

Inission

Capital Goods
Sweden

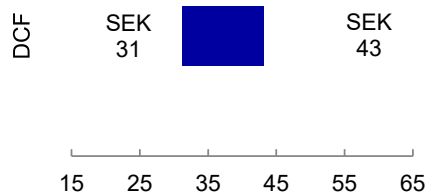
KEY DATA

Stock country	Sweden
Bloomberg	INISSB.SS
Reuters	INISSB.ST
Share price (close)	SEK 32.10
Free Float	31%
Market cap. (bn)	EUR 0.06/SEK 0.61
Website	www.inission.com
Next report date	18 Aug 2022

PERFORMANCE



VALUATION APPROACH



ESTIMATE CHANGES

Year	2022E	2023E	2024E
Sales	2%	1%	2%
EBIT (adj)	-1%	1%	4%

Source: Nordea estimates

Nordea Markets - Analysts

Victor Hansen
AnalystCarl Ragnerstam
Analyst

Past the trough but still some way back

We expect a solid Q2 for Inission, albeit still hampered by headwinds related to costs and supply. We forecast Q2 sales of 31% y/y (23% organic) and adjusted EBIT of 84% y/y. Inission is increasing its ownership in Enedo to 80%, hoping to boost synergies. We include Enedo's net debt (SEK 137m) in our estimates, bringing Inission's net debt/EBITDA to 2.9x 2022E (3.3x if the remaining 20% stake is paid in cash). We lower adjusted EBIT by 1% for 2022E, but raise it by 1-4% for 2023E-24E. We lower adjusted EPS by 9-11% for 2022E-24E due to the share issuance and interest payments. We update our DCF-based fair value range to SEK 31-43 (30-41). The lower end represents a 10.9% WACC (upper end: 9.6%) and a 1 pp drop in the EBIT margin. Inission trades at a 2023E EV/EBIT of 10x versus 11x for peers.

Q2 expectations

Inission reports its Q2 figures on 18 August. We expect significant headwinds from component shortages and input price inflation. We forecast sales of SEK 337m (up 31% y/y; 23% organic and 7% M&A), driven by easy comps (-9% y/y organically in Q2 2021), price hikes, M&A and adjusted EBIT of SEK 18m (up 84% y/y). This represents an adjusted EBIT margin of 5.3%, up 1.5 pp y/y, despite a rising direct material share (59% of sales, up 1.8 pp y/y).

Enedo will be consolidated from Q3, raising net debt

Inission has increased its stake in Enedo to 80%, aiming to capture "significant untapped revenue, cost and financial synergies", according to the CEO. We forecast a SEK -6m hit to Inission's EBIT from its Enedo stake, but expect a SEK 2-4m positive contribution to EBIT for 2023E-24E. We estimate that SEK 137m in net debt will be consolidated from Enedo. If we also assume that Inission will pay SEK 37m for Enedo's remaining shares, the added net debt would increase to SEK 174m. This full amount would lift group net debt to SEK 315m for 2022E (3.3x 2022E EBITDA and 2.4x 2023E). For now, we only include the SEK 137m from Enedo's net debt.

Estimate revisions

We raise 2022E-24E sales by 1-2%, due to price hikes and volume, but lower 2022E adjusted EBIT by 1% due to the tough operating environment (i.e. supply chain issues and cost inflation). For 2023E-24E, we raise adjusted EBIT by 1-4%. We lower adjusted EPS by 9-11% for 2022E-24E to reflect the Enedo-related share issuance and higher interest payments.

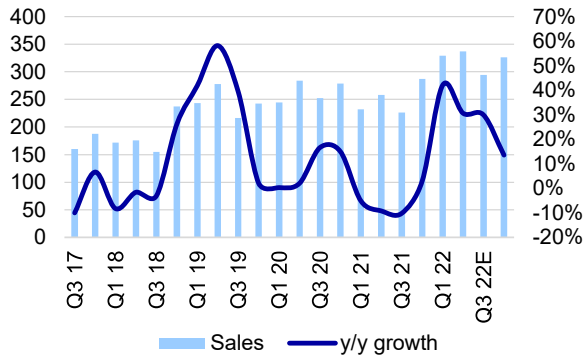
SUMMARY TABLE - KEY FIGURES

SEKm	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	740	980	1,059	1,003	1,287	1,358	1,419
EBITDA (adj)	49	76	70	69	102	113	127
EBIT (adj)	41	61	51	44	73	89	103
EBIT (adj) margin	5.5%	6.2%	4.8%	4.4%	5.6%	6.6%	7.2%
EPS (adj, SEK)	6.09	8.90	5.72	1.59	2.70	3.23	3.76
EPS (adj) growth	5.5%	46.0%	-35.7%	-72.2%	69.9%	19.4%	16.6%
DPS (ord, SEK)	1.51	0.00	0.00	0.30	0.71	1.28	1.68
EV/Sales	0.3	0.3	0.2	0.8	0.7	0.6	0.6
EV/EBIT (adj)	6.2	5.1	4.5	9.7	11.2	10.0	8.5
P/E (adj)	2.7	4.2	6.5	21.2	11.9	9.9	8.5
P/BV	0.7	1.3	0.7	2.3	2.0	1.8	1.6
Dividend yield (ord)	9.2%	0.0%	0.0%	0.9%	2.2%	4.0%	5.2%
FCF Yield bef A&D, lease	37.8%	42.5%	29.2%	-4.2%	4.4%	8.9%	9.6%
Net debt	176	130	31	145	277	236	200
Net debt/EBITDA	3.6	1.9	0.5	4.1	2.9	2.1	1.6
ROIC after tax	11.1%	16.2%	13.2%	9.4%	12.9%	15.1%	17.0%

Source: Company data and Nordea estimates

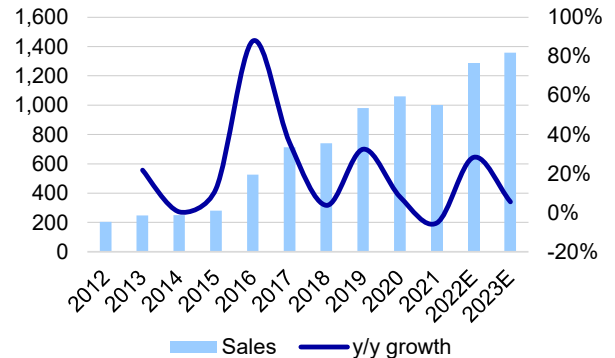
Group development

INISSION: NET SALES (SEKm), QUARTERLY



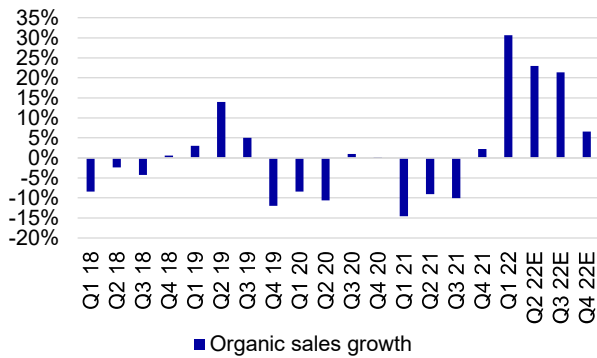
Source: Company data and Nordea estimates

INISSION: NET SALES (SEKm), ANNUAL



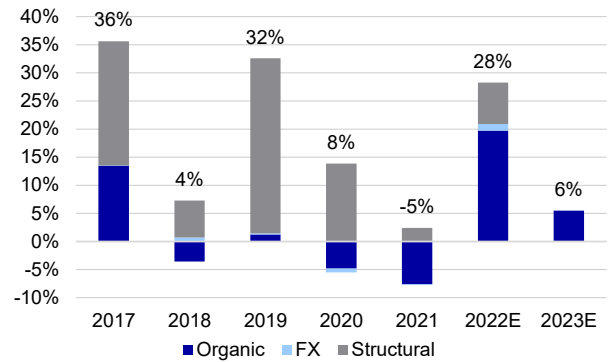
Source: Company data and Nordea estimates

INISSION: ORGANIC GROWTH (%), QUARTERLY



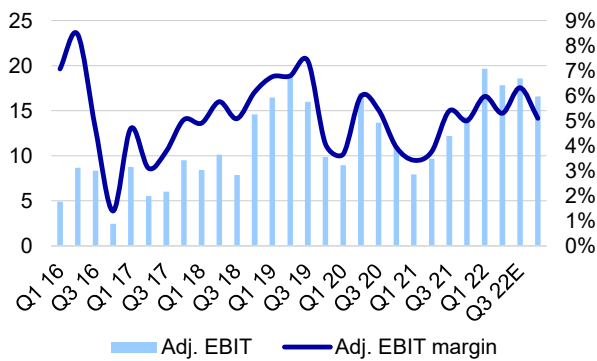
Source: Company data and Nordea estimates

INISSION: SALES GROWTH BY PARAMETER (%)



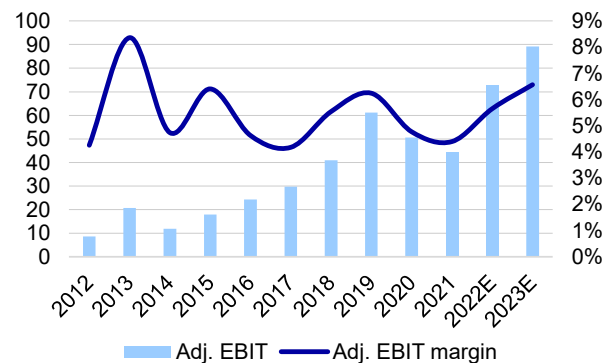
Source: Company data and Nordea estimates

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

Estimate revisions

We raise our 2022-24 sales estimates by 1-2%, due to price hikes and volume, but lower 2022E adjusted EBIT by 1% because the tough operating environment is weighing on the near-term margin due to the supply chain and cost inflation. For 2023E-24E, we raise adjusted EBIT by 1-4%. We lower adjusted EPS by 9-11% for 2022E-24E to reflect the share issuance related to Enedo and higher interest payments.

INISSION: ESTIMATE REVISIONS									
SEKm	New estimates			Old estimates			Δ		
	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E
Net sales	1,287	1,358	1,419	1,267	1,343	1,397	2%	1%	2%
Adj. EBIT	72.7	89.2	102.8	73.7	88.3	98.7	-1%	1%	4%
Adj. EBIT margin	5.6%	6.6%	7.2%	5.8%	6.6%	7.1%	-0.2 pp	0.0 pp	0.2 pp
EPS, SEK	2.38	3.21	3.72	2.60	3.61	4.06	-8%	-11%	-8%
Adjusted EPS, SEK	2.70	3.23	3.76	2.95	3.61	4.06	-9%	-11%	-7%
Sales bridge									
Organic	20%	6%	5%	18%	6%	4%	1.7 pp	-0.5 pp	0.5 pp
Currency	1%	0%	0%	1%	0%	0%	0.3 pp	0.0 pp	0.0 pp
Structural	7%	0%	0%	7%	0%	0%	0.0 pp	0.0 pp	0.0 pp
Sales growth	28.2%	5.5%	4.5%	26.3%	6.0%	4.0%	2.0 pp	-0.5 pp	0.5 pp

Source: Company data and Nordea estimates

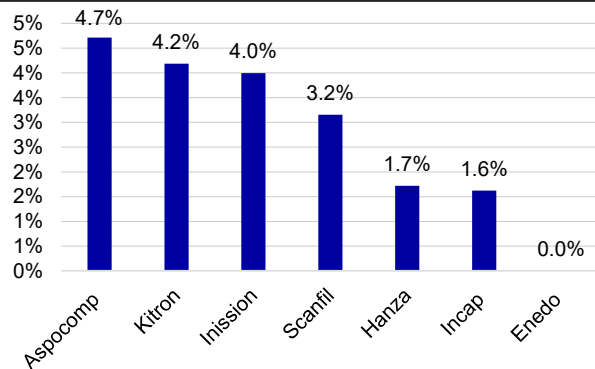
Valuation

PEER VALUATION

Company	Rec.	Mcap. SEKm	EV/EBITDA		EV/EBITA		adj. EV/EBIT		adj. P/E		Dividend yield		ND/EBITDA		ROE	
			2022E	2023E	2022E	2023E	2022E	2023E	2022E	2023E	2022E	2023E	2022E	2023E	2022E	2023E
Aspocomp	-	422	5.9x	6.2x	-	-	11.1x	10.3x	9.9x	9.2x	4.1%	4.7%	-	-	22.7%	21.0%
Enedo	-	194	6.8x	5.4x	-	-	26.0x	13.0x	27.9x	14.0x	0.0%	0.0%	1.3x	0.8x	6.4%	13.6%
Hanza	-	1,582	7.8x	6.9x	19.1x	16.5x	12.8x	10.8x	15.1x	11.8x	1.1%	1.7%	0.2x	-	-	8.5%
Incap	-	3,594	9.5x	8.5x	-	-	10.9x	9.4x	13.2x	11.6x	1.5%	1.6%	0.1x	-	35.2%	30.7%
Inission	N.R.	610	8.7x	7.9x	11.0x	9.3x	11.2x	10.0x	11.9x	9.9x	2.2%	4.0%	2.9x	2.1x	15.8%	19.5%
Kitron	-	4,314	10.5x	9.1x	-	-	14.4x	11.9x	15.7x	12.1x	3.2%	4.2%	2.5x	1.6x	21.3%	24.8%
Scanfil	-	4,812	8.9x	8.2x	11.6x	10.4x	12.1x	10.8x	13.2x	11.8x	2.9%	3.2%	0.5x	0.0x	16.0%	15.6%
Average		2,218	8.3x	7.5x	13.9x	12.1x	14.1x	10.9x	15.3x	11.5x	2.2%	2.8%	1.2x	1.1x	19.6%	19.1%
Median		1,582	8.7x	7.9x	11.6x	10.4x	12.1x	10.8x	13.2x	11.8x	2.2%	3.2%	0.9x	1.2x	18.7%	19.5%
Inission	N.R.	610	8.7x	7.9x	11.0x	9.3x	11.2x	10.0x	11.9x	9.9x	2.2%	4.0%	2.9x	2.1x	15.8%	19.5%
vs. peer average		-72%	5%	5%	-21%	-23%	-20%	-8%	-22%	-13%	0.1pp	1.2pp	134%	85%	-3.8pp	0.4pp
vs. peer median		-61%	0%	0%	-5%	-10%	-7%	-7%	-10%	-16%	0.0pp	0.8pp	224%	72%	-2.9pp	0.0pp

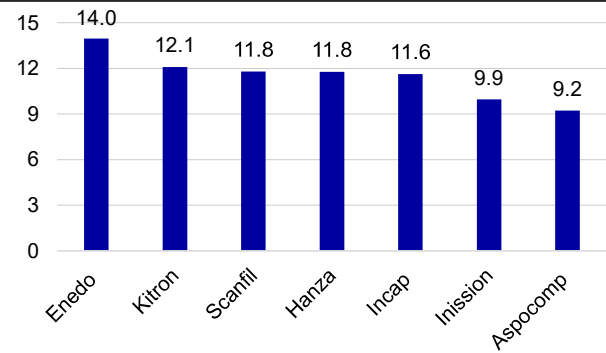
Source: Refinitiv and Nordea estimates

DIVIDEND YIELD (%), 2023E



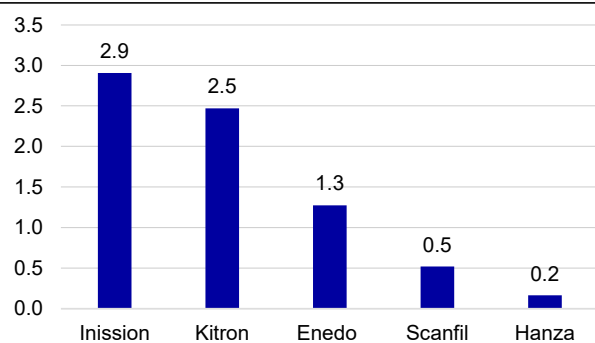
Source: Refinitiv and Nordea estimates

ADJUSTED P/E (x), 2023E



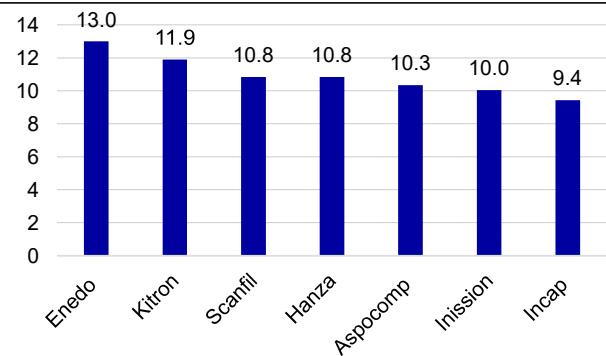
Source: Refinitiv and Nordea estimates

NET DEBT/EBITDA (x), 2022E



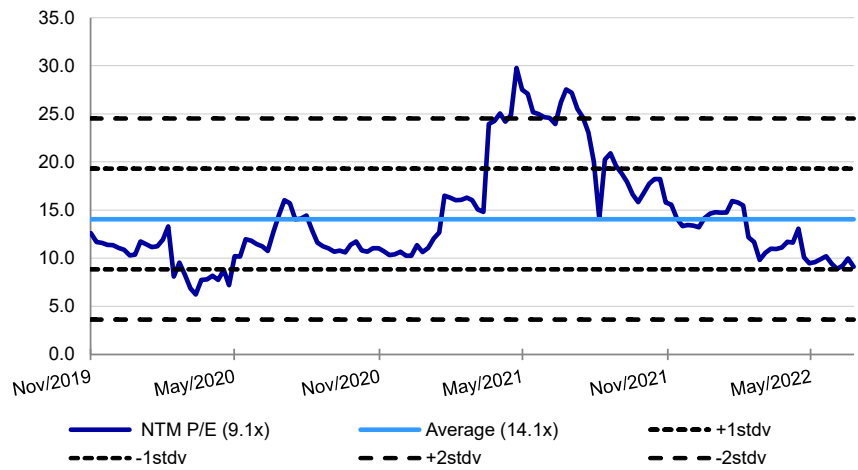
Source: Refinitiv and Nordea estimates

ADJUSTED EV/EBIT (x), 2023E



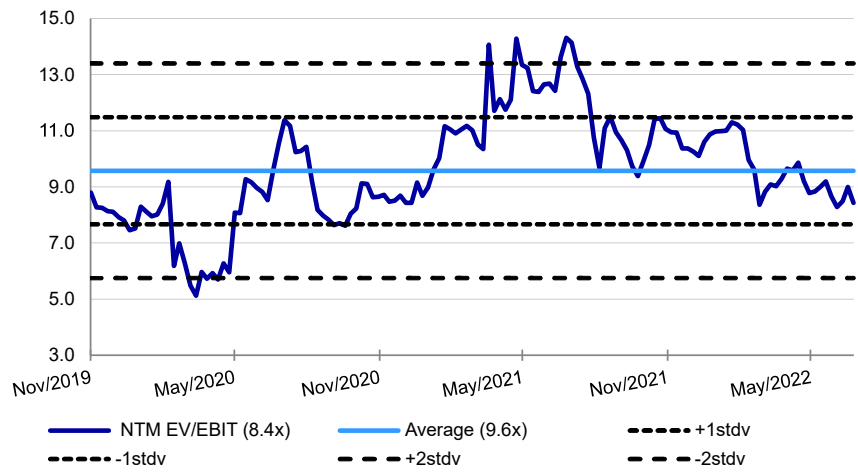
Source: Refinitiv and Nordea estimates

P/E (x), NTM



Source: Refinitiv

EV/EBIT (x), NTM



Source: Refinitiv

Detailed estimates

INISSION: INTERIM ESTIMATES (SEKm)

	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22E	Q3 22E	Q4 22E
Net sales	244	284	252	279	232	258	226	287	329	337	294	326
Cost of goods sold	-154	-174	-149	-157	-130	-150	-132	-166	-209	-199	-172	-190
Other external costs	-20	-33	-28	-29	-27	-28	-26	-31	-32	-33	-31	-34
Personnel costs	-68	-67	-57	-69	-66	-70	-49	-72	-74	-81	-66	-80
Other operating costs	0	0	0	-2	0	0	0	-1	-1	0	0	0
EBITDA	11	23	20	18	14	15	22	18	27	25	26	24
Depreciation	-4	-7	-4	-4	-4	-4	-4	-4	-5	-5	-6	-5
EBITA	6	17	16	13	10	1	18	-10	19	20	21	18
Amortisation	0	0	-2	-3	-2	-2	-2	-2	-2	-2	-2	-2
Income from associates	0	0	0	0	0	-10	0	-24	-2	-2	-1	-1
EBIT	6	17	14	11	8	-1	16	-12	17	16	17	16
Adj. EBIT	9	17	14	11	8	10	12	14	20	18	19	17
Net financial items	-2.7	-2.1	-2.4	-2.3	-4.2	-1.9	-1.7	-2.6	-1.0	-1.3	-2.5	-2.4
PTP	4	15	11	8	4	-3	14	-15	16	15	15	13
Tax	-2	-4	-3	-3	-2	-2	-2	-3	-5	-3	-3	-3
Net profit	2	11	9	5	2	-5	12	-18	12	11	12	10
Basic EPS, SEK	0.44	2.23	1.70	0.89	0.31	-0.81	0.66	-0.99	0.63	0.63	0.60	0.53
Diluted EPS, SEK	0.44	2.23	1.68	0.89	0.31	-0.80	0.66	-0.99	0.63	0.63	0.60	0.53
NOSH pre dilution	4.90	4.98	5.06	6.00	6.00	6.00	18.09	18.11	18.11	18.11	19.92	19.92
NOSH post dilution	4.93	4.97	5.10	6.04	6.04	6.04	18.09	18.11	18.11	18.11	19.92	19.92
EBITDA margin	4.4%	8.3%	8.0%	6.4%	6.1%	5.7%	9.6%	6.3%	8.2%	7.4%	8.9%	7.3%
EBITA margin	2.6%	6.0%	6.3%	4.8%	4.5%	0.5%	7.9%	-3.6%	5.9%	5.9%	7.0%	5.7%
EBIT margin	2.6%	6.0%	5.4%	3.8%	3.4%	-0.4%	7.1%	-4.3%	5.2%	4.8%	5.9%	4.8%
Adj. EBIT margin	3.7%	6.0%	5.4%	3.9%	3.4%	3.8%	5.4%	5.0%	6.0%	5.3%	6.3%	5.1%
EBITDA growth	-45%	4%	27%	52%	31%	-37%	7%	1%	91%	69%	20%	30%
EBITA growth	-61%	-10%	32%	85%	63%	-92%	12%	-177%	87%	1402%	15%	-279%
EBIT growth	-61%	-10%	13%	46%	25%	-106%	17%	-217%	117%	-1813%	9%	-226%
Adj. EBIT growth	-46%	-10%	-14%	12%	-11%	-43%	-11%	30%	148%	84%	52%	16%
Organic	-8.4%	-10.6%	1.0%	0.2%	-14.6%	-9.1%	-10.1%	2.2%	30.7%	23.0%	21.4%	6.6%
Currency	0.5%	0.1%	-1.7%	-1.7%	-1.1%	-0.1%	-0.1%	0.8%	2.9%	0.7%	0.6%	0.7%
Structural	8.6%	13.5%	17.3%	16.5%	10.6%	0.0%	0.0%	0.0%	8.5%	7.0%	7.9%	6.2%
Sales growth	0.3%	2.1%	16.6%	15.0%	-5.1%	-9.2%	-10.2%	3.0%	42.1%	30.7%	29.9%	13.5%

Source: Company data and Nordea estimates

INISSION: ANNUAL ESTIMATES (SEKm)

	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Net sales	526	713	740	980	1,059	1,003	1,287	1,358	1,419
Cost of goods sold	-317	-460	-453	-576	-634	-579	-770	-799	-830
Other external costs	-53	-50	-55	-73	-110	-112	-130	-135	-140
Personnel costs	-133	-177	-185	-251	-261	-257	-301	-314	-327
Other operating costs	8	-3	-4	-1	-2	-1	-1	-1	-1
EBITDA	31	37	49	70	67	69	102	111	123
Depreciation	-7	-7	-8	-15	-20	-16	-21	-20	-20
EBITA	24	30	41	55	53	53	78	92	103
Amortisation	0	0	0	0	-5	-9	-8	-5	-5
Income from associates	0	0	0	0	0	-34	-6	2	4
EBIT	24	30	41	55	48	11	66	89	103
Adj. EBIT	24	30	41	61	51	44	73	89	103
Net financial items	-2	-3	-4	-7	-9	-10	-7	-8	-8
PTP	23	26	37	48	38	0	59	81	95
Tax	-4	-3	-7	-11	-11	-9	-14	-17	-20
Net profit	19	23	30	37	27	-9	45	64	75
Basic EPS, SEK	15.43	5.90	6.19	7.60	5.19	-0.49	2.38	3.21	3.72
Diluted EPS, SEK	15.34	5.78	6.09	7.55	5.17	-0.49	2.38	3.21	3.72
Adjusted EPS, SEK	15.34	5.78	6.09	8.90	5.72	1.59	2.70	3.23	3.76
NOSH pre dilution	1.20	3.90	4.85	4.90	5.24	18.11	19.01	19.92	19.92
NOSH post dilution	1.21	3.99	4.93	4.93	5.26	18.11	19.01	19.92	19.92
EBITDA margin	5.9%	5.2%	6.6%	7.1%	6.8%	6.9%	7.9%	8.2%	8.7%
EBITA margin	4.6%	4.2%	5.5%	5.6%	5.0%	5.3%	6.1%	6.8%	7.3%
EBIT margin	4.6%	4.2%	5.5%	5.6%	4.5%	1.1%	5.2%	6.6%	7.2%
Adj. EBIT margin	4.6%	4.2%	5.5%	6.2%	4.8%	4.4%	5.6%	6.6%	7.2%
EBITDA growth	35%	19%	32%	43%	-4%	2%	48%	9%	11%
EBITA growth	36%	22%	38%	33%	-4%	0%	48%	17%	13%
EBIT growth	36%	22%	38%	33%	-13%	-78%	526%	35%	15%
Adj. EBIT growth	36%	22%	38%	49%	-17%	-13%	65%	23%	15%
Organic	5.0%	13.5%	-3.6%	1.2%	-4.8%	-7.6%	19.7%	5.5%	4.5%
Currency	0.0%	0.1%	0.7%	0.2%	-0.7%	-0.1%	1.2%	0.0%	0.0%
Structural	82.8%	22.1%	6.6%	31.2%	13.9%	2.4%	7.3%	0.0%	0.0%
Sales growth	87.7%	35.6%	3.7%	32.5%	8.1%	-5.3%	28.2%	5.5%	4.5%

Source: Company data and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Total revenue	250	280	526	713	740	980	1,059	1,003	1,287	1,358	1,419
Revenue growth	0.3%	12.2%	87.7%	35.6%	3.7%	32.5%	8.1%	-5.3%	28.2%	5.5%	4.5%
of which organic	n.a.	n.a.	5.0%	13.5%	-3.6%	1.2%	-4.8%	-7.6%	19.7%	5.5%	4.5%
of which FX	n.a.	n.a.	0.0%	0.1%	0.7%	0.2%	-0.7%	-0.1%	1.2%	0.0%	0.0%
EBITDA	17	23	31	37	49	70	67	35	95	113	127
Depreciation and impairments PPE	-5	-5	-7	-7	-8	-15	-20	-16	-21	-20	-20
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	12	18	24	30	41	55	48	19	74	94	107
Amortisation and impairments	0	0	0	0	0	0	0	-9	-8	-5	-5
EBIT	12	18	24	30	41	55	48	11	66	89	103
of which associates	0	0	0	0	0	0	0	-34	-6	2	4
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	-1	-1	-2	-3	-4	-7	-9	-10	-7	-8	-8
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	11	17	23	26	37	48	38	0	59	81	95
Reported taxes	-3	-5	-4	-3	-7	-11	-11	-9	-14	-17	-20
Net profit from continued operations	8	13	19	23	30	37	27	-9	45	64	75
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	8	13	19	23	30	37	27	-9	45	64	75
EPS, SEK	n.a.	11.01	15.34	5.78	6.09	7.58	5.15	-0.49	2.37	3.23	3.76
DPS, SEK	0.00	0.00	3.00	0.00	1.51	0.00	0.00	0.30	0.71	1.28	1.68
of which ordinary	0.00	0.00	3.00	0.00	1.51	0.00	0.00	0.30	0.71	1.28	1.68
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	6.7%	8.2%	5.9%	5.2%	6.6%	7.1%	6.4%	3.5%	7.4%	8.3%	9.0%
EBITA	4.7%	6.4%	4.6%	4.2%	5.5%	5.6%	4.5%	1.9%	5.8%	6.9%	7.6%
EBIT	4.7%	6.4%	4.6%	4.2%	5.5%	5.6%	4.5%	1.1%	5.2%	6.6%	7.2%

Adjusted earnings

EBITDA (adj)	17	23	31	37	49	76	70	69	102	113	127
EBITA (adj)	12	18	24	30	41	61	51	53	81	94	107
EBIT (adj)	12	18	24	30	41	61	51	44	73	89	103
EPS (adj, SEK)	n.a.	11.01	15.34	5.78	6.09	8.90	5.72	1.59	2.70	3.23	3.76

Adjusted profit margins in percent

EBITDA (adj)	6.7%	8.2%	5.9%	5.2%	6.6%	7.8%	6.6%	6.9%	7.9%	8.3%	9.0%
EBITA (adj)	4.7%	6.4%	4.6%	4.2%	5.5%	6.2%	4.8%	5.2%	6.3%	6.9%	7.6%
EBIT (adj)	4.7%	6.4%	4.6%	4.2%	5.5%	6.2%	4.8%	4.4%	5.6%	6.6%	7.2%

Performance metrics

CAGR last 5 years											
Net revenue	n.a.	n.a.	n.a.	28.4%	24.3%	31.4%	30.5%	13.8%	12.5%	12.9%	7.7%
EBITDA	n.m.	n.m.	n.m.	28.7%	13.5%	33.2%	23.9%	2.4%	20.9%	18.4%	12.8%
EBIT	n.a.	n.a.	n.a.	27.9%	14.5%	35.8%	21.5%	-15.4%	17.3%	16.8%	13.5%
EPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-14.1%	n.m.	-16.4%	-11.9%	-13.1%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	-36.9%	n.m.	-3.3%	n.m.
Average last 5 years											
Average EBIT margin	n.a.	n.a.	5.5%	5.2%	5.0%	5.2%	4.9%	4.1%	4.3%	4.7%	5.2%
Average EBITDA margin	n.a.	n.a.	7.1%	6.6%	6.2%	6.5%	6.3%	5.7%	6.2%	6.7%	7.2%

VALUATION RATIOS - ADJUSTED EARNINGS

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E (adj)	n.a.	0.5	0.9	2.5	2.7	4.2	6.5	21.2	11.9	9.9	8.5
EV/EBITDA (adj)	n.a.	1.3	4.8	6.6	5.2	4.1	3.2	11.0	8.7	7.7	6.6
EV/EBITA (adj)	n.a.	1.6	6.2	8.2	6.2	5.1	4.5	14.3	11.0	9.3	7.8
EV/EBIT (adj)	n.a.	1.6	6.2	8.2	6.2	5.1	4.5	9.7	11.2	10.0	8.5

VALUATION RATIOS - REPORTED EARNINGS

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
P/E	n.a.	0.5	0.9	2.5	2.7	4.9	7.2	n.m.	13.6	9.9	8.5
EV/Sales	n.a.	0.11	0.29	0.34	0.35	0.32	0.21	0.75	0.69	0.64	0.59
EV/EBITDA	n.a.	1.3	4.8	6.6	5.2	4.4	3.4	11.0	8.7	7.9	6.8
EV/EBITA	n.a.	1.6	6.2	8.2	6.2	5.7	4.8	14.3	11.0	9.5	8.1
EV/EBIT	n.a.	1.6	6.2	8.2	6.2	5.7	4.8	17.1	12.2	10.0	8.5
Dividend yield (ord.)	n.a.	0.0%	21.3%	0.0%	9.2%	0.0%	0.0%	0.9%	2.2%	4.0%	5.2%
FCF yield	n.a.	-283.2%	-392.6%	-85.3%	47.6%	32.2%	8.9%	-4.2%	1.6%	8.6%	9.6%
FCF Yield bef A&D, lease adj	n.a.	-237.9%	-122.7%	20.6%	37.8%	42.5%	29.2%	-4.2%	4.4%	8.9%	9.6%
Payout ratio	n.a.	0.0%	19.6%	0.0%	24.9%	0.0%	0.0%	18.9%	26.5%	39.8%	44.5%

Source: Company data and Nordea estimates

BALANCE SHEET

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Intangible assets	9	29	9	7	9	11	37	28	33	31	28
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	0	0	0	2	2	1	3	4	10	11	12
of which goodwill	9	29	9	5	7	10	33	25	23	20	15
Tangible assets	3	3	6	15	36	39	64	79	84	83	82
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
Shares associates	0	0	0	60	0	0	5	36	30	32	36
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	1	0	0	0	5	6	1	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	30	21	0	0	1	1	1	1	0	0	0
Total non-current assets	43	53	16	82	51	57	107	145	147	146	145
Inventory	47	62	164	165	241	251	211	326	399	370	387
Accounts receivable	44	53	131	124	174	156	148	191	219	224	234
Short-term leased assets	0	0	0	0	0	0	0	0	0	0	0
Other current assets	3	4	12	11	16	12	11	18	19	19	20
Cash and bank	7	17	12	3	0	1	44	0	-9	32	68
Total current assets	102	137	319	303	431	419	415	536	628	645	709
Assets held for sale	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total assets	145	190	334	386	482	477	523	681	775	791	854
Shareholders equity	60	89	59	79	111	142	270	265	305	356	405
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	60	89	59	79	111	142	270	265	305	356	405
Deferred tax	0	0	0	0	0	0	0	0	0	0	0
Long term interest bearing debt	3	1	32	26	33	32	26	47	131	131	131
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	5	6	7	7	16	14	10	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	15	38	107	70	36	32	32	14	0	0	0
Hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Total non-current liabilities	22	44	146	104	85	79	68	71	141	141	141
Short-term provisions	0	0	0	0	0	0	0	0	0	0	0
Accounts payable	22	30	75	60	107	97	86	166	206	172	180
Current lease debt	0	0	0	0	0	0	0	0	0	0	0
Other current liabilities	29	25	47	49	72	92	81	94	122	122	128
Short term interest bearing debt	12	2	7	94	107	66	17	84	0	0	0
Total current liabilities	62	57	130	203	286	256	185	345	328	294	307
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and equity	145	190	334	386	482	477	523	681	775	791	854
Balance sheet and debt metrics											
Net debt	22	23	134	187	176	130	31	145	277	236	200
of which lease debt	0	0	0	0	0	0	0	0	0	0	0
Working capital	45	64	185	191	252	229	203	275	309	319	333
Invested capital	88	117	200	273	303	286	311	420	456	465	479
Capital employed	89	129	205	269	287	273	345	410	436	487	537
ROE	13.7%	17.0%	25.1%	33.4%	31.6%	29.5%	13.2%	-3.3%	15.8%	19.5%	19.7%
ROIC	9.9%	13.7%	12.0%	9.8%	11.1%	16.2%	13.2%	9.4%	12.9%	15.1%	17.0%
ROCE	13.2%	17.1%	15.2%	12.6%	14.8%	22.0%	16.6%	12.3%	17.7%	19.8%	20.5%
Net debt/EBITDA	1.3	1.0	4.3	5.1	3.6	1.9	0.5	4.1	2.9	2.1	1.6
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	41.8%	46.7%	17.6%	20.5%	23.1%	29.8%	51.6%	39.0%	39.4%	44.9%	47.4%
Net gearing	36.3%	26.0%	228.1%	237.0%	158.8%	91.3%	11.6%	54.6%	91.0%	66.3%	49.4%

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

SEKm	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
EBITDA (adj) for associates	17	23	31	37	49	70	67	69	102	111	123
Paid taxes	-2	-3	-5	-1	-4	-9	-11	-11	-14	-17	-20
Net financials	0	0	0	0	0	-7	-9	-10	-7	-8	-8
Change in provisions	0	1	1	0	9	-2	-4	0	0	0	0
Change in other LT non-IB	-3	10	21	0	-6	-1	5	0	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	3	-11	-34	-5	-7	1	1	14	0	0	0
Funds from operations (FFO)	14	19	15	31	41	52	48	61	82	86	96
Change in NWC	13	-29	-35	-10	1	33	35	-71	-34	-10	-14
Cash flow from operations (CFO)	27	-10	-19	21	41	86	83	-9	48	76	81
Capital expenditure	-26	-5	-1	-10	-11	-9	-26	-16	-21	-20	-20
Free cash flow before A&D	1	-16	-21	12	30	77	57	-26	27	57	61
Proceeds from sale of assets	-5	0	16	-60	60	0	-5	0	0	0	0
Acquisitions	0	-3	-61	0	-52	-19	-35	0	-18	-2	0
Free cash flow	-3	-18	-66	-48	38	58	17	-26	9	55	61
Free cash flow bef A&D, lease adj	1	-16	-21	12	30	77	57	-26	27	57	61
Dividends paid	-3	-3	-50	0	0	-7	0	0	-5	-14	-26
Equity issues / buybacks	0	19	0	0	2	0	103	0	0	0	0
Net change in debt	-20	31	67	63	-57	-25	-39	-13	0	0	0
Other financing adjustments	0	-10	5	-23	13	-25	-38	64	0	0	0
Other non-cash adjustments	25	-8	38	0	1	0	0	-57	0	0	0
Change in cash	-1	10	-6	-9	-3	1	43	-44	-9	42	36
Cash flow metrics											
Capex/D&A	n.m.	n.m.	19.6%	n.m.	n.m.	57.1%	n.m.	65.5%	72.7%	81.4%	81.6%
Capex/Sales	10.4%	1.9%	0.3%	1.3%	1.5%	0.9%	2.4%	1.6%	1.6%	1.4%	1.4%
Key information											
Share price year end (/current)	n.a.	6	14	15	16	37	37	34	32	32	32
Market cap.	n.a.	7	17	57	80	181	195	610	610	639	639
Enterprise value	n.a.	30	151	244	256	311	227	755	888	875	840
Diluted no. of shares, year-end (m)	0.0	1.2	1.2	3.9	4.8	4.9	5.2	18.1	19.0	19.9	19.9

Source: Company data and Nordea estimates

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