

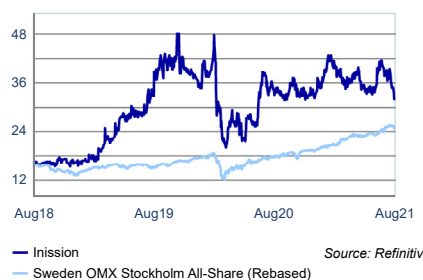
## Inission

Capital Goods  
Sweden

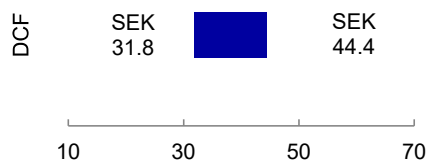
## KEY DATA

Stock country	Sweden
Bloomberg	INISSB.SS
Reuters	INISSB.ST
Share price (close)	SEK 31.90
Free Float	31%
Market cap. (bn)	EUR 0.06/SEK 0.57
Website	www.inission.com
Next report date	

## PERFORMANCE



## VALUATION APPROACH



## ESTIMATE CHANGES

Year	2021E	2022E	2023E
Sales	0%	0%	0%
EBIT (adj)	3%	2%	1%

Source: Nordea estimates

## Nordea Markets - Analysts

Victor Hansen  
AnalystCarl Ragnerstam  
Analyst

## Supply chain issues likely to taper off next year

Inission delivered a mixed bag in Q2, with sales in line with our estimates but adjusted EBIT SEK 2m below, due to higher opex. Enedo's loss was also slightly larger than expected. We expect the global component issues to continue to impact Inission in H2 as it did in Q2. Following the report, we make only minor estimate changes of 1-3% for 2021-23 EBIT, as short-term headwinds are partly mitigated by a favourable mix. Inission is currently trading at 2022E P/E of 13x and EV/EBIT of 10x (adjusted).

## Mixed Q2 report

Inission's Q2 sales were in line with our estimate of SEK 258m (-9% y/y, +11% q/q), and EBIT was SEK -0.9m, before SEK ~11m in adjustments. The sales decline was organic, driven by the global supply-chain issues, which caused SEK 13m in postponed deliveries. The y/y comparisons were tough due to the large med-tech contract in Q2-Q3 last year. Adjusted EBIT reached SEK 9.7m (-43% y/y, +22% q/q), SEK 2m below our estimate, after adjusting for Enedo's loss (SEK -9.5m versus our estimate of SEK -7m) and a write-down of SEK -1.1m for obsolete materials. The adjusted EBIT margin of 3.8% was 0.9 pp below our estimate driven by SEK +5m in personnel costs while the 58% COGS/net sales ratio was in line.

## Solid improvement expected for 2022

We expect the rest of 2021 to be negatively impacted by the component issues, influencing Inission's supply chain and its customers. We do not, however, expect the supply chain issues to worsen substantially in H2. We feel confident Inission will be able to reach our 12% organic sales growth estimate for next year, owing to the strong order intake (SEK +54m in Q2), solid demand in most end-markets, easier y/y comparisons and newly signed customers for Inission's full product offering, which we believe will be margin accretive. Also, we see upside to our estimates in the case of a successful turnaround in Enedo (net sales LTM of EUR 37m), where we pencil in a breakeven result from 2022E.

## Minor estimate revisions following the report

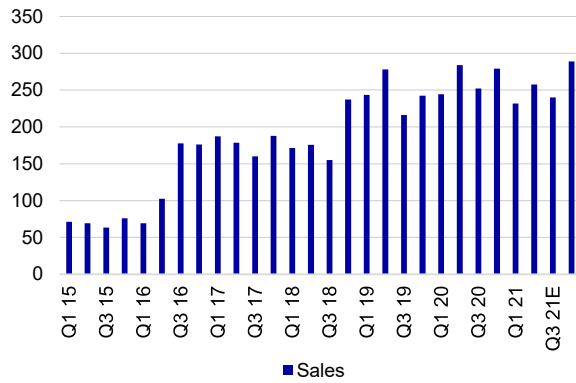
We make only minor estimate changes after the Q2 report. We raise adjusted EBIT by 1-3%, as we expect the short-term headwinds to be slightly mitigated by a favourable sales mix with a lower COGS/sales share. We widen our DCF-based fair value range to SEK 32-44 (36-44), where the lower end represents a 10.9% WACC (upper end: 8.9%) and a 1.5% drop for the EBIT margin. Inission's current valuation suggests a 2022E P/E of 13x and EV/EBIT (after adjustments) of 10x.

## SUMMARY TABLE - KEY FIGURES

SEKm	2017	2018	2019	2020	2021E	2022E	2023E
Total revenue	713	740	980	1,059	1,019	1,139	1,187
EBITDA (adj)	37	49	76	70	78	94	104
EBIT (adj)	30	41	61	51	53	66	76
EBIT (adj) margin	4.2%	5.5%	6.2%	4.8%	5.2%	5.8%	6.4%
EPS (adj, SEK)	5.78	6.09	8.90	5.72	2.15	2.37	2.78
EPS (adj) growth	-62.3%	5.5%	46.0%	-35.7%	-62.4%	10.3%	17.2%
DPS (ord, SEK)	0.00	1.51	0.00	0.00	2.50	3.00	3.50
EV/Sales	0.3	0.3	0.3	0.2	0.6	0.6	0.5
EV/EBIT (adj)	8.2	6.2	5.1	4.5	9.0	9.7	8.5
P/E (adj)	2.5	2.7	4.2	6.5	14.8	13.4	11.5
P/BV	0.7	0.7	1.3	0.7	2.1	2.1	2.1
Dividend yield (ord)	0.0%	9.2%	0.0%	0.0%	7.8%	9.4%	11.0%
FCF Yield bef A&D, lease	20.6%	37.8%	42.5%	29.2%	6.1%	7.9%	8.8%
Net debt	187	176	130	31	65	65	68
Net debt/EBITDA	5.1	3.6	1.9	0.5	1.1	0.7	0.7
ROIC after tax	9.7%	10.9%	16.0%	13.0%	12.2%	14.4%	16.7%

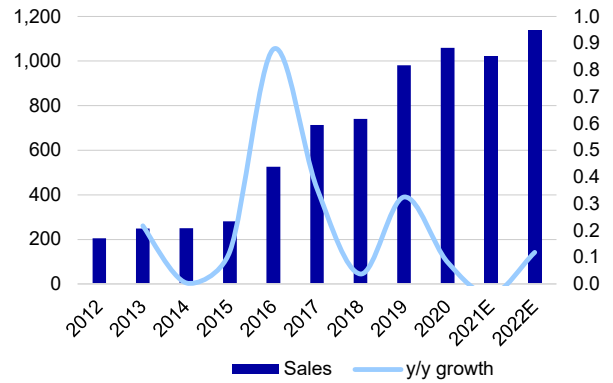
Source: Company data and Nordea estimates

**INISSION: NET SALES (SEKm), QUARTERLY**



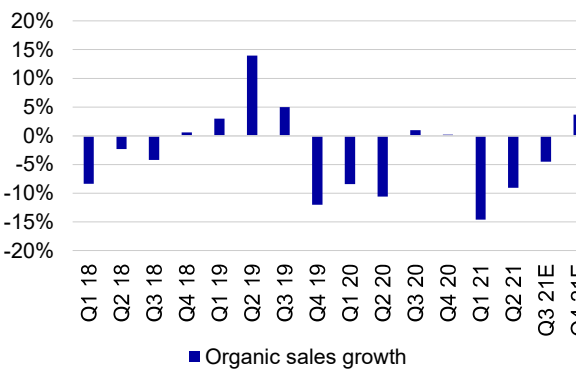
Source: Company data and Nordea estimates

**INISSION: NET SALES (SEKm), ANNUAL**



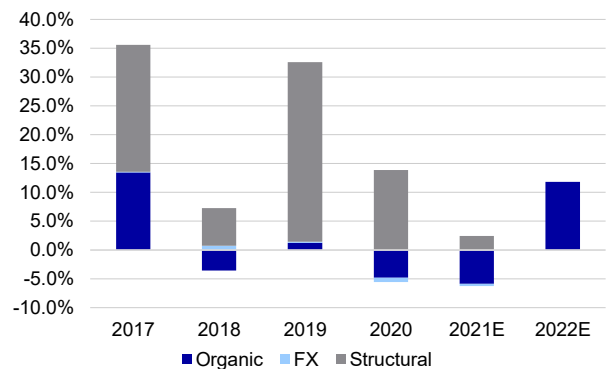
Source: Company data and Nordea estimates

**INISSION: ORGANIC GROWTH (%), QUARTERLY**



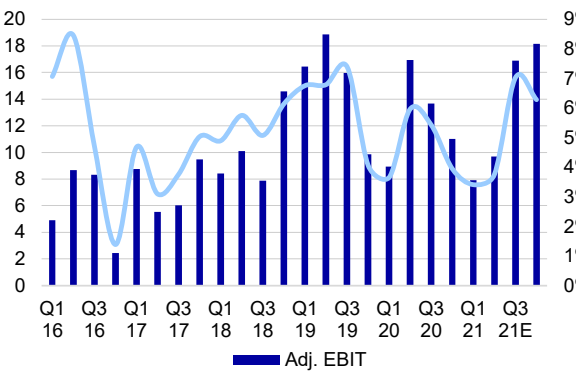
Source: Company data and Nordea estimates

**INISSION: SALES GROWTH BY PARAMETER (%)**



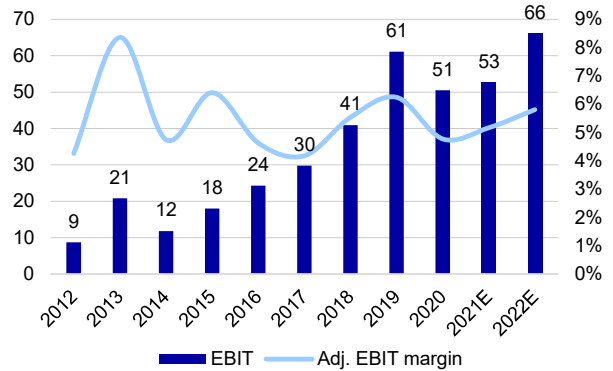
Source: Company data and Nordea estimates

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



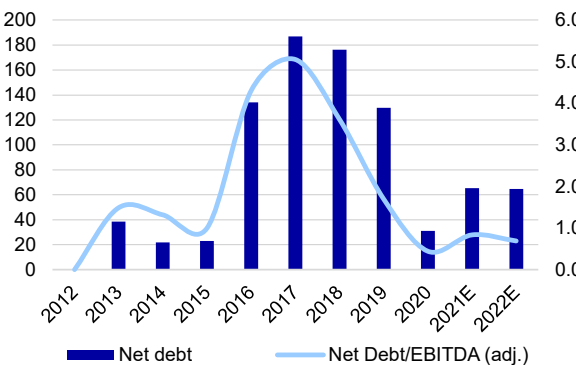
Source: Company data and Nordea estimates

**INISSION: EBIT (SEKm) AND EBIT MARGIN (%), ANNUALLY**



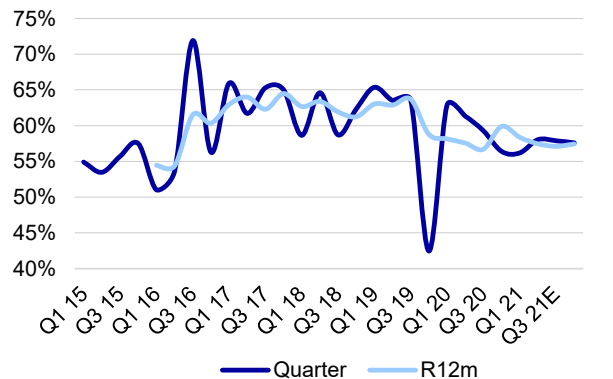
Source: Company data and Nordea estimates

**INISSION: NET DEBT (SEKm) AND ND/EBITDA (X)**



Source: Company data and Nordea estimates

**MATERIAL SHARE (COGS/SALES) 2015-2021 (%)**



Source: Company data and Nordea estimates

## Q2 outcome

Inission's Q2 sales were in line with our estimate of SEK 258m (-9% y/y, +11% q/q), and EBIT was SEK -0.9m, before SEK ~11m in adjustments. The sales decline was organic, driven by the global supply-chain issues, which caused SEK 13m in postponed deliveries. The y/y comparisons were tough due to the large med-tech contract in Q2-Q3 last year. Adj EBIT reached SEK 9.7m (-43% y/y, +22% q/q), SEK 2m below our estimate, after adjusting for Enedo's loss (SEK -9.5m versus our estimate of SEK -7m) and a writedown of SEK -1.1m for obsolete materials. The adjusted EBIT margin of 3.8% was 0.9 pp below our estimate driven by SEK +5m in personnel costs while the 58% COGS/net sales ratio was in line.

**INISSION: Q2 DEVIATION TABLE**

	Actual	NDA est.	Deviation		Actual		Actual	
SEKm	Q2 2021	Q2 21	vs. actual		Q1 21	q/q	Q2 20	y/y
Net sales	257.7	258.7	-1.0	-0.4%	232	11.2%	284	-9.2%
EBIT	(0.9)	5.0	-5.9	-119%	7.9	-112%	16.9	-106%
EBIT margin	-0.4%	1.9%	-	-2.3pp	3.4%	-3.8pp	6.0%	-6.3pp
EO	-10.6	-7.0	-3.6	-	0.0	-	0.0	-
Adj. EBIT	9.7	12.0	-2.3	-19.2%	7.9	22.4%	16.9	-42.8%
Adj. EBIT margin	3.8%	4.6%	-	-0.9pp	3.4%	0.3pp	6.0%	-2.2pp
PTP	-3	3	-6.1	nm	3.7	-175%	14.8	-119%
Tax	-2	-1	-1.0	nm	-1.9	8%	-3.8	-45%
Net profit	-5	2	-7.1	nm	1.8	nm	11.1	nm
EPS*	-0.80	0.37	-1.17	nm	0.31	nm	2.23	nm

\*EPS before the stock split

Source: Company data and Nordea estimates

Sales were in line our expectations but adjusted EBIT was below

# Estimate revisions

We make only minor estimate changes following the report, but expect a lower COGS/sales share ahead, which positively impacts the EBIT margin

## INISSION: ESTIMATE REVISIONS

SEKm	New estimates			Old estimates			Δ		
	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
Net sales	1,019	1,139	1,187	1,020	1,135	1,183	0%	0%	0%
<b>Adj. EBIT</b>	<b>52.6</b>	<b>66.1</b>	<b>76.0</b>	<b>50.9</b>	<b>65.0</b>	<b>75.2</b>	<b>3%</b>	<b>2%</b>	<b>1%</b>
Adj. EBIT margin	5.2%	5.8%	6.4%	5.0%	5.7%	6.4%	0.2 pp	0.1 pp	0.1 pp
EPS, SEK	0.77	2.37	2.78	0.86	2.31	2.73	-11%	3%	2%
<b>Adjusted EPS, SEK</b>	<b>2.15</b>	<b>2.37</b>	<b>2.78</b>	<b>2.18</b>	<b>2.31</b>	<b>2.73</b>	<b>-1%</b>	<b>3%</b>	<b>2%</b>
<b>Sales bridge</b>									
Organic	-6%	12%	4%	-6%	11%	4%	-0.1 pp	0.5 pp	0.0 pp
Currency	0%	0%	0%	0%	0%	0%	0.0 pp	0.0 pp	0.0 pp
Structural	2%	0%	0%	2%	0%	0%	0.0 pp	0.0 pp	0.0 pp
<b>Sales growth</b>	<b>-3.8%</b>	<b>11.8%</b>	<b>4.2%</b>	<b>-3.7%</b>	<b>11.3%</b>	<b>4.2%</b>	<b>-0.1 pp</b>	<b>0.5 pp</b>	<b>0.0 pp</b>

Source: Company data and Nordea estimates

# Detailed estimates

## INISSION: QUARTERLY ESTIMATES (SEKm)

Group	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21E	Q4 21E
<b>Net sales</b>	<b>244</b>	<b>284</b>	<b>252</b>	<b>279</b>	<b>232</b>	<b>258</b>	<b>240</b>	<b>289</b>
Cost of goods sold	-154	-174	-149	-157	-130	-150	-139	-166
Other external costs	-20	-33	-28	-29	-27	-28	-26	-31
Personnel costs	-68	-67	-57	-69	-66	-70	-56	-70
Other operating costs	0	0	0	-2	0	0	0	0
<b>EBITDA</b>	<b>11</b>	<b>23</b>	<b>20</b>	<b>18</b>	<b>14</b>	<b>15</b>	<b>22</b>	<b>25</b>
Depreciation	-4	-7	-4	-4	-4	-4	-4	-4
<b>EBITA</b>	<b>6</b>	<b>17</b>	<b>16</b>	<b>13</b>	<b>10</b>	<b>1</b>	<b>18</b>	<b>21</b>
Amortisation	0	0	-2	-3	-2	-2	-2	-2
Income from associates	0	0	0	0	0	-10	0	-9
<b>EBIT</b>	<b>6</b>	<b>17</b>	<b>14</b>	<b>11</b>	<b>8</b>	<b>-1</b>	<b>15</b>	<b>9</b>
<b>Adj. EBIT</b>	<b>9</b>	<b>17</b>	<b>14</b>	<b>11</b>	<b>8</b>	<b>10</b>	<b>17</b>	<b>18</b>
Net financial items	-2.7	-2.1	-2.4	-2.3	-4.2	-1.9	-1.5	-1.5
PTP	4	15	11	8	4	-3	14	8
Tax	-2	-4	-3	-3	-2	-2	-3	-2
<b>Net profit</b>	<b>2</b>	<b>11</b>	<b>9</b>	<b>5</b>	<b>2</b>	<b>-5</b>	<b>11</b>	<b>6</b>
Basic EPS, SEK	0.44	2.23	1.70	0.89	0.31	-0.81	0.60	0.34
Diluted EPS, SEK	0.44	2.23	1.68	0.89	0.31	-0.80	0.60	0.34
# shares outstanding pre dilution	4.90	4.98	5.06	6.00	6.00	6.00	18.01	18.01
# shares outstanding post dilution	4.93	4.97	5.10	6.04	6.04	6.04	18.12	18.12
EBITDA margin	4.4%	8.3%	8.0%	6.4%	6.1%	5.7%	9.0%	8.6%
EBITA margin	2.6%	6.0%	6.3%	4.8%	4.5%	0.5%	7.4%	7.1%
EBIT margin	2.6%	6.0%	5.4%	3.8%	3.4%	-0.4%	6.4%	3.2%
Adj. EBIT margin	3.7%	6.0%	5.4%	3.9%	3.4%	3.8%	7.0%	6.3%
EBITDA growth	-45%	4%	27%	52%	31%	-37%	7%	39%
EBITA growth	-61%	-10%	32%	85%	63%	-92%	12%	53%
EBIT growth	-61%	-10%	13%	46%	25%	-106%	13%	-12%
<b>Adj. EBIT growth</b>	<b>-46%</b>	<b>-10%</b>	<b>-14%</b>	<b>12%</b>	<b>-11%</b>	<b>-43%</b>	<b>24%</b>	<b>65%</b>
Organic	-8.4%	-10.6%	1.0%	0.2%	-14.6%	-9.1%	-4.5%	3.7%
Currency	0.2%	0.0%	-1.7%	-1.7%	-1.1%	-0.1%	-0.2%	-0.1%
Structural	8.6%	13.5%	17.3%	16.5%	10.6%	0.0%	0.0%	0.0%
<b>Sales growth</b>	<b>0.3%</b>	<b>2.1%</b>	<b>16.6%</b>	<b>15.0%</b>	<b>-5.1%</b>	<b>-9.2%</b>	<b>-4.7%</b>	<b>3.6%</b>

Source: Company data and Nordea estimates

**INISSION: ANNUAL ESTIMATES (SEKm)**

Group	2016	2017	2018	2019	2020	2021E	2022E	2023E
<b>Net sales</b>	<b>526</b>	<b>713</b>	<b>740</b>	<b>980</b>	<b>1,059</b>	<b>1,019</b>	<b>1,139</b>	<b>1,187</b>
Cost of goods sold	-317	-460	-453	-576	-634	-585	-647	-670
Other external costs	-53	-50	-55	-73	-110	-112	-122	-127
Personnel costs	-133	-177	-185	-251	-261	-262	-285	-295
Other operating costs	8	-3	-4	-1	-2	0	0	0
<b>EBITDA</b>	<b>31</b>	<b>37</b>	<b>49</b>	<b>70</b>	<b>67</b>	<b>76</b>	<b>94</b>	<b>104</b>
Depreciation	-7	-7	-8	-15	-20	-16	-18	-18
<b>EBITA</b>	<b>24</b>	<b>30</b>	<b>41</b>	<b>55</b>	<b>53</b>	<b>59</b>	<b>76</b>	<b>86</b>
Amortisation	0	0	0	0	-5	-9	-9	-10
Income from associates	0	0	0	0	0	-18	0	0
<b>EBIT</b>	<b>24</b>	<b>30</b>	<b>41</b>	<b>55</b>	<b>48</b>	<b>32</b>	<b>66</b>	<b>76</b>
<b>Adj. EBIT</b>	<b>24</b>	<b>30</b>	<b>41</b>	<b>61</b>	<b>51</b>	<b>53</b>	<b>66</b>	<b>76</b>
Net financial items	-2	-3	-4	-7	-9	-9	-10	-10
PTP	23	26	37	48	38	23	57	66
Tax	-4	-3	-7	-11	-11	-9	-14	-16
<b>Net profit</b>	<b>19</b>	<b>23</b>	<b>30</b>	<b>37</b>	<b>27</b>	<b>14</b>	<b>43</b>	<b>50</b>
Basic EPS, SEK	15.43	5.90	6.19	7.60	5.19	0.77	2.39	2.80
Diluted EPS, SEK	15.34	5.78	6.09	7.55	5.17	0.77	2.37	2.78
<b>Adjusted EPS, SEK</b>	<b>15.34</b>	<b>5.78</b>	<b>6.09</b>	<b>8.90</b>	<b>5.72</b>	<b>2.15</b>	<b>2.37</b>	<b>2.78</b>
# shares outstanding pre dilution	1.20	3.90	4.85	4.90	5.24	18.01	18.01	18.01
# shares outstanding post dilution	1.21	3.99	4.93	4.93	5.26	18.12	18.12	18.12
EBITDA margin	5.9%	5.2%	6.6%	7.1%	6.8%	7.4%	8.2%	8.8%
EBITA margin	4.6%	4.2%	5.5%	5.6%	5.0%	5.8%	6.6%	7.2%
EBIT margin	4.6%	4.2%	5.5%	5.6%	4.5%	3.1%	5.8%	6.4%
Adj. EBIT margin	4.6%	4.2%	5.5%	6.2%	4.8%	5.2%	5.8%	6.4%
EBITDA growth	35%	19%	32%	43%	-4%	12%	24%	11%
EBITA growth	36%	22%	38%	33%	-4%	13%	27%	13%
EBIT growth	36%	22%	38%	33%	-13%	-33%	109%	15%
<b>Adj. EBIT growth</b>	<b>36%</b>	<b>22%</b>	<b>38%</b>	<b>49%</b>	<b>-17%</b>	<b>4%</b>	<b>26%</b>	<b>15%</b>
Organic	5.0%	13.5%	-3.6%	1.2%	-4.8%	-5.9%	11.8%	4.2%
Currency	0.0%	0.1%	0.7%	0.2%	-0.7%	-0.4%	0.0%	0.0%
Structural	82.8%	22.1%	6.6%	31.2%	13.9%	2.4%	0.0%	0.0%
<b>Sales growth</b>	<b>87.7%</b>	<b>35.6%</b>	<b>3.7%</b>	<b>32.5%</b>	<b>8.1%</b>	<b>-3.8%</b>	<b>11.8%</b>	<b>4.2%</b>

Source: Company data and Nordea estimates

# Reported numbers and forecasts

## INCOME STATEMENT

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
<b>Total revenue</b>	<b>249</b>	<b>250</b>	<b>280</b>	<b>526</b>	<b>713</b>	<b>740</b>	<b>980</b>	<b>1,059</b>	<b>1,019</b>	<b>1,139</b>	<b>1,187</b>
Revenue growth	21.7%	0.3%	12.2%	87.7%	35.6%	3.7%	32.5%	8.1%	-3.8%	11.8%	4.2%
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	26	17	23	31	37	49	70	67	57	94	104
Depreciation and impairments PPE	-5	-5	-5	-7	-7	-8	-15	-20	-16	-18	-18
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	21	12	18	24	30	41	55	48	41	76	86
Amortisation and impairments	0	0	0	0	0	0	0	0	-9	-9	-10
EBIT	21	12	18	24	30	41	55	48	32	66	76
of which associates	0	0	0	0	0	0	0	0	-18	0	0
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	-1	-1	-1	-2	-3	-4	-7	-9	-9	-10	-10
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
<b>Pre-tax profit</b>	<b>20</b>	<b>11</b>	<b>17</b>	<b>23</b>	<b>26</b>	<b>37</b>	<b>48</b>	<b>38</b>	<b>23</b>	<b>57</b>	<b>66</b>
Reported taxes	-6	-3	-5	-4	-3	-7	-11	-11	-9	-14	-16
Net profit from continued operations	14	8	13	19	23	30	37	27	14	43	50
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	14	8	13	19	23	30	37	27	14	43	50
<b>EPS, SEK</b>	<b>n.a.</b>	<b>n.a.</b>	<b>11.01</b>	<b>15.34</b>	<b>5.78</b>	<b>6.09</b>	<b>7.58</b>	<b>5.15</b>	<b>0.77</b>	<b>2.37</b>	<b>2.78</b>
DPS, SEK	0.00	0.00	0.00	3.00	0.00	1.51	0.00	0.00	2.50	3.00	3.50
of which ordinary	0.00	0.00	0.00	3.00	0.00	1.51	0.00	0.00	2.50	3.00	3.50
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	10.4%	6.7%	8.2%	5.9%	5.2%	6.6%	7.1%	6.4%	5.6%	8.2%	8.8%
EBITA	8.4%	4.7%	6.4%	4.6%	4.2%	5.5%	5.6%	4.5%	4.0%	6.6%	7.2%
EBIT	8.4%	4.7%	6.4%	4.6%	4.2%	5.5%	5.6%	4.5%	3.1%	5.8%	6.4%

## Adjusted earnings

EBITDA (adj)	26	17	23	31	37	49	76	70	78	94	104
EBITA (adj)	21	12	18	24	30	41	61	51	62	76	86
EBIT (adj)	21	12	18	24	30	41	61	51	53	66	76
EPS (adj, SEK)	n.a.	n.a.	11.01	15.34	5.78	6.09	8.90	5.72	2.15	2.37	2.78

## Adjusted profit margins in percent

EBITDA (adj)	10.4%	6.7%	8.2%	5.9%	5.2%	6.6%	7.8%	6.6%	7.7%	8.2%	8.8%
EBITA (adj)	8.4%	4.7%	6.4%	4.6%	4.2%	5.5%	6.2%	4.8%	6.1%	6.6%	7.2%
EBIT (adj)	8.4%	4.7%	6.4%	4.6%	4.2%	5.5%	6.2%	4.8%	5.2%	5.8%	6.4%

## Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	n.a.	28.4%	24.3%	31.4%	30.5%	14.1%	9.8%	9.9%
EBITDA	n.m.	n.m.	n.m.	n.m.	28.7%	13.5%	33.2%	23.9%	12.9%	20.4%	16.3%
EBIT	n.a.	n.a.	n.a.	n.a.	27.9%	14.5%	35.8%	21.5%	5.4%	17.3%	13.2%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-14.1%	-45.1%	-16.3%	-14.5%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	-3.6%	n.m.	18.2%
Average last 5 years											
Average EBIT margin	n.a.	n.a.	n.a.	5.5%	5.2%	5.0%	5.2%	4.9%	4.5%	4.9%	5.1%
Average EBITDA margin	n.a.	n.a.	n.a.	7.1%	6.6%	6.2%	6.5%	6.3%	6.2%	6.8%	7.3%

## VALUATION RATIOS - ADJUSTED EARNINGS

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
P/E (adj)	n.a.	n.a.	0.5	0.9	2.5	2.7	4.2	6.5	14.8	13.4	11.5
EV/EBITDA (adj)	n.a.	n.a.	1.3	4.8	6.6	5.2	4.1	3.2	8.2	6.8	6.2
EV/EBITA (adj)	n.a.	n.a.	1.6	6.2	8.2	6.2	5.1	4.5	10.3	8.5	7.5
EV/EBIT (adj)	n.a.	n.a.	1.6	6.2	8.2	6.2	5.1	4.5	9.0	9.7	8.5

## VALUATION RATIOS - REPORTED EARNINGS

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
P/E	n.a.	n.a.	0.5	0.9	2.5	2.7	4.9	7.2	41.6	13.4	11.5
EV/Sales	n.a.	n.a.	0.11	0.29	0.34	0.35	0.32	0.21	0.63	0.56	0.54
EV/EBITDA	n.a.	n.a.	1.3	4.8	6.6	5.2	4.4	3.4	8.5	6.8	6.2
EV/EBITA	n.a.	n.a.	1.6	6.2	8.2	6.2	5.7	4.8	10.8	8.5	7.5
EV/EBIT	n.a.	n.a.	1.6	6.2	8.2	6.2	5.7	4.8	12.8	9.7	8.5
Dividend yield (ord.)	n.a.	n.a.	0.0%	21.3%	0.0%	9.2%	0.0%	0.0%	7.8%	9.4%	11.0%
FCF yield	n.a.	n.a.	-283.2%	-392.6%	-85.3%	47.6%	32.2%	8.9%	-5.9%	7.9%	8.8%
FCF Yield bef A&D, lease adj	n.a.	n.a.	-237.9%	-122.7%	20.6%	37.8%	42.5%	29.2%	6.1%	7.9%	8.8%
Payout ratio	n.a.	n.a.	0.0%	19.6%	0.0%	24.9%	0.0%	0.0%	325.7%	126.5%	126.0%

Source: Company data and Nordea estimates

**BALANCE SHEET**

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	12	9	29	9	7	9	11	37	27	18	8
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	0	0	0	0	2	2	1	3	3	3	3
of which goodwill	12	9	29	9	5	7	10	33	24	14	5
Tangible assets	4	3	3	6	15	36	39	64	64	64	64
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
Shares associates	0	0	0	0	60	0	0	5	52	52	52
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	3	1	0	0	0	5	6	1	0	0	0
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	25	30	21	0	0	1	1	1	0	0	0
Total non-current assets	44	43	53	16	82	51	57	107	142	133	123
Inventory	51	47	62	164	165	241	251	211	228	241	252
Accounts receivable	49	44	53	131	124	174	156	148	153	169	176
Short-term leased assets	0	0	0	0	0	0	0	0	0	0	0
Other current assets	3	3	4	12	11	16	12	11	16	17	18
Cash and bank	8	7	17	12	3	0	1	44	24	11	8
Total current assets	112	102	137	319	303	431	419	415	421	438	453
Assets held for sale	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Total assets</b>	<b>156</b>	<b>145</b>	<b>190</b>	<b>334</b>	<b>386</b>	<b>482</b>	<b>477</b>	<b>523</b>	<b>564</b>	<b>571</b>	<b>576</b>
Shareholders equity	55	60	89	59	79	111	142	270	279	277	273
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	55	60	89	59	79	111	142	270	279	277	273
Deferred tax	0	0	0	0	0	0	0	0	0	0	0
Long term interest bearing debt	13	3	1	32	26	33	32	26	76	76	76
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	5	5	6	7	7	16	14	10	10	10	10
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	24	15	38	107	70	36	32	32	14	0	0
Hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Total non-current liabilities	43	22	44	146	104	85	79	68	100	86	86
Short-term provisions	0	0	0	0	0	0	0	0	0	0	0
Accounts payable	17	22	30	75	60	107	97	86	94	105	109
Current lease debt	0	0	0	0	0	0	0	0	0	0	0
Other current liabilities	32	29	25	47	49	72	92	81	92	104	108
Short term interest bearing debt	9	12	2	7	94	107	66	17	0	0	0
Total current liabilities	58	62	57	130	203	286	256	185	185	208	217
Liabilities for assets held for sale	n.a.	0	0	0	0	0	0	0	0	0	0
<b>Total liabilities and equity</b>	<b>156</b>	<b>145</b>	<b>190</b>	<b>334</b>	<b>386</b>	<b>482</b>	<b>477</b>	<b>523</b>	<b>564</b>	<b>571</b>	<b>576</b>
<b>Balance sheet and debt metrics</b>											
Net debt	39	22	23	134	187	176	130	31	65	65	68
of which lease debt	0	0	0	0	0	0	0	0	0	0	0
Working capital	55	45	64	185	191	252	229	203	212	219	228
Invested capital	99	88	117	200	273	303	286	311	354	352	351
Capital employed	102	89	129	205	269	287	273	345	369	353	349
ROE	52.2%	13.7%	17.0%	25.1%	33.4%	31.6%	29.5%	13.2%	5.1%	15.5%	18.3%
ROIC	32.2%	9.8%	13.5%	11.8%	9.7%	10.9%	16.0%	13.0%	12.2%	14.4%	16.7%
ROCE	42.1%	13.2%	17.1%	15.2%	12.6%	14.8%	22.0%	16.6%	15.3%	18.9%	22.3%
Net debt/EBITDA	1.5	1.3	1.0	4.3	5.1	3.6	1.9	0.5	1.1	0.7	0.7
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	35.4%	41.8%	46.7%	17.6%	20.5%	23.1%	29.8%	51.6%	49.5%	48.5%	47.4%
Net gearing	69.8%	36.3%	26.0%	228.1%	237.0%	158.8%	91.3%	11.6%	23.4%	23.4%	24.9%

Source: Company data and Nordea estimates



**CASH FLOW STATEMENT**

SEKm	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022E	2023E
<b>EBITDA (adj) for associates</b>	<b>26</b>	<b>17</b>	<b>23</b>	<b>31</b>	<b>37</b>	<b>49</b>	<b>70</b>	<b>67</b>	<b>76</b>	<b>94</b>	<b>104</b>
Paid taxes	-4	-2	-3	-5	-1	-4	-9	-11	-9	-14	-16
Net financials	0	0	0	0	0	0	-7	-9	-9	-10	-10
Change in provisions	5	0	1	1	0	9	-2	-4	0	0	0
Change in other LT non-IB	-29	-3	10	21	0	-6	-1	5	2	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	23	3	-11	-34	-5	-7	1	1	0	0	0
<b>Funds from operations (FFO)</b>	<b>21</b>	<b>14</b>	<b>19</b>	<b>15</b>	<b>31</b>	<b>41</b>	<b>52</b>	<b>48</b>	<b>60</b>	<b>70</b>	<b>78</b>
Change in NWC	-4	13	-29	-35	-10	1	33	35	-9	-7	-9
<b>Cash flow from operations (CFO)</b>	<b>17</b>	<b>27</b>	<b>-10</b>	<b>-19</b>	<b>21</b>	<b>41</b>	<b>86</b>	<b>83</b>	<b>51</b>	<b>64</b>	<b>69</b>
Capital expenditure	-1	-26	-5	-1	-10	-11	-9	-26	-16	-18	-18
<b>Free cash flow before A&amp;D</b>	<b>16</b>	<b>1</b>	<b>-16</b>	<b>-21</b>	<b>12</b>	<b>30</b>	<b>77</b>	<b>57</b>	<b>35</b>	<b>46</b>	<b>51</b>
Proceeds from sale of assets	-25	-5	0	16	-60	60	0	-5	0	0	0
Acquisitions	-3	0	-3	-61	0	-52	-19	-35	-69	0	0
Free cash flow	-12	-3	-18	-66	-48	38	58	17	-34	46	51
Free cash flow bef A&D, lease adj	16	1	-16	-21	12	30	77	57	35	46	51
Dividends paid	-2	-3	-3	-50	0	0	-7	0	0	-45	-54
Equity issues / buybacks	0	0	19	0	0	2	0	103	0	0	0
Net change in debt	9	-20	31	67	63	-57	-25	-39	32	0	0
Other financing adjustments	0	0	-10	5	-23	13	-25	-38	0	0	0
Other non-cash adjustments	12	25	-8	38	0	1	0	0	0	0	0
Change in cash	8	-1	10	-6	-9	-3	1	43	-20	-13	-3
<b>Cash flow metrics</b>											
Capex/D&A	22.3%	n.m.	n.m.	19.6%	n.m.	n.m.	57.1%	n.m.	63.2%	65.6%	65.9%
Capex/Sales	0.5%	10.4%	1.9%	0.3%	1.3%	1.5%	0.9%	2.4%	1.6%	1.6%	1.6%
<b>Key information</b>											
Share price year end (/current)	n.a.	n.a.	6	14	15	16	37	37	32	32	32
Market cap.	n.a.	n.a.	7	17	57	80	181	195	574	574	574
Enterprise value	n.a.	n.a.	30	151	244	256	311	227	640	639	642
Diluted no. of shares, year-end (m)	0.0	0.0	1.2	1.2	3.9	4.8	4.9	5.2	18.0	18.0	18.0

Source: Company data and Nordea estimates

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