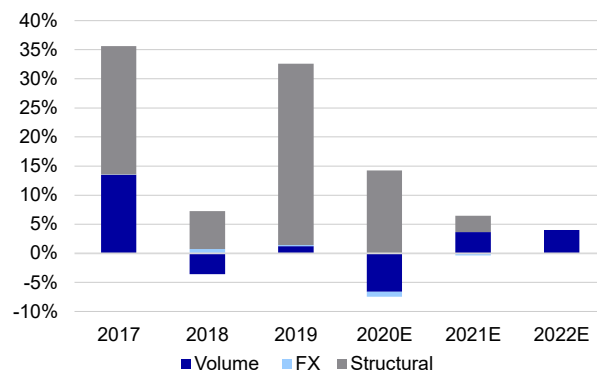
Source: Company data and Nordea estimates

INISSION: QUARTERLY ORGANIC GROWTH (%)



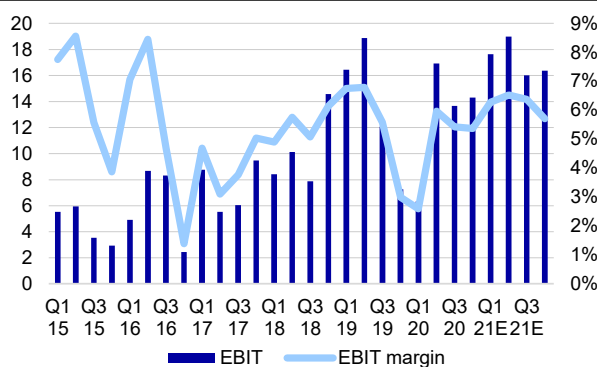
Source: Company data and Nordea estimates

INISSION: SALES GROWTH BY PARAMETER (%)



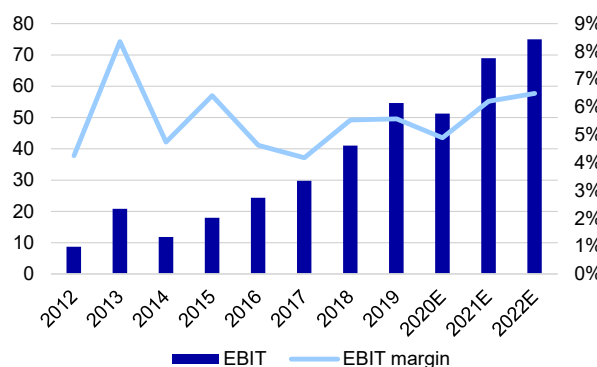
Source: Company data and Nordea estimates

INISSION: QUARTERLY EBIT (SEKm) AND EBIT MARGIN (%)



Source: Company data and Nordea estimates

INISSION: ANNUAL EBIT (SEKm) AND EBIT MARGIN (%)



Source: Company data and Nordea estimates

Detailed estimates

INISSION: QUARTERLY ESTIMATES (SEKm; SHARE NUMBERS IN MILLIONS)

Group	Q1 20	Q2 20	Q3 20	Q4 20E	Q1 21E	Q2 21E	Q3 21E	Q4 21E
Net sales	244	284	252	267	281	291	251	287
Cost of goods sold	-154	-174	-149	-159	-165	-169	-153	-165
Other external costs	-20	-33	-28	-23	-23	-28	-22	-27
Personnel costs	-68	-67	-57	-69	-72	-71	-57	-74
Other operating costs	0	0	0	0	0	0	0	0
EBITDA	11	23	20	19	22	24	21	21
Depreciation	-2	-4	-4	-3	-3	-3	-3	-3
EBITA	9	19	16	16	20	21	18	18
Amortisation	-3	-2	-2	-2	-2	-2	-2	-2
EBIT	6	17	14	14	17	19	16	16
Adj. EBIT	9	17	14	14	17	19	16	16
Net financial items	-2.7	-2.1	-2.4	-1.7	-1.7	-1.7	-1.7	-1.7
PTP	4	15	11	12	16	17	14	14
Tax	-2	-4	-3	-3	-4	-4	-3	-3
Net profit	2	11	9	9	12	13	11	11
Basic EPS, SEK	0.44	2.23	1.70	1.56	1.98	2.15	1.78	1.82
Diluted EPS, SEK	0.44	2.23	1.68	1.55	1.97	2.13	1.76	1.80
Nr of shares at the period end bef dil	4.90	4.98	5.06	6.00	6.00	6.00	6.00	6.00
Nr of shares at the period end after d	4.93	4.97	5.10	6.04	6.04	6.04	6.04	6.04
EBITDA margin	4.4%	8.3%	8.0%	7.3%	8.0%	8.2%	8.2%	7.4%
EBITA margin	3.7%	6.8%	6.3%	6.1%	7.0%	7.2%	7.2%	6.4%
EBIT margin	2.6%	6.0%	5.4%	5.3%	6.2%	6.4%	6.3%	5.6%
Adj. EBIT margin	3.7%	6.0%	5.4%	5.3%	6.2%	6.4%	6.3%	5.6%

Note: Amortisation figures for Q1 2020 to Q3 2020 are Nordea estimates

Source: Company data and Nordea estimates

INISSION: ANNUAL ESTIMATES (SEKm; SHARE NUMBERS IN MILLIONS)

Group	2015	2016	2017	2018	2019	2020E	2021E	2022E
Net sales	280	526	713	740	980	1,047	1,110	1,155
Cost of goods sold	-155	-317	-460	-453	-576	-636	-652	-673
Other external costs	-25	-53	-50	-55	-73	-104	-100	-104
Personnel costs	-79	-133	-177	-185	-251	-261	-274	-285
Other operating costs	1	8	-3	-4	-1	0	0	0
EBITDA	23	31	37	49	67	65	88	97
Depreciation	-5	-7	-7	-8	-12	-14	-11	-13
EBITA	18	24	30	41	58	60	77	84
Amortisation	0	0	0	0	-3	-9	-9	-9
EBIT	18	24	30	41	55	51	68	75
Adj. EBIT	18	24	30	41	61	54	68	75
Net financial items	-1	-2	-3	-4	-7	-9	-7	-7
PTP	17	23	26	37	48	42	61	68
Tax	-5	-4	-3	-7	-11	-11	-15	-16
Net profit	13	19	23	30	37	31	47	52
Basic EPS, SEK	11.01	15.43	5.90	6.19	7.60	5.96	7.72	8.64
Diluted EPS, SEK	11.01	15.34	5.78	6.09	7.55	5.93	7.67	8.58
Nr of shares at the period end bef dil	1.15	1.20	3.90	4.85	4.90	5.24	6.00	6.00
Nr of shares at the period end after d	1.15	1.21	3.99	4.93	4.93	5.26	6.04	6.04
EBITDA margin	8.2%	5.9%	5.2%	6.6%	7.1%	7.1%	7.9%	8.4%
EBITA margin	6.4%	4.6%	4.2%	5.5%	5.9%	5.8%	6.9%	7.3%
EBIT margin	6.4%	4.6%	4.2%	5.5%	5.6%	4.9%	6.1%	6.5%
Adj. EBIT margin	6.4%	4.6%	4.2%	5.5%	6.2%	5.1%	6.1%	6.5%

Note: Amortisation figures for 2019 are Nordea estimates

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

SEKm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Total revenue	204	249	250	280	526	713	740	980	1,047	1,110	1,155
Revenue growth	n.a.	21.7%	0.3%	12.2%	87.7%	35.6%	3.7%	32.5%	6.8%	6.1%	4.0%
of which organic	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
of which FX	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA	10	26	17	23	31	37	49	67	65	79	88
Depreciation and impairments PPE	-2	-5	-5	-5	-7	-7	-8	-12	-14	-11	-13
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	9	21	12	18	24	30	41	55	51	68	75
Amortisation and impairments	0	0	0	0	0	0	0	0	0	0	0
EBIT	9	21	12	18	24	30	41	55	51	68	75
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	0	-1	-1	-1	-2	-3	-4	-7	-9	-7	-7
of which lease interest	0	0	0	0	0	0	0	0	0	0	0
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	9	20	11	17	23	26	37	48	42	61	68
Reported taxes	1	-6	-3	-5	-4	-3	-7	-11	-11	-15	-16
Net profit from continued operations	10	14	8	13	19	23	30	37	31	46	52
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0	0	0	0	0
Net profit to equity	10	14	8	13	19	23	30	37	31	46	52
EPS, SEK	n.a.	n.a.	n.a.	11.01	15.34	5.78	6.09	7.58	5.91	7.66	8.58
DPS, SEK	0.00	0.00	0.00	0.00	3.00	0.00	1.51	0.00	2.00	2.50	3.00
of which ordinary	0.00	0.00	0.00	0.00	3.00	0.00	1.51	0.00	2.00	2.50	3.00
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Profit margin in percent

EBITDA	5.1%	10.4%	6.7%	8.2%	5.9%	5.2%	6.6%	6.8%	6.2%	7.1%	7.6%
EBITA	4.3%	8.4%	4.7%	6.4%	4.6%	4.2%	5.5%	5.6%	4.9%	6.1%	6.5%
EBIT	4.3%	8.4%	4.7%	6.4%	4.6%	4.2%	5.5%	5.6%	4.9%	6.1%	6.5%

Adjusted earnings

EBITDA (adj)	10	26	17	23	31	37	49	73	67	79	88
EBITA (adj)	9	21	12	18	24	30	41	61	54	68	75
EBIT (adj)	9	21	12	18	24	30	41	61	54	68	75
EPS (adj, SEK)	n.a.	n.a.	n.a.	11.01	15.34	5.78	6.09	8.90	6.40	7.66	8.58

Adjusted profit margins in percent

EBITDA (adj)	5.1%	10.4%	6.7%	8.2%	5.9%	5.2%	6.6%	7.5%	6.4%	7.1%	7.6%
EBITA (adj)	4.3%	8.4%	4.7%	6.4%	4.6%	4.2%	5.5%	6.2%	5.1%	6.1%	6.5%
EBIT (adj)	4.3%	8.4%	4.7%	6.4%	4.6%	4.2%	5.5%	6.2%	5.1%	6.1%	6.5%

Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	n.a.	28.4%	24.3%	31.4%	30.2%	16.1%	10.1%
EBITDA	n.m.	n.m.	n.m.	n.m.	n.m.	28.7%	13.5%	32.0%	22.9%	20.5%	18.8%
EBIT	n.a.	n.a.	n.a.	n.a.	n.a.	27.9%	14.5%	35.8%	23.2%	22.8%	20.3%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-11.7%	-13.0%	8.2%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	-3.6%	n.m.
Average last 5 years											
Average EBIT margin	n.a.	n.a.	n.a.	n.a.	5.5%	5.2%	5.0%	5.2%	5.0%	5.3%	5.8%
Average EBITDA margin	n.a.	n.a.	n.a.	n.a.	7.1%	6.6%	6.2%	6.4%	6.2%	6.5%	6.9%

VALUATION RATIOS - ADJUSTED EARNINGS

SEKm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
P/E (adj)	n.a.	n.a.	n.a.	1.5	2.8	7.5	8.1	12.5	19.7	16.4	14.7
EV/EBITDA (adj)	n.a.	n.a.	n.a.	1.9	5.9	9.6	8.5	9.2	10.1	9.7	8.5
EV/EBITA (adj)	n.a.	n.a.	n.a.	2.4	7.6	12.0	10.1	11.0	12.7	11.3	9.9
EV/EBIT (adj)	n.a.	n.a.	n.a.	2.4	7.6	12.0	10.1	11.0	12.7	11.3	9.9

VALUATION RATIOS - REPORTED EARNINGS

SEKm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
P/E	n.a.	n.a.	n.a.	1.5	2.8	7.5	8.1	14.6	21.3	16.4	14.7
EV/Sales	n.a.	n.a.	n.a.	0.15	0.35	0.50	0.56	0.69	0.65	0.69	0.65
EV/EBITDA	n.a.	n.a.	n.a.	1.9	5.9	9.6	8.5	10.1	10.6	9.7	8.5
EV/EBITA	n.a.	n.a.	n.a.	2.4	7.6	12.0	10.1	12.3	13.4	11.3	9.9
EV/EBIT	n.a.	n.a.	n.a.	2.4	7.6	12.0	10.1	12.3	13.4	11.3	9.9
Dividend yield (ord.)	n.a.	n.a.	n.a.	0.0%	7.1%	0.0%	3.1%	0.0%	1.6%	2.0%	2.4%
FCF yield	n.a.	n.a.	n.a.	-79.3%	-70.9%	7.1%	-3.1%	7.8%	3.0%	2.6%	5.1%
FCF Yield bef A&D, lease adj	n.a.	n.a.	n.a.	-79.3%	-40.9%	20.9%	-3.1%	17.4%	4.5%	2.6%	5.1%
Payout ratio	n.a.	n.a.	n.a.	0.0%	19.6%	0.0%	24.9%	0.0%	33.9%	32.6%	35.0%

Source: Company data and Nordea estimates

BALANCE SHEET

SEKm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
Intangible assets	0	12	9	29	9	7	9	11	11	11	11
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	0	0	0	0	0	2	2	1	1	1	1
of which goodwill	0	12	9	29	9	5	7	10	10	10	10
Tangible assets	0	4	3	3	6	15	36	39	65	89	94
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
Shares associates	0	0	0	0	0	60	0	0	0	0	0
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	0	3	1	0	0	0	5	6	0	0	0
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	0	25	30	21	0	0	1	1	0	0	0
Total non-current assets	0	44	43	53	16	82	51	57	76	101	105
Inventory	0	51	47	62	164	165	241	251	262	278	289
Accounts receivable	0	49	44	53	131	124	174	156	166	177	184
Short-term leased assets	0	0	0	0	0	0	0	0	0	0	0
Other current assets	0	3	3	4	12	11	16	12	13	14	14
Cash and bank	0	8	7	17	12	3	0	1	109	118	141
Total current assets	0	112	102	137	319	303	431	419	550	585	627
Assets held for sale	0	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	0	156	145	190	334	386	482	477	626	686	733
Shareholders equity	0	55	60	89	59	79	111	142	262	297	334
Of which preferred stocks	0	0	0	0	0	0	0	0	0	0	0
Of which equity part of hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0	0	0	0
Total Equity	0	55	60	89	59	79	111	142	262	297	334
Deferred tax	0	0	0	0	0	0	0	0	0	0	0
Long term interest bearing debt	0	13	3	1	32	26	33	32	99	99	99
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	5	5	6	7	7	16	14	14	14	14
Other long-term liabilities	0	0	0	0	0	0	0	0	0	0	0
Non-current lease debt	0	0	0	0	0	0	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0	0	0	0	0
Shareholder debt	0	24	15	38	107	70	36	32	32	32	32
Hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Total non-current liabilities	0	43	22	44	146	104	85	79	145	145	145
Short-term provisions	0	0	0	0	0	0	0	0	0	0	0
Accounts payable	0	17	22	30	75	60	107	97	104	110	115
Current lease debt	0	0	0	0	0	0	0	0	0	0	0
Other current liabilities	0	32	29	25	47	49	72	92	115	133	139
Short term interest bearing debt	0	9	12	2	7	94	107	66	0	0	0
Total current liabilities	0	58	62	57	130	203	286	256	219	244	253
Liabilities for assets held for sale	0	n.a.	0	0	0	0	0	0	0	0	0
Total liabilities and equity	0	156	145	190	334	386	482	477	626	686	733
Balance sheet and debt metrics											
Net debt	0	39	22	23	134	187	176	130	22	13	-10
of which lease debt	0	0	0	0	0	0	0	0	0	0	0
Working capital	0	55	45	64	185	191	252	229	222	224	233
Invested capital	0	99	88	117	200	273	303	286	298	325	338
Capital employed	0	102	89	129	205	269	287	273	392	428	465
ROE	n.m.	52.2%	13.7%	17.0%	25.1%	33.4%	31.6%	29.5%	15.4%	16.6%	16.4%
ROIC	n.m.	32.2%	9.8%	13.5%	11.8%	9.7%	10.9%	16.0%	14.1%	16.8%	17.4%
ROCE	n.m.	42.1%	13.2%	17.1%	15.2%	12.6%	14.8%	22.0%	16.3%	16.7%	16.9%
Net debt/EBITDA	0.0	1.5	1.3	1.0	4.3	5.1	3.6	1.9	0.3	0.2	-0.1
Interest coverage	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Equity ratio	n.m.	35.4%	41.8%	46.7%	17.6%	20.5%	23.1%	29.8%	41.8%	43.4%	45.6%
Net gearing	n.m.	69.8%	36.3%	26.0%	228.1%	237.0%	158.8%	91.3%	8.4%	4.4%	-3.1%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

SEKm	2012	2013	2014	2015	2016	2017	2018	2019	2020E	2021E	2022E
EBITDA (adj) for associates	10	26	17	23	31	37	49	67	65	79	88
Paid taxes	0	-3	-4	-2	-3	-5	-1	-4	-11	-15	-16
Net financials	0	0	0	0	0	0	0	-7	-9	-7	-7
Change in provisions	0	5	0	1	1	0	9	-2	0	0	0
Change in other LT non-IB	0	-29	-3	10	21	0	-6	-1	6	0	0
Cash flow to/from associates	0	0	0	0	0	0	0	0	0	0	0
Dividends paid to minorities	0	0	0	0	0	0	0	0	0	0	0
Other adj to reconcile to cash flow	-10	21	5	-12	-35	-2	-10	-1	0	0	0
Funds from operations (FFO)	0	21	14	19	15	31	41	52	51	57	65
Change in NWC	0	-4	13	-29	-35	-10	1	33	7	-2	-9
Cash flow from operations (CFO)	0	17	27	-10	-19	21	41	86	59	55	56
Capital expenditure	0	-1	-26	-5	-1	14	-49	9	-29	-36	-17
Free cash flow before A&D	0	16	1	-16	-21	36	-7	94	30	19	38
Proceeds from sale of assets	0	2	3	0	-12	38	0	0	0	0	0
Acquisitions	0	-14	-3	0	-3	-61	0	-52	-10	0	0
Free cash flow	0	5	2	-16	-36	12	-7	42	20	19	38
Free cash flow bef A&D, lease adj	0	16	1	-16	-21	36	-7	94	30	19	38
Dividends paid	0	-2	-3	-3	-50	0	0	-7	0	-10	-15
Equity issues / buybacks	0	0	0	19	0	0	2	0	88	0	0
Net change in debt	0	9	-20	31	67	63	-57	-25	0	0	0
Other financing adjustments	0	0	0	-10	5	-23	13	-25	0	0	0
Other non-cash adjustments	0	-4	20	-11	7	-60	46	16	0	0	0
Change in cash	0	8	-1	10	-6	-9	-3	1	108	9	23
Cash flow metrics											
Capex/D&A	0.0%	22.3%	n.m.	n.m.	19.6%	n.m.	n.m.	-70.7%	n.m.	n.m.	n.m.
Capex/Sales	0.0%	0.5%	10.4%	1.9%	0.3%	-2.0%	6.6%	-0.9%	2.8%	3.2%	1.5%
Key information											
Share price year end (/current)	n.a.	n.a.	n.a.	17	42	44	49	111	112	126	126
Market cap.	n.a.	n.a.	n.a.	20	51	170	239	543	660	756	756
Enterprise value	n.a.	n.a.	n.a.	43	185	357	415	673	682	769	746
Diluted no. of shares, year-end (m)	0.0	0.0	0.0	1.2	1.2	3.9	4.8	4.9	5.2	6.0	6.0

Source: Company data and Nordea estimates

Disclaimer and legal disclosures

Origin of the report

This publication or report originates from: Nordea Bank Abp, including its branches Nordea Danmark, Filial af Nordea Bank Abp, Finland, Nordea Bank Abp, filial i Norge and Nordea Bank Abp, filial i Sverige (together "Nordea") acting through their unit Nordea Markets.

Nordea Bank Abp is supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the branches are supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the Financial Supervisory Authorities in their respective countries.

Content of report

This report has been prepared solely by Nordea Markets.

Opinions or suggestions from Nordea Markets credit and equity research may deviate from one another or from opinions presented by other departments in Nordea. This may typically be the result of differing time horizons, methodologies, contexts or other factors.

The information provided herein is not intended to constitute and does not constitute investment advice nor is the information intended as an offer or solicitation for the purchase or sale of any financial instrument. The information contained herein has no regard to the specific investment objectives, the financial situation or particular needs of any particular recipient. Relevant and specific professional advice should always be obtained before making any investment or credit decision.

Opinions or ratings are based on one or more methods of valuation, for instance cash flow analysis, use of multiples, behavioural technical analyses of underlying market movements in combination with considerations of the market situation and the time horizon. Key assumptions of forecasts or ratings in research cited or reproduced appear in the research material from the named sources. The date of publication appears from the research material cited or reproduced. Opinions and estimates may be updated in subsequent versions of the report, provided that the relevant company/issuer is treated anew in such later versions of the report.

Validity of the report

All opinions and estimates in this report are, regardless of source, given in good faith, and may only be valid as of the stated date of this report and are subject to change without notice.

No individual investment or tax advice

The report is intended only to provide general and preliminary information to investors and shall not be construed as the basis for any investment decision. This report has been prepared by Nordea Markets as general information for private use of investors to whom the report has been distributed, but it is not intended as a personal recommendation of particular financial instruments or strategies and thus it does not provide individually tailored investment advice, and does not take into account the individual investor's particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. The investor must particularly ensure the suitability of an investment as regards his/her financial and fiscal situation and investment objectives. The investor bears the risk of losses in connection with an investment.

Before acting on any information in this report, it is recommendable to consult (without being limited to) one's financial, legal, tax, accounting, or regulatory advisor in any relevant jurisdiction.

The information contained in this report does not constitute advice on the tax consequences of making any particular investment decision. Each investor shall make his/her own appraisal of the tax and other financial merits of his/her investment.

Sources

This report may be based on or contain information, such as opinions, estimates and valuations which emanate from: Nordea Markets' analysts or representatives, publicly available information, information from other units of Nordea, or other named sources.

To the extent this publication or report is based on or contain information emanating from other sources ("Other Sources") than Nordea Markets ("External Information"), Nordea Markets has deemed the Other Sources to be reliable but neither Nordea, others associated or affiliated with Nordea nor any other person, do guarantee the accuracy, adequacy or completeness of the External Information.

Limitation of liability

Nordea or other associated and affiliated companies assume no liability as regards to any investment, divestment or retention decision taken by the investor on the basis of this report. In no event will Nordea or other associated and affiliated companies be liable for direct, indirect or incidental, special or consequential damages (regardless of whether being considered as foreseeable or not) resulting from the information in this report.

Risk information

The risk of investing in certain financial instruments, including those mentioned in this report, is generally high, as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant company, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. When investing in individual shares, the investor may lose all or part of the investments.

Conflicts of interest

Readers of this document should note that Nordea Markets has received remuneration from the company mentioned in this document for the production of the report. The remuneration is not dependent on the content of the report.

Nordea, affiliates or staff in Nordea, 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 report.

To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysts of Nordea Markets are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of Nordea and personal account dealing. The internal rules have been prepared in accordance with applicable legislation and relevant industry standards. The object of the internal rules is for example to ensure that no analyst will abuse or cause others to abuse confidential information. It is the policy of Nordea Markets that no link exists between revenues from capital markets activities and individual analyst remuneration. Nordea and the branches are members of national stockbrokers' associations in each of the countries in which Nordea has head offices. Internal rules have been developed in accordance with recommendations issued by the stockbrokers associations. This material has been prepared following the Nordea Conflict of Interest Policy, which may be viewed at www.nordea.com/mifid.

Distribution restrictions

The securities referred to in this report may not be eligible for sale in some jurisdictions. This report is not intended for, and must not be distributed to private customers in the UK or the US. This research report is intended only for, and may be distributed only to, accredited investors, expert investors or institutional investors in Singapore who may contact Nordea Bank, Singapore Branch of 138 Market Street, #09-01 CapitaGreen, Singapore 048946.

This publication or report may be distributed by Nordea Bank Abp Singapore Branch, which is subject to the supervision of the European Central Bank, the Finnish Financial Supervisory Authority and the Monetary Authority of Singapore.

This publication or report may be distributed in the UK to institutional investors by Nordea Bank Abp London Branch of 6th Floor, 5 Aldermanbury Square, London, EC2V 7AZ, which is under supervision of the European Central Bank, Finanssivalvonta (Financial Supervisory Authority) in Finland and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority in the United Kingdom. Details about the extent of our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from us on request.

This report may not be mechanically duplicated, photocopied or otherwise reproduced, in full or in part, under applicable copyright laws.

Analyst Shareholding

Nordea Markets analysts do not hold shares in the companies that they cover. No holdings or other affiliations by analysts or associates.

Fair value and sensitivity

We calculate our fair values by weighting DCF, DDM, SOTP, asset-based and other standard valuation methods. Our fair values are sensitive to changes in valuation assumptions, of which growth, margins, tax rates, working capital ratios, investment-to-sales ratios and cost of capital are typically the most sensitive. It should be noted that our fair values would change by a disproportionate factor if changes are made to any or all valuation assumptions, owing to the non-linear nature of the standard valuation models applied (mentioned above). As a consequence of the standard valuation models we apply, changes of 1-2 percentage points in any single valuation assumption can change the derived fair value by as much as 30% or more. All research is produced on an ad hoc basis and will be updated when the circumstances require it.

Marketing Material

This research report should be considered marketing material, as it has been commissioned and paid for by the subject company, and has not been prepared in accordance with the regulations designed to promote the independence of investment research and it is not subject to any legal prohibition on dealing ahead of the dissemination of the report. However, Nordea Markets analysts are according to internal policies not allowed to hold shares in the companies/sectors that they cover.

Market-making obligations and other significant financial interest

Nordea Markets has no market-making obligations in Inission.

Investment banking transactions

Nordea has been lead or co-lead manager in a public disclosed offer of financial instruments issued by Inission over the previous 12 months.

Issuer Review

This report has not been reviewed by the Issuer prior to publication.

Completion Date

03 Feb 2021, 01:45 CET

Nordea Bank Abp	Nordea Bank Abp, filial i Sverige	Nordea Danmark, Filial af Nordea Bank Abp, Finland	Nordea Bank Abp, filial i Norge
Nordea Markets Division, Research Visiting address: Aleksis Kiven katu 7, Helsinki FI-00020 Nordea Finland Tel: +358 9 1651 Fax: +358 9 165 59710 Reg.no. 2858394-9 Satamaradankatu 5 Helsinki	Nordea Markets Division, Research Visiting address: Smålandsgatan 17 SE-105 71 Stockholm Sweden Tel: +46 8 614 7000 Fax: +46 8 534 911 60	Nordea Markets Division, Research Visiting address: Grønjørdsvej 10 DK-2300 Copenhagen S Denmark Tel: +45 3333 3333 Fax: +45 3333 1520	Nordea Markets Division, Research Visiting address: Essendropsgate 7 N-0107 Oslo Norway Tel: +47 2248 5000 Fax: +47 2256 8650