

25 February 2021

Commissioned research: Inission – Mixed Q4 report with strong sales and higher D&A

Marketing material commissioned by Inission

Inission delivered a mixed report with sales of SEK 279m (+5% vs our estimates) and adjusted EBIT of SEK 11m (-22% vs our estimate). The highlights of the report were the stronger than expected organic growth (-4% excluding sale of materials) and a better than expected raw materials to sales ratio of 58.5% (adjusted for changes in inventory). The negative deviation was driven by cost for external personnel and higher than expected D&A. We expect the share to underperform today and negative revisions of around 4-6%.

Deviation table

Inission: Deviation table

	Actual	NDA est.	Deviation		Actual		Actual	
SEKm	Q4 2020	Q4 2020E	vs. actual		Q3 2020	q/q	Q4 2019	y/y
Net sales	279	267	12	5%	252	11%	242	15%
EBIT	10.6	14.1	-3	-25%	13.7	-22%	7.3	46%
EBIT margin	3.8%	5.3%	-1.5pp		5.4%	-1.6pp	3.0%	0.8pp
EO	-0.4	0	0		0		-2.6	
Adj. EBIT	11.0	14	-3	-22%	14	-19%	10	12%
Adj. EBIT margin	3.9%	5.3%	-1.3pp		5.4%	-1.5pp	4.1%	-0.1pp
PTP	8	12	-4	-33%	11	-26%	6	47%
Tax	-3	-3	0	0%	-3	10%	0	588%
Net profit	5	9	-4	-43%	9	-37%	5	3%
EPS	0.89	1.56	-1	-43%	1.70	-48%	1.06	-16%

Source: Company data and Nordea estimates

SUMMARY TABLE - KEY FIGURES

SEKm	2017	2018	2019	2020E	2021E	2022E
Total revenue	713	740	980	1,047	1,110	1,155
EBITDA (adj)	37	49	73	67	79	88
EBIT (adj)	30	41	61	54	68	75
EBIT (adj) margin	4.2%	5.5%	6.2%	5.1%	6.1%	6.5%
EPS (adj, SEK)	5.78	6.09	8.90	6.40	7.66	8.58
EPS (adj) growth	-62.3%	5.5%	46.0%	-28.1%	19.7%	12.0%
DPS (ord, SEK)	0.00	1.51	0.00	2.00	2.50	3.00
EV/Sales	0.5	0.6	0.7	0.6	0.7	0.6
EV/EBIT (adj)	12.0	10.1	11.0	12.1	10.8	9.5
P/E (adj)	7.5	8.1	12.5	18.7	15.7	14.0
P/BV	2.2	2.1	3.8	2.4	2.4	2.2
Dividend yield (ord)	0.0%	3.1%	0.0%	1.7%	2.1%	2.5%
FCF Yield bef A&D, lease adj	20.9%	-3.1%	17.4%	4.7%	2.7%	5.3%
Net debt	187	176	130	22	13	-10
Net debt/EBITDA	5.1	3.6	1.9	0.3	0.2	-0.1
ROIC after tax	9.7%	10.9%	16.0%	14.1%	16.8%	17.4%

Source: Company data and Nordea estimates

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